Australian Competition & Consumer Commission via email postalservices@accc.gov.au

cc Jennifer McGrath Acting Director Mobiles, Transmission and Consumer Branch ACCC jennifer.mcgrath@accc.gov.au

cc Kim Hollis
Acting Director
Mobiles, Transmission and Consumer Branch ACCC
kim.hollis@accc.gov.au

## Submission: Australia Post Proposed Price Increase on Stamps with regards Question 1

Do you consider the price increase proposed by Australia Post is reasonable? Please provide reasons for your view.

## My response:

The Australia Post business is concerned with post, parcels and products. In addition it acts as a bank agency for 80 + financial institutions.

Australia Post may report on each of its areas separately but each post office (PO) has the same overheads in terms of physical spaces (shop and distribution centres) for each of these services, noting of course that parcels (because of their size) require more storage and over the counter receiving space.

These costs are applicable to the suite of services provided including the sale of stamps.

The services provided by the network of POs are especially important in regional and rural areas with 54% of people agreeing that Australia Post contributes to the resilience of their community (Deloitte Survey, 2021).

Post Offices are busy places providing a range of services. People might be posting less letters but they are still going to their PO.

When you buy a stamp it may be for a letter/card but you may also be buying stamps for a parcel. I don't understand why the price of a letter stamp should go up. It could come to a point where people decide to send a small parcel because the cost differential is negligible. This will speed up the decline of postal letters and of course impact jobs.

As noted by Australia Post there has been a decline of 280 million domestic addressed letters in the last year. Interestingly "letters are still the most used service by businesses, with 47% ranking sending letters as their most used service." The Value of Post Offices in Australia, A Deloitte Report from 2021 https://auspost.com.au/content/dam/auspost\_corp/media/documents/the-value-of-post-offices-in-australia.pdf

POs are important to communities; POs have proven adept in adopting new service offerings; POs are operating at a profit. I don't understand why the price of a letter stamp should go up.

(Mrs) Dale Dumpleton