



POAAL

Post Office Agents Association Limited

A.C.N. 006 382 314

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30 May 2017

Ms Anna Pound
A/g Assistant Director
Adjudication
Merger and Authorisation Review Division
Australian Competition and Consumer Commission
GPO Box 3131
CANBERRA ACT 2601

Dear Ms Pound,

Applications for authorisation A91583 & A91584

Please find attached POAAL's response to the ACCC's invitation to comment on authorisation applications A91583 and A91584.

POAAL, the Post Office Agents Association Limited, is the experienced, independent, national organisation for small business owners in the postal sector. POAAL has represented Licensees and their predecessors with integrity since 1939.

POAAL has a deep and long-standing commitment to post office owners and the postal sector in general.

We trust that our comments will assist the ACCC in making its decision regarding authorisation and interim authorisation.

Yours sincerely,

Des Burns
Deputy Chairman

Encl.

Applications for authorisation A91583 & A91584

1. The ACCC noted that it usually considers a range of factors in relation to requests for interim authorisation.
2. Granting interim authorisation would result in no public benefit and, moreover, we believe that there are no matters of pressing urgency that require interim authorisation to be granted.
3. Australia Post recently provided POAAL with documentation relating to the annual review of LPO payments. POAAL understands that Australia Post has provided the applicant with the same material at the same time as POAAL.
4. Refusal by the ACCC to grant interim authorisation would cause no disadvantage to Licensees. Granting interim authorisation would disrupt the annual review of LPO payments, meaning that any resultant increases to Licensee payments would be delayed.
5. POAAL notes that Licensees can negotiate individually with Australia Post, and over 30% of Licensees have exercised that right and have negotiated Special Conditions in their individual LPO Agreements.
6. In addition to its consultative arrangements, Australia Post hosts a number of forums in which it talks directly with Licensees, including:
 - a. Licensee Advisory Council (State and National);
 - b. Australia Post's annual State LPO conferences; and
 - c. Australia Post LEEP (Licensee Engagement Exchange Programme) meetings, held twice a year across all States in suburban, regional, and rural areas.
7. Licensees receive added protection via the minimum income payment (also known as the minimum payment allowance), a guaranteed minimum income proposal put forward by POAAL and agreed to by Australia Post.
8. There is a low level of formal disputes between Australia Post and Licensees. There have been only two so far in this current financial year, a testament to POAAL's determination to assist Licensees to sort out issues before they escalate to disputes.
9. Australia Post is subject to Community Service Obligations (CSOs), including the size and make-up of its retail network, the frequency of delivery, the timeliness of delivery, and the number of street posting boxes. Other carriers such as DHL and Toll are not obliged to deliver to all addresses or maintain an extensive retail network. Authorisation will not change Australia Post's obligation to meet its CSOs.
10. The postal sector is undergoing significant change, largely as a result of the public's embrace of technology. The clock cannot be turned back, and any application for authorisation will not change that.