

Graph 1b : EFFECT OF POB PAYMENT ON LABOUR HOURS

(preliminary only : must be read in conjunction with Graph 1a & 1c)

BASIS OF CALCULATIONS:

- 1) 0% increase in workload due to scanning or increase in quantity of parcels. Any increase shown is attributable only to an increase in POB payment.
- 2) 0% increase in overflow space due to an increase in quantity and/or size of parcels. Any increase shown is attributable only to an increase in POB payment.
- 3) Split of POB payment into labour & over flow space components assumed as 80% labour, and 20% space.
- 4) Cost of labour based on Postal Services Industry Award 2003 [AP830245 – Fed], Postal services manager level 2. The 2012 rate was \$21.74/hr excl loadings, SG & profit.
- 5) The labour rates prior to 2003 have been determined using a multiple of the minimum wage. The multiple (x1.48) is based on the year 2003 figures.
- 6) Cost of overflow space assumed as \$300 per sqm in year 2012 and this figure has been adjusted (down) according to CPI to 1993.

- SCENARIO 1 - AP POB payment (linked to BPR) - in Graphs 1b & 1c, labour (hrs) and overflow space (m²) has been reduced to offset increase in Licensee's labour & rent costs
- - - SCENARIO 2 - If same labour (hrs) & overflow space (m²) provided from 1993 to 2012 and labour & rent costs indexed from 1993 in accordance with Award labour rate and CPI
- - - SCENARIO 3 - If POAAL had acted : Payment linked to BPR up to 2001; 1-Jan-2002 POB payment restored to 1993 labour & overflow figures then POB payment indexed to CPI
- SCENARIO 4 - If POB payment adjusted from 1993 based on the average % growth in AP revenue (4.028% per year)
- SCENARIO 5 - If POB payment linked to CPI from 1993

