

**Senate Standing Committee on Environment and Communications**  
**Answers to Senate Estimates Questions on Notice**  
**Supplementary Budget Estimates Hearings October 2016**  
**Communications Portfolio**  
**Australian Postal Corporation**

**Question No: 93**

**Australia Post**

**Hansard Ref: Page 57, 18/10/2016**

**Topic: Delivery targets - Standards**

**Senator Bushby, David asked:**

**CHAIR:** Exactly that. There is a degree of relativity involved in it, so I just wanted to know what the standards are that you are actually trying to meet.

**Mr Fahour:** I am pleased to say that our service standard that we met, when I gave you that target for this year, actually also had six months of the old standard and six months of the new standard. Our performance exceeded the 94 per cent in that old standard, in that first half, and exceeded the new standard in the second half. We met the expectation both ways, if I could say it like that, so I think that is hopefully a fair response to you.

**CHAIR:** Yes.

**Mr Fahour:** Now, of course, that standard varied in the second half of the year whereby what we said is we had two different products, we had the priority product and then we had the regular product, the priority product was actually the same as the original standard and we exceeded that original standard in the priority product. Of course in the regular, the new economy class one—the regular one is the new economy class—we exceeded that by miles because that, as you said, added an extra day or two or whatever in terms of how much time we had. But the reason why we added the days is that we made it a cheaper stamp. It is a bit like saying, 'Do you want a small cup of coffee, a medium or large?' If you want a small one it is cheaper.

**CHAIR:** Yes. You do not want to have to pay for a large.

**Mr Fahour:** You do not want to pay for large and also I am not wasting money by giving you a big cup and half filling it. I am giving you what you want and I can efficiently allocate the resources to meet that standard. That is what has helped us reduce all of the losses.

**CHAIR:** I understand that but, as you say, the economy standard has added days.

**Mr Fahour:** There is an extra couple of days for that.

**CHAIR:** So what is the standard then?

**Mr Fahour:** It depends on where you are: city to city, city to metro, metro to metro, interstate or within the state. I can give you the list of the schedule on notice.

**CHAIR:** If you can that would be good.

**Mr Fahour:** I am very happy to.

**Answer:**

The following standards are prescribed in the *Australian Postal Corporation (Performance Standards) Amendment (Speed of Mail Delivery) Regulation 2015*.

Senate Standing Committee on Environment and Communications

Answers to Senate Estimates Questions on Notice

Supplementary Budget Estimates Hearings October 2016

Communications Portfolio

Australian Postal Corporation

<b>Time for delivery of reserved services letters</b>			
<b>Item</b>	<b>Column 1 Address for delivery of letter</b>	<b>Column 2 Delivery time for priority letters</b>	<b>Column 3 Delivery time for regular letters</b>
<b>Part 1—Delivery within a State</b>			
1	Address within: (a) if the letter is lodged in the capital city of a State—that city; or (b) if the letter is lodged in another city, or a town, in a State—that city or town, or an adjacent city or town in the same State	Next business day after day of posting	3 business days after day of posting
2	If item 1 does not apply—address within the State in which the letter is lodged	2 business days after day of posting	4 business days after day of posting
<b>Part 2—Delivery between States</b>			
3	If the letter is lodged in the capital city of a State—address within the capital city of another State	2 business days after day of posting	5 business days after day of posting
4	If the letter is lodged outside the capital city of a State—address within the capital city of another State	3 business days after day of posting	6 business days after day of posting
5	If the letter is lodged in the capital city of a State—address outside the capital city of another State	3 business days after day of posting	6 business days after day of posting
6	If the letter is lodged outside the capital city of a State—address outside the capital city of another State	4 business days after day of posting	7 business days after day of posting