

I am the licensee/self employed sole operator and sole employee of this Licensed Post Office (LPO). Australia Post's (Post) products and services are the only source of income for this business. As part of your current deliberations, I support Post's application and note the following:

- ☐ **You should be aware that business is very tough and many licensees, myself included and especially those in rural and remote areas, have an investment in a business and are working long hours for a return of less than the minimum wage.**
- ☐ If the LPO network is to survive at all, this situation must be addressed immediately by a substantial increase in our remuneration from Post and an ability to generate greater income from any and other sources. For many years, Licensees have been providing Post's community service obligation at our cost and not that of either Post or the Government. It is time this situation was corrected and Licensees paid for this service we provide.
- ☐ A significant portion of the income we receive from Post is calculated by reference to the Basic Postage Rate (BPR) for which Post is applying to increase from 60¢ to 70¢ which would flow to an immediate increase in our incomes.
- ☐ Customers understand that prices can not be frozen indefinitely or even a prolonged time such as is the case as present when there has been no increase since July, 2010 and similarly (ie, far worse) when there was a 10 year freeze on the BPR which ended some years before.
- ☐ The cost of posting a letter should be set at a figure which reflects the cost of providing the service. Letter volumes are declining rapidly and as technology becomes more prevalent in the delivery of communications, there is no point in trying to arrest the decline. It may be this true cost is perhaps \$1 per letter which is still in the "normal" range by world standards. I believe that cost savings can be achieved without undue negative community reaction by a reduction in the number of deliveries to 2 or 3 per week or the discontinuance of them entirely and replaced by customer collection at the local Post Office as proposed by Canada.
- ☐ Letters at the BPR (up to a large letter of 500g and 20mm thick) will still be delivered anywhere in Australia's territory (including its far-flung islands).
- ☐ I am in *disagreement* with Post's suggestion and the Post Office Agents' Association Ltd's support for a concessional rate for concession card holders and especially for a further 2 years. As indicated above, I believe that the service provided is the same and society is subsidising everyone who posts a letter whilst the service continues to operate at a loss. Moreover, it appears it is going to be a hopelessly difficult scheme to implement, If there is to be a further subsidy, it would be far simpler and cheaper to pay them a one off \$1. {For what it's worth, these sentiments apply equally to the Mail Redirection Service.}