

Senate Standing Committee on Environment and Communications
Answers to Senate Estimates Questions on Notice
Supplementary Budget Estimates Hearings November 2013
Communications Portfolio
Australia Post

Question No: 65

Program No. Australia Post

Hansard Ref: In Writing

Topic: LPOs

Senator Whish-Wilson asked:

1. What number of LPOs are there currently in Australia?
2. What number of LPOs have changed franchisee in the last financial year and in the current financial year to date?
3. What number of Post Offices in Australia are classified as rural and regional? How has this number changed over the last five financial years?
4. Has Australia Post, in the current or past financial year, ever carried out any investigations, reviews or commissioned consultancies into the financial viability or financial performance of the LPOs?
5. What processes are there available to an LPO franchisee to renegotiate their LPO Agreement with Australia Post? What processes are available for a franchisee to complain or raise issues about Australia Post performance?
6. Is Australia Post considering changing the model contract for LPO agreements to make LPOs more financially sustainable?
7. Has Australia Post or the Department of Communications provided a brief to the Communications Minister in regard to LPOs and their viability? Has the Minister requested such a brief?
8. Has Australia Post issued and "Termination Without Cause" notices associated with the clause in the Licensee Post Office (LPO) Agreement? If so, how many over the last and current financial years?
9. Has Australia Post conducted any reviews, investigations or consultancies in regards to the CPOs and LPOs skills and capabilities of carrying out increased used of retail technology?
10. Can you provide a list of all LPOs where Australia Post has been unable to find a buyer?
11. How many complaints have been received by Australia Post from LPOs in regards to Australia Post performance, contract conditions, red tape, technology and financial concerns in the last and current financial years?

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Answer:

1. As at 31 October 2013, there were 2,895 LPOs.
2. In the 2012/13 financial year, 270 LPO Agreements were assigned. In the FYTD (as at 31 October 2013), there have been 105 Agreements assigned.
3. As at 31 October 2013, there were 2,558 post offices (corporate post offices, licensed post offices and community postal agencies) in rural and remote localities. This is a reduction of 3 from the 2,561 post office in rural and remote localities as at 30 June 2008.
4. A formal review or investigation into LPO financial viability or performance has not been undertaken in the current or past financial year.
5. There are a limited number of negotiable items within the LPO Agreement. Licensees negotiate these items directly with Australia Post through their network manager.

Licensees are able to raise any concerns they may have directly with Australia Post at various levels within the organisation. They are also able to raise matters through the dispute resolution processes provided under both the terms of the LPO Agreement and the Franchising Code of Conduct. Licensees may also raise concerns through external bodies such as the Postal Industry Ombudsman and the ACCC.

6. Australia Post is currently assessing a number of potential changes to LPO payment arrangements.
7. The Department of Communications has provided briefings to the Minister on the sustainability of Licensed Post Offices through the following processes: Question Time Briefs, a Meeting Brief and through replies drafted in response to ministerial correspondence.
8. No LPO Agreements have been terminated under the “without-cause” provisions during the current or last financial year.
9. Australia Post ensures for all post office activities at our corporate and licensed outlets that they can be undertaken in a safe and appropriate manner with consideration to the skills and capabilities of our corporate staff and licensees. Where required, training is provided to support these activities.
10. The specific details sought about situations where a buyer is not able to be found for a LPO are not captured on any central database. As such, Australia Post is not in a position to provide the information requested.
11. Australia Post maintains a central record of LPO Disputes that have progressed to Stage 2 and beyond in the process rather than Complaints.
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