

Senate Standing Committee on Environment and Communications
Answers to Senate Estimates Questions on Notice
Budget Estimates Hearings May 2012
Broadband, Communications and the Digital Economy Portfolio
Australia Post

Question No: 234

Program No. Australia Post

Hansard Ref: Page 16 (24/05/2012)

Topic: Bonuses

Senator Abetz asked:

Senator ABETZ: In the previous financial year, were any bonuses paid?

Mr Fahour: Yes.

Senator ABETZ: How many?

Mr Fahour: They are in the annual report, which I do not have here in front of me. I am happy to take that on notice and provide you the exact number.

Answer:

Australia Post made bonus payments of \$3,510,096 to key management personnel in FY2010-11, details of which are provided at page 99 of the 2010/11 Annual Report.

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Question No: 235

Program No. Australia Post

Hansard Ref: Page 17-18 (24/05/2012)

Topic: Sign-on Bonuses

Senator Abetz asked:

Senator ABETZ: How many people have you been able to attract to Australia Post from other businesses—at a relatively high level within Australia Post—with, for want of a better term, sign-on bonuses?

Mr Fahour: Can I take that on notice? I do not have the specific information. But there have been some people who report to me who have come from other organisations; that is correct.

Senator ABETZ: And have some of them been enticed with the holding out of a payment such that, if they were to switch above and beyond the salary that they would be paid on an annual basis, they would get an upfront fee?

Mr Fahour: I am sure that in any normal compensation arrangement you would be looking at what their salary is, what their bonus is and if there is any relocation required. If you are employing somebody, you would use all sorts of techniques in a commercial world to employ people.

Senator ABETZ: Does that include paying them an upfront fee?

Mr Fahour: I am not sure 'upfront fee' is a word or a term that I understand very well. Do you mean—

Senator Conroy: Do you mean a sign-on bonus or something like that?

Senator ABETZ: A sign-on bonus. I think we all know the general thing I am talking about...

... **Senator ABETZ:** What is the highest of those sign-on bonuses, to your knowledge?

Mr Fahour: I will have to take that on notice.

Senator ABETZ: Are we talking \$1,000, \$100,000 or hundreds of thousands of dollars?

Mr Fahour: Again, rather than speculate, Senator, I would prefer to give you an accurate answer. But I can assure you this is all disclosed. You can go through our annual report. I do not think—

Senator ABETZ: Are sign-on bonuses disclosed?

Mr Fahour: I think all of the compensation for senior executives has to be disclosed in our annual report.

Senator ABETZ: Have any of those sign-on bonuses been by way of, if you like, side deals and described as consultancies?

Mr Fahour: I do not think so, but I can check.

Answer:

Sign-on bonuses have been provided to 1 key management personnel who joined Australia Post from another business. The sign-on bonus provided, which was paid in increments over a 24 month period, was \$550,000, and has been appropriately disclosed in the key management personnel remuneration and retirement benefits note of the annual report.

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Question No: 236

Program No. Australia Post

Hansard Ref: Page 19 (24/05/12)

Topic: Number of LPOs

Senator Abetz asked:

Senator ABETZ: Is the number of licensed post offices increasing or decreasing?

Ms Corbett: I am happy to take the specifics for licensed post offices. As I am sure you would appreciate, with the size of our network, there are a mix of corporate outlets, licensed outlets and community postal agents. There is movement obviously each month with regard to that. If I look at it year on year, our total number of outlets has actually remained relatively static.

Answer:

Australia Post's retail network comprises corporate post offices, franchised post offices, licensed post offices and community postal agencies. The network is subject to constant change with outlets opening, closing, relocating and, on occasion, changing from one business model to another, to suit changing customer needs.

While the number of LPOs in the retail network has decreased marginally over the last two years (2963 in 2009/10 to 2948 in 2010/11) the overall number of outlets has increased over the same period (4,415 in 2009/10 to 4,419 in 2010/11).

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Program No. Australia Post

Hansard Ref: Page 20 (24/05/2012)

Topic: Carded Parcels

Senator Abetz asked:

Ms Corbett: Indeed. So we have introduced an oversize network in each of the states to accommodate some of those. We have also introduced a system for licensees where we have a bypass network, so a licensee can let us know when they are at that parcel storage capacity and then those carded parcels can be redirected to the next outlet that would be able to provide the storage space. There are a lot of these operational issues. In order to be able to come up with what, then, is the right volume of parcels that we are compensating for, we needed to address the operational issues. That being said, as to the actual payment, I think I said at one previous estimates hearing that we have actually had two increases to the carded rate in the last couple of years. There was a 10 per cent increase in 2008 and a nine per cent increase in 2012 that we are actually looking at at the moment. For all licence—

Senator ABETZ: Wait a minute. Looking at at the moment?

Ms Corbett: There is a nine per cent—

Senator ABETZ: It is being looked at or has been delivered?

Ms Corbett: No, in 2012.

Senator ABETZ: Which has been delivered?

Ms Corbett: My understanding is that that has been delivered.

Senator ABETZ: So you are not looking at it; you have delivered it. When was that?

Ms Corbett: In 2008. I will get the exact date for you. I will take it on here.

Senator ABETZ: The information I have—it is from May 2012—might be old if there has been that increase. But what has been put to me is that, even on the figures we have been given this morning, if there is a decrease of six per cent in letters but an increase of 7.2 per cent in parcels, the workload will be substantially different, basically because throwing letters into a post office box or whatever is very quick, whereas parcels have to be signed off.

Ms Corbett: That is why it is important for us to focus on some of those operational considerations first, before we look at some of the payment mechanisms. The work associated with parcels is what we are trying to streamline and make simpler, easier and more efficient for a licensee with regard to parcel-handling movements. So that has been our priority focus. But let me take the specifics on notice. There was certainly a 10 per cent increase in 2008. I will get back to you with confirmation of when that second increase happened.

Answer:

Licensees receive three separate payments for handling parcels:

- to assess postage and accept parcels – payment is a commission based on the amount of postage paid
- to stream (sort) parcels – payment is an additional commission based on the amount of postage paid

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- where applicable, to deliver parcels – payment is either part of the mail management or carded article fee

The carded article fee was increased by 10% in 2008, 9% in 2010. Due to the increase in parcel volumes, total payments to licensees for carded articles have increased by a further 19% during the last 12 months.

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Program No. Australia Post

Hansard Ref: Page 20 (24/05/2012)

Topic: Use of Clause 22

Senator Abetz asked:

Senator ABETZ: I am not blaming you, Chair. I am blaming the deputy chair. For coalition harmony, we agreed on some timing among ourselves. Clause 22, termination without cause, seems to have been used a lot more in recent times. How often has it been used? Do we have any statistics as to how often clause 22 has been invoked, let us say, over the past three years?

Mr Fahour: Would you like us to take that on notice so we can give you the specific number over three years?

Senator ABETZ: I assume you will have to take that one on notice.

Mr Fahour: We will give you the specifics.

Answer:

Australia Post has exercised its rights under Clause 22 (termination without cause provisions) of the LPO Agreement on two occasions during the past three years.

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Question No: 239

Program No. Australia Post

Hansard Ref: Page 22 (24/05/12)

Topic: Cheque Fees

Senator Fifield asked:

Senator FIFIELD: I have a few questions about the issue of cheque fees for organisations, particularly not-for-profits, who continue to seek to make payments by cheque for their credit accounts with Australia Post. I understand that it has been a policy of Australia Post over time to encourage its business and not-for-profit clients to migrate to other means of payment—electronic means of payment. I think that this new fee came into effect on 1 January but that there was a six-month amnesty for not-for-profit organisations until 1 July this year. I am interested in how many not-for-profit organisations continue to choose to pay by cheque rather than electronic means. I just want to get a handle on how many organisations will be subject to the \$100 annual fee.

Mr Fahour: Senator, I will take on notice the specific aspect of your question, which is how many, and we will get that answer back to you...

Answer:

In December 2011, there were approximately 16,000 not-for-profit Business Credit Account customers, of which approximately 2,700 paid by cheque. Australia Post wrote separately to those 2,700 customers advising them there was an amnesty on the \$100 annual cheque payment fee until 1 July 2012, after which time if they continued to pay by cheque they may be charged the fee in January 2013.

Since then, Australia Post has received numerous calls and letters from those 2,700 customers wanting to discuss their payment options and how they might go about changing to other methods of payment. While a small number of these customers have already changed to other methods of payment, the majority are still considering their options.

To this end, prior to the next cheque payment fee in January 2013, Australia Post will review this customer group again to see how they have progressed in moving to other methods of payment and, as it has done in the past, will adopt a flexible and case-by-case approach to assist them to progressively move away from cheque payment.

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Question No: 240

Program No. Australia Post

Hansard Ref: Page 25 (24/05/12)

Topic: Parcel Prices – Basic Postage Rate International Comparison

Senator Birmingham asked:

Senator BIRMINGHAM: And your parcels business domestically is quite profitable?

Mr Fahour: No, the domestic stamp price. The UPU do not care about your parcels. They care about your stamp price—the 60c stamp price. That is No. 1. No. 2 is that we have the second cheapest stamp in the OECD. We have one of the best services in the OECD and the second cheapest price.

CHAIR: Who is the cheapest? An obvious question.

Mr Fahour: I was going to say something, but I will check.

Answer:

The OECD country with the lowest basic postage rate (A\$ based on Purchasing Power Parity) is South Korea at \$0.56c, followed by Australia at \$0.60c.

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Question No: 241

Program No. Australia Post

Hansard Ref: Page 25 (24/05/12)

Topic: Parcel Prices

Senator Birmingham asked:

Senator BIRMINGHAM: You are losing approximately \$50 million on small parcels that are imported?

Mr Fahour: Under the UPU arrangements.

Senator BIRMINGHAM: And how much is that category growing per annum?

Mr Fahour: Of course it varies month by month. But in the year 2010-11 it was double digit. I can take on notice for the year 2010-11 and give you the specific answer. But it was double digit.

Answer:

International inbound small parcel (ie under 2kg) volumes grew by 54% in 2010/11 and have a compounded annual growth rate of 20.9% from 2008 - 2012.

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Question No: 242

Program No. Australia Post

Hansard Ref: Page 32 (24/05/12)

Topic: Semitrailers

Senator Williams asked:

Senator WILLIAMS: So how many semitrailers does Australia Post own?

Mr Fahour: Can I take that on notice?

Senator WILLIAMS: You can. Is there any talk about selling your trucks and leaving it all to the private sector? Has that been considered?

Answer:

Australia Post's fleet of Semitrailers consists of 137 Prime Movers and 235 Trailers.

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Question No: 243

Program No. Australia Post

Hansard Ref: Page 33 (24/05/12)

Topic: Missing Mail

Senator McKenzie asked:

Senator McKENZIE: My question goes to an incident in north-east Victoria in a town called Castlemaine last year involving an Australia Post worker. It was an isolated incident where the mail was alleged to have gone missing for six years. He was eventually discovered and it is all under control.

Mr Fahour: Where did they find it after six years?

Senator McKENZIE: The stuff was, I think, on his property. But over \$60,000 worth of property was seized.

Senator FISHER: Over a six-year period.

Senator McKENZIE: In a six-year period, the stuff was garnered through the mail and his role with Australia Post. I have two questions. Why was it not detected for so long? Probably the second one, which is more pressing, is: what processes does Australia Post have in place in relation to staff mail threats? Are these being reviewed in light of that particular incident?

Mr Fahour: Senator, I will take both those questions on notice. In the specific circumstances I want to be careful, obviously, about what we say and what is in there. I really appreciate you saying what you are saying, which is that this is an isolated incident. I can assure you that the workers and the posties take huge, huge pride in what they do. If they know one of their own is doing something, they will call them out. Clearly this one person had figured out a way to take advantage of the situation. We will give you the details as you wish.

Senator McKENZIE: Just around the processes.

Mr Fahour: Around the processes—that is what I mean. We will give you the exact process on that and on notice. Thank you very much, Senator

Answer:

Investigation and detection of the subject offences occurred promptly after the issue was brought to the attention of Australia Post. Prior to the commencement of the investigation, there had not been any material increase in the number of complaints of lost or missing mail reported to the Australia Post Customer Contact Centre (CCC), in respect of the region in question, and no indication that an investigation was required or warranted.

Australia Post maintains a comprehensive set of processes to ensure the integrity of postal articles which are in the course of post. Among these processes:

- (i) All staff and delivery contractors are vetted before engagement to ensure that they are of suitable character for employment;
- (ii) All staff (including contractors) are trained in relation to their legal obligations concerning postal articles under Commonwealth law, and potential penalties for breach;
- (iii) Mail handling facilities are monitored by a range of appropriate security measures;

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- (iv) Random pro-active testing and checking of mail integrity occurs through the activities of the Corporation's Security & Investigation Group, and
- (v) All customer queries concerning delayed mail are assessed to identify any patterns, trends, or factors which may suggest unusual circumstances, and which indicate that investigation into possible interference with mail should take place.

All processes associated with assurance of mail integrity are regularly reviewed. Unrelated to the specific Castlemaine incident, Australia Post has recently completed a detailed review of its employee/contractor character vetting practices, and is implementing improvements and enhancements to those practices. Separately, and as a direct result of the Castlemaine incident, the Security & Investigation Group and the CCC are working together on a joint project to identify opportunities to better analyse and react to customer complaint data which may indicate mail integrity issues.

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Question No: 244

Program No. Australia Post

Hansard Ref: Page 35 (24/05/12)

Topic: Charge for Certifying Documents

Senator Fisher asked:

Senator FISHER: Sure. Or individual purposes. How long have you been rendering that charge? How much income does it generate for Australia Post?

Mr Fahour: I will take that on notice, but it is approximately in the last four years.

Senator FISHER: And how much income it is generating. Thank you.

Mr Fahour: I will come back to you on that.

Answer:

Australia Post began charging for this service in February 2010. The service generated \$957,000 in revenue in the 2010/11 financial year.

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Question No: 245

Program No. Page 33 (24/05/12)

Hansard Ref: In Writing

Topic: Electronic point-of-sale facilities

Senator Abetz asked:

Has Australia Post made any plans to extend electronic point-of-sale facilities to Licensed Post Offices that currently do not have access to Australia Post's online point-of-sale system? If so, has Australia Post developed a timetable for implementation?

Answer:

Australia Post is currently exploring a low cost point of sale solution that has the potential to be extended to outlets that currently do not have/qualify for electronic point of sale equipment. The solution will be piloted at a small number of sites in 2012.

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Question No: 246

Program No. Australia Post

Hansard Ref: In Writing

Topic: State LPO Conferences

Senator Abetz asked:

What is the cost to Australia Post of holding its State LPO Conferences? Please include all costs: including conference organisers, venue hire, catering, audio-visual costs, speakers, travel, accommodation for Australia Post staff and any other Australia Post staff time spent on the LPO Conferences.

Answer:

Australia Post will spend around \$1.2m on the 2012 State LPO conferences, which includes all conference related expenses and estimated Australia Post staff costs.

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Question No: 247

Program No. Australia Post

Hansard Ref: In Writing

Topic: State LPO Conferences

Senator Abetz asked:

Do the State LPO Conferences generate any income for Australia Post? How much does Australia Post charge exhibitors to attend LPO Conferences?

Answer:

Yes, Australia Post generates income from the State LPO Conferences. Individual exhibitors are charged around \$2,300 to \$5,850 per state, depending on the size of their exhibition booth, the state in which they are exhibiting and whether they are eligible for any discount based on exhibiting in multiple states.

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Question No: 248

Program No. Australia Post

Hansard Ref: In Writing

Topic: State LPO Conferences

Senator Abetz asked:

How does Australia Post select the exhibitors invited to take part in State LPO Conferences?

Answer:

Australia Post invites exhibitors to take part in the State LPO Conferences based primarily on them having an existing supplier relationship with Australia Post and the fit of their product/service offer to the needs of licensees.

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Question No: 249

Program No. Australia Post

Hansard Ref: In Writing

Topic: Parcel Revenue

Senator Birmingham asked:

- a. Please provide current projections for letter volumes and parcel volumes by weight category.
- b. Please provide current projections for letter revenue and parcel revenue by weight category.
- c. Please outline profitability at different letter and parcel weight categories.

Answer:

- a&b. Volume and revenue projections for letters and parcels are commercial-in-confidence. However, as an overview, Australia Post expects the recent trend in letter volumes (ie over 4% per annum decline over the last three years) to continue, with the impact of this decline offset to some degree by continued growth in parcels volumes.
- c. The Segment Results included in Australia Post's Annual Reports (p 93-96 for 2010/11 <http://auspost.com.au/about-us/annual-reports.html>), show revenue and profit results for the letters, parcels and retail businesses.

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Question No: 250

Program No. Australia Post

Hansard Ref: In Writing

Topic: Superstores

Senator Birmingham asked:

Where will superstores with 24 hour zones be located? How have they been selected? What is the cost of establishing this service? What are the ongoing costs of running this service? What revenue streams are available?

Answer:

Australia Post currently has a number of superstores underway across the country with a longer term plan to create a network of approximately 300 superstores. There will be 30 superstores trading by August 2012. A number of factors are taken into consideration when determining the suitability of an outlet for a 24 hour zone. These include location, customer demographics, surrounding services, volume of parcels, post office box numbers and space availability within the existing tenancy to accommodate the 24 hour zone.

The 24 hour zone is made up of a number of optional elements. These include parcel lockers (smart lockers that are accessible to all customers via an SMS and PIN or PO Box parcel lockers that are accessible to PO Box customers only via a key), a vending machine and a self service terminal for bill payment and parcel assessment and lodgement. Superstores that meet the criteria may contain some or all of the elements of the 24 hour zone. For examples flagship sites in Brisbane, Melbourne, Perth and Sydney CBD will contain all these elements.

The cost of a 24 hour zone forms part of the overall refit and ongoing operating costs for the outlet. As a guide, Australia Post invests in the range of \$1 million in creating a flagship superstore in each state that features a full 24 hour zone. For all other superstores, Australia Post invests in the range of \$400,000 - \$500,000 per outlet.

There are no significant ongoing running costs from operating the 24 hour zone. The 24 hour zone generates additional revenue from products sold via the vending machine, bill payments and parcel lodgements via the self service terminal and also supports the ongoing retention of customers through greater access to services.

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Question No: 251

Program No. Australia Post

Hansard Ref: In Writing

Topic: Closures

Senator Birmingham asked:

- a. How many Post offices have closed in 2011/12? Please provide detail of each closure.
- b. Are Post office closures expected in 2012-13? Please provide details.

Answer:

- a. The following postal outlets have closed during 2011/12:

Corporate (9)

Perth Adelaide Terrace	WA	Metro	26/08/2011	Lease expiry – 7 nearby outlets in CBD
Frankston	VIC	Metro	16/09/2011	Consolidated with outlet 300m away
Unley BC	SA	Metro	29/12/2011	Ceased counter services. PO boxes continue to be serviced at this location
Caboolture BC	QLD	Metro	20/01/2012	Services consolidated at nearby outlets
Gladstone BC	QLD	Rural	27/01/2012	Ceased counter services – now operating as a delivery centre
Earlville BC	QLD	Rural	27/01/2012	Ceased counter services – now operating as a mail centre
Melbourne Collins St East	VIC	Metro	26/03/2012	Combined with new superstore 100m away
Toowoomba West	QLD	Rural	06/04/2012	Replaced with new Community Postal Agency
Capalaba BC	QLD	Metro	04/06/2012	Combined with new superstore 100m away

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Licensed Post Offices (10)

Canberra Airport	NSW	Metro	01/07/2011	Agreement terminated by agent
Mailors Flat	VIC	Rural	29/07/2011	Agreement terminated by agent
St James	VIC	Rural	21/10/2011	Agreement terminated by agent
Galong	NSW	Rural	13/01/2012	Agreement terminated by agent
Bulli	NSW	Metro	20/01/2012	Agreement terminated by agent
Lyons	NSW	Metro	02/03/2012	Agreement terminated by agent
Dampier	WA	Remote	21/03/2012	Agreement terminated by agent
Lemnos	VIC	Rural	29/03/2012	Agreement terminated by agent
Windsor	QLD	Metro	02/04/2012	Agreement terminated by agent
Bluff	QLD	Remote	08/06/2012	Agreement terminated by agent

Community Postal Agents (17)

Balgowan	SA	Rural	01/09/2011	Agreement terminated by agent
Silkwood East	Qld	Rural	01/10/2011	Agreement terminated by agent
Alice Plaza	NT	Remote	01/10/2011	Agreement terminated by agent
Wedgefield	WA	Remote	27/10/2011	Agreement terminated by agent
Davistown	NSW	Metro	01/11/2011	Agreement terminated by agent
Dudinin	WA	Remote	01/11/2011	Agreement terminated by agent
Lake Innes	NSW	Metro	01/12/2011	Agreement terminated by agent
Federal	NSW	Rural	06/02/2012	Agreement terminated by agent
Murphys Creek	QLD	Rural	01/07/2011	Agreement terminated by agent
Lake Tyers Beach	VIC	Rural	03/08/2011	Agreement terminated by agent
Edith Creek	TAS	Rural	30/09/2011	Agreement terminated by agent

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Bullaring	WA	Rural	23/12/2011	Agreement terminated by agent
Meringandan West	QLD	Rural	29/02/2012	Agreement terminated by agent
Orange South	NSW	Rural	26/03/2012	Agreement terminated by agent
Hardwicke Bay	SA	Rural	26/04/2012	Agreement terminated by agent
Mt Coolum	QLD	Rural	28/05/2012	Agreement terminated by agent
Myalup	WA	Rural	28/05/2012	Agreement terminated by agent

- b. Due to the size and scale of Australia Post's retail network, it is subject to ongoing change. These changes are most prevalent in the Licensed and Community Postal Agency networks that are run by small business operators. During the 2011/12 financial year, Australia Post has increased the total number of outlets in the network from 4,419 to 4,424 (at 31 May) and invested in upgrading the network with 30 new superstores that will be trading by August 2012.

With ongoing declining customer numbers (i.e. customer visits have decreased by approximately 60 million since 2003) Australia Post will continue to review the network to ensure it strikes the appropriate balance between service delivery and financial viability. As has occurred in previous years, further changes to the network are expected in 2012/13, however, it is not anticipated that overall outlet numbers will be reduced.

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Question No: 252

Program No. Australia Post

Hansard Ref: In Writing

Topic: Delivery Points

Senator Birmingham asked:

- a. Please outline the trend in the number of delivery points serviced by Australia Post each week day?
- b. Please outline the trend in the average number of letters and parcels delivered to each delivery point each day, week and year (Or whatever metric Australia Post is best able to provide)?

Answer:

a. Delivery Point trends ('000)

<u>2006/07</u>	<u>2007/08</u>	<u>2008/09</u>	<u>2009/10</u>	<u>2010/11</u>
10,266.6	10,458.9	10,588.9	10,709.0	10,879.9

b. Daily articles per delivery point trends

<u>2006/07</u>	<u>2007/08</u>	<u>2008/09</u>	<u>2009/10</u>	<u>2010/11</u>
2.142	2.137	2.02	1.923	1.848

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Question No: 253

Program No. Australia Post

Hansard Ref: In Writing

Topic: Digital MailBox

Senator Birmingham asked:

- a. What is the timeline for the rollout of the digital mailbox?
- b. What Key Performance Indicators have been set for the service?
- c. What are the expected revenue streams of the service?

Answer:

- a. It is anticipated the Digital Mailbox will have its initial launch in September 2012 and undergo incremental changes until June 2013, when implementation of the service will be complete.
- b. Key Performance Indicators will include the number of registered users, number of active users, number of providers and revenue.
- c. The four main revenue streams will be (a) Document Delivery (b) Bill Payment (c) Advertising and (d) Premium Storage.

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Question No: 254

Program No. Australia Post

Hansard Ref: In Writing

Topic: QoN 3 – Additional Estimates

Senator Macdonald asked:

We draw your attention to answers to questions on notice 3 from Additional Estimates February 2012.

We refer to advice provided in the stated answer to the effect that 94% of Australia Post deliveries comply with prescribed performance standards.

1. Please provide details of the method for measuring the 94% prescribed performance standard across on-time delivery assessments?
2. What assessment has been made of failures to maintain the standard – the remaining 6% - in terms of these failures highlighting fatal systemic and infrastructure issues?
3. As the prescribed standard is substantially achieved, what resources are devoted to remediating the issues highlighted by the remaining 6% of deliveries?
4. Can the Department explain the consistent disappearance of C5 size parcels from mail into Townsville experienced by our constituent?
5. Can the department explain the consistent and persistent damage to merchandise that is being sent via Australia Post?
6. Can the Department explain why it is that customers are being refused compensation for such damage?
7. Can the department explain a delivery time of twelve (12) working days from TVE – BNE?
8. Can the department explain a twenty-five (25) working day delivery time from Perth to Townsville?
9. Will the department be offering compensation for penalties paid and for lost business as a result of these failed service standards?

Answer:

Australia Post's answer to QoN No 3. from Additional Estimates did not indicate that 94% of Australia Post's deliveries comply with prescribed performance standards, as suggested in the question. It indicated the following:

“During 2010/11, external monitoring reported on-time delivery performance on 96% for the mail path Townsville-Mackay and 100% for the mail path Townsville-Brisbane, against the prescribed performance standard of 94%”.

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1. Full details of the method used by Research International to independently monitor Australia Post's on-time letter delivery performance against the prescribed standard are included in Australia Post's 2010/11 Annual Report (p118).

- 2-3. As indicated in Research International's report, "for the year ended June 2011, the monitor showed that Australia Post delivered 96% of all letters early or on-time; and 99% of letters were delivered on-time or not more than one working day after your delivery undertakings". Australia Post's 2010/11 delivery performance results do not indicate there are "fatal systemic and infrastructure issues" in the postal network, as suggested in the question.

- 4,5,
7&8 Senator Macdonald raised his constituent's concerns direct with Australia Post on 13 December 2011 and a copy of Australia Post's reply is attached.

- 6&9. In line with the Australia Post Terms and Conditions, at its discretion, Australia Post may pay compensation for the loss of an article if the claimant can provide proof of posting and may also pay compensation for damage to an article if it has been adequately packaged.

Customers should consult Australia Post's Dangerous and Prohibited Goods Packaging Guide, which is available online at www.auspost.com.au, to ensure their articles are adequately packaged to withstand the normal rigours to which they will be subjected during their transmission through the postal network. Equally important, customers should select a service that provides a sufficient level of compensation cover in the event of loss or damage, particularly where items of any value are concerned.

Australia Post does not pay compensation for delays or indirect or consequential loss.



Our reference: 11/1088

30 January 2012

Senator the Hon. Ian Macdonald
Senator for Queensland
PO Box 2185
TOWNSVILLE QLD 4810

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Dear Senator

I refer to your letter dated 13 December 2011 on behalf of your constituent Mr Peter Newey who has complained of delays his customers have experienced in receiving goods he has sent to them. After considering the points raised, I am able to provide the following.

Firstly, I would like to reaffirm that Australia Post takes seriously its commitment to providing an efficient, timely, and reliable service for all Australians and treats any reports of delays seriously. While, as an organisation that relies heavily on manual processing, we acknowledge that human error can play a part in occasional delays, we are heavily invested in technology solutions to streamline mail services.

As part of its reporting obligation, Australia Post engages independent auditors Research International to monitor its mail network and we publish their findings in our annual report. For the financial year 2010/2011, auditors found that 96.0% of reserved service articles were delivered within the advertised delivery standards, with 99.0% of letters being delivered on time or within one day of the allotted timeframe. As the bulk of Mr Newey's articles were lodged prior to October 2011, I asked our internal network performance and audit group to advise of a sample result for that period. The path from Townsville to Brisbane returned an on-time result of 94.1% during October 2011.

The data Mr Newey has provided indicates that at a rate of lodgement of 2,000 articles per month, he has lodged 12,000 articles of the six-month snapshot taken in which he reports 56 articles delayed. Against that data, Mr Newey has reported that 99.54% of parcels Mr Newey's business has lodged for delivery across Australia were successfully delivered on-time. While any delay is regrettable, Australia Post considers that the data does not suggest a systemic problem.


Naturally, without costly tagging and tracking, Australia Post is not able to track the course of every article lodged with it, however analysis of customer complaint data is able to suggest possible causes for the occasional delays experienced by Mr Newey. While regrettable, Australia Post has previously

investigated complaints of articles being delivered to an incorrect address, articles being left for collection at a Post Office without a delivery attempt, and parcels being left in a location at a customer's address without adequate notification. In each instance of complaint, the error is not representative of a systemic problem, and is addressed locally with the responsible operator. Mr Newey is therefore encouraged to refer complaining customers to our Customer Contact Centre, where their complaint can be investigated on an individual basis.

I appreciate the concern Mr Newey has for the timely and safe delivery of his parcels. Where a parcel is required urgently, Australia Post recommends its Express Post service, which carries a guarantee that the article will be delivered the next business day if posted to and from an area within the Express Post network. While outside the National Express Post network, Townsville is within the Queensland Express Post network and therefore is a guaranteed lodgement point when posting to areas such as Brisbane (and suburbs) or the township areas of Mackay.

Thank you for taking the time to write with your constituent's concerns. I trust the information above will be of assistance in your response to him.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ahmed', with a small flourish at the end.

Ahmed Fahour

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Question No: 255

Program No. Australia Post

Hansard Ref: In Writing

Topic: QoN 5 – Additional Estimates

Senator Macdonald asked:

We draw your attention to answers to questions on notice 5 from Additional Estimates February 2012.

We refer to advice provided in the stated answer to the effect that Australia Post has indicated that the residents of Innot Springs were provided the option of having a post office box at Mt Garnet (15km away) or a two-day-a-week postal delivery service following the closure of CPA services in Innot Hot Springs.

1. Can the Department advise the manner in which these choices (post office box at Mt Garnett vs. two-day-a-week postal delivery service) were communicated to the local residents?
2. Can the Department advise the count – how many people voted for a delivery service and how many for a box at Mt Garnet, and how many voted in total?
3. What permanent resident population would be required for Australia Post to provide a full-time service at a location like Innot Hot Springs?

Answer:

1. Where there is a change to the retail network, Australia Post is committed to communicating and engaging with the community. In the case of Innot Hot Springs CPA - which ceased trading in June 2010 after the agent terminated the agreement - residents were advised of their delivery choices via a letter delivered to their Post Office Box, a public notice in the CPA and through discussions with the operator of the CPA.
2. Australia Post sent letters to 106 residents asking them to indicate whether they wanted their mail delivered via a Post Office Box or via a twice-weekly roadside delivery service. 85 residents chose the PO Box option and 21 residents chose the roadside delivery service option.
3. Australia Post takes a number of factors into account in determining the frequency of delivery services in rural and remote areas including community need (ie the amount of mail to be delivered) and the overall cost of the service. There is no direct link between a permanent resident population and the frequency of mail deliveries.

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Question No: 256

Program No. Australia Post

Hansard Ref: In Writing

Topic: QoN 4 – Supplementary Estimates

Senator Macdonald asked:

We draw your attention to Supplementary Estimates answer to QON 4, Hansard pp 68-9 regarding the Nabilla Post Office Boxes.

1. Has Australia Post conducted the promised 'early 2012' survey into the provision of mail delivery services in the Marian area?
2. How long will it take and how much will it cost to implement delivery services to these 800 residents?
3. Has Australia post formulated a plan to institute these services?

Answer:

1-3. Australia Post's answer to QoN No4. from Additional Estimates detailed the scope and outcome of the Mail Delivery Poll that was conducted in Nabilla in February/March 2012.

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Question No: 257

Program No. Australia Post

Hansard Ref: In Writing

Topic: Staffing

Senator Fisher asked:

- a. How many ongoing staff recruited this financial year to date? What classification are these staff?
- b. How many non ongoing positions exist or have been created this financial year to date? What classification are these staff?
- c. This financial year to date, how many employees have been employed on contract and what is the average length of their employment period?

Answer:

- a. 1,903 permanent staff have been recruited FYTD, with the following classifications:

Administrative, Contract and IT (all levels)	327
Customer Contact Centre (all levels)	237
Postal Services (including Delivery Managers, Postal Delivery Officers, Postal/Parcel Services Officer, Drivers, Sorters, Transport, Technical Services and Trainees, etc.)	1,339

TOTAL	1,903
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- b. 234 fixed-term positions have been created FYTD, with similar classifications to those listed above.
- c. 234 staff have been employed on contract and their average length of employment is 5.3 months.

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Question No: 258

Program No. Australia Post

Hansard Ref: In Writing

Topic: Staffing

Senator Fisher asked:

Please list the SES positions have you in your department/agency in the years this financial year to date. Identify the different levels and how many are permanent positions.

Answer:

Australia Post does not use the SES classification system.

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Question No: 259

Program No. Australia Post

Hansard Ref: In Writing

Topic: Staffing

Senator Fisher asked:

Will there be any training after the 2012 Calendar year for 2012 Graduates? If yes, please details costs and what the training is.

Answer:

All Australia Post graduates undertake a two-year development program.

The development program for 2013 will be based on graduates completing a strategic business project based on producing outcomes for a real business scenario with complementing 'soft skills' development workshops on topics including project management and effective presentation skills. This will be managed in conjunction with Fusion Graduate Management Solutions and will be designed with consideration of best practice within the industry. Costs are still being negotiated.

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Question No: 260

Program No. Australia Post

Hansard Ref: In Writing

Topic: Staffing

Senator Fisher asked:

What was the cost for recruiting 2012 Graduates? Please itemise and detail costs.

Answer:

The total cost for recruiting the 2012 Graduates was approximately \$63,000. Costs included Recruitment Consultant Fees and Marketing related expenses.

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Question No: 261

Program No. Australia Post

Hansard Ref: In Writing

Topic: Government Advertising

Senator Fisher asked:

- a. What was the total cost of all advertising for the financial year to date?
- b. Is the advertising campaign or non-campaign advertising? Provide details of each advertising, including the program the advertising was for, the total spend and the business that provided the advertising services.
- c. Has the Department of Finance and Deregulation provided any advice about the advertising? Provide details of each advertising item.
- d. Has the Peer Review Group (PRG) and/or Independent Communications Committee (ICC) provided any advice about the advertising? Provide details of each advertising item.
- e. Did the Advertising comply with the Guidelines on Information and Advertising Campaigns by Australian Government Departments and Agencies? Provide the details for each advertising item.
- f. Provide details for any other communications program, including details of the program, the total spend and the business that provided the communication services.
- g. What advertising – Campaign and Non-Campaign – and other communications programs is the Department/Agency undertaking, or are planning to undertake?

Answer:

- a-g. Australia Post has not undertaken and is not planning to undertake any “Advertising or Communications Programs” as defined in QoN No. 59 – Budget Estimates Hearing May 2010.

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Question No: 262

Program No. Australia Post

Hansard Ref: In Writing

Topic: Hospitality and Entertainment

Senator Fisher asked:

- a. What is the Department/Agency's hospitality spend for this financial year to date? Detail date, location, purpose and cost of all events.
- b. What is the Department/Agency's entertainment spend for this financial year to date? Detail date, location, purpose and cost of all events.
- c. What hospitality spend is the Department/Agency's planning on spending? Detail date, location, purpose and cost of all events.
- d. What entertainment spend is the Department/Agency's planning on spending? Detail date, location, purpose and cost of all events.
- e. Is the Department/Agency planning on reducing any of its spending on these items? If so, how will reductions be achieved?

Answer:

- a-e. As a large commercially focused 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 corporation on an ongoing basis. These activities are aimed at strengthening existing customer relationships and developing potential ones. The details sought in respect of hospitality and entertainment 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: 263

Program No. Australia Post

Hansard Ref: In Writing

Topic: Freedom of Information

Senator Fisher asked:

- a. Has the Department/agency received any updated advice on how to respond to FOI requests?
- b. What is the total cost to the department to process FOI requests for this financial year to date?
- c. How many FOI requests has the Department received for this financial year to date? How many requests have been denied and how many have been granted? Has the department failed to meet the processing times outlined in the FOI Act for any requests? If so, how many and why? Do any of these requests remain outstanding? If so, how many and why?
- d. How many conclusive certificates have been issued in relation to FOI requests for this financial year to date?

Answer:

- a. At various times, Australia Post has sought expert external advice on technical aspects of the Freedom of Information Act, however, not in the last 12 months.
- b. The total cost to process FOI requests for the FYTD (at 31 May 2012) was approximately \$65,000
- c. In the FYTD, Australia Post has received 106 applications, of which it granted access in full to 73 applications and access in part to 11 applications. Access was refused to 13 applications and 3 applications were withdrawn. Six applications are still being processed. Australia Post has failed to meet the required processing times on five occasions.
- d. None.

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Question No: 264

Program No. Australia Post

Hansard Ref: In Writing

Topic: Consultancies

Senator Fisher asked:

- a. How many consultancies have been undertaken this financial year to date? Identify the name of the consultant, the subject matter of the consultancy, the duration and cost of the arrangement, and the method of procurement (i.e. open tender, direct source, etc). Also include total value for all consultancies.
- b. How many consultancies are planned for this calendar year? Have these been published in your Annual Procurement Plan (APP) on the AusTender website and if not why not? In each case please identify the subject matter, duration, cost and method of procurement as above, and the name of the consultant if known.

Answer:

- a. Australia Post has engaged 11 major management consultants (ie those costing \$250,000 or more), at a total cost of \$14.9m in the FYTD (at 31 May 2012). Specific details about individual consultants are commercial-in-confidence.
- b. Australia Post has engaged 3 major management consultants during the first five months of the 2012 calendar year, at a total cost of \$4.5m (reporting systems do not identify consultancies planned for the last seven months of the 2012 calendar year). Specific details about individual consultants are commercial-in-confidence. As a Government Business Enterprise, Australia Post is not required to produce or publish an Annual Tender Plan on the AusTender website.

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Question No: 265

Program No. Australia Post

Hansard Ref: In Writing

Topic: Media Monitoring

Senator Fisher asked:

What was the total cost of media monitoring services, including press clippings, electronic media transcripts etcetera, provided to the department/agency for this financial year to date?

- a. Which agency or agencies provided these services?
- b. What is the estimated budget to provide these same services for the year 2012-13?

Answer:

The total cost of media monitoring services for the FYTD (at 31 May 2012) was \$179,556.

- a. Media Monitors provides the service.
- b. The estimated total budget for 2012/13 is \$250,000.

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Question No: 266

Program No. Australia Post

Hansard Ref: In Writing

Topic: Social Media

Senator Fisher asked:

Has there been any changes to department and 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 publication of the Australian Public Service Commission's Circular 2012/1: Revisions to the Commission's guidance on making public comment and participating online? If yes, please explain and provide copies of any advice that has been issue. If no, please explain why not.

Answer:

No, there has been no change to staff access and usage of social media sites.

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Question No: 267

Program No. Australia Post

Hansard Ref: In Writing

Topic: Contractors

Senator Fisher asked:

For this financial year to date:

1. Has the department/agency ever employed Hawker Britton in any capacity or is it considering employing Hawker Britton? If yes, provide details (including the work undertaken and the cost).
2. Has the department/agency ever employed Shannon's Way in any capacity or is it considering employing Shannon's Way? If yes, provide details (including the work undertaken and the cost).
3. Has the department/agency ever employed John Utting & UMR Research Group in any capacity or is it considering employing John Utting & UMR Research Group? If yes, provide details (including the work undertaken and the cost).
4. Has the department/agency ever employed McCann-Erickson in any capacity or is it considering employing McCann-Erickson? If yes, provide details (including the work undertaken and the cost).
5. Has the department/agency ever employed Cutting Edge in any capacity or is it considering employing Cutting Edge? If yes, provide details (including the work undertaken and the cost).
6. Has the department/agency ever employed Ikon Communications in any capacity or is it considering employing Ikon Communications? If yes, provide details (including the work undertaken and the cost).
7. Has the department/agency ever employed CMAX Communications in any capacity or is it considering employing CMAX Communications? If yes, provide details (including the work undertaken and the cost).
8. Has the department/agency ever employed Boston Consulting Group in any capacity or is it considering employing Boston Consulting Group? If yes, provide details (including the work undertaken and the cost).
9. Has the department/agency ever employed McKinsey & Company in any capacity or is it considering employing McKinsey & Company? If yes, provide details.
10. What contractors have been employed by the department/agency? If yes, provide details (including the work undertaken and the cost).

Answer:

- 1-10. Since 1 July 2011, Australia Post has engaged McCann Erickson to perform media buying on behalf of Australia Post and engaged Boston Consulting Group to provide consultancy advice on eServices.

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Question No: 268

Program No. Australia Post

Hansard Ref: In Writing

Topic: Government Payment of Accounts

Senator Fisher asked:

For this financial year to date, has the department/agency paid its accounts to contractors/consultants etc in accordance with Government policy in terms of time for payment (i.e.within 30 days)?

- a. If not, why not? Provide details, including 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 requirements on the payment of contractor/consultant accounts.

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Question No: 269

Program No. Australia Post

Hansard Ref: In Writing

Topic: Government Stationery Requirements

Senator Fisher asked:

What is the department/agency's stationery costs for the financial year to date?

What was the department/agency's stationery costs for 2009-10 and 2010-11?

Answer:

The details sought about stationery costs 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: 270

Program No. Australia Post

Hansard Ref: In Writing

Topic: Media Subscriptions

Senator Fisher asked:

1. Has there been any change to your pay TV subscription since the 2011-12 Additional Estimates (February 2012)?
 - a. If yes, please provide the reason why, the cost and what channels.
 - b. What is the cost for this financial year to date?

2. Has there been any change to your newspaper subscriptions since the 2011-12 Additional Estimates (February 2012)?
 - a. If yes, please provide the reason why, the cost and what newspapers.
 - b. What is the cost for this financial year to date?

3. Has there been any change to your magazine subscriptions since the 2011-12 Additional Estimates (February 2012)?
 - a. If yes, please provide the reason why, the cost and what magazines.
 - b. What is the cost for this financial year to date?

Answer:

- 1-3. The details sought about media subscriptions 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: 271

Program No. Australia Post

Hansard Ref: In Writing

Topic: Travel Costs

Senator Fisher asked:

1. For the financial year to date, please detail all travel for Departmental officers. Please include a total cost plus a breakdown that include airfares (and type of airfare), accommodation, meals and other travel expenses (such as incidentals).
2. Are the Government's Lowest Practical Fare travel policy for Domestic Air Travel (Finance Circular No. 2009/10) and Best Fare of the Day for International Air Travel (Finance Circular No. 2009/11) guidelines being followed? How is this monitored? If the guidelines are not being followed, please explain why.
3. Are lounge memberships provided to any employees? If yes, what lounge memberships, to how many employees and their classification, the reason for the provision of lounge membership and the total costs of the lounge memberships.
4. When SES employees travel, do any support or administrative staff (such as an Executive Assistant) travel with them? If yes, provide details of why such a staff member is needed and the costs of the support staff travel.

Answer:

1. Australia Post spent a total of \$5,421,116 on air travel for business-related purposes for the FYTD (to May 2012). The details sought about the type of airfares, accommodation, meals and other travel 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.
- 2-4. These questions relate to government employees and are, therefore, not relevant to Australia Post.

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Question No: 272

Program No. Australia Post

Hansard Ref: In Writing

Topic: Legal Costs

Senator Fisher asked:

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

Answer:

- a. Around \$2,248,550 (staff related costs). Specific details of the services provided are Commercial-In-Confidence.
- b. Around \$4,849. Specific details of the services provided are Commercial-In-Confidence.
- c. Around \$5,136,911. Specific details of the services provided are Commercial-In-Confidence.
- d. Around \$1,011,862. Specific details of the services provided are Commercial-In-Confidence.

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Question No: 273

Program No. Australia Post

Hansard Ref: In Writing

Topic: Education Expenses

Senator Fisher asked:

- a. What are the department/agency's guidelines on study? Please provide details.
- b. For this financial year to date, detail all education expenses (i.e. in house courses and tertiary studies) for each portfolio department and agency. Include what type of course, the total cost, cost per participant, the employment classification of each participant, how many participants and the amount of study leave granted to each participant (provide a breakdown for each employment classification). Also include the reason for the study and how it is beneficial for the department/agency.

Answer:

- a. All permanent employees are eligible to apply for benefits under the Assistance with Studies Scheme. The study must be identified as being a developmental need and is to be approved by the relevant manager. Once approved, the employee is eligible for financial assistance, and/or granting of leave.
- b. The details sought about 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: 274

Program No. Australia Post

Hansard Ref: In Writing

Topic: Executive Coaching and Leadership Training

Senator Fisher asked:

In relation to executive coaching and/or other leadership training services purchased by each department/agency, please provide the following information for this financial year to date:

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, their employment classification and how much study leave each employee was granted (provide a breakdown for each 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 (provide a breakdown for each employment classification)
- 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 (provide a breakdown for each employment classification)
- III. The total number of hours involved for all employees who took part (provide a breakdown for each employment classification)
- IV. Any costs the department or agency's incurred to use the location

Answer:

The details sought about 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: 275

Program No. Australia Post

Hansard Ref: In Writing

Topic: Media Training

Senator Fisher asked:

In relation to media training services purchased by each department/agency, please provide the following information for this financial year to date:

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, their employment classification and how much study leave each employee was granted (provide a breakdown for each 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 (provide a breakdown for each employment classification)
- d. The total number of hours involved for all employees (provide a breakdown for each employment classification)
- 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 (provide a breakdown for each employment classification)
- iv. Any costs the department or agency's incurred to use the location

Answer:

For the FYTD (at 31 May 2012), three employees – Media Manager, Media Advisor and General Manager eServices – undertook individual half-day (four hour) media training sessions. The sessions were conducted by Katrina Byers Consulting at a cost of \$2,750 per session.

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Question No: 276

Program No. Australia Post

Hansard Ref: In Writing

Topic: Paid Parental Leave

Senator Fisher asked:

- a. Please list how many staff in each portfolio department and agency are eligible to receive payments under the Government's Paid Parental Leave scheme?
- b. For this financial year to date, list which department/agency is providing its employees with payments under the Government's Paid Parental Leave scheme? Please list how many staff and their classification are in receipt of these payments.

Answer:

- a. All employees with more than 12 months service who earn less than \$150,000 per annum and are the primary care giver of a child are eligible to receive payment under the government's Paid Parental Leave Scheme. As eligibility is based on primary caring responsibility, the number of eligible staff cannot be identified.
- b. Australia Post put the mechanisms in place to begin providing employees with payments under the scheme from 1 July 2011. Currently, 55 employees are in receipt these payments, with the following classifications:

Administrative, Contract and IT (all levels)	11
Customer Contact Centre (all levels)	6
Postal Services (including Delivery Managers, Postal Delivery Officers, Postal/Parcel Services Officer, Drivers, Sorters, Transport, Technical Services and Trainees, etc.)	38

TOTAL	55
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Question No: 277

Program No. Australia Post

Hansard Ref: In Writing

Topic: Corporate Cars

Senator Fisher asked:

Please update if there have been any changes since Additional Estimates 2011-12 (February 2012):

- a. How many cars are owned by each department and agency in your portfolio?
- b. Where is the car/s located?
- c. What is the car/s used for?
- d. What is the cost of each car for this financial year to date?
- e. How far did each car travel this financial year to date?

Answer:

a&c. Australia Post owns 608 cars (at 31 May 2012), which are used for a variety of business-related purposes.

b,d&e. The details sought about corporate cars 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: 278

Program No. Australia Post

Hansard Ref: In Writing

Topic: Taxi Costs

Senator Fisher asked:

- a. How much did each department/agency spend on taxis this financial year to date? Provide a breakdown of each business group in each department/agency.
- b. What are the reasons for taxi costs?

Answer:

- a&b. Australia Post spent a total of \$1,539,028 on taxis in the FYTD (at 31 May 2012). The reasons sought about taxi costs 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: 279

Program No. Australia Post

Hansard Ref: In Writing

Topic: Credit Cards

Senator Fisher asked:

1. Provide a breakdown for each employment classification that has a corporate credit card.
2. Please update if there have been any changes since Additional Estimates 2011-12 (February 2012):
 - a. What action is taken if the corporate credit card is misused?
 - b. How is corporate credit card use monitored?
 - c. What happens if misuse of a corporate credit card is discovered?
 - d. Have any instances of corporate credit card misuse have been discovered? List staff classification and what the misuse was, and the action taken.
 - e. What action is taken to prevent corporate credit card misuse?

Answer:

1. 2519 - Executive Managers (1585) and Staff (934).
2. No changes since Additional Estimates 2011-12 (February 2012).

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Question No: 280

Program No. Australia Post

Hansard Ref: In Writing

Topic: Printing Documents

Senator Fisher asked:

Does the department/agency print any hard copies of reports/statements/papers they produce? If yes, please list how many copies, where they are delivered and the cost

Answer:

Australia Post produces a wide-range of hard copy reports, statements and papers for business-related purposes. The specific details sought about printed documents 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: 281

Program No. Australia Post

Hansard Ref: In Writing

Topic: Provision of Equipment

Senator Fisher asked:

Is electronic equipment (such as ipad, laptop, wireless card, vasco token, blackberry, mobile phone (list type if relevant), thumb drive (not an inclusive list)) provided to department/agency staff? If yes provide details of what is provided, the purchase cost, the ongoing cost and a breakdown of what staff and staff classification receives it.

Answer:

Australia Post provides electronic equipment to staff for business-related purposes. The details sought about the provision of equipment 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: 282

Program No. Australia Post

Hansard Ref: In Writing

Topic: Electricity Purchasing

Senator Fisher asked:

- a. Provide an update of the department/agency electricity purchasing agreement. Provide details of when this was entered into and the length of the agreement.
- b. What were the department/agency electricity costs for 2009-10 and 2010-11?
- c. What are the department/agency electricity costs for this financial year to date?

Answer:

- a. Australia Post has split its facilities into small and large sites for the purpose of obtaining the best possible electricity agreements within the National Electricity Market. The bundling of small sites electricity into contracts provides savings by aggregating the expenditure. Large sites are contracted to ensure certainty in pricing by not being exposed to the spot market price. Individual contracts can then be established to bundle a group of either smaller or larger sites within a State or across States. The length and timing of each contract is aimed at ensuring that Australia Post achieves the best financial deal possible. As such, contracts can be for between one to three years, with most current contracts due to expire in 2012.
- b. \$28,680,394 for 2009/10 and \$28,276,965 for 2010/11.
- c. \$27,527,466 for FYTD (at 31 May 2012).

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Question No: 283

Program No. Australia Post

Hansard Ref: In Writing

Topic: Information for the Australian Greens and Independents

Senator Fisher asked:

1. Does the department/agency provide any information and/or undertake any requests for the Australian Greens? If yes, please provide the following information:
 - a. How is such work and/or information requests commissioned?
 - b. What work/information requests have been undertaken? Provide details and a copy of each work produced.
 - c. Has any such work and/or information requests been unable to proceed? If yes, provide details including what the work and/or information requests were and why it could not be undertaken.
 - d. How long is spent undertaking work and/or information requests for the Australian Greens? How many staff are involved and how many hours? Provide a breakdown for each employment classification.

2. Does the department/agency provide any information and/or undertake any requests for the Independents? If yes, please provide the following information:
 - a. How is such work and/or information requests commissioned?
 - b. What work/information requests have been undertaken? Provide details, including who the work/information was for and a copy of each work produced.
 - c. Has any such work and/or information requests been unable to proceed? If yes, provide details including what the work and/or information requests were, who they were from, who they were for and why it could not be undertaken.
 - d. How long is spent undertaken work and/or information requests for the Independents? How many staff are involved and how many hours? Provide a breakdown for each employment classification.

Answer:

- 1&2. Australia Post does not provide any information and/or undertake any requests for the Australian Greens or Independents.

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Question No: 284

Program No. Australia Post

Hansard Ref: In Writing

Topic: Shredders

Senator Fisher asked:

Has the department/agencies purchased any shredders in the last 12 months? If yes, provide details of how many shredders were purchased, the cost of each shredder, why each new shredder was needed and the purpose for which the shredder is to be used.

Answer:

Australia Post purchases shredders for business-related purposes. The specific details sought about shredders 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: 285

Program No. Australia Post

Hansard Ref: In Writing

Topic: Castlemaine Post Office

Senator McKenzie asked:

- a. In reference to the recent case of alleged staff theft at the Castlemaine Post Office, that was not uncovered for six years. Why did it take so long?
- b. What is the complaints handling process in relation to lost mail? Do you keep statistics on customer complaints of lost mail? What do you do with the statistics?
- c. Were there any such complaints in Castlemaine? What was done about these complaints?
- d. How often do incidents like this occur?

Answer:

- a. The Castlemaine incident involved two delivery contractors. Staff at the Castlemaine Post Office were not involved. Investigation and detection of the subject offences occurred promptly after the issue was brought to the attention of Australia Post. Prior to the commencement of the investigation, there had not been any material increase in the number of complaints of lost or missing mail reported to the Australia Post Customer Contact Centre (CCC), in respect of the region in question, and no indication that an investigation was required or warranted.
- b. The complaint handling process followed by staff in Australia Post's Customer Contact Centre (CCC) is as follows:
 1. If scannable item, check event management for scans and advise customer accordingly
 2. Check Returned Mail Redistribution Centre (RMRC) if item posted over 10 business days ago
 3. Log file
 4. Email correct delivery centre (DC) or fax relevant outlet
 5. Obtain DC response – check scans if applicable
 6. Call up to 3 Return to Sender (RTS) Post Offices
 7. Check RMRC
 8. Request proof of postage/proof of value
 9. Contact addressee to confirm the article has not arrived by phone. If unavailable, send letter of denial.
 10. Accept documents for customer

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11. Check scans if applicable
12. Consider compensation
13. If compensation approved, complete compensation fulfilment form
14. If compensated, prepare and post letter with money order attached.
15. If compensation not applicable, advise customer
16. Resolve file

Australia Post keeps statistics of lost mail for the purpose of identifying and rectifying any systemic problems.

- c. The CCC received 48 inquiries about missing items during the 12-month period April 2010 - March 2011 (the contractor was charged in late-March 2011) and compensation was paid in approximately 33% of these cases.

Prior to the commencement of the investigation, there had not been any material increase in the number of complaints of lost or missing mail reported to the CCC, in respect of the region in question, and no indication that an investigation was required or warranted.

However, as a direct result of this incident, the Corporation's Security & Investigation Group and the CCC are working together on a joint project to identify opportunities to better analyse and react to customer complaint data which may indicate mail integrity issues.

- d. During the 23 month period 1 July 2010 - 31 May 2012, 117 individuals were subject to referral to the Commonwealth Director of Public Prosecutions by Australia Post in connection with allegations of tampering with a postal article whilst in the custody of Australia Post.

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Question No: 286

Program No. Australia Post

Hansard Ref: In Writing

Topic: Mail Contracts

Senator Abetz asked:

Does Australia Post give consideration to Licensees who apply for Mail Contracts? Are Licensees given any preference when tendering for a mail contract?

Answer:

Yes, Licensees who tender for a mail contract are given +5 points (which equates to around 5%) towards the total score.

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Question No: 287

Program No. Australia Post

Hansard Ref: In Writing

Topic: Mail Contracts

Senator Abetz asked:

What Australia Post Mail Management Manuals contain reference to any preferences to be granted to Licences when tendering for a mail contract?

Answer:

The Mail Services Contracts Manual.