

Senate Standing Committee on Environment and Communications
Answers to Senate Estimates Questions on Notice
Supplementary Budget Estimates Hearings November 2014
Communications Portfolio
Australia Post

Question No: 385

Program No: Australia Post

Hansard Ref: In Writing

Topic: LPO forum

Senator Urquhart asked:

At the Estimates Hearing, Ms Corbett mentioned that an LPO forum was held on 7 November 2014:

“Ms CORBETT: We met with POAAL, we met with LPOG, and we met with APLAC. Since the inquiry began in December last year, we have formalised those arrangements with the Licensed Post Office Group, because we did have formal arrangements in place already with the other two groups, and we have already met four times formally with the Licensed Post Office Group since the inquiry was held last year. That has already culminated in our holding our first LPO forum on 7 November. That was the first time we had got all of those three consultative groups in the one room, and we really then understood what the key strategic issues were that were facing the licensee representatives groups but also Australia Post as a whole.”

At the same Estimates Hearing, Mr Fahour said that former Senator Helen Kroger chaired a stakeholder meeting that "came up with... a four point action plan".

- a. Who was invited to the forum?
- b. Who attended the forum?
- c. What items were on the agenda?
- d. What documents were circulated to participants before the meeting?
- e. What were the outcomes / actions that were decided on?
- f. What are the details of the four point action plan and associated timelines? Could you provide a copy to the Committee?

Answer:

- a. Australia Post invited each of the LPO representatives groups (APLAC, LPOG and POAAL) as well as representatives from the Minister for Communications' office.
- b. The forum was attended by:

Independent Chair

- Helen Kroger

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- Ahmed Fahour (Managing Director & Group CEO)
- Christine Corbett (Executive General Manager, Postal Services)
- Russell Ramey (General Manager Sales & Service, Consumer)

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- Erin Kelly (Head of Board & Shareholder Liaison)

Licensee Representative Groups

- APLAC – David Jeffries and Jason Hockey
- LPOG – Angela Cramp and Andrew Hirst
- POAAL – Bob Chizzoniti and Des Burns

Shareholder Representatives (observers)

- Mark Brudenell
- Pete Anstee
- Melanie Conn

c. The agenda for the meeting comprised:

- Introductions, Licensee Presentation, Open Discussion

d. Participants were provided with a copy of the agenda in advance of the meeting.

e-f. Subsequent to the meeting, we agreed to a four-point plan that includes:

1. Continuing to seek permission for reform to create a more sustainable future – a two speed letter service that will allow us and the post office network to deliver our community service obligations in a sustainable way and the ability to price our services appropriately to recover costs.
2. We must pursue a broader range of new trusted revenue streams to allow us and the Post Office network to deliver more trusted services for business and government. We also recognise the need for diversification, ensuring LPOs are not solely reliant on postal revenue streams.
3. We must investigate and better understand our overall Post Office network intensity and how this impacts sustainability beyond 2020. This includes gaining a better understanding of how the growth in the eCommerce parcels market has affected our Post Office network.
4. We need to move forward on how we work together as a group to resolve both operational and strategic issues in a mutually beneficial and consultative way that recognises the strong alignment of objectives of all parties.

Under point three above it was agreed to undertake with the support of the LPO representative groups an independent study to:

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- i. Provide deeper knowledge of the day-to-day operations, performance and long term sustainability of the network.
- ii. Provide understanding of the wider influences on LPO businesses including post office network intensity and competition.

It was further agreed to, in parallel with the study, investigate parcel specific issues particularly around cost and revenue streams.