

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: 95

Australia Post

Hansard Ref: Page 60, 18/10/2016

Topic: Parcel delivery service

Senator Xenophon, Nick asked:

Senator XENOPHON: The complaint that I have had from some licensed post office operators is that they say that they do not believe that they have improved the parcel delivery service. Can you provide, on notice, details of the efficiency of the machines, the complaints that you have had about the machines, whether there have been any teething problems and the like in respect of that, including any maintenance and other issues and what feedback you have had from your LPOs?

Mr Fahour: The answer is of course we will. Of course we have teething problems but we are delighted with where we are today.

Answer:

There are three new parcel sortation machines deployed across processing sites in Sydney and Melbourne. These machines have increased parcel sorting capacity per hour by over 100 per cent since implementation.

The machines operate with complex sorting technology, encompassing three possible scenarios of address identification: compliant bar code; compliant address read; and are supported by video coding intervention when required. The accuracy of this technology is extremely high, however the accuracy of the sorting decision relies on the following important factors:

- quality of sender or merchant data and timeliness in which it is conveyed to Australia Post;
- accuracy and clarity of receiver address on parcel; and
- packaging quality.

Service analysis on parcels scanned at incorrect locations stands at approximately 0.4 per cent of all parcels, which after subsequent review shows that approximately 50 per cent of this is due to data and address failures by senders, 30 per cent due to human error where parcels not suitable for machine induction are manually sorted, and 20 per cent related to a parcel sorting error on the machines.

The machines' operating efficiency meets industry standards and is supported 24/7 by a technical and maintenance team.

Australia Post works closely with its customers, staff and licensees to help educate and improve address and data compliance. The LPO Group (a licensee representative association) has reported to Australia Post on a small number of occasions their concerns about the efficiency and accuracy of the new machines, largely highlighting the negative effect they believed such issues were having on the Australia Post brand.