

Our ref: IRD23007229

Contact officer: Kim Hollis Contact phone: (07) 3835 4635 Land of the Gadigal people of the Eora Nation Level 27, 135 King Street Sydney NSW 2000 GPO Box 3131 Canberra ACT 2601 Tel 02 9230 9133 www.accc.gov.au

14 March 2024

Paul Graham Group Chief Executive Officer and Managing Director Australia Post 219-241 Cleveland Street STRAWBERRY HILLS NSW 2012

Dear Mr Graham

Re: Notice pursuant to paragraph 95Z(6)(b) of the *Competition and Consumer Act 2010* in response to Australia Post's price notification dated 27 February 2024

I refer to the locality notice (price notification) provided to the Australian Competition and Consumer Commission (ACCC) on 27 February 2024 by Australia Post pursuant to section 95Z(5) of the *Competition and Consumer Act 2010* (CCA).

On 13 March 2024, the ACCC decided to not object to the proposed 25% price increase for reserved ordinary letters delivered to the regular timetable, due to take effect from 3 April 2024.

In considering the locality notice, the ACCC formed the view that Australia Post is not likely to recover revenue in excess of its costs for reserved ordinary letter services over the period 2023–24 to 2025–26 if the proposed 25% increase in price is implemented.

I do emphasise, however, as set out in the ACCC preliminary view paper published on 25 January 2024, that in the absence of improvements to the information provided by Australia Post in support of any future price notifications, the ACCC may not be in a position to not object to future proposed price increases.

The document setting out the reasons for the ACCC's decision is included as an attachment to this letter and will be published on the ACCC's website at <u>https://www.accc.gov.au/by-industry/postal-services/postal-services-price-notification-and-monitoring/australia-post-letter-pricing-2023</u>. The decision paper will also be included in the public register kept under section 95ZC of the CCA.

If you would like to discuss this letter, please contact Kim Hollis on (07) 3835 4635 or at <u>kim.hollis@accc.gov.au</u>.

Yours sincerely

ly Cass. Jottil

Gina Cass-Gottlieb Chair