

Ahmed Fahour:

Thank-you Chairman, for those kind words.

Senators, As my Chairman mentioned, and as you would've seen in the media ... last week I tendered my resignation to the Board of Australia Post.

I want to reiterate that I have been considering my departure for some time. However, the recent dialogue about the level of remuneration for running a government owned business has certainly sharpened my mind with regards to the timing of this decision.

It has been my great privilege to serve as CEO of Australia Post.

I have loved every moment of it ...

And I'm SO proud of what our team has achieved over the past 7 years.

- At the top of my list of our achievements ... is the fact that we saved the jobs of almost 10,000 of our people – through initiatives like Post People 1st – and by transferring one-third of all parcel deliveries to our Posties.
- We have also supported our partners in the Post Office network – the Licensees – by increasing annual payments to LPOs from \$320 million to \$450 million. That funding boost secured the viability of Post Offices in many rural and remote communities throughout Australia.
- I'm also proud of the fact that we built a parcels business that now competes with the major global logistics players.
In 2010, our parcels business was worth around \$1 Billion – and, today, it is worth somewhere between 5 and 6 Billion dollars.
- I'm proud of the fact that Post remains an entirely self-funding business – and that the reform of our Letters service has effectively avoided a \$6.7 Billion government bailout over the coming decade.
- Finally, I am very proud of the fact that over the last decade Australia Post has paid over \$4 billion in dividends, taxes and CSO funding and as met every one of our CSOs – therefore meeting both of our two key obligations as outlined by the Chairman.

Last week, I had the pleasure to announce that we earned a Pre-Tax Profit of \$197 million in the first half of this current financial year.

That result was built on robust growth in volumes, revenue and profit in our Parcels business ... And it's also an outcome of our Postal business returning to break-even, following the reform of the letters service.

It's a good note to go out on.

... But Post will face many more challenges in managing the on-going decline of the letters service – and serious headwinds as competition in the Parcels business intensifies.

We had begun last year the third and important phase of our sustainability program, including post office sustainability and the ultimate customer network.

Chairman ... as you know it's one of my greatest delights to be here at Senate Estimates...and for a final time I welcome your questions.