#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio Australia Post

**Question No: 94** 

Hansard Ref: ECA 7

**Topic: Post Office Boxes at Hobart GPO** 

**Senator Abetz asked:** 

Can you confirm that Australia Post has removed the nomenclature of GPO Boxes from the Hobart city location?

#### **Answer:**

Australia Post has not removed/changed the nomenclature of GPO Boxes at Hobart, and has no plans to do so.

#### **Budget Estimates Hearings May 2009**

## Broadband, Communications and the Digital Economy Portfolio Australia Post

**Question No: 95** 

Hansard Ref: ECA 7/8

**Topic:** Licensee Advisory Council (LAC)

#### **Senator Abetz asked:**

- (1) How many full time Australia Post staff work on LAC matters?
- (2) Has Australia Post engaged any consultants to work on LAC related matters?
- (3) Is the LAC a wholly owned subsidiary of Australia Post?
- (4) How often are LAC elections held?
- (5) What was the total cost of LAC elections in 2008?
- (6) What is the composition of the LAC Australia Post staff and Licensees?
- (7) What role does a director of the LAC have in relation to compliance monitoring, performance and those sorts of things?
- (8) Are directors of the LAC paid a fee?

- 1. No staff members are assigned to this function on a full time basis. Approximately 1.6 FTEs work on LAC-related matters.
- 2. Yes.
- 3. No, the Australia Post Licensee Advisory Council Pty Ltd is a public company limited by guarantee. Its members are comprised of licensees and Australia Post staff.
- 4. LAC elections are held annually.
- 5. \$19,435.
- 6. The national LAC comprises nine licensee directors and four Australia Post directors.
- 7. LAC directors provide advice and feedback to Australia Post on a range of matters including compliance, monitoring, strategic performance, new products/services and procedural matters. The LAC also advises on potential new business opportunities and ideas presented by licensees.
- 8. No.

#### **Budget Estimates Hearings May 2009**

## Broadband, Communications and the Digital Economy Portfolio Australia Post

**Question No: 96** 

Hansard Ref: Written

**Topic:** Licensee Advisory Council (LAC) – Staff and Resources

#### **Senator Abetz asked:**

- 1. How many full time Australia Post staff work on LAC matters? Please indicate total amount of full time staff that work for the national LAC and the total amount that work for the state LACs.
- 2. If there are no full time staff working for the LAC, how many FTEs work on LAC matters?
- 3. Are the staff working for the LAC paid by Australia Post?
- 4. Has Australia Post engaged any consultants to work on LAC-related matters? Please provide details for the 2007/08 and 2008/09 financial years.
- 5. Has the LAC raised any funds from outside of Australia Post revenues, e.g. advertising?
- 6. Is the Australia Post LAC a wholly owned subsidiary of Australia Post?
- 7. What was the cost of operating the LAC in 2007/08? What is the projected cost of operations of the LAC in 2008/09?
- 8. What was the total cost of LAC elections in 2008?

#### **Answer:**

- 1&2. No staff members are assigned to this function on a full time basis. Approximately 1.6 FTEs work on LAC-related matters.
- 3. Yes.
  - 4. Yes, the details are as follows:

5.

2007/08		
Company	Purpose of engagement	
Registries	To independently conduct the annual LAC election	
Limited		
Ernst and	To provide expert advice to ensure compliance with ASIC and	
Young/Australian	audit requirements	
National Audit		
Office		
Total Cost \$22,435		

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio Australia Post

2008/09		
Company	Purpose of engagement	
Registries	To independently conduct the annual LAC election	
Limited		
Franchise	To conduct surveys and facilitate meetings for the LAC	
Relationship		
Australia		
Ernst and	To provide expert advice to ensure compliance with ASIC and	
Young/Australian	audit requirements	
National Audit		
Office		
Total Cost \$30,500		

- 5. No.
- 6. No, the Australia Post Licensee Advisory Council Pty Ltd is a public company limited by guarantee. Its members are comprised of licensees and Australia Post staff.
- 7. \$105,340 in 2007/08 and \$83,095 in 2008/09.
- 8. \$19,435.

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio Australia Post

**Question No: 97** 

#### Hansard Ref: Written Question on Notice

**Topic: Licensee Advisory Council (LAC) - Directors** 

#### **Senator Abetz asked:**

- 1. What role do the Directors of the LAC have? Please give details with regard to:
- (a) Compliance.
- (b) Monitoring Performance
- (c) Strategic Planning
- (d) Reporting to members of the LAC
- (e) Any other duties the Directors may carry out for the LAC.
- 2. Is there a management team that reports to the LAC Board?
- 3. How are Australia Post's LAC Directors appointed?

- 1. LAC directors provide advice and feedback to Australia Post on a range of licensee/LPO matters including compliance, monitoring, strategic performance, new products/services and procedural matters. The LAC also advises on potential new business opportunities and ideas presented by licensees.
- 2. No.
- 3. Australia Post LAC directors are appointed dependent upon their position within Australia Post and how their position relates to licensees.

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio Australia Post

**Question No: 98** 

**Hansard Ref: Written Ouestion on Notice** 

Topic: Licensee Advisory Council (LAC) - General

#### Senator Abetz asked:

- 1. Will Australia Post consider holding State and National LAC meetings by teleconference or video conference due to current economic circumstances and in an effort to lower costs?
- 2. Does Australia Post prefer Licensees from capital city locations for its State and National LAC committees and Board?
- 3. Do committee and Board members of State and National LACs have all their own out of pocket expenses reimbursed by Australia Post?
- 4. Do Licensee members of State and National LAC committees and Boards have sufficient numbers to carry a vote?

- 1. Under the LAC Constitution a variety of meeting options, including teleconferencing, are legally allowed. A number of LAC meetings were held by this method in 2008/09.
- 2. No, ideally LAC members represent the broad spectrum of rural and metropolitan locations. In the past, licensee directors that were democratically elected via a process overseen by an independent expert have generally represented the geographical spread of the LPO network.
- 3. Yes.
- 4. The LAC, as a body that primarily provides advice and recommendations on licensee/LPO matters, generally does not require regular voting on motions. When a vote is required, licensee directors each have one vote and Australia Post has, in aggregate, the same number of votes as the licensee directors. In the event of a tie, the motion lapses.

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio Australia Post

**Question No: 99** 

**Hansard Ref: Written** 

**Topic: Licensee State Conferences** 

**Senator Abetz asked:** 

Is Australia Post going to hold annual licensee conferences in every State this year?

**Answer:** 

Yes.

#### **Budget Estimates Hearings May 2009**

## Broadband, Communications and the Digital Economy Portfolio Australia Post

**Question No: 100** 

**Hansard Ref: Written** 

**Topic: State LPO Conferences** 

#### **Senator Abetz asked:**

- 1. Will Australia Post hold LPO conferences in every State this year?
- 2. What were the attendance figures for each of the state LPO conferences held in 2008?
- 3. How many LPOs were represented?
- 4. Has Australia Post engaged a professional conference organiser to organise the 2009 conference?
- 5. What is the cost to exhibitors for a booth/stand at an Australia Post LPO conference in 2009. Are there any variations in costs to exhibitors?
- 6. How does Australia Post select the exhibitors at the LPO conferences?
- 7. Have any exhibitors been denied the opportunity to exhibit at the LPO conference? If so, why?
- 8. In 2008, how much did Australia Post spend on the LPO conferences, including all costs such as staff, travel, venue hire, promotions, printing, catering?
- 9. What was the total income for the 2008 State LPO conference?
- 10. In 2008, did Australia Post show a profit from the LPO conferences?
- 11. Does Australia Post plan to hold LPO conferences in 2010 considering the amount of work and resources involved and the current economic climate?

- 1. Yes.
- 2. Approximate attendee numbers at the 2008 conferences were as follows: Brisbane 400; Sydney 600; Melbourne 600; Perth 250; Adelaide 250 and Hobart 120.

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio Australia Post

- 3. Approximately 1200 LPOs were represented as follows: Brisbane 230; Sydney 320; Melbourne 300; Perth 150; Adelaide 140 and Hobart 60.
- 4. Yes.
- 5. Depending on a number of factors agreed with the exhibitor (e.g. space, storage, transport) the 2009 prices range from \$1,725 to \$50,000 (excluding GST) per exhibitor.
- 6. Australia Post invites approved suppliers to the LPO network to exhibit at LPO conferences.
- 7. In the past, some exhibitors have approached Australia Post to exhibit at the LPO conferences but were deemed ineligible to participate because their products/services were not approved for the LPO network.
- 8. Costs for LPO conferences in 2008 were \$1,085,789.
- 9. Total income from the exhibitors and sponsorship was \$338,052 (excluding GST).
- 10. No. The objective of these conferences is to provide licensees with the opportunity to network, assess supplier arrangements, develop skills through a range of workshops on topics such as products/services/customer service/small business management etc, and to access approved exhibitors.
- 11. Yes.

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio Australia Post

**Question No: 101** 

Hansard Ref: ECA 9

**Topic: Express Post Articles** 

#### **Senator Abetz asked:**

If a plane gets in late with Express Post articles, are you looking at compensating Licensees for any special trips they may have to make to ensure that Express Post articles are delivered on time to the customer?

#### **Answer:**

Where required by Australia Post to undertake any task additional to their Licensed Post Office Agreement, an appropriate payment would be made to licensees.

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio

**Australia Post** 

**Question No: 102** 

Hansard Ref: Written Question on Notice

**Topic:** Express Post – Late Delivery

**Senator Abetz asked:** 

- 1. What efforts does Australia Post take to deliver Express Post mail items, which may arrive at a destination late due to, for example, late arrival of an interstate flight, broken sorting equipment, or missorts?
- 2. Has Australia Post performed a cost/benefit analysis on delivering the late arriving items compared to giving the customer a replacement Express Post envelope/satchel?
- 3. Has Australia Post considered amending its guarantee to take allowance of bad weather, e.g. fog preventing flights from landing on time to meet the delivery schedule?

- 1. Australia Post attempts same-day recovery action by 5pm for delayed articles within the specified Express Post guaranteed next-business-day delivery networks. Modes of recovery include secondary delivery runs, delivery via courier or taxi, or special delivery by Australia Post staff members. The nature of the recovery action depends on the arrival time and local delivery resources available. An article mis-sorted to an incorrect state is forwarded by air on the first available flight. If necessary, one of the above mentioned modes of recovery would then be used.
- 2. No. The principle in relation to Express Post articles is to honour the customer guarantee. Notwithstanding this principle, there are some occasions where the only available option to achieve on-time delivery may be cost prohibitive. On such an occasion, Australia Post attempts to contact the customer to discuss alternative delivery arrangements.
- 3. No, Australia Post has not considered amending the guarantee for minor incidents such as fog. The Australia Post Terms and Conditions pertaining to the Express Post service make provision for exceptional circumstances when there are widespread impacts such as the flooding in Queensland in early 2009.

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio

**Australia Post** 

**Question No: 103** 

Hansard Ref: ECA 9

**Topic: Insurance Brokers** 

#### **Senator Abetz asked:**

Does Australia Post have an arrangement with two insurance brokers to promote insurance services to Licensees and Mail Contractors?

#### **Answer:**

Australia Post has an arrangement with two insurance brokers that allows insurance services to be marketed to Licensees, but not Mail Contractors. The arrangement resulted from a Licensee Advisory Council (LAC) request. No financial benefits accrue to Australia Post or the LAC from this arrangement.

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio

**Australia Post** 

**Question No: 104** 

Hansard Ref: ECA 10

Topic: Dog Attacks
Senator Abetz asked:

Concerning your previous reply to QoN 182 about dog attacks on mail contractors being "appropriately followed up" – can you explain what "appropriately followed up" means.

#### **Answer:**

It means that all dog attacks have been managed in accordance with Australia Post's procedures to ensure the safety of delivery staff and contractors. This may entail Australia Post liaising with local authorities in an effort to remove the threat of dog attack. Where the local authority is unable to mitigate the risk, Australia Post may consider suspending deliveries to the residence, or residences in the immediate area, until the risk is removed.

A copy of Australia Post's procedures - "Management of Nuisance Dogs and Dog Attacks" - was provided to the committee following the hearing in May 2008 (reply to QoN No. 8 refers).

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio

**Australia Post** 

**Question No: 105** 

Hansard Ref: ECA 11

**Topic: New Headquarters Building** 

#### **Senator Minchin asked:**

Can you provide details of the rentals you currently pay for the different properties you currently occupy around Melbourne, what you will be paying in the new premises and the relevant size?

#### Answer:

Details of Australia Post's current and future rentals in Melbourne are as follows:

#### **CURRENT LEASES**

Address	Area m2	Rental at June 2009	Avge \$Rate m2
Part Level 5 10-16 Queen Street MELBOURNE	323	\$ 96,162	297.72
150 Lonsdale Street MELBOURNE	4,493	\$ 1,359,420	302.56
Level 4, Suite 1 486 Albert Street EAST MELBOURNE	761	\$ 262,545	345.00
321 Exhibition Street MELBOURNE	28,027	\$ 8,451,827	301.56*
TOTAL	33,604	\$ 10,169,954	\$302.64

<sup>[\*</sup> At the annual review in March 2009 the current owner sought to increase the average rental at 321 Exhibition Street to \$350 m2. Australia Post rejected the request and the matter is currently the subject of an independent review/determination, as provided for under the provisions of the lease.]

#### **FUTURE LEASE**

Address	Area m2	Rental at June 2009	Rate m2
111 Burke Street			
MELBOURNE	44,303*	\$ 14,386,000	324.72

[\* Area to be confirmed by survey at completion.]

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio Australia Post

**REVISED Question No: 105** 

Hansard Ref: ECA 11

**Topic: New Headquarters Building** 

#### **Senator Minchin asked:**

Can you provide details of the rentals you currently pay for the different properties you currently occupy around Melbourne, what you will be paying in the new premises and the relevant size?

#### **Answer:**

Details of Australia Post's current and future rentals in Melbourne are as follows:

#### **CURRENT LEASES**

Address	Area m2	Rental at June 2009	Avge \$Rate m2
Part Level 5 10-16 Queen Street MELBOURNE	323	\$ 96,163	297.72
123 Lonsdale Street MELBOURNE	564	\$ 180,085	319.30
150 Lonsdale Street MELBOURNE	4,493	\$ 1,359,402	302.56
Level 4, Suite 1 486 Albert Street EAST MELBOURNE	761	\$ 262,545	345.00
321 Exhibition Street MELBOURNE	28,027	\$ 8,451,822	301.56*
TOTAL	34,168	\$ 10,350,017	\$ 302.91

<sup>[\*</sup> At the annual review in March 2009 the current owner sought to increase the average rental at 321 Exhibition Street to \$350 m2. Australia Post rejected the request and the matter is currently the subject of an independent review/determination, as provided for under the provisions of the lease.]

#### **FUTURE LEASE**

Address	Area m2	Rental at June 2009	Rate m2
111 Burke Street MELBOURNE	44,303*	\$ 14,386,000	324.72
WIEED CHAVE	11,505	11,500,000	321.72

[\* Area to be confirmed by survey at completion.]

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio

**Australia Post** 

**Question No: 106** 

Hansard Ref: ECA 12

**Topic: Prescribed Lifetime of Vehicles** 

**Senator Abetz asked:** 

Is it a requirement that Licensees and Contractors have vehicles that are not over five years old?

#### **Answer:**

Australia Post does not specify the age of a vehicle that may be used by a Licensee during the course of their work.

As far as mail contractors are concerned, the Mail Contractor Agreement specifies that a vehicle used by a contractor should "be not more than five years old and capable of being secured". However, this may be varied at tender to allow for an older vehicle. The tender can also be submitted with an older vehicle, but such a tender may be assessed as non-conforming.

The practice nationally is that, provided the vehicle is less than five years old at the commencement of the contract, the vehicle is acceptable for the contract period provided it remains safe, in good condition (i.e. clean, free of dents, damage and rust) and free of any signage or marks that could reasonably be deemed by Australia Post to be offensive, inappropriate or damaging to the goodwill or reputation of Australia Post.

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio Australia Post

**Question No: 107** 

Hansard Ref: ECA 23

**Topic: Passport Fraud Allegation** 

**Senator Minchin asked:** 

Is there any suggestion of breach of contract (with DFAT) in relation to this matter?

#### **Answer:**

Australia Post has not breached its contract with DFAT in relation to this matter.

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio

#### **Australia Post**

**Question No: 108** 

Hansard Ref: ECA 26

**Topic: Bicentenary Celebrations** 

**Senator Birmingham asked:** 

Can you give us details of how the \$1.5 million is apportioned across the different celebrations?

#### **Answer:**

The \$1.5 million is apportioned across the different celebrations as follows:

•	Staff programs	65%
•	General public/media relations	21%
•	Key stakeholders & customers	7%
•	School education program	7%

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio

**Australia Post** 

**Question No: 109** 

Hansard Ref: ECA 28

**Topic: Beijing Olympics - Hospitality** 

**Senator Birmingham asked:** 

Did you do any follow-up assessments of value gained from such activities?

#### **Answer:**

Yes, individual customer analysis commenced immediately after the Olympic Games to determine the level of value derived from hospitality activities. This analysis will continue for the remainder of the calendar year to provide a full year's assessment, and enable a comparison to be made with the previous 12 months to measure the direct returns from the hospitality activities by individual customer accounts.

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio Australia Post

**Question No: 110** 

Hansard Ref: ECA 29/30

#### **Topic: Consultancies**

#### **Senator Birmingham asked:**

- 1. Can you provide us with any headline details of what the major consultancies out of your \$60 million (2008/09 forecast) may be?
- 2. What is your budget for 2009/10 in terms of consultancy expenditure?

#### **Answer:**

1. Australia Post enters into consultancy agreements to satisfy a variety of business needs, the majority of which are to acquire specialist expertise relating to the management of outsourced activities.

In the 11 months to May 2009, Australia Post had spent approximately \$23 million on recurring consultancy support relating to management of the Australia Post Superannuation Scheme, Service Performance Monitoring, Property Management, Technical Support of mail processing machines and the management of the National IT Service Desk.

This represents nearly 50% of the year-to-date consultancy expenditure. The balance of consultancy expenditure mainly relates to large and complex change management initiatives including technology upgrades in key areas such as Payroll and Point of Sale replacement.

2. The forecast for consultancy expenditure in 2009/10 is \$61.3 million.

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio

**Australia Post** 

**Question No: 111** 

Hansard Ref: ECA 30

**Topic: Media and Communication** 

#### **Senator Birmingham asked:**

I note in response to question on notice No. 205, on the media spend on recurrent promotion of commercial products et cetera, that for the calendar year 2008 you forecast an expenditure of \$6.6 million and for 2008/09, until 28 February, that expenditure was just \$2.68 million. That appears, unless it is back-loaded into the financial year, to be a reduction across two different 12 month periods. Is there a reduction in those activities?

#### **Answer:**

Yes, the reduction in expenditure is because the "Part of Everyday" corporate brand campaign (television, radio and print advertising), which also featured a wide range of products and services, ran in the first half of 2008 but did not run in the 2008/09 financial year.

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio

**Australia Post** 

**Question No: 112** 

Hansard Ref: ECA 32

**Topic: Mercedes Benz Mail Vans** 

**Senator Wortley asked:** 

Is it the case that if changes to the vans were made (i.e. installation of rear side windows) they would not be able to carry out the function for which you sought the vans in the first place?

#### **Answer:**

No, the fitting of a rear side window would not prevent the Mercedes Benz vehicle from undertaking the required work.

However, due to the nature and value of articles within the mail network and the expected growth in the number of parcel products, the need to increase the security of the mail and driver safety were key considerations when determining the specifications for the new vehicle. The fitting of a rear side window to the vehicle would significantly reduce the security and safety requirements for which the vehicle was chosen.

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio Australia Post

**Question No: 113** 

Hansard Ref: ECA 32

**Topic: Leightonfield Delivery Centre** 

**Senator Wortley asked:** 

Is the management representative at the centre of the complaint and allegations by Mr Brett Griffin now located at the Seven Hills delivery facility acting in a position at a higher level?

#### **Answer:**

Yes, the manager in question is currently acting in a higher position at the Seven Hills Delivery Facility. Australia Post conducted a thorough investigation of Mr Griffin's complaint - of the 27 allegations made, only one was substantiated and it did not involve the manager in question.

#### **Budget Estimates Hearings May 2009**

## Broadband, Communications and the Digital Economy Portfolio Australia Post

**Question No: 114** 

Hansard Ref: ECA 32

**Topic: Facility Nominated Doctor** 

#### **Senator Wortley asked:**

Was Ms Pamela Emmanuel, an employee at the Parcel Centre at Chullora, directed to attend a Facility Nominated Doctor after she had notified an injury and made a claim for workers' compensation with a medical certificate from her treating doctor for three days off work due to the work related injury?

#### **Answer:**

No, at the time Ms Emmanuel attended the FND, she had not lodged a claim for workers' compensation or provided a medical certificate from her doctor. She had sustained an injury in April 2009 and was at work undertaking restricted duties for a number of weeks prior to taking three days leave. She was referred to a FND to clarify her medical status. The steps taken in relation to the management of her injury were entirely appropriate and in line with normal practice.

Ms Emmanuel lodged a claim for workers' compensation on 28 May 2009 – with a claimed date of injury of 24 April 2009 – for which liability was accepted on 4 June 2009.

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio

**Australia Post** 

**Question No: 115** 

Hansard Ref: ECA 33

Topic: Bicentenary Documentary - The Stamp of Australia

Senator Abetz asked:

What sort of cost is the DVD?

#### **Answer:**

The production cost of the DVD was \$80,179. The DVD is currently on sale at selected Australia Post outlets for \$19.95 (RRP).

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio Australia Post

**Question No: 116** 

Hansard Ref: Written Question on Notice

**Topic: Cheque Clearance Times** 

**Senator Wortley asked:** 

Why do cheque clearances take so long when they are deposited through Australia Post and what happens to the funds in the interim?

Is Australia Post attempting to reduce clearance times for cheques and deposits made at post offices?

#### **Answer:**

Australia Post is not responsible for setting cheque clearance times. Each bank applies its own policy on when a clearance is to occur in a customer's account. Australia Post settles funds on the next working day with the receiving financial institutions.

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio Australia Post

**Question No: 117** 

#### **Hansard Ref: Written**

#### **Topic: Channel Enablement Project**

#### **Senator Abetz asked:**

- 1. Has Australia Post embarked on a project to upgrade its point-of-sale retail terminals?
- 2. Is there a proposal currently with the Board, awaiting budget approval?
- 3. What will be some of the benefits of upgrading Australia Post's point-of-sale retail technology?
- 4. Can Australia Post give the Committee an indication of what the project is likely to cost?
- 5. How will Australia Post fund this project in light of the special dividend it paid the Government last year?

- 1&2. The business case to initiate the Channel Enablement Point of Sale Upgrade Project was approved by the Australia Post board in June 2009.
  - 3. The project will upgrade and improve the technology and processes used to support customer interactions within the retail channels and deliver benefits such as:
    - increased revenue from existing products/services;
    - cost reduction through re-engineered processes in outlets and back office areas such as Shared Services and IT;
    - cost avoidance for future capability development and deployment; and
    - revenue potential through an enhanced capability to deliver new products and services.
  - 4. The total cost of the project including feasibility, licences, hardware and pre-business casework is estimated at \$206.9 million.
  - 5. The project will be internally funded from a combination of operating cash flow and cash reserves.

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio Australia Post

**Question No: 118** 

**Hansard Ref: Written** 

**Topic: Couriers** 

#### **Senator Abetz asked:**

- 1. How many contractors are engaged as Messenger Post drivers?
- 2. Is there a standard contract for Messenger Post couriers and a standard payment scheme?
- 3. Do contracts with Messenger Post couriers have the flexibility to take into account movements in fuel price and CPI increases?

- 1. As at 31 May 2009, Messenger Post had a fleet of 868 contract vehicles.
- 2. The contracts are standard with some variations to ensure compliance with state legislation and regulations. Service offerings within a state/territory have a standard rate of payment. Service offerings between states/territories may differ in accordance with the market conditions of the respective states/territories.
- 3. Yes.

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio

**Australia Post** 

**Question No: 119** 

#### **Hansard Ref: Written Question on Notice**

## **Topic: Delivery Times Senator Abetz asked:**

- 1. What is the maximum time per day that Australia Post transport drivers can spend on the road? Are the maximum times legislative requirements or part of an EBA?
- 2. How does Australia Post calculate the estimated hours required for delivery for a mail contract?
- 3. If a contractor finds that they are spending excessive hours on the road, how can the contractor remedy the situation in consultation with Australia Post?

#### **Answer:**

1. Maximum times (spent on the road per day) are not covered in the Australia Post EBA. Australia Post complies with the standard hours option of the National Transport Commission (Model Legislation – Heavy Vehicle Driver Fatigue) regulations of 2007. These hours are detailed in the table below:

Time	Work	Rest	
In			
any	A driver must not work for more	And must have the rest of that period off work with at	
perio	than a <b>MAXIMUM</b> of	least a MINIMUM rest break of	
d of			
5 1/2	5 1/4 hours work time	15 continuous minutes rest time	
hours	3 1/4 flours work time		
8	7 1/2 hours work time	30 minutes rest time in blocks of 15 continuous	
hours	/ 1/2 hours work time	minutes	
11	10 hours work time	60 minutes rest time in blocks of 15 continuous	
hours	TO Hours work time	minutes	
24			
hour	12 hours work time	7 continuous hours stationary rest time*	
S			
7	72 hours work time	24 continuous hours stationary rost time	
days	72 Hours work time	24 continuous hours stationary rest time	
14	144 hours work time	2 x night rest breaks# and 2 x night rest breaks taken	
days	144 Hours work time	on consecutive days	

<sup>\*</sup>Stationary rest time is the time a driver spends out of a regulated heavy vehicle or in an approved sleeper berth of a stationary regulated heavy vehicle.

<sup>#</sup>Night rest breaks are 7 continuous hours stationary rest time taken between the hours of 10pm on a day and 8am on the next day (using the time zone of the base of the driver) or a 24 continuous hours stationary rest break.

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio

**Australia Post** 

For all transport duties, guidelines covering rest breaks are included in the Australia Post General Conditions of Employment Award 1999. These internal guidelines provide for ½-hour rest breaks every five hours, which exceeds the rest requirements of the regulations.

- 2. Prior to going to tender, Australia Post undertakes a review of the service including an assessment of the indoor/outdoor work times.
- 3. Contractors can discuss their concerns with their Australia Post Manager.

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio

**Australia Post** 

**Question No: 120** 

Hansard Ref: Written Question on Notice

**Topic: Oversize and Overweight Parcels** 

#### **Senator Abetz asked:**

- 1. How does Australia Post ensure that oversize or overweight parcels are only handled by suitably equipped mail facilities, post offices or delivery contractors?
- 2. What does Australia Post do if an unauthorised overweight or oversize parcel is accepted into the mail delivery stream?

- 1. 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 by the sender. These heavier parcels must be lodged at a facility 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 manual handling procedures.
- 2. When a parcel arrives at a facility, staff/contractors are required to assess the parcel (including the Heavy Parcel label) to ensure appropriate manual handling procedures are used prior to lifting. Should there be any concerns about the size/weight of a parcel, the concerns should be raised with the local Australia Post manager.

#### vers to senate Estimates Questions on Notic

## Budget Estimates Hearings May 2009 Broadband, Communications and the Digital Economy Portfolio

#### Australia Post

**Question No: 121** 

**Hansard Ref: Written Question on Notice** 

**Topic: Vehicles used by Mail Contractors and sub-Contractors** 

#### **Senator Abetz asked:**

- 1. Does Australia Post specify what sort of vehicles (e.g. van, 4WD) are to be used for a mail contract?
- 2. Does Australia Post demand that vehicles used on mail contracts are less than five years old? If so, how does Australia Post check this requirement?
- 3. Does Australia Post check that vehicles used by subcontractors meet Australia Post's requirements?
- 4. What action does Australia Post take if a contractor's vehicle is found to be unsatisfactory? For example, if it is an old vehicle, unreliable, in bad repair, or is in such a state that it reflects poorly on Australia Post?

- 1. Within the Contract Specifications, Australia Post may suggest a type of vehicle. However, it is the sole responsibility of the contractor to select the appropriate vehicle for the task of performing the services.
- 2. The Mail Contractor Agreement specifies that a vehicle used by a contractor should "be not more than five years old and capable of being secured". However, the age may be varied at tender to allow for an older vehicle. The tender can also be submitted with an older vehicle, but such a tender may be assessed as non-conforming.
  - The practice nationally is that, provided the vehicle is less than five years old at the commencement of the contract, the vehicle is acceptable for the contract period provided it remains safe, in good condition (i.e. clean, free of dents, damage and rust) and free of any signage or marks that could reasonably be deemed by Australia Post to be offensive, inappropriate or damaging to the goodwill or reputation of Australia Post. Contractors' vehicles are checked by the responsible Delivery Manager (or Postal Manager/Licensee in the case of remote contracts), on commencement.
- 3. Yes, subcontractors' vehicles are also checked on commencement.
- 4. On inspection, if the vehicle does not reflect the vehicle described in the tender or is in poor condition (mechanically or visually), the contractor would be advised to take the necessary action to remedy the situation in order to comply with the tender and/or their contractual obligations. If the contractor chooses not to remedy the situation, Australia Post may issue a breach notice to the contractor and if the contractor does not remedy the breach, it may result in termination of the contract.

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio Australia Post

**Question No: 122** 

Hansard Ref: Written

Topic: Peel and Stick v Regular Gummed Air Mail Labels

#### **Senator Abetz asked:**

- 1. How many airmail labels does Australia Post have printed each year? How many are actually used on postal items?
- 2. Has Australia Post assessed the health risks posed by communal sponges or other devices used in the public space of post offices to wet stamps and airmail stickers? If so, how were the assessments carried out and by whom?
- 3. Has Australia Post investigated producing peel-and-stick airmail stickers similar to those used in New Zealand and the UK? Airmail stickers could be handed out over the counter to save wastage. Airmail stickers could be put in mini-sheets and sold for a nominal sum.
- 4. It would be practical to produce overseas stamps in a booklet form with airmail stickers enclosed, similar to Christmas stamp booklets. Has this option been considered?

- 1. Australia Post orders and uses between 30 to 40 million small Airmail labels annually.
- 2. No.
- 3. Yes, this option has been explored and discounted because purchase costs would increase significantly (i.e. by around 90%) and deliver only a minor convenience benefit.
- 4. Yes, this option has been explored and discounted because production costs would increase significantly. The Airmail stickers utilise a different phosphor to postage stamps.

#### **Budget Estimates Hearings May 2009**

## Broadband, Communications and the Digital Economy Portfolio Australia Post

**Question No: 123** 

**Hansard Ref: Written** 

**Topic: Transfer of Business** 

#### **Senator Abetz asked:**

- 1. Does Australia Post have a policy regarding transferring business away from LPOs to corporate offices? If so, please:
- (a) Give details of that policy.
- (b) Provide details of how the policy is communicated to relevant staff, including Australia Post sales staff.
- (c) Are precautions taken to ensure that Australia Post does not cannibalise its own business by transferring business from one type of outlet to another?
- 2. Does Australia Post offer discounts on postage or products to customers as an incentive to lodge mail at a corporate outlet rather than an LPO?
- 3. What other incentives has Australia Post offered customers to transfer business away from an LPO?
- 4. Does Australia Post reimburse the Licensee for business revenue lost when a business customer is transferred to an Australia Post corporate outlet?

- 1a&b. No, Australia Post does not have a policy of transferring business away from LPOs to corporate post offices. In some situations (e.g. in response to a customer request for information on Australia Post products or services) Australia Post may specify a different lodgement point after considering the customer's preference, the physical capacity of the nominated lodgement point and the most efficient and cost-effective method of handling lodgements.
- 1c. Yes, sales Key Performance Indicators are based predominantly around winning new or growing existing business. There is no incentive for transferring business from one outlet to another.
- 2. No. Commercial discounts are provided to customers based on volume, type of product and mail presentation.
- 3. Australia Post does not offer incentives to customers to transfer business away from LPOs.
- 4. No, Australia Post does not reimburse an outlet if a customer transfers their business to an alternative outlet.

#### **Budget Estimates Hearings May 2009**

## Broadband, Communications and the Digital Economy Portfolio Australia Post

**Question No: 124** 

**Hansard Ref: Written** 

**Topic: Mail Contractors** 

#### **Senator Abetz asked:**

- 1. Are all Mail Contracts allocated following a competitive tender process?
- 2. Are Australia Post staff members involved in the mail contract tendering process obliged to disclose personal relationships with tenderers?
- 3. Is the assessment of tenders subject to any external or internal review?
- 4. If a tenderer has concerns regarding the integrity of the tender process, to whom can they address their concerns?
- 5. Is Australia Post aware of any instances where Australia Post staff members have disclosed the detail of tenders received to another prospective tenderer? If so, was any disciplinary action taken?
- 6. How does Australia Post ensure the integrity of the tendering process?
- 7. Are tenders opened in advance of the close of tenders? Or are all tenders opened at the same time?
- 8. Is there any scope within the mail contract tendering process for late tenders to be accepted?
- 9. Has the new eTendering system had any impact on the tendering process?
- 10. Are any mail contracts advertised exclusively through Australia Post's website?
- 11. How was eTendering promoted?

- 1. The vast majority of mail contracts (over 99%) are awarded after competitive tender. However, a Certificate of Exemption can be obtained for specific situations such as where the service can only be provided by a single ferry/air service, an operator has exclusive rights, or for short-term temporary arrangements. A special dispensation can also be given to extend a contract beyond the original term date due to economic and/or operational circumstances.
- 2. Australia Post's "Our Ethics" booklet details employees' obligations concerning the handling of real or inferred conflicts of interest. If there is a potential or perceived conflict

#### **Budget Estimates Hearings May 2009**

## Broadband, Communications and the Digital Economy Portfolio Australia Post

of interest, the staff member concerned should immediately report the matter to their manager. Where there is a conflict of interest, the staff member is required to withdraw from the tender process.

- 3. Yes, the recommendation to award a contract is reviewed and approved by an Australia Post manager who holds a Mail Contract Approval delegation. Tender and contract management processes are reviewed annually, as part of the Australia Post Audit Program.
- 4. The tenderer should detail their concerns in writing to the State Contract Manager.
- 5. No. If that occurred, it would be a breach of the employee's obligations concerning Confidentiality of Information, as detailed in the "Our Ethics" booklet.
- 6. Australia Post ensures the integrity of the tender process through detailed written policies and procedures, trade practices and probity training for staff involved in the tender process, and the annual corporate Audit Program.
- 7. Tenders must not be opened until after the advertised closing time. At least two officers must be present at the opening of tenders, tenders are then listed on the Schedule of Mail Tender form and the form is signed by both officers.
- 8. Yes, the Mail Contract procedures provide that late tenders may be accepted when:
  - the late tender is the only tender received;
  - the tenderer can demonstrate that the tender was despatched in sufficient time to reach the nominated point by the advertised closing time/date, were it not for the failure of Australia Post to meet its advertised delivery performance standards.
- 9. Yes, in 2009 offices in New South Wales, Victoria, Queensland and South Australia actively used the online facility and approximately 16% of tenders were received via this channel.
- 10. No, all contracts are advertised in the appropriate local newspaper/s for the area.
- 11. Online tendering was promoted in the September 2008 edition of "Contractor News". The website address is also included in each tender advertisement lodged in the applicable local newspapers.

#### **Budget Estimates Hearings May 2009**

## Broadband, Communications and the Digital Economy Portfolio Australia Post

**Question No: 125** 

**Hansard Ref: Written** 

#### **Topic: Drivers**

#### **Senator Abetz asked:**

- 1. Can you outline what programs are available for driver training for Australia Post employees?
- 2. When was the last time that a driver-training program for new drivers was provided at Underwood Transport Depot in Queensland?
- 3. What in-service driver training is provided for Australia Post drivers, especially long haul drivers?
- 4. How much time does Australia Post allow for a trip in a single trailer from Brisbane to Dubbo? What was the time allowed in 2004?
- 5. Does Australia Post use a single or a B-double truck for this run?
- 6. What emphasis does Australia Post place on road safety, both for their drivers and for the community?
- 7. What is the schedule of breaks permitted for drivers on runs that exceed six hours in length?
- 8. Is it true that, as a cost-cutting exercise, in the five weeks leading up to Christmas, the Underwood depot has significantly reduced the number of deliveries it does, compared with 2004?
- 9. In the past ten years, how many drivers with less than six months experience have been involved in crashes since 2004?
- 10. Does Australia Post have any in-house driver trainers at Underwood? If so, how many and what is their level of accreditation?
- 11. Can Australia Post provide a list giving the ratios of kms driven per accident for all years between 2000 and 2008 for the Underwood depot?

### **Senate Standing Committee on Environment, Communications and the Arts**

#### **Answers to Senate Estimates Questions on Notice**

#### **Budget Estimates Hearings May 2009**

## Broadband, Communications and the Digital Economy Portfolio Australia Post

#### **Answer:**

1. Driver training in Australia Post is organised into the following areas:

#### **Induction Training**

Conducted on commencement of employment and covers Australia Post's policies and procedures, the driver's role and responsibilities, vehicle familiarisation, safety awareness and regulatory training.

#### Vehicle Familiarisation

Conducted when new vehicles, features or models are introduced or when a driver changes role or work area.

#### Refresher Training

Conducted as required when a need is identified or required by regulation.

#### Other Specific Training

As required, depending on role and work requirements:

Pre-Employment Driver Assessment Forklift Licence

Medium Rigid LicenceDangerous Goods – AcceptanceHeavy Rigid LicenceDangerous Goods – AwarenessHeavy Combination LicenceRegulated Air Cargo Agent

Multi Combination Licence Induction
Truck or Van Familiarisation Site Induction

Code of Ethics Chain of Responsibility – Network/Domestic

Harassment, Discrimination & Bullying Chain of Responsibility – Loaders Fraud Chain of Responsibility – Linehaul

Suspect Items Driver Fatigue

Occupational, Health & Safety

Legislation and Policies

Mass Movement – Load Patterns
Floor Traffic Management Plan
Unit Load Device Handling

- 2. The last driver training program for new van drivers at Underwood Transport Depot commenced on 10 November 2008.
- 3. The abovementioned programs are available to drivers, including long haul drivers, depending on their role and work requirements.
- 4. Currently, no trips from Brisbane to Dubbo are performed with a single trailer all trips are performed in a B-double truck.

#### **Budget Estimates Hearings May 2009**

## Broadband, Communications and the Digital Economy Portfolio Australia Post

Australia Post rosters for 10 hours and 15 minutes of driving time plus 2 x 30 minute meal breaks for the Brisbane to Dubbo trip, as provided for in the Australia Post General Conditions of Employment Award 1999. The rest requirements in these internal guidelines exceed the requirements of the National Transport Commission (Model Legislation – Heavy Vehicle Driver Fatigue) Regulations of 2007. In 2004, the driving time for this trip was 10 hours plus meal breaks, with many of the trips being performed with a single trailer.

- 5. Yes, all of these trips are currently performed in a B-double truck.
- 6. Road safety is a critical element of Australia Post's transport operations and influences the selection of vehicles, the way the network is designed and is a strong element in all relevant training and support material.
- 7. Under the Australia Post General Conditions of Employment Award 1999, a 30-minute rest/meal break is provided for at least every five hours.
- 8. No. In line with new fatigue management legislation that commenced on 29 September 2008, Christmas duty runs for the Underwood Transport Depot were restructured. For Christmas 2008, Friday night deliveries to each of the 12 South East Queensland Delivery Centres were reduced from three to two. In addition, three daily Gold Coast trips were added to the roster in the weeks preceding Christmas and extra line haul trips to North Queensland were introduced. The overall number of duty runs for Christmas 2008 exceeded the number for Christmas 2004.
- 9. In the last 10 years, drivers with less than six months experience were involved in 120 of 352 road accidents nationally. Since 2004, drivers with less than six months experience were involved in 79 of 200 such accidents nationally.
- 10. Australia Post utilises the professional services of Mt Cotton Driver Training to conduct in house driver training. It currently has one staff driver Trainer/Facilitator at Underwood with the following qualifications Cert IV in Assessment and Training, Dangerous Goods by Air, Full acceptance certified, B-double licensed.

#### **Budget Estimates Hearings May 2009**

### Broadband, Communications and the Digital Economy Portfolio Australia Post

11. The table below contains the number of vehicle accidents at the Underwood Transport Depot and the average kilometres travelled per accident for each year.

Year	Bumps	Bumps	Road	Kilometres	Average
	and Scrapes	and Scrapes	Accidents***	Travelled	Kilometres
	-	-			per Accident
	Off Road*	On Road**			
2000	3	8	0	9,384,451	NA
2001	20	13	1	9,271,316	9,271,316
2002	10	8	3	9,529,409	3,176,470
2003	20	9	1	9,731,592	9,731,592
2004	12	23	3	10,724,145	3,574,715
2005	15	30	0	11,217,202	NA
2006	23	38	0	11,276,752	NA
2007	25	34	1	10,328,423	10,328,423
2008	28	34	2	10,973,098	5,486,549
YTD					
2009	14	15	0	4,647,500	NA

[\* Bumps & Scrapes (Off Road) consists of low speed incidents in driveways, car parks and customer premises;\*\*Bumps & Scrapes (On Road) are low speed incidents while turning corners, at intersection or roundabouts; \*\*\*Road Accidents are at speed collisions, solid collisions, trucks colliding with vehicles, colliding with trees, head-on collisions and running off road]

The increased numbers of reported bumps and scrapes is a consequence of the improved incident reporting, which has been heavily encouraged over recent years as part of an ongoing focus on OH&S.

#### **Budget Estimates Hearings May 2009**

## Broadband, Communications and the Digital Economy Portfolio Australia Post

**Question No: 126** 

Hansard Ref: Written

**Topic: Delivery Trucks** 

#### **Senator Abetz asked:**

- 1. In relation to the Bundaberg-Maryborough-Sunshine Coast run, what was the extra cost for travel allowance and overtime, per week, when the run was conducted by Australia Post drivers? What is the current weekly cost now that the run has been contracted to a firm from Bundaberg?
- 2. Is it true that when an Australia Post B-double truck gets to Gladstone, at around 9pm, it must stop and de-couple a trailer because the local council will not let B-doubles in at that time of night?
- 3. Is it true that a single trailer would be allowed into Gladstone at that time of night? Is is also true that Australia Post pays for a security guard to watch the trailer until such time as it is able to be collected? What is the annualised cost for employing this security guard?
- 4. Is it true that before 2000, Australia Post drivers were able to provide "next day" mail on the Brisbane-Bundaberg-Gladstone-Rockhampton-Mackay run? Is Australia Post able to do so now?

- 1. The Australia Post driver's travel allowance and rostered overtime for the Bundaberg-Maryborough-Sunshine Coast run was \$220 and \$117.52 per day respectively. The service was run five times per week at a cost of \$1687.60 per week.
  - The transport duties for the Bundaberg-Maryborough-Sunshine Coast were significantly restructured between January 2007 and January 2008. Parts of this run were absorbed into other existing and newly created runs/contracts. As part of the restructure, a portion of the run was contracted to a firm in Bundaberg. This is a commercial arrangement between Australia Post and the service provider and as such, specific cost details are considered commercial-in-confidence.
- 2&3. On 25 March 2009, Australia Post was granted access to Gladstone after 9pm with a B-double truck. Prior to this de-coupling of the trailer was required, and a security guard engaged, at an estimated annual cost of \$15,000.
- 4. The national service standard for mail posted between these areas is second-business-day delivery. Australia Post endeavours to transport all mail on the next available service and deliver it as soon as possible. If mail is available early at a destination, an earlier delivery can be achieved.

#### **Budget Estimates Hearings May 2009**

### Broadband, Communications and the Digital Economy Portfolio Australia Post

**Question No: 127** 

Hansard Ref: Written

Topic: Stock Distribution and Warehousing (relates to q223 from Feb Est) Senator Abetz asked:

- 1. Can Australia Post confirm that it has further centralised its stock ordering?
- 2. Is any stock held at State level for emergency orders?
- 3. Are stock orders for LPOs sent in one order? Are the orders sent by Express Post?
- 4. What is the timeframe for receipt of stock orders for all States? Have delivery times increased due to stock being distributed from interstate?
- 5. Are there cost savings to Australia Post in centralising stock distribution?

- 1. Australia Post has not centralised the ordering process for stock. A process of migrating specific product categories towards centralised fulfilment re-commenced in January 2008.
- 2. The process for emergency orders remains unchanged. Stock is available through the state network should the need arise.
- 3. Orders for corporate post offices and LPOs are processed in the same manner. Order type, storage location and stock availability will determine how orders are despatched to an outlet. Despatching orders by Express Post is not standard practice due to the higher costs involved. This method of distribution may be used on an ad hoc basis where warranted.
- 4. Orders are processed on either the day of receipt of the order, or the next day of receipt of the order, depending on the product type and time of order. Receipt times depend on the despatch location and final destination and are reflective of the official parcel delivery service standards.
- 5. Yes, in some cases, but centralisation alone does not guarantee cost savings. Australia Post's Commercial Division has established a Retail Supply Chain Optimisation Program that aims to deliver efficiencies across the entire supply chain. Where the operating environment has significant input cost pressures, any efficiency gains will be used to mitigate increases to the end users.

#### **Budget Estimates Hearings May 2009**

### Broadband, Communications and the Digital Economy Portfolio Australia Post

**Question No: 128** 

#### **Hansard Ref: Written Ouestion on Notice**

**Topic: Sequencing Mail (relates to q226 from Feb Est)** 

#### **Senator Abetz asked:**

Australia Post responded to this question by noting that the capability for sequencing of mail for private boxes would be considered as part of the Future Delivery Design (FDD Program).

- 1. Has the FDD Program commenced?
- 2. Will Australia Post be seeking input from all players in relation to this Program?
- 3. Does Australia Post currently provide sequenced mail for any corporate post offices?
- 4. Has Australia Post performed a cost/benefit analysis for sequencing mail versus hand sorting at post offices, with regard to both corporate and licensed outlets?

- 1. Yes, the FDD Program commenced in November 2006. Sequencing for metropolitan postal delivery rounds commenced in May 2008.
- 2. Yes.
- 3. Currently, no mail is provided to corporate post offices in Post Office Box number sequence. Some deeper sorting is being provided for box sections for larger suites and large volume box holders, usually in CBDs.
- 4. The sequencing element of the FDD Program is currently focused on metropolitan delivery rounds. The analysis of possible benefits of extending sequencing to Post Office Boxes will be considered when the higher priority components of the FFD Program have been completed.

#### **Budget Estimates Hearings May 2009**

#### Broadband, Communications and the Digital Economy Portfolio

**Australia Post** 

**Question No: 129** 

#### Hansard Ref: Written Ouestion on Notice

#### **Topic: Staffing**

#### **Senator Hutchins asked:**

- 1. I understand that nearly 170 full time equivalent positions will be abolished by shutting down your Sydney Call Centre:
- (a) How many actual people will lose their jobs out of the Sydney centre not just full time equivalents?
- (b) How many jobs will affected call centre workers be able to transfer to within Australia Post when Australia Post shuts down this centre?
- (c) Will Australia Post guarantee that every call centre worker who wants to stay with Post will have a job?
- 2. If so, where precisely in Australia Post's Sydney operations are there similar jobs available to accommodate these affected employees?

- 1(a). There are currently 181 staff in the Sydney Customer Contract Centre (CCC) who will be affected by the changes to the CCC operations. There will be no forced redundancies.
- 1(b). All permanent staff will be offered the opportunity to be redeployed to another area of Australia Post. At this stage, the number of staff who want to be redeployed is unknown.
- 1(c) Yes, all permanent staff who want to stay with Australia Post will be able to do so.
- 2. Affected staff have recently been asked to indicate their initial preference for redeployment or voluntary redundancy. Once this process is complete, we will endeavour to match people's redeployment preferences with opportunities throughout the business in sales, retail and operational roles.

#### **Budget Estimates Hearings May 2009**

## Broadband, Communications and the Digital Economy Portfolio Australia Post

**Question No: 130** 

Hansard Ref: Written

**Topic: Staffing** 

#### **Senator Hutchins asked:**

Following these latest proceedings before the Australian Industrial Relations Commission held on Tuesday 19 May 2009 an employee, by the name of Pamela Emmanuel, who is employed at the Sydney Parcel Facility at Chullora NSW was directed to attend an FND after she notified an injury, made a claim for workers' compensation with a medical certificate from her treating doctor for 3 days off work due to her work related injury.

1. What was the reason for directing this employee to an FND and threatening her with disciplinary action if she didn't attend the FND?

I understand that the FND has assessed the employee fit for duty with restrictions. I also understand that the employee is following the assessment and treatment by her treating doctor where she is fully incapacitated for three days.

- 2. Will the FND assessment be given to the workers' compensation section of Australia Post as evidence of accepting the opinion of the FND against the treating doctor to deny this employee her workers' compensation claim?
- 3. On what basis does Australia Post have the authority to direct an employee to attend an FND under fitness for duty and under duress with threats of disciplinary action if she failed to do so, and then pass that medical assessment to the workers' compensation section for determining workers' compensation claims?
- 4. Is the Australia Post workers' compensation section independent of Australia Post management? Can it make its decisions independent of line management?
- 5. Does this process of administering workers' compensation claims comply with Commonwealth OH&S laws, the Safety, Rehabilitation and Compensation Act and associated regulations and Australia Post's licensed provisions provided for by Comcare?
- 6. Will Ms Emmanuel have her workers' compensation claim approved and if not, on what basis?

#### **Answer:**

1. At the time Ms Emmanuel attended the FND, she had not lodged a claim for workers' compensation or provided a medical certificate from her treating doctor. She had sustained an injury in April 2009 and was at work undertaking restricted duties for a number of weeks prior to taking three days leave. In accordance with normal procedures, she was referred to a FND to clarify her medical status.

#### **Budget Estimates Hearings May 2009**

### Broadband, Communications and the Digital Economy Portfolio Australia Post

- 2. Ms Emmanuel lodged a claim for workers' compensation on 28 May 2009 with a claimed date of injury of 24 April 2009 for which liability was accepted on 4 June 2009. However, total incapacity for the period 19 to 21 May 2009 was denied on the basis that two doctors opined that Ms Emmanuel was fit for work on these days and she had not provided any medical evidence in support of her absence on these days, which occurred nearly one month after the claimed date of injury.
- 3. Australia Post has the authority to direct an employee to attend a FND Fitness for Duty assessment under Determination No. 6 of 2006, which was made under section 89 of the Australian Postal Corporation Act 1989.
  - The Australia Post Workers' Compensation Delegate assesses claims based on information that is submitted to them, including the claim form and any supporting documentation such as medical certificates.
- 4. Yes, the Australia Post Workers' Compensation Section is completely independent of line management. Only authorised Workers' Compensation Delegates can make decisions relating to workers' compensation matters. The Delegates are subject matter experts who have received specific training in how to exercise the powers and functions outlined in the *Safety, Rehabilitation and Compensation Act 1988*. The Workers' Compensation function is subject to annual internal audits, and regular Comcare audits, to ensure that decisions are correct and in accordance with the *Safety, Rehabilitation and Compensation Act 1988*.
- 5. Yes.
- 6. Ms Emmanuel's claim for workers' compensation was submitted on 28 May andapproved on 4 June 2009.

#### **Budget Estimates Hearings May 2009**

## Broadband, Communications and the Digital Economy Portfolio Australia Post

**Question No: 131** 

Hansard Ref: Written

**Topic: Staffing** 

#### **Senator Hutchins asked:**

I refer to a matter involving FNDs associated with an employee by the name of Mr Glenn Davies who is employed at the Kirrawee Delivery Facility.

On 14 April 2009 Mr Davies sustained an injury at work. Like Ms Emmanuel, he was directed to attend an FND under fitness for duty reasons despite being a work related injury. The FND's name is Dr Britten who found Mr Davies unfit for duty for 1 day due to his injury. Following this advice by Dr Britten to management, Mr Davies was directed to attend another FND for further assessment to which Mr Davies declined and rang his union. I understand that following union intervention, the second FND appointment was cancelled by management.

- 1. Could you please advise the reasons for initially requiring Mr Davies to attend a second FND and could you please provide the name of the HR representative who we understand was advising the local management to make such arrangements for a second FND appointment?
- 2. Like Ms Emmanuel, could you please advise whether Mr Davies will have his workers' compensation claim accepted and if not, why not?

#### **Answer:**

1. Mr Davies sustained an injury on 14 May 2009. He accepted an offer to attend Dr Britten, who subsequently deemed him unfit for duty. The following day, as part of the regular follow-up process, Dr Britten was contacted about treatment for Mr Davies. Dr Britten agreed to treatment but as he was not working that day, an appointment for treatment was made with another FND. When Mr Davies subsequently indicated that he would prefer to see his own GP, he was advised that it was his choice and the appointment with the second FND was cancelled.

The steps taken in relation to the management of Mr Davies's injury were entirely appropriate and in line with normal practice. There is an Injury Management Program Advisor who provides advice to operational areas/local management on the Injury Management Program.

2. Mr Davies's claim for workers' compensation was accepted on 21 May 2009.

#### **Budget Estimates Hearings May 2009**

## Broadband, Communications and the Digital Economy Portfolio Australia Post

**Question No: 132** 

Hansard Ref: Written

**Topic: Complaint** 

#### **Senator Hutchins asked:**

Senator Wortley referred to the case of an Australia Post employee, Mr Brett Griffin, in Estimates on 25 May 2009. Is Australia Post aware of the seriousness and nature of the complaint by Mr Griffin?

- 1. Is Australia Post aware of the complaint by Mr Griffin involving serious allegations relating to:
  - (a) Unlawful work practices imposed on him by management resulting in an injury sustained by Mr Griffin?
  - (b) Management purposely interfering with workers' compensation processes to result in Mr Griffin not receiving workers' compensation entitlements?
  - (c) Threatening to force Mr Griffin off work onto sick leave and/or out of employment with Post because of his injury?
  - (d) Placing Mr Grifin in an office with no work during the period of his injury?
- 2. Is Australia Post aware that this investigation continues and has not been finalised despite numerous enquiries made by Mr Metcher for investigation and findings to be concluded?
- 3. Is Australia Post aware that the management representative at the centre of the complaint and allegations made by Mr Griffin is now located at the Seven Hills Delivery Facility acting in a position at a higher level?
- 4. Is it normal practice for Australia Post to reward their managers with temporary promotions during an investigation that is considered to be very serious indeed?
- 5. Can Australia Post advise when this investigation will be completed and can Australia Post provide a copy of their investigation report, findings and any recommendations to both me and the Minister accordingly given I am sure the Minister would have an interest in the outcome of the investigation given the approach made by Mr Griffin to both him and Mr Metcher for help in the first instance that has caused for this investigation to occur?

- 1&2. Yes, Australia Post is aware of the allegations and has concluded its investigation into Mr Griffin's complaint.
- 3&4. Yes, the manager in question is currently acting in a higher position at the Seven Hills Delivery Facility. Australia Post conducted a thorough investigation of Mr Griffin's

# Senate Standing Committee on Environment, Communications and the Arts Answers to Senate Estimates Questions on Notice Budget Estimates Hearings May 2009

### Broadband, Communications and the Digital Economy Portfolio Australia Post

complaint - of the 27 allegations made, only one was substantiated and it did not involve the manager in question.

5. The investigation has been concluded and a copy of the investigation report was provided to Mr Metcher (of the CEPU) on 3 June 2009. Consistent with its Employee Privacy Policy, Australia Post cannot provide a copy of the report to any other third party without Mr Griffin's express consent.

#### **Budget Estimates Hearings May 2009**

### Broadband, Communications and the Digital Economy Portfolio Australia Post

**Question No: 133** 

Hansard Ref: Written Question on Notice

## **Topic: Mail Scams Senator Parry asked:**

- 1. In light of the scams that many Australians have been victim to over the last few years (like scams from Nigeria and other African nations) is there any policy that Australia Post has in double-checking financial transactions to countries like Nigeria and Sierra Leone?
- 2. Is there at least a warning that your officers give to people that are transferring money at all?
- 3. Are your officers made aware of recent scams circulating as a matter of course?

- 1&2. Customers can transfer money to over 200 countries and territories worldwide (including Nigeria and Sierra Leone) via the Western Union Money Transfer service, which Australia Post offers to customers on behalf of Western Union. The Western Union application form includes a paragraph entitled "Western Union urges you to protect yourself against fraud". Australia Post does not separately double-check these transactions or advise customers of the risks that may be experienced in transferring money to particular countries.
- 3. Yes, through ongoing liaison with relevant government agencies (including the Australian Federal Police and the Australian Competition and Consumer Commission), representation on fraud taskforces and attendance at fraud forums.