

Senate Standing Committee on Environment and Communications
Answers to Senate Estimates Questions on Notice
Budget Estimates Hearings May 2011
Broadband, Communications and the Digital Economy Portfolio
Australia Post

Question No: 1

Program No. Australia Post

Hansard Ref: Page 116 (25/05/2011)

Topic: Rockhampton Mail Centre

Senator Macdonald asked:

Senator MACDONALD: Would Australia Post be prepared to approach the Rockhampton regional council and ask them if, as you indicated earlier, Mr Ousley, they would give you permission, even though as a Commonwealth agency you do not need it, to operate that premises in that spot? If I could get your acknowledgement or agreement to do that, I and, I think, the residents would be relatively happy because the indications are that the council would say, 'No. Move.' Would you be prepared to do that?

Mr Ousley: I would need to take advice and address that on notice, if I could. I am not equipped to respond to that right now.

Answer:

The Rockhampton Mail Centre has been operating at its current location since 1982. Australia Post does not intend to approach the council for approval to continue operating the mail centre at this location.

Any relocation will incur a significant cost to Australia Post and have a major impact on mail deliveries and staff. Australia Post is committed to working with council and progressing noise abatement options for affected residents.

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Question No: 2

Program No. Australia Post

Hansard Ref: Page 117 (25/05/2011)

Topic: Mail Deliveries to Belconnen Mall

Senator Humphries asked:

Senator HUMPHRIES: I want to ask about a different issue. I have constituents in a shopping mall in Canberra at the Belconnen mall who have rung me to say that they have recently been notified that Australia Post will no longer deliver mail to any of the shops in the mall. The shop owners or lessees now have the choice of either purchasing a post office box in an Australia Post centre or possibly, in due course, purchasing some kind of post box arrangement constructed for the purpose in the mall itself. For both of these options they need to pay considerable amounts of money. Is it the policy of Australia Post to discontinue the delivery of mail to shops in shopping malls?

Mr Marshall: Mr Ousley might want to take that issue on.

Mr Ousley: Senator, firstly, it is not a policy to cease delivering to shopping centres and retailers within shopping centres. That is certainly not a policy of Australia Post. I am not familiar with aspects relating to the Belconnen mall in particular. But if I can take that on notice, I will certainly provide a response quickly.

Senator HUMPHRIES: So, as far as you are concerned, if a shop owner or lessee has an identifiable address, someone addresses a letter to a shopkeeper at that address and you can identify where that is, you will still deliver to such addresses?

Mr Ousley: That is correct.

Senator HUMPHRIES: Is it possible that a mall operator might say to the shop owners that they cannot have mail delivered because they do not want Australia Post employees trudging through the mall?

Mr Ousley: I have never had a situation like that brought to my attention. In fact, it is quite the opposite. Generally, Australia Post representatives delivering a product to retailers within shopping malls are welcomed and facilitated quite well.

Senator HUMPHRIES: That is great. Perhaps you can take that on notice. I am getting more information about the particular shopkeepers. If you want that information, please just get in touch with me.

Mr Ousley: Thank you.

Answer:

Australia Post's Point of Delivery policy provides for mail for each shop or business in a shopping centre to be delivered into one mail box or a single group of letter boxes located at or near the entrance to the shopping centre or at a convenient point within the shopping centre, as close as possible to vehicle parking facilities.

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While Australia Post does not forcefully, unilaterally or retrospectively impose the Point of Delivery policy on all non-complying shopping centres, local delivery managers do take the opportunity to consult with shopping centre owners and developers, particularly in the lead-up to refurbishment programs, about the best possible mail delivery arrangements for the centre, with a view to bringing them into line with the Point of Delivery policy, wherever possible.

This is what happened in the case of Belconnen Shopping Centre, where as part of a major refurbishment program, local delivery managers and the property owner (Westfield) discussed the benefits of consolidating the many delivery points in the centre and how this would provide more disciplined addressing (i.e. mail not just addressed to a business or shop name), greater portability of addresses within the centre and efficiency gains for Australia Post.

Once Westfield agreed to supply and install the letterboxes, local delivery managers were expected to fully implement the Point of Delivery policy (i.e. cease mail deliveries to individual tenants). Mail for tenants has been delivered to the new letterboxes since 16 June 2011.

The Point of Delivery policy has been implemented at many other comparable sized shopping centres around Australia. Nevertheless, Australia Post acknowledges it could have assisted tenants at Belconnen to make a smoother transition to the new delivery arrangements by writing to them well in advance to explain the rationale behind the change. Australia Post apologises to the tenants at Belconnen for its failure to communicate with them adequately on this occasion.

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Question No: 3

Program No. Australia Post

Hansard Ref: Page 118 (25/05/2011)

Topic: Sale of products in Licensed Post Offices

Senator Ryan asked:

Senator RYAN: Sure. Do you keep statistics on the number of disputes you have with licensed post offices and the resolution of those disputes?

Mr Ramey: Yes. We have a mechanism within the licensed post office agreement that is the framework for dispute handling.

Senator RYAN: I understand there are certain items that LPOs cannot sell but which corporate outlets can sell, particularly certain Express Post items. Am I correct? That has been put to me.

Mr Ramey: I would need to take that one on notice.

Senator RYAN: If you could, I would be happy for you to outline what items the corporate outlets can sell but LPOs cannot and the rationale for that distinction. That would be very helpful. I want to turn to a couple of questions on notice I asked last time that I do not think were answered. Last time—I accept Mr Fahour was here—I was told that I would be provided with the members of the Stamp Advisory Committee. But in answer to question on notice 24, I have a general description of the Stamp Advisory Committee but no list of members.

Answer:

The Express Post 3kg and 5kg jumbo satchels are available for purchase by selected individual contract/account customers from Australia Post Business Centres only. They are not available for purchase from corporate post offices or licensed post offices because of the detailed approval process involved.

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Question No: 4

Program No. Australia Post

Hansard Ref: Page 118 – 120 (25/05/2011)

Topic: Australian Legends Stamp Series

Senator Ryan asked:

Senator RYAN: I will make it clear this time. What I would like to know is: who originated the idea for the 1970s? We had that discussion last time. I am not going to waste the time of the committee doing it again. Who outside Australia Post was consulted, be they historians, academics, journalists, the minister's office or otherwise? Could I have that information, please?

Mr Burke: Yes, Senator.

Answer:

The members of the Stamp Advisory Committee are:

- Malcolm Groom – Philatelist
- Deborah Brash – Creative Director, Murdoch Books
- Sue Morris – Design Director, Linen House
- Sue Passmore – Graphic Designer, Australia Post
- Sue Dixon – Trend Forecaster
- Nigel Fitton – Design Director, Spowers architects
- Tony May – Business Unit Manager, Sprintpak
- Michael Zsolt – Manager Philatelic, Australia Post
- Lynette Traynor – Manager Design, Australia Post

As previously advised, this committee does not have a role in the selection of stamp issue subjects or the selection of stamp issue content. The Stamp Advisory Committee's role is to consult on the design aspects of stamp issues.

The 1970s was not part of any theme, criteria or consideration as to who was selected for the 2011 Legends. The theme of **women's rights/gender equality** was considered timely, to coincide with the celebration of the Centenary of International Women's Day in early 2011.

Following extensive preliminary research by our philatelic group, formal consultation occurred with Sally Moyle, Margaret Morten and Christine Kajewski of the Office of Women. Further research was then conducted into the relevance of each woman to the theme of advancing women's equality. Library and web research sources included key publications on women's history and feminism in Australia, such as Professor Marilyn Lake's *Getting Equal: A History of Australian Feminism* and Marilyn Lake and Katie Holmes' *Freedom Bound: Documents on Women in Modern Australia*, and websites such as the Australian Women's Register.

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When selecting the recipients as Australian Legends a number of factors were considered in addressing the theme, including:

- The recipients' lifelong contribution to achieving women's rights/gender equality
- The impact of the recipients' work in this area on modern Australian society and culture
- Public recognition already achieved in the field of women's rights/gender equality

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Question No: 5

Program No. Australia Post

Hansard Ref: Page 120 (25/05/2011)

Topic: Australian Air Express Wage Negotiations

Senator Abetz asked:

Senator ABETZ: Again, I might put further questions on notice. In relation to Australian Air Express, which I understand is a joint venture between Australia Post and Qantas, have there been some wage negotiations in relatively recent times, as in November last year?

Mr Marshall: Yes, there have been. I am not exactly sure of what month.

Senator ABETZ: Have these negotiations been finalised with a three-year deal?

Mr Marshall: Yes. I understand they have.

Senator ABETZ: Are you able to disclose to us the size of the increase over the three years?

Mr Marshall: I would have to take the details of that on notice.

Senator ABETZ: If you could. It has been put to me that it is an increase in the range from 14 to 21 per cent, which is going to have a significant impact in the private sector. The private sector has put it to me, in effect, that at least a partly government-owned enterprise engaging in these sorts of activities has flow-on effects, potentially, for the private sector. If my figure of 14 to 21 per cent is wrong, then of course my question about corporate responsibility goes out the window. So how about you give us the figure on notice. Then, once we have that figure, we can have a further discussion.

Mr Marshall: I do not believe that those numbers are the nature of the settlement. But let me take that on notice.

Answer:

The final Transport Workers Union deal with Australian Air Express (AAE) was a 14% increase over 39 months, which followed a 12-month wages pause due to the effects of the global financial crisis. In reality, the increase was 14% over 51 months, or an average of 3.3% per annum over the period. In return, AAE resolved a number of classification structure anomalies that will improve productivity.

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Question No: 6

Program No. Australia Post

Hansard Ref: Page 120 (25/05/2011)

Topic: Launceston Post Office Building

Senator Abetz asked:

Senator ABETZ: Time is very short. Let me go to my home state. I read in the Launceston Examiner of Wednesday, 27 April that there are discussions with Australia Post about opening a facility again at the old Launceston post office building. Does anybody know anything about that? If not, take it on notice.

Mr Ramey: We can take that on notice.

Answer:

As part of a current review of the Retail Network in the Launceston area, Australia Post will consider a range of options including the possibility of re-establishing a full service post office at the Cameron Street site. Australia Post will consult with the local community before making any changes to retail services in the Launceston area.

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Question No: 7

Program No. Australia Post

Hansard Ref: Page 121 (25/05/2011)

Topic: Fair Work Act – Adverse Actions

Senator Abetz asked:

Senator ABETZ: I might put some more questions on that topic on notice. Are you able to tell us how many adverse actions Australia Post is currently facing under industrial legislation? Do you have it handy?

Ms Walsh: No, sorry.

Senator ABETZ: If you do not, take it on notice.

Ms Walsh: I will take that on notice.

Senator ABETZ: Very quickly, how many has it dealt with? How many have been settled and at what cost, both by way of settlement costs and legal costs? Take that on notice, please.

Ms Walsh: Yes. I will take those on notice.

Answer:

Since 1 July 2009, Australia Post has dealt with 20 Adverse Action cases. 18 cases have been settled at a cost of \$12,500. The total legal cost for these cases was \$253,765.

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Question No: 8

Program No. Australia Post

Hansard Ref: Page 122 (25/05/2011)

Topic: Parcel Trial – St Leonards

Senator Abetz asked:

Senator ABETZ: I do appreciate that. What can you tell us about carded parcels? I understand that has been happening more and more over the past seven or so years. A lot of parcels are being delivered in this way. They are left at local post offices for collection.

Mr Ramey: It is growing for us. Parcels are delivered when the residents are not home. Oftentimes those items will then be carded back to the post office for the person to pick up. That is correct.

Senator ABETZ: So the local post office gets no benefit out of that, does it, financially?

Mr Ramey: There is a range of payment mechanisms to licensed post offices, if that is what you are referring to, where they are paid fees through different mechanisms for handling those carded items.

Senator ABETZ: They are?

Mr Ramey: Yes.

Senator ABETZ: Thank you. I understand you are undertaking a trial with St Leonards and Belconnen. Is that correct?

Mr Ramey: Are you talking about—

Senator ABETZ: Parcel trials for local corporates, yes.

Mr Ramey: Yes, that is correct. We have a trial in St Leonards. We have a range of trials going on. That is an example of one of them.

Senator ABETZ: When did the trials start? If you do not know, take it on notice. When do you anticipate the trial will finish so that you can share your—a terrible word—learnings from the exercise? You can take that on notice as well. Are you able to share with us what you have learnt so far?

Mr Ousley: Very briefly, Senator, I can share with you the St Leonards trial in particular, involving the suburbs of Artarmon, St Leonards, North Sydney, Crows Nest and Chatswood et cetera. Where those parcels would have otherwise been carded to a corporate or licensed post office in those areas, they have been centrally located at the St Leonards delivery centre in Herbert Street. The response from customers to that offering where they have after-hours collection available to them and seven days a week collection during this period has been very successful. More than 80 per cent of those customers have expressed a great deal of satisfaction with that arrangement. It is obviously a more convenient option for families where both parents are working and are not available to collect during the traditional post office opening hours. The extended hours up to 9.00 pm and including Saturday and Sunday provide a lot of flexibility for those people. So far, the early indications are that it is strongly supported.

Answer:

The parcel trial involving the St Leonards Delivery Centre - whereby parcels were carded to the delivery centre rather than to a corporate or licensed post office – ran from 29 March to

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21 June 2011. The trial included the suburbs of Artarmon, Chatswood, Crows Nest, Greenwich, St Leonards, Roseville and Willoughby. A formal review of the trial, including customer surveys, is expected to be completed by the end of August 2011.

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Question No: 9

Program No. Australia Post

Hansard Ref: Page 123 (25/05/2011)

Topic: Written Harassment or bullying complaints by Licensees

Senator Abetz asked:

Senator ABETZ: Thank you. I have a number of other questions that I will put on notice. In the last two years, has Australia Post received any written complaints from licensees regarding harassment or bullying by Australia Post staff?

Ms Walsh: Senator, the only perhaps partial answer to that question is through our whistleblower hotline. So, again, I would probably say that they are not written complaints. But there is a hotline that, indeed, any person can call if they have a complaint or concern about bullying or harassment at Australia Post. Licensees have used that service.

Senator ABETZ: They can ring the hotline. Have you received any written complaints?

Ms Walsh: Not that I am aware, Senator.

Senator ABETZ: If you could just check up—

Ms Walsh: We will take that on notice, Senator

Answer:

Australia Post does not have any record of a written complaint from a Licensee alleging harassment or bullying by Australia Post staff in the last two years.

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Question No: 10

Program No. Australia Post

Hansard Ref: Page 123 (25/05/2011)

Topic: Co-branded eBay/Australia Post Satchels

Senator Abetz asked:

Senator ABETZ: I have one last question or bracket. It relates to eBay sellers and the co-branded satchels that I understand are made available as prepaid satchels. In what other countries has eBay launched co-branded mailing products with a local national postal operator? Are you aware of that?

Mr Ousley: I am not aware of that, Senator. But we can take that on notice.

Answer:

Australia Post understands eBay has launched co-branded mailing products with the postal operators in the USA and Canada.

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Question No: 11

Program No. Australia Post

Hansard Ref: Page 124 – 125 (25/05/2011)

Topic: Maintenance Checks on Postie Motorcycles

Senator Wortley asked:

Senator WORTLEY: I have just one last one. What can you tell me about the situation where a decision was made that team leaders would be performing maintenance on motorbikes, postie bikes, in Western Australia?

Ms Walsh: I would need to take that on notice.

Mr Ousley: We will certainly take it on notice. I am responsible for that area of the business. Other than the daily bike checks that are performed by both the PDOs and the team leaders, maintenance, and other than very minor adjustments like putting a new light bulb in or something, it is done by a professional mechanic.

Senator WORTLEY: What about adjusting or changing chains and brakes on Australia Post motorcycles?

Mr Ousley: That would normally be done by an authorised mechanic. But, if there is a question on notice that I can formally respond to, I would be happy to do so.

Senator WORTLEY: I would like to have that on notice. Thank you.

Answer:

In 2008, Australia Post introduced a national **Minor Maintenance Training Program** for Postal Delivery Officers and Team Leaders who have a mechanical aptitude. Typical minor maintenance activities include replacing headlight/taillight bulbs, lens covers, reflectors, mirrors, adjusting seats and fitting delivery equipment items such as pannier bags and visibility flags.

Honda MPE Technical Division assessed and approved this type of minor maintenance to be undertaken on motorcycles. Electric Vehicles Pty Ltd approved this type of minor maintenance to be undertaken on electric bicycles and tricycles.

To date, 421 staff members nationally have been trained by Honda Australia Rider Training (HART) and must be deemed competent to undertake the minor maintenance activities correctly and safely.

In March 2011, Australia Post's **Minor Maintenance Guide** for delivery vehicles was updated and approved by Honda MPE Technical Division to include chain and rear brake adjustment for Honda motorcycles.

Chain and brake adjustments were included in the guide to address operational issues that arose when mechanics were unavailable at short notice to adjust the chains or brakes on motorcycles that had been taken out of service after a fault had been reported.

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The inclusion of chain and brake adjustments in the guide does not preclude mechanics from undertaking this work when they are available. It simply provides facilities with an additional option when mechanics are unavailable.

Only formally trained staff are permitted to perform chain and brake adjustments. They must be confirmed by HART as having attained the additional level of competency required to complete these tasks.

Australia Post and Honda undertook a risk assessment on chain and brake adjustments prior to introducing this change. Appropriate risk control measures have been introduced to eliminate potential hazards.

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Question No: 12

Program No. Australia Post

Hansard Ref: Page 125 (25/05/2011)

Topic: Roadworthiness of Postie Motorcycles

Senator Cameron asked:

CHAIR: We are out of time. I have a question for you to take on notice. It has just been drawn to my attention that there was a contractor killed at the Palmerston delivery centre in the Northern Territory. When Comcare did an inspection, six of the bikes were found to be unroadworthy and unsafe. Have you put in any additional checks on the roadworthiness of postal bikes since that? If not, why not? What was the outcome of the court action?

Mr Ousley: I will address the part of the question about the composition of safety checks, which were in place before that unfortunate accident. The process has been vigorously reinitiated, not just because of that unfortunate incident but in a more general sense, over the past few years. I can assure senators that Australia Post places a great deal of importance on, and expects mandatory compliance by, all of our people performing the appropriate safety checks daily to make sure that those motorcycles, in the case of PDOs, are roadworthy and safe.

CHAIR: Thank you.

Ms Walsh: I will just respond to the question around Palmerston. It has been to the Federal Court under a prosecution through Comcare. That case has been finalised. The finding was that, as Mr Ousley said, the unfortunate tragic incident was seen as isolated. But Australia Post has received a fine. The matter has now been concluded.

CHAIR: How much was the fine?

Ms Walsh: It was a \$95,000 fine.

CHAIR: Thanks very much. That concludes the questioning of Australia Post. I thank the officers for their attendance. I now call officers from the Special Broadcasting Service.

Answer:

In 2007, Australia Post introduced a national motorcycle daily pre-ride checklist, which has since undergone several improvements, including mandatory weekly Supervisor checks with each Postal Delivery Officer (PDO) under their direct supervision.

Supervisors are required to observe PDOs conduct their daily pre-ride check to ensure that it is performed in accordance with the Motorcycle Checklist and Guidelines. Supervisors must also perform a continuous cycle of alternating weekly checks of tyre pressure, tyre tread depth, oil and wheel spokes on all motorcycles in their group of PDOs.

In addition, Delivery Centre Managers must confirm on a weekly basis that the motorcycle checklist has been completed for each motorcycle within their facility including any spare motorcycles, in accordance with the motorcycle daily pre-ride check inspection Delivery Work Instructions.

An independent auditor monitors this information nationally and regular internal and external audits are undertaken to ensure compliance with Australia Post's OHS policy and procedures.

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Question No: 13

Program No. Australia Post

Hansard Ref: In Writing

Topic: Parcel Handling Fees

Senator Ryan asked:

Does the calculation of the various types of parcel handling fees for Licensed Post Offices take into account external factors that may vary between licenses such as rent?

Answer:

Licensees receive the following three separate payments for handling parcels:

- To assess postage and accept the parcel – payment is a commission based on the amount of postage paid
- To stream (sort) the parcel – payment is an additional commission based on the amount of postage paid
- Where applicable, to deliver parcels to customers – payment is either part of the mail management fee or a carded article fee.

The structure of a large majority of these payments is the same for all LPOs, with site-specific negotiation being available to individual licensees for carded articles.

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Question No: 14

Program No. Australia Post

Hansard Ref: In Writing

Topic: Licensed Post Offices

Senator Fisher asked:

It is reported that Australia Post lost \$176 million on its letter business last year and expects the NBN to have an even greater impact. What is Australia Post doing to ensure the financial viability of the business moving into the digital age?

Answer:

Australia Post's strategy for ensuring the viability of the letter service will focus on the following components:

- continuing to extract costs from its operational areas, primarily through the Future Delivery Design program
- working to establish future price certainty for the reserved letter service
- growing promotional mail volumes, where there is an opportunity
- working with eServices to expand capabilities in digital communications, both transactional and promotional
- working with customers to optimise volumes by demonstrating the value of letters.

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Question No: 15

Program No. Australia Post

Hansard Ref: In Writing

Topic: Licensed Post Offices

Senator Fisher asked:

What is Australia Post's progress with your 'Future Ready' program and has there been a review of any progress to date?

Answer:

Our "Future Ready" progress in 2010-11 included the following achievements:

- Created new Strategic Business Units with profit and loss accountability
- Signed a Fair Work Agreement
- Secured a stamp price rise
- Accelerated the Future Delivery Design program
- Developed new service delivery models in retail
- Acquired Securepay
- Launched a new co-branded ebay/Australia Post satchel
- Launched a new Safety Program
- Launched Performance Ready.

The end of 2010-11 will mark a review point in the Future Ready program. Australia Post will be moving from the "stabilise" to "rebuild" phase of the program, which will focus on delivering ongoing profit growth in 2011-12.

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Question No: 16

Program No. Australia Post

Hansard Ref: In Writing

Topic: Licensed Post Offices

Senator Fisher asked:

What position does Australia Post take to licensed post-offices and what is the LPOs position within the 'Future Ready' program?

Answer:

Licensed Post Offices (LPOs) form an essential component of Australia Post's retail network – in many cases Licensees are the face of the retail network and play a vital role in ensuring that Australia Post's trusted reputation is maintained.

The retail network, including LPOs, will provide the essential "bricks and mortar" elements to the Future Ready program, particularly in relation to the new suite of trust-based services and the anticipated expansion of Australia Post's parcel services.

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Question No: 17

Program No. Australia Post

Hansard Ref: In Writing

Topic: Licensed Post Offices

Senator Fisher asked:

The Licensee Advisory Council has reportedly requested Australia Post advise them of the position of licensed post offices under the 'Future Ready' program and going to the future but are yet to have a response. Has Australia Post provided the Licensee Advisory Council with further detail on their future and could Australia Post enlighten the committee as to how they plan to adapt LPO business for the future?

Answer:

The Australia Post Licensee Advisory Council (APLAC) is made up of Australia Post and licensee representatives. It was formed by Australia Post as a forum where Australia Post representatives and licensees can formally discuss business operations and issues and develop ideas and recommendations for the mutual benefit of stakeholders in the Licensed Post Office (LPO) network.

Senior Australia Post managers have fully briefed APLAC on the Future Ready program and the important role of LPOs in the plans. While the retail network, including LPOs, will need to adapt to the changing needs of customers it will continue to play an important role in the future success of Australia Post.

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Question No: 18

Program No. Australia Post

Hansard Ref: In Writing

Topic: Licensed Post Offices

Senator Fisher asked:

A report into licensed post offices by the ABC found that three-quarters of licensees were willing to go on the record and say they were severely underpaid to process parcels. As the profit generated from the parcels business is vital to the financial survival of Australia Post and LPOs comprise approximately two thirds of the national network, how does Australia Post answer allegations of bullying and intimidation?

Answer:

Australia Post understands the ABC survey was based on a very small sample size – less than 2% of the network of 3,000 LPOs – and, as such, was not truly representative of the LPO network as a whole.

However, Australia Post has a zero tolerance to bullying/harassment and has a long-standing Whistleblower policy and hotline in place that enables licensees, contractors and corporate staff to report on a confidential basis any concerns they may have. Australia Post is satisfied through its regular review of incidents reported to the Whistleblower hotline that there are no systemic issues relating to bullying, harassment or intimidation within Australia Post.

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Question No: 19

Program No. Australia Post

Hansard Ref: In Writing

Topic: Licensed Post Offices

Senator Fisher asked:

Following the ABC Online's investigation into claims of bullying and intimidation, has Australia Post initiated or do they plan to initiate their own review and investigation into the claims?

Answer:

Australia Post has a zero tolerance to bullying/harassment and a long-standing Whistleblower policy and hotline in place that enables licensees, contractors and corporate staff to report on a confidential basis any concerns they may have.

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Question No: 20

Program No. Australia Post

Hansard Ref: In Writing

Topic: Licensed Post Offices

Senator Fisher asked:

Australia Post's general manager of external affairs stated that the company had taken action against 'a few' individuals in the past who have done the wrong thing. Can you please state what this action was and if you feel it appropriately deterred others from using similar intimidation style tactics?

Answer:

The General Manager of External Affairs was not referring to any cases in particular but rather to the fact that Australia Post has long-standing policies prohibiting bullying and harassment and well-established processes for investigating any formal complaints. Where allegations of this type of behaviour are proven, the normal outcome would be appropriate disciplinary action against the staff member in question.

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Question No: 21

Program No. Australia Post

Hansard Ref: In Writing

Topic: Licensed Post Offices

Senator Fisher asked:

What is Australia Post's process for lodging complaints against the company?

Answer:

There are a number of alternatives available to licensees to lodge complaints against Australia Post including:

- Verbal or written advice to their network manager or other Australia Post representatives
- Formal dispute process under the LPO Agreement
- Formal dispute process under the Franchising Code of Conduct
- Confidential complaints to the Australia Post Whistleblower hotline.

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Question No: 22

Program No. Australia Post

Hansard Ref: In Writing

Topic: Licensed Post Offices

Senator Fisher asked:

What is Australia Post's process for dealing with complaints against the company? Does Australia Post ensure that complaints are handled anonymously?

Answer:

Australia Post investigates all formal complaints that it receives from licensees. Whether a complaint is dealt with anonymously depends of the nature of the complaint and the manner in which it was lodged. Where a complaint is lodged through the Whistleblower hotline or on the basis of confidentiality, it will be dealt with in a confidential manner. Other complaints are assessed and handled in accordance with the individual circumstances involved.

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Question No: 23

Program No. Australia Post

Hansard Ref: In Writing

Topic: Licensed Post Offices

Senator Fisher asked:

80% of metropolitan licensees who responded to ABC's survey stated they were severely underpaid to process parcels. Has there been a review into the payment structure of processing parcels recently? How often are reviews into payment agreements for processing parcels conducted?

Answer:

The answer to Question on Notice 13 details the separate payments licensees receive for handling parcels.

Historically, changes in the payments for assessing postage, acceptance and processing of parcels automatically move in line with price rises for parcels. The payment for delivery of parcels is adjusted in line with the movement in the basic postage rate. Because these payments increase automatically, there has been no need to review the payment structure on a regular basis in the past.

More recently, Australia Post has recognised that the payment structure is not necessarily suited to current needs and, as such, is currently undertaking a review of the payment structure in consultation with the LPO representative body - the Post Office Agents Association Ltd.

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Question No: 24

Program No. Australia Post

Hansard Ref: In Writing

Topic: Licensed Post Offices

Senator Fisher asked:

1. On average, how many Carded Articles did an LPO receive when the last payment agreement was negotiated between Australia Post and LPOs?
- a. On average, how many carded articles do LPOs handle of a daily basis today?

Answer:

1 & a. While Australia Post's parcel business has grown substantially over recent years, it does not capture details of carded article volumes at individual outlets or in the LPO network as a whole. Therefore, it cannot provide the specific details requested.

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Question No: 25

Program No. Australia Post

Hansard Ref: In Writing

Topic: Licensed Post Offices

Senator Fisher asked:

Given the spike in parcel delivery and the increased demand on LPOs, how easy is it to renegotiate a payment agreement for processing parcels?

Answer:

As indicated in the answer to Question on Notice 23, Australia Post is currently reviewing the payment structure relating to the delivery of parcels in consultation with the Post Office Agents Association Ltd.

Under the current payment structure, individual licensees who are in receipt of the carded article fee are able to request a review of this payment where they are regularly receiving more than 25 carded articles per week.

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Question No: 26

Program No. Australia Post

Hansard Ref: In Writing

Topic: Licensed Post Offices

Senator Fisher asked:

How does Australia Post ensure licensees are not forced to handle oversize and overweight articles outside of OH&S guidelines and public health and safety guidelines?

Answer:

General maximum weights and sizes apply for both private and business parcels, but the latter can be heavier by arrangement. A parcel weighing over 16kg must have a "Heavy Parcel" label affixed. Parcels over certain weight/size levels must be lodged at facilities specified by Australia Post and are usually collected by Australia Post direct from the customer's premises. All outlets are provided with a copy of the Manual Handling Procedures.

When a parcel arrives at a facility, licensees are required to assess the parcel, including the Heavy Parcel label, where applicable, to ensure appropriate manual handling procedures are used prior to lifting. Should a licensee have any concerns about the weight/size of a parcel, they should raise their concerns direct with their network manager.

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Question No: 27

Program No. Australia Post

Hansard Ref: In Writing

Topic: Licensed Post Offices

Senator Fisher asked:

1. What is the predicted growth in the parcel business?
 - a. How does Australia Post plan to accommodate this growth?
 - b. What is the average rate an LPO receives for processing carded articles?

Answer:

1. The volume of delivered parcels grew by 11% in 2010-11. Future growth predictions are commercial-in-confidence.
 - a. Australia Post has adequate capacity in its network to accommodate expected growth, however, it is exploring further investments.
 - b. Licensees are paid for the handling of carded articles through the mail management fee associated with delivery points serviced from their outlet, the base-rate carded article fee or, subject to the number of articles, a negotiated-rate carded article fee. As advised in the answer to Question on Notice 24, Australia Post does not capture details of carded article volumes at individual outlets and, as such, cannot provide an average payment rate per LPO.

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Question No: 28

Program No. Australia Post

Hansard Ref: In Writing

Topic: Management Restructure

Senator Fisher asked:

1. The recent management restructure of Australia Post aims to streamline the organisation and reduce senior management positions. I understand approximately 35% of Australia Post's management staff nation wide have been retrenched. Has Australia Post conducted an internal review into the progress of the management restructure?
 - a. If so, what were the findings?
 - b. If not, does Australia Post plan to consult with its employees on how the management restructure has affected them?
 - c. Since the 'Future Ready' program has been put in place, has there been a review conducted into the workloads of the remaining senior managers within Australia Post? If so, have the workloads for those remaining in senior management positions increased?
 - d. What avenues are available to employees of Australia Post to air grievances or concerns regarding the management restructure?
 - e. Are employees able to lodge anonymous complaints regarding the internal restructure of Australia Post and its senior management?

Answer:

- 1, a, b. Australia Post's management restructure continues as the new business evolves. Most recently, we have completed a management restructure relating to our new letters and parcels businesses. We are continually reviewing our management structure to ensure it is aligned with our Future Ready enterprise strategies. We fully inform our employees and managers of any restructuring through internal Staff Information Bulletins and other publications.
- c. The Future Ready program has extensively involved senior managers in terms of understanding the business drivers in their areas, and allowing them to structure their teams around business deliverables, with commensurate remuneration, rewards and benefits. Senior management workloads are aligned to the business, with their managers being responsible for monitoring workloads and addressing any problems accordingly.
- d. All Australia Post staff are able to address grievances informally and formally through the official grievance process. This involves raising concerns with direct and more senior levels of management for review and response. All formal complaints are reviewed and responded to.
- e. Yes, Australia Post will investigate anonymous complaints if sufficient information is provided for that purpose.

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Question No: 29

Program No. Australia Post

Hansard Ref: In Writing

Topic: Cost of Parcel Delivery

Senator Fisher asked:

1. Traditional domestic retailers are under serious threat from internet retail and the current strength of the Australian dollar is driving more consumers to international online retailers. The fact that many offshore online retailers ship to Australia for free is further hurting our domestic market. What is Australia Post doing to create a more level playing field for Australian retailers to compete with offshore online retailers?
 - a. What, if any, consultation has Australia Post done with the retail industry regarding this issue?

Answer:

1. Overseas retailers do not ship to Australia free of charge, but rather offer customers a bundled, all in one price.

Australia Post has no control over the issue of product sourcing and pricing by retailers. Australia Post offers a comprehensive and low cost shipping service to retailers, but it is up to retailers to determine what they charge for their products and how they bundle shipping costs.

- a. Australia Post has ongoing discussions with most of the major retailers and is co-sponsoring, along with the Australian Retailers Association, the “Driving Business Online” initiative to help local businesses get online - www.drivingbusinessonline.com.au. Australia Post also participated in the Government’s online retail forum that was held in February 2011.

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Question No: 30

Program No. Australia Post

Hansard Ref: In Writing

Topic: Cost of Parcel Delivery

Senator Fisher asked:

With companies such as Myer and Harvey Norman opening up Chinese-based websites to save on shipping costs, the move of Australian retailers to keep stock offshore to save on shipping costs will no doubt hurt Australia Post's business. Has Australia Post noticed a shift of Australian retailers to offshore locations?

Answer:

No.

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Question No: 31

Program No. Australia Post

Hansard Ref: In Writing

Topic: Cost of Parcel Delivery

Senator Fisher asked:

Why is the market rate for domestic delivery more expensive than sending a product from offshore?

Answer:

The assertion in the question is incorrect. Retailers such as Amazon offer “free” shipping in the US by bundling shipping costs into their retail prices. For international shipments, some retailers charge the difference between international and domestic shipping rates, but the total shipping charge is not visible as part of the shipping cost is bundled into the retail price.

International postal rates are governed by the Universal Postal Union (UPU), a department of the United Nations. The Australian Government is a member of this organisation through Australia Post. Developing countries typically have access to lower postal rates through the UPU for shipments to developing countries.

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Question No: 32

Program No. Australia Post

Hansard Ref: In Writing

Topic: Cost of Parcel Delivery

Senator Fisher asked:

How does Australia Post plan to deal with the increasing competition from offshore retailers and the subsequent pressure on the cost of domestic parcel delivery?

Answer:

Australia Post is not in competition with retailers. While the payment arrangements determined by the Universal Postal Union for articles up to 2kg are insufficient to cover costs, Australia Post will continue to meet its obligations to deliver parcels to Australian households and businesses that are posted locally and from overseas. Australia Post benefits from increasing parcel volumes from both local and overseas sources as it increases throughput in the network and partially offsets the decline in letter volumes.

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Question No: 33

Program No. Australia Post

Hansard Ref: In Writing

Topic: Letter Pricing

Senator Fisher asked:

Is there any intention to increase the cost of reserve letter prices from 60c in 2011-12?

Answer:

No.

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Question No: 34

Program No. Australia Post

Hansard Ref: In Writing

Topic: Staffing

Senator Fisher asked:

How many staff does Australia Post have now compared with the same time last year?

Answer:

33,439 at 31 May 2011, compared with 34,457 at 30 June 2010.

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Question No: 35

Program No. Australia Post

Hansard Ref: In Writing

Topic: Licence Fees

Senator Fisher asked:

What licence fee does Australia Post charge the licensees of Australia Post Office outlets? What process does Australia Post use to ascertain whether the licensed post office outlets are profitable for the licensees?

Answer:

With the exception of an initial licence fee associated with the sale of newly established Licensed Post Offices (LPOs) at a greenfield site or following the conversion of a corporate outlet, Australia Post does not charge a licence fee to licensees.

LPOs are operated as independent small businesses that receive income from Australia Post from fees, commissions and discounts for the provision of Australia Post products and services. The volume of business being transacted by individual outlets across the LPO network varies considerably and in many cases, income is supplemented through the provision of non-Australia Post products and services via an in-conjunction business. This variability in business structures and income streams limits Australia Post's ability to closely monitor the profitability of these outlets.

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Question No: 36

Program No. Australia Post

Hansard Ref: In Writing

Topic: Letter Volumes

Senator Fisher asked:

What was your reduction in letter volumes for the last 12 months? What is your anticipated reduction in letter volumes for 2011-12? How will you make up any shortfall in revenue arising from this reduction in volumes?

Answer:

In 2009-10, addressed letter volumes declined by 5.6%. In 2010-11, they are expected to decline by a further 3.1%.

In response to this decline in volumes, Australia Post is:

- working with customers to optimise volumes by demonstrating the value of letters
- pursuing opportunities for revenue growth from other existing products (e.g. parcels)
- pursuing opportunities for innovation in the development of new products, this includes work in the eServices area.

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Question No: 37

Program No. Australia Post

Hansard Ref: In Writing

Topic: Letter Volumes

Senator Fisher asked:

What impact do you expect this reduction in volume to have on the bottom –line net profit of Australia Post in 2011-12?

Answer:

While Australia Post continually works to minimise the impact of declining letter volumes on the bottom-line profit - by working closely with customers to defend and grow volumes by demonstrating the value of letters; pursuing opportunities for revenue growth in other areas; and appropriately managing its cost base in line with volume decline - the loss on the reserved service is expected to substantially increase in 2011-12.

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Question No: 38

Program No. Australia Post

Hansard Ref: In Writing

Topic: Letter Volumes

Senator Fisher asked:

As a result of volume reductions, are any Post Office closures planned in 2011-12? How many closures have occurred in 2010-11?

Answer:

Australia Post's retail network is subject to constant change involving the opening, relocation and closure of outlets (this includes corporate post offices, licensed post offices and community postal agencies).

During 2010-11, 53 outlets closed and 54 outlets opened. Going into 2011-12, Australia Post will continue to review its retail network to ensure it strikes an appropriate balance between service delivery and financial viability. While further network changes are inevitable given the changing customer/market environment, at this stage no outlets are listed for closure.

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Question No: 39

Program No. Australia Post

Hansard Ref: In Writing

Topic: Strategic Business Units

Senator Fisher asked:

Last year you were in the process of establishing four strategic business units for Australia Post. They were to cover your postal business, retail business, express distribution business and your e-services business. Given that each unit was to derive independent financial results, can you advise as to the financial status of each unit to date for the 2010-11 year?

Answer:

Details of the financial status of the individual Strategic Business Units will not be available until the end of the 2011-12 financial year.

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Question No: 40

Program No. Australia Post

Hansard Ref: In Writing

Topic: Australia Post E-Services

Senator Fisher asked:

What services are, or are likely to be provided by Australia Post as e-services? What charges will be applied to such services i.e. will they be profitable in their own right or will they be subsidized by other Australia Post services?

Answer:

The eServices Strategic Business Unit (SBU) includes existing Australia Post products and services such as Decipha, eLetter, First Direct Solutions and Securepay that already offer a broad array of trusted, established and profitable services, all of which will be developed and expanded into the future.

A priority of the eServices SBU is to diversify from a single physical store-based channel to a full multi-channel offering. As a result, the eServices SBU will focus on the core areas of eCommerce, Payments and digital communications and data services.

All products and services will be competitively priced and offer good value for the customer. While some products and services may be more profitable than others, there are no plans for them to be cross-subsidised by other Australia Post products and services.

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Question No: 41

Program No. Australia Post

Hansard Ref: In Writing

Topic: Government Advertising

Senator Fisher asked:

- a. What communications programs has the agency undertaken, or are planning to undertake FYTD?
- b. For each program, what is the total spend?

Answer:

Australia Post has not undertaken, and is not planning to undertake, any “Communications Programs” as defined in Question on Notice 59 from the May 2010 Senate Estimates Hearings.

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Question No: 42

Program No. Australia Post

Hansard Ref: In Writing

Topic: Freedom of Information

Senator Fisher asked:

- a. Has the agency within the portfolio received any advice on how to respond to FOI requests?
- b. How many FOI requests has the agency received?
- c. How many have been granted or denied?
- d. How many conclusive certificates have been issued in relation to FOI requests?

Answer:

- a. At various times, Australia Post has sought expert external advice on technical aspects of the FOI Act.
- b. & c. These details are included in Australia Post's 2009-10 Annual Report.
- d. None.

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Question No: 43

Program No. Australia Post

Hansard Ref: In Writing

Topic: Media Monitoring

Senator Fisher asked:

- a. What was the total cost of media monitoring services, including press clippings, electronic media transcripts etcetera, provided to the agency in FYTD?
- b. Which agency or agencies provided these services?

Answer:

- a. As at 31 May 2011, Australia Post had spent a total of \$229,632 on media monitoring services.
- b. Media Monitors was the company that provided the services.

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Question No: 44

Program No. Australia Post

Hansard Ref: In Writing

Topic: Social Media

Senator Fisher asked:

Has there been any changes to agency social media or protocols about staff access and usage of Youtube; online social media, such as Facebook, MySpace and Twitter; and access to online discussions forums and blogs since October 2010? If yes, please explain.

Answer:

No.

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Question No: 45

Program No. Australia Post

Hansard Ref: In Writing

Topic: Contractors

Senator Fisher asked:

1. Has the agency within the portfolio ever employed Hawker Britton in any capacity or is it considering employing Hawker Britton? If yes, provide details.
2. Has the agency within the portfolio ever employed Shannon's Way in any capacity or is it considering employing Shannon's Way? If yes, provide details.
3. Has the agency within the portfolio ever employed John Utting & UMR Research Group in any capacity or is it considering employing John Utting & UMR Research Group? If yes, provide details.
4. Has the agency within the portfolio ever employed McCann-Erickson in any capacity or is it considering employing McCann-Erickson? If yes, provide details.
5. Has the agency within the portfolio ever employed Cutting Edge in any capacity or is it considering employing Cutting Edge? If yes, provide details.
6. Has the agency within the portfolio ever employed Ikon Communications in any capacity or is it considering employing Ikon Communications? If yes, provide details.
7. Has the agency within the portfolio ever employed CMAX Communications in any capacity or is it considering employing CMAX Communications? If yes, provide details.
8. Has the agency within the portfolio ever employed Boston Consulting Group in any capacity or is it considering employing Boston Consulting Group? If yes, provide details.
9. Has the agency within the portfolio ever employed McKinsey & Company in any capacity or is it considering employing McKinsey & Company? If yes, provide details.

Answer:

- 1-9. During the past 12 months, Australia Post engaged McCann Worldwide Group to perform media buying on behalf of Australia Post and engaged Boston Consulting Group to provide consultancy advice on Australia Post's "Future Ready" five-year strategic business renewal program.

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Question No: 46

Program No. Australia Post

Hansard Ref: In Writing

Topic: Government Payments of Accounts

Senator Fisher asked:

- a. Has the agencies within the portfolio paid its accounts to contractors/consultants etc in accordance with Government policy in terms of time for payment (i.e.within 30 days)? If not, why not, and what has been the timeframe for payment of accounts? Please provide a breakdown, average statistics etc as appropriate to give insight into how this issue is being approached.)
- b. For accounts not paid within 30 days, is interest being paid on overdue amounts and if so how much has been paid by the portfolio/department agency for the current financial year and the previous financial year?
- c. Where interest is being paid, what rate of interest is being paid and how is this rate determined?

Answer:

a-c As a Government Business Enterprise, Australia Post is not subject to the Government's policy on the payment of contractor/consultant accounts.

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Question No: 47

Program No. Australia Post

Hansard Ref: In Writing

Topic: Media Subscriptions

Senator Fisher asked:

- a. Does your agencies within the portfolio subscribe to pay TV (for example Foxtel)? If yes, please provide the reason why, the cost and what channels.
- b. Does your agencies within the portfolio subscribe to newspapers? If yes, please provide the reason why, the cost and what newspapers.
- c. Does your agencies within the portfolio subscribe to magazines? If yes, please provide the reason why, the cost and what magazines.

Answer:

- a – c Australia Post does not maintain a centralised record of subscriptions to pay TV, newspapers or magazines. These types of subscriptions are approved at the local level for business-related purposes.

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Question No: 48

Program No. Australia Post

Hansard Ref: In Writing

Topic: Legal Costs

Senator Fisher asked:

- a. What sum did each portfolio agency within the portfolio spend on legal services FYTD within the department and agency? Please provide a list of each service and costs.
- b. What sum did each portfolio agency within the portfolio on legal services FYTD from the Australian Government Solicitor? Please provide a list of each service and costs.
- c. What sum did each portfolio agency within the portfolio spend on legal services FYTD from private firms? Please provide a list of each service and costs.
- d. What sum did each portfolio agency within the portfolio spend on legal services FYTD from other sources? Please provide a list of each service and costs.

Answer:

- a. As at 31 May 2011, Australia Post had spent approximately \$2,228,486 on internal legal services. Details about individual services and costs are commercial-in-confidence.
- b. As at 31 May 2011, Australia Post had spent approximately \$193,637 on legal services from the Australian Government Solicitor. Details about individual services and costs are commercial-in-confidence.
- c. As at 31 May 2011, Australia Post had spent approximately \$4,821,537 on legal services from private firms. Details about individual services and costs are commercial-in-confidence.
- d. As at 31 May 2011, Australia Post had spent approximately \$951,584 on legal services from other sources. Details about individual services and costs are commercial-in-confidence.

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Question No: 49

Program No. Australia Post

Hansard Ref: In Writing

Topic: Education Expenses

Senator Fisher asked:

Please detail all education expenses (i.e. in house courses and tertiary studies) for each portfolio agency. Include what type of course, the cost and how many participants.

Answer:

The specific details sought in respect of Education Expenses across the entire corporation are not captured on any central database. As such, Australia Post is not in a position to provide the information requested.

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Question No: 50

Program No. Australia Post

Hansard Ref: In Writing

Topic: Executive Coaching and Leadership Training

Senator Fisher asked:

In relation to the purchase of executive coaching and/or other leadership training services purchased by each portfolio department or any agency within the portfolio, please provide the following information FYTD:

1. Total spending on these services
2. The number of employees offered these services and their employment classification
3. The number of employees who have utilised these services and their employment classification
4. The names of all service providers engaged

For each service purchased from a provider listed under (4), please provide:

- a. The name and nature of the service purchased
- b. Whether the service is one-on-one or group based
- c. The number of employees who received the service and their employment classification
- d. The total number of hours involved for all employees
- e. The total amount spent on the service
- f. A description of the fees charged (i.e. per hour, complete package)

Where a service was provided at any location other than the department or agency's own premises, please provide:

- i. The location used
- ii. The number of employees who took part on each occasion
- iii. The total number of hours involved for all employees who took part
- iv. Any costs the department or agency's incurred to use the location

Answer:

The specific details sought in respect of Executive Coaching and Leadership Training across the entire corporation are not captured on any central database. As such, Australia Post is not in a position to provide the information requested.

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Question No: 51

Program No. Australia Post

Hansard Ref: In Writing

Topic: Paid Parental Leave

Senator Fisher asked:

- a. Please list how many staff in each portfolio agency within the portfolio are eligible to receive payments under the Government's Paid Parental Leave scheme?
- b. Please list which portfolio agencies are providing its employees with payments under the Government's Paid Parental Leave scheme? Please list how many staff are in receipt of these payments.

Answer:

a-b. Australia Post does not know the number of employees that are eligible to receive payments under the Government's Paid Parental Leave (PPL) scheme.

Australia Post put the mechanisms in place to begin providing employees with payments under the PPL scheme from 1 July 2011. No employees have received payments under the PPL scheme to date.

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Question No: 52

Program No. Australia Post

Hansard Ref: In Writing

Topic: Workpoint Space

Senator Fisher asked:

1. For each portfolio agency office please list the occupied workpoint space allocated per person.
2. Does this adhere to the Government's Commonwealth Property Management Guidelines (the Guidelines)?
 - I. If yes, please explain if any refurbishment was required to meet the Guidelines and what the costs were.
 - a. What savings did each portfolio agency achieve by meeting the Guidelines? Please itemise each portfolio agency separately.
 - b. How much of these savings has each portfolio agency kept? Please itemise each portfolio agency separately.
 - II. If no, please give details why it does not, including whether an exemption has been received by the Finance Minister.
 - a. What funding has been taken from each portfolio agency because they do not meet the Guidelines? Please itemise each portfolio agency separately.
 - b. Are there plans to meet the Guidelines? Please explain.

Answer:

As a Government Business Enterprise, Australia Post is not subject to the Government's Commonwealth Property Management Guidelines.

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Question No: 53

Program No. Australia Post

Hansard Ref: In Writing

Topic: Staffing

Senator Fisher asked:

- a. How many permanent staff recruited this FYTD?
- b. What classification are these staff?
- c. How many temporary positions exist or have been created this FYTD?
- d. This FYTD, how many employees have been employed on contract and what is the average length of their employment period?

Answer:

- a. As at 31 May 2011, 1,761 permanent staff had been recruited.
- b. Their classifications at the commencement were:

Administration Officer LEVEL 1	1
Administration Officer LEVEL 3	26
Administration Officer LEVEL 4	3
Administration Officer LEVEL 5	17
Administration Officer LEVEL 6	17
Administration Officer LEVEL 7	38
Administration Officer LEVEL 8	79
Call Centre Officer LEVEL 2	170
Driver / Sorter	13
Executive	87
IT BAND 3	8
IT BAND 4	4
IT BAND 5	3
Mail Officer	65
Parcel Post Officer	1
Postal Delivery Officer	210
Postal Services Officer	82
Postal Technical Officer LEVEL 4	1
Postal Transport Co-ordinator GRADE 3	1
Postal Transport Officer	48
Senior Mail Officer GRADE 2	2
Senior Postal Delivery Officer GRADE 2	7

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Senior Technical Services Officer GRADE 2	1
Sprintpak Operator LEVEL 1	10
Technical Support Services Officer GRADE 1	2
Trainee Mail Officer	22
Trainee Parcel Officer	7
Trainee Postal Delivery Officer	713
Trainee Postal Services Officer	123
Grand Total	1761

- c. As at 31 May 2011, 450 Fixed Term positions had been created.
- d. As at 31 May 2011, 244 contract level employees had been recruited, with an average employment length of 5 months.

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Question No: 54

Program No. Australia Post

Hansard Ref: In Writing

Topic: Staffing – Efficiency Dividend/Budget Cuts

Senator Fisher asked:

- a. Have staffing numbers been reduced as a result of the efficiency dividend and/or other budget cuts?
- b. If so, where and at what classification?
- c. Are there any plans for staff reduction? If so, please advise details ie. reduction target, how this will be achieved, services/programs to be cut etc.
- d. What changes are underway or planned for graduate recruitment, cadetships or similar programs? If reductions are envisaged please explain including reasons, target numbers etc

Answer:

- a-d. As a Government Business Enterprise, Australia Post is not subject to the Government's efficiency dividend or similar budget/policy measures.

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Question No: 55

Program No. Australia Post

Hansard Ref: In Writing

Topic: Hospitality and Entertainment

Senator Fisher asked:

- a. What is the agency's hospitality spend FYTD?
- b. Please detail date, location, purpose and cost of all events.
- c. What is the agency's entertainment spend FYTD?
- d. Please detail date, location, purpose and cost of all events.

Answer:

a – d As a large commercially focussed Government Business Enterprise operating in a number of highly competitive markets, Australia Post engages in a broad range of business-related hospitality and entertainment activities across the organisation on an ongoing basis. These activities are aimed at strengthening existing customer relationships and developing potential ones.

The specific details sought in respect of each hospitality and entertainment activity across the entire corporation are not captured on any central database. As such, Australia Post is not in a position to provide the information requested.

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Question No: 56

Program No. Australia Post

Hansard Ref: In Writing

Topic: Post Office Closures

Senator Birmingham asked:

- a. Given the strong reaction from communities following the closure of several Australia Post outlets throughout Australia, can the CEO please provide a list of Australia Post outlets facing closure?
- b. Can Australia post please outline the procedures they have in place for consulting and preparing the community regarding the closure of a post office?
- c. What is the process Australia Post undertakes when considering to close a post office to ensure the community is fully informed about Australia Post's decision and the potential impacts on the surrounding community and businesses?
- d. A common reaction from communities affected by post offices closures is the concern that there has not been adequate community consultation. Does Australia Post have a set timeframe between the public being alerted to the closure of a local post office and the post office's closure?
- e. What process does Australia Post go through to consider the potential impacts a post office closure will have on the surrounding businesses?
- f. Could Australia Post provide a list of post offices that are also experiencing financial difficulty and may be considered for closure?

Answer:

- a & f. Australia Post's retail network is subject to constant change involving the opening, relocation and closure of outlets (this includes corporate post offices, licensed post offices and community postal agencies).

Going into 2011-12, Australia Post will continue to review its retail network to ensure it strikes an appropriate balance between service delivery and financial viability. While further network changes are inevitable given the changing customer/market environment, at this stage no outlets are listed for closure.

- b-d. When considering a change to its retail network (this includes openings, closures, amalgamations, conversions and relocations), Australia Post manages the change in accordance with its *Community Participation Procedures* manual, which was endorsed by the Australia Post Board in October 2008, and its Network Change Approval process.

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This process has the following two parts:

- (a) **Internal Assessment:** A standard business case methodology drives network change decision making (i.e. template driven process to assess both financial and non-financial implications of proposed changes).

A broad range of metrics are assessed to understand the financial and service level impact of proposed network changes within an area. For example, in a closure scenario: what are the implications for staff, where will customers migrate to? Do surrounding outlets have the capacity to serve displaced customers? Is investment required in remaining outlets? How are Post Office Box and bulk mail customers catered for?

- (b) **Community Engagement:** Following internal approval for a network change, the following community stakeholder groups are engaged via a combination of correspondence and face-to-face meetings:

- Business customers
- Consumer customers
- POB customers
- Government Federal
- Government State
- Local Council
- Unions
- Staff

The timing of community engagement/consultation is generally 4 to 6 weeks prior to the change date.

- e. As customers, the needs of surrounding businesses are considered in line with other customer groups and in accordance with the abovementioned procedures. Australia Post also understands the concerns business operators have in relation to the potential impact associated with the removal of customer traffic generated by retail outlets. Notwithstanding, Australia Post's mandate is to deliver appropriate access to postal services, in a commercially viable manner. It is not possible to achieve these objectives without network adjustments.

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Question No: 57

Program No. Australia Post

Hansard Ref: In Writing

Topic: Australia Post Board

Senator Birmingham asked:

1. The Minister recently announced the appointment of Ms Penny Bingham-Hall and the re-appointment of Mr Ian Warner as Directors of Australia Post. What postal industry experience does Ms Bingham have?
 - a. Please detail the postal experience of Directors of Australia Post appointed since November 2007.

Answer:

1-a. All directors are selected in accordance with the requirements of section 73 of the Australian Postal Corporation Act 1989 and section 3.4 of the Governance Arrangements for Commonwealth Government Business Enterprises, both of which can be viewed at www.dbcde.gov.au.

The professional backgrounds of all directors are detailed in Joint Media Releases by the Shareholder Ministers at the time of the appointment/s, which can be viewed at www.dbcde.gov.au, and in Australia Post's Annual Reports.

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Question No: 58

Program No. Australia Post

Hansard Ref: In Writing

Topic: Unaddressed Mail Bookings

Senator Birmingham asked:

When making unaddressed mail bookings with Australia Post for electorate publications, the booking advice form often contains vastly different figures for the same publication for previous years. For example, a booking advice form for a Small Business Newsletter had 900 fewer businesses than the booking form from the previous year:

1. What method does Australia Post use to calculate distribution/delivery points? Is the data publicly available?
 - a. If so, where can it be accessed? If not, why not?
2. Why do the figures fluctuate so greatly between bookings for the same location (sometimes only in the space of one month) and what explanation can Australia Post provide for such discrepancies?
3. How long does Australia Post keep the records for such data?

Answer:

1. Australia Post maintains an address database of each delivery point. On a scheduled basis, Postal Delivery Officers provide updates to this file with any changes to delivery points that have occurred in their rounds. These changes include adding and deleting addresses as well as delivery type (Private or Business: Street, PO Box, Road Side, and Counter). Each address on the address database also has an indicator identifying in which federal electorate it is located. This information is derived from overlaying maps of electoral boundaries over Australia Post's address database and using GIS methods to identify to which electorate each address belongs. The distribution/delivery point counts for the unaddressed mail system are extracted from this address database.
 - a. Australia Post has recently implemented a new online-unaddressed mail booking system, which allows approved unaddressed mail customers to access data delivery counts whenever required from the online system. Data counts at postcode and locality level of the number of address points (excluding those with No Junk Mail or similar signs) are also available to the public on our corporate website <http://auspost.com.au/business/unaddressed-mail.html>

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2. Changes in data counts from different time periods will occur for a number of reasons:
 - The regular fortnightly updating of delivery point information will reflect changes in population growth, density and or other socio-political, geographic and demographic influences e.g. Housing developments, redevelopments (houses being demolished), or implementation of Rural Road Numbering or a customer advising Australia Post that they do not wish to receive advertising mail.
 - Part of the booking process involves selecting the type of delivery point (e.g. Street, roadside, PO Box, Counter and business or private) required for that booking. If the same delivery point types are not selected for different bookings then this will generate count variations.
 - In respect of electoral boundary counts, the above processes can lead to changes in data counts, as addresses from the database are added or deleted or the delivery type is updated on a fortnightly basis.

3. Address data in the Australia Post address database is updated every 2 weeks. The database is dynamic and has not been built to retain old data counts.