

Senate Standing Committee on Environment, Communications and the Arts
Answers to Senate Estimates Questions on Notice
Budget Estimates Hearings May 2010
Broadband, Communications and the Digital Economy Portfolio
Australia Post

Question No: 44

Hansard Ref: ECA 45

Topic: Industrial Action (follow up to QoN No. 2 – February 2010 hearing)

Senator Abetz asked:

When was the last time Australia Post was confronted with such a substantial loss (i.e. in the order of \$2.3m) because of industrial action?

Answer:

The industrial action that occurred in May 2004 was similar in nature and magnitude to the industrial action that occurred in December 2009.

While no specific details are available, the overall cost of the industrial action that occurred in May 2004 is likely to be lower than \$2.3m, due to inflationary factors and because it did not occur during the busy Christmas period.

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Question No: 45

Hansard Ref: ECA 45 & 46

Topic: Lost Mail

Senator Abetz asked:

1. Concerning the 18,000 items lost in the past two years (as stated in the Sunday Daily Telegraph on 23/5), how does that compare to the postal services of comparative countries, such as New Zealand, Canada, United States and United Kingdom?
2. What mechanisms do you have in place to minimise these sorts of situations but, more importantly, to provide compensation to people that pay for the express/security services and then do not receive that?
3. What is the percentage loss of Express Post articles?

Answer:

1. Australia Post does not collect data on the number of items lost by overseas postal administrations in their domestic postal networks. As such, it is unable to provide a comparison of the type requested.
2. Concerning *the mechanisms in place to minimise losses*, maintaining the security and integrity of the mail service and customers' trust is one of Australia Post's fundamental business objectives. To meet this objective, the corporation has a comprehensive security program in place, which includes security policies, standards and procedures for mail handling/mail handling areas; security at facilities including access control, alarm and CCTV systems; and security screening for staff, licensees and contractors prior to employment.

Australia Post also has an internal Corporate Security Group (CSG) that provides a security service for the corporation and operates proactively in the prevention, detection and investigation of losses through criminal activity. CSG is chartered with ensuring the integrity of the mail in accordance with the corporation's standards and statutory requirements. Investigations outlining evidence of criminal activity are all referred to the appropriate authorities for prosecution.

Furthermore, CSG works closely with Australia Post's Customer Contact Centres and monitors complaint data to identify and investigate potentially suspect patterns or problem areas in addition to undertaking security surveys/reviews, mail-testing programs and providing security training and awareness material for all staff.

Customers can also help prevent the loss of their mail, particularly with identity theft on the rise, by fitting security locks to their mail boxes. To encourage customer awareness of this issue, Australia Post, in conjunction with state police, has recently embarked on a national program of distributing brochures to advise householders of the importance of making their mail boxes more secure. Customers should also ensure every item they post is correctly addressed and has the sender's name and return address on the back.

Concerning *compensation*, the Express Post service and Registered Post service provide for automatic compensation up to \$50 and \$100 respectively for loss or damage to the contents of the item. Registered Post customers can purchase extra cover up to \$5000.

Information about Australia Post's compensation scheme and lodging a claim for compensation is available on Australia Post's website www.auspost.com.au.

3. Approximately 0.03% of domestic Express Post articles were recorded as lost or missing in 2008/09.

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Question No: 46

Hansard Ref: ECA 47

Topic: Managing Director's Contract/Executive Remuneration (follow up to QoN No. 5 – February 2010 hearing)

Senator Abetz asked:

1. What are the periods of notice in the Managing Director's contract?
2. How many senior executives have an "at risk" component in their remuneration package?

Answer:

1. The Managing Director's contract can be terminated with a notice period of twelve months or payment in lieu.
2. There were 20 senior executives at 30 June 2010, all of whom had an "at risk" component in their remuneration package.

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Question No: 47

Hansard Ref: ECA 47

Topic: Sponsorship (follow up to QoN No. 19 – February 2010 hearing)

Senator Abetz asked:

Can you provide a list of the 31 sponsorships over \$10,000?

Answer:

1. Stawell Gift
2. Olympics
3. Australian Open
4. Opera Australia
5. National Australia Day Council
6. Breast Cancer Network Australia (Field of Women LIVE)
7. Prostate Cancer Foundation
8. NSW Local Citizen of the Year Awards
9. Kids Teaching Kids
10. Banksia Awards
11. Phiggles the flying scientist
12. Cards 4 Planet Arc / National Recycling Week
13. Country Press Association
14. Sydney Community Foundation – Australia Post small grants program
15. Foundation for Rural & Regional Renewal “Stretching the Envelope” small grants program
16. Small Business Sept – Dept of State and Regional Development
17. Sydney Chamber of Commerce
18. Deakin University Scholarship Award
19. Foundation for Rural and Regional Renewal – Stretching the envelope program
20. Melbourne Theatre Company
21. Municipal Association of Victoria
22. Australia Israeli Chamber of Commerce
23. Australian Institute of Management – Management Excellence Awards
24. Major Foundations 5ks for Kids Walkathon
25. QLD Performing Arts Centre – Out of the Box
26. Tidy Towns – Bush Spirit Awards
27. QUT Business Forum
28. Regional Community Achievement Awards
29. His Majesty Theatre Foundation
30. The Royal Australian College of Physicians – Medical Fellowship Award
31. Queensland Cricket

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Question No: 48

Hansard Ref: ECA 48

Topic: Harassment/Bullying Policy

Senator Abetz asked:

Are contractors advised of their rights and entitlements under the policy as part of their induction training?

Answer:

At induction, contractors are provided with a copy of the Mail Service Contractor Harassment Guide, which explains Australia Post's Harassment Policy and outlines the process for reporting incidents of harassment.

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Question No: 49

Hansard Ref: ECA 48

Topic: Certifying True Copies transaction

Senator Abetz asked:

Where an Australia Post employee or a Licensee certifies a document for a customer, is the employee or Licensee indemnified against failure to spot fake or altered documents?

Answer:

Provided they have not participated in any fraudulent activity in relation to the fake or altered document, there is no legal implication for a staff member or Licensee if a certified “true copy” of a document later turns out to be fraudulent.

Certifying a copy as a “true copy” of an original is simply a statement to confirm that a copy has been made and it is a true/accurate copy of the document that was presented.

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Question No: 50

Hansard Ref: ECA 50

Topic: *Australia Today* magazine

Senator Abetz asked:

What is the cover price of the second edition of the *Australia Today* magazine?

Answer:

The magazine is \$3.50, or free with the purchase of any product from a postal outlet.

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Question No: 51

Hansard Ref: ECA 50

Topic: Negotiations with Centrelink

Senator Abetz asked:

Is Australia Post in negotiations with Centrelink regarding the provision of Centrelink services at post offices?

Answer:

No.

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Question No: 52

Hansard Ref: ECA 52

Topic: Basic Postage Rate price rise application

Senator Cormann asked:

What is the forecast decline in letter volumes that will be attributable to the price rise?

Answer:

For 2010/11, the forecast volume decline, of total domestic letter volumes, that is attributable to the price increase is 1.50%.

For 2011/12, the forecast volume decline, of total domestic letter volumes, that is attributable to the price increase is 0.26%.

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Question No: 53

Hansard Ref: ECA 55

Topic: Mercedes Benz Mail Vans – Staff Questionnaire

Senator Wortley asked:

Will every driver who drives one of these vans have the opportunity to complete it?

Answer:

All drivers who have previously completed a Hazard Report, expressing concerns about the van and their transport runs, will have the opportunity to complete the questionnaire.

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Question No: 54

Hansard Ref: ECA 55

Topic: Mail Hubs/Community Mail Boxes

Senator Macdonald asked:

So would that mean without a change in the legislation (i.e. the obligation to provide 98% of delivery points with a five-day-a-week delivery service) you really could not embark upon any sort of mail hub approach?

Answer:

No. The Performance Standards Regulations (made under section 28C of the Australian Postal Corporation Act 1989) relating to mail deliveries are concerned with *timeliness* and *frequency*.

A *delivery point* is defined in the Regulations as “a mail address” and can be a street or roadside Letterbox, Post Office Box, Locked Bag, Private or Community Bag or Cluster Box.

While Community Mail Boxes are nothing more than a concept at this stage - and would only be considered suitable for some new residential developments - Australia Post would regard them as *delivery points*, within the meaning of the Regulations.

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Question No: 55

Hansard Ref: ECA 56 & 57

Topic: Street Posting Box (SPB) clearances over the ANZAC Day and Labour Day long weekends

Senator Macdonald asked:

1. What were the SPB clearance arrangements over these long weekends?
2. Is it a new arrangement this year, or standard practice?
3. Are there different shift rosters over a long weekend?

Answer:

1. Metropolitan SPBs were cleared on the Monday (public holiday) of these long weekends.
2. This is standard practice.
3. Yes. On normal weekends, staff are rostered to clear metropolitan SPBs on the Sunday. On long weekends, staff are rostered to clear metropolitan SPBs on the Monday (public holiday).

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Question No: 56

Hansard Ref: ECA 57

Topic: Future Ready Restructure – staff numbers

Senator Troeth asked:

How many people do you think would be employed in each of the four strategic business units?

Answer:

Final staff numbers under the new Future Ready business model/structure are not available at this point in time.

The Future Ready program commenced in April 2010 and is a five-year change management program that will see a new business model/structure put in place and bedded down in 2010/11 and then a shift to a rebuilding and growing phase in 2012 and beyond.

During the life of the program, Australia Post expects staffing numbers will decline in some traditional areas of the business, primarily in response to declining letter volumes, and increase in other areas of the business in which it is pursuing new growth opportunities. This body of work is currently being scoped.

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Question No: 57

Hansard Ref: In Writing

Topic: Staffing – Australia Post

Senator Barnett asked:

1. How many permanent staff have been recruited since additional estimates (Feb 2010)?
2. What level are these staff?
3. How many temporary positions exist or have been created since additional estimates?
4. How many employees have been employed on contract since additional estimates and what is the average length of their employment period?

Answer:

1&2. 536 permanent staff have been recruited at the following designations/levels:

Designation			Number
Administrative Officer – A3	2	IT Band 3	4
Administrative Officer – A5	1	IT Band 4	2
Administrative Officer – A6	2	Mail Officer	5
Administrative Officer – A7	7	Trainee Mail Officer	6
Administrative Officer – A8	1	Parcel Post Officer	1
Customer Care Consultant	4	Trainee Parcel Post Officer	3
Customer Service Consultant	119	Postal Services Officer	20
Postal Delivery Officer	36	Trainee Postal Services Officer	55
Trainee Postal Delivery Officer	252	Driver/Sorter	2
Executive Band 1	1	Postal Transport Officer	12
Executive Band 3	1	Total	536

3. 93 temporary positions have been created.
4. 16 people have been employed on contract and the average length of their employment is 4 months.

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Question No: 58

Hansard Ref: In Writing

Topic: Staffing – Efficiency Dividend/Budget Cuts – Australia Post

Senator Barnett asked:

1. Have staffing numbers been reduced as a result of the efficiency dividend and/or other budget cuts?
 - Since the efficiency dividend was introduced?
 - Since additional estimates?
 - If so, where and at what level?
2. Are there any plans for staff reductions? If so, please advise details i.e. reduction target, how this will be achieved, services/programs to be cut.
3. If your Department/agency has been identified in the budget as delivering further efficiencies (savings), how will these be delivered? For example, if the budget papers say “improvement to strategic work practices” or similar, what are these and how will they be delivered.
4. What changes are underway or planned for graduate recruitment, cadetships or similar programs? If reductions or increases are envisaged, please explain including reasons, target numbers etc.

Answer:

- 1-4. As a Government Business Enterprise, Australia Post is not subject to the government’s efficiency dividend or similar budget/policy measures.

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Question No: 59

Hansard Ref: In Writing

Topic: Government Advertising – Australia Post

Senator Barnett asked:

1. What communications programs has the Department/Agency undertaken since additional estimates and what communications are planned to be undertaken?
2. For each program, what is the total spend?
3. A breakdown of how much was spent/is planned to be spent on each program/initiative should be provided.

["Communications Program" means communication of a government message to the public – possibly by advertising (print, television etc), possibly through the erection of signs, plaques etc, or through other mediums. The recent (current) Government TV advertising campaign on health reform and specific health initiatives are examples, BER signage is an example, advertising on the Government's proposed new tax system would be another example].

Answer:

- 1-3. Australia Post has not undertaken, and is not planning to undertake, any "Communications Programs", as defined in the question.

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Question No: 60

Hansard Ref: In Writing

Topic: Government Payment of Accounts – Australia Post

Senator Barnett asked:

1. Has the portfolio/agency paid its accounts to contractors/consultants etc in accordance with Government policy in terms of time for payment (i.e. within 30 days)? If not, why not and what has been the timeframe for payment of accounts? Please provide a breakdown, average statistics etc as appropriate to give insight into how this issue is being approached.
2. 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?
3. Where interest is being paid, what rate of interest is being paid and how is the rate determined?

Answer:

- 1-3. As a Government Business Enterprise, Australia Post is not subject to the Government's policy on the payment of contractor's/consultant's accounts.

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Question No: 61

Hansard Ref: In Writing

Topic: Licensee Advisory Council (LAC)

Senator Abetz asked:

1. Does the LAC hold Directors and Officers insurance for its Licensee Directors? If so, which insurer has Australia Post used to place this insurance? If not, why not?
2. What would happen if an LAC Licensee Director was injured during the course of their duties as an LAC Director?
3. Does Australia Post hold Directors and Officers insurance for the Australia Post Board?
4. How much has Australia Post budgeted for the LAC (including all State and National LAC activities) for the coming financial year?
5. Has Australia Post considered achieving considerable savings in LAC proceedings by holding meetings by teleconference?

Answer:

1. No. This is neither necessary nor appropriate given the LAC is not a trading entity and has no financial-related operations, revenue, income or trading expenses. [The LAC operates as an advisory body and its operating costs are borne by Australia Post. The constitution of the LAC indemnifies Directors to the maximum extent permitted by law in respect of any liabilities they may incur through the carrying out, in good faith, of their obligations as Directors. Australia Post has agreed that any liabilities of the Company incurred under this indemnity would be covered under Australia Post's commitment to fund the operations of the Company.]
2. If the circumstances indicated Australia Post was responsible for the injury, Australia Post would pay any costs that arose in connection with the injury. If not, the costs would have to be borne by the responsible party.
3. Yes.
4. \$107,000.
5. Yes. Telephone conferences have occurred on a regular basis over the past two years.

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Question No: 62

Hansard Ref: In Writing

Topic: Witnessing of documents

Senator Abetz asked:

Where an Australia Post employee or a Licensee certifies a document for a customer, is the employee or Licensee indemnified against failure to spot fake or altered documents?

Answer:

Provided they have not participated in any fraudulent activity in relation to the fake or altered document, there is no legal implication for a staff member or Licensee if a certified “true copy” of a document later turns out to be fraudulent.

Certifying a copy as a “true copy” of an original is simply a statement to confirm that a copy has been made and it is a true/accurate copy of the document that was presented.

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Question No: 63

Hansard Ref: In Writing

Topic: Australia Post and Quarantine

Senator Abetz asked:

1. How much does Australia Post currently pay to AQIS for quarantine checks for incoming international mail?
2. How much will Australia Post be paying to AQIS in the next four years?
3. How will Australia Post fund this extra cost?
4. Will this extra cost affect the dividend paid to the federal government?

Answer:

1. \$3.2m in the 2009/10 financial year.
2. From 1 July 2010, \$8.2m per annum (i.e. \$32.8m over the next four years).
3. Australia Post is currently considering its options.
4. Yes.

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Question No: 64

Hansard Ref: In Writing

Topic: Police Checks

Senator Abetz asked:

1. What police and background checks are performed for staff of corporate post offices and business centres?
2. What police and background checks are performed for staff of Delivery and Mail Centres, as well as Postal Delivery Officers?
3. What police and background checks are performed for administration and management of Australia Post?
4. Are operators of Licensed Post Offices, Community Agencies and mail contractors also checked by police prior to their contract being agreed by Australia Post? And does the same go for employees of LPOs, Agencies and contractors?

Answer:

- 1-3. Australia Post undertakes a pre-employment criminal history check on all staff, prior to engagement. It also confirms their identity, checks their eligibility to work in Australia with the Department of Immigration and Citizenship, and work references with their previous employer.
4. Australia Post undertakes a criminal history check on all Licensees, Franchisees, Mail Contractors and mail sub-contractors prior to entering into their respective agreements. As independent operators, Licensees and Franchisees are responsible for arranging police checks for their own employees (i.e. because they are not directly contracted to Australia Post).

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Question No: 65

Hansard Ref: In Writing

Topic: Stakeholder Council

Senator Abetz asked:

1. Which “stakeholders” are represented on the Stakeholder Council?
2. Is there a Mail Contractor representative on the Stakeholder Council? Why not?
3. How does Australia Post select which stakeholder groups will be lucky enough to receive representation on the Stakeholder Council?
4. How does Australia Post choose representatives of these stakeholder groups to sit on the Stakeholder Council?
5. Who within Australia Post is responsible for this selection procedure?
6. What reporting processes exist between the Stakeholder Council and the rest of Australia Post including the Board?
7. What was the total cost of operating the Council for 09/10?

Answer:

1. Membership of the Stakeholder Council is representative of Australia Post’s key stakeholder segments – customers, suppliers, community (rural and remote), workforce and environment.
2. No, the current membership of the Stakeholder Council does not include a Mail Contractor. Members do not formally represent particular constituent interests or organisations. People are invited to join as individuals because of their personal knowledge of, and interest in, the postal industry and/or the needs of postal users. Overall, membership is broadly representative of urban, rural and remote area consumers, large and small business and staff/licensee interests. Due regard is also given to the need for geographic spread and gender/age balance.

- 3-5. Members are appointed on an individual basis for the personal contribution they can make to the work of the Stakeholder Council. In terms of overall membership composition, due regard is given to the desirability of achieving broad geographic representation and reasonable gender/age balance. The Managing Director and Chief Executive Officer, in discussion with the Chairman of the Stakeholder Council (who is an Australia Post board member), is responsible for appointing members.

6. The Chairman of the Stakeholder Council reports directly to the board on the proceedings of council meetings and provides board feedback to the council on decisions or matters on which council input was sought/provided.

7. \$46,405.

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Question No: 66

Hansard Ref: In Writing

Topic: Travel Frequent Flyer Points

Senator Abetz asked:

1. Do Australia Post managers or directors fly business, first, or economy class when travelling at Australia Post's expense?
2. Does Australia Post pay for membership of any airline lounges (such as the Qantas Club or Chairman's Lounge) for its managers or directors? If so, what is the cost and benefit of these memberships to Australia Post?
3. Does Australia Post allow employees (including managers, executives and Directors) to accumulate frequent flyer points when flying at Australia Post's expense?
4. Does Australia Post have a policy in place regarding the redemption of frequent flyer points earned when flying at Australia Post's expense?

Answer:

1. When travelling for business purposes, the following arrangements apply:

Domestic Travel

All employees travel economy class with the following exception. Executives may travel business class if the one-way flight time between departure and final arrival is greater than two hours. Directors travel Business Class.

International Travel

Employees may travel business class (excluding New Zealand for non-executives). Directors may travel first class.

2. Yes. Australia Post executives and directors are entitled to Qantas Club membership. For other employees, membership may be approved by the relevant General or Group Manager where it is expected the employee will be required to travel frequently as part of their position. Membership ceases on termination of employment. The Qantas Chairman's Lounge is by invitation only, at no cost to Australia Post.

Consistent with normal business practice, Australia Post offers this benefit in recognition of the inconvenience and personal sacrifice involved when undertaking frequent business-related travel. The cost of Qantas Club membership in 2009/10 was approximately \$47,000.

3&4. Yes. Under the Travel Policy, employees, executives and directors and may retain their Frequent Flyer points and redeem them at their discretion. The cost of participating in any Frequent Flyer programs is borne by the participant.

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Question No: 67

Hansard Ref: InWriting

Topic: Australia Today Magazine

Senator Abetz asked:

1. What was the print run of the first edition of the Australia Today magazine?
2. What was the print run of subsequent editions?
3. How many copies has Australia Post actually sold?
4. How many returns has Australia Post had to destroy or have disposed?
5. Has Australia Post assessed the environmental impact of producing and distributing this magazine? If so, please give details.
6. Will Australia Post continue to produce and distribute Australia Today?
7. How much has Australia Post spent, by edition, on Australia Today?
8. What has been the return on investment for this magazine? How does that compare with forecasts when the magazine was launched?

Answer:

1. 250,000 copies.
2. 100,000 copies for the 2nd and 3rd editions and 200,000 copies for the 4th and 5th editions.
3. The magazine is primarily a marketing tool and, as such, the vast majority have been provided to customers free when they do business with Australia Post. Around 6% of the 2nd and 3rd editions were sold to customers to test whether this was an added opportunity.
4. There have been no returns.
5. Australia Post has not undertaken an environmental assessment, however, the paper stock is sourced from sustainably managed forests certified under the Program for the Endorsement of Forest Certification (PEFC) scheme.

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6. Australia Post is committed to producing the magazine until the end of 2010, by which time the magazine strategy will have been reviewed to determine its future in the overall customer engagement strategy.
7. To date, expenditure by edition was as follows:

Edition	Amount
Initial set up cost	\$95,000
Edition 1	\$667,500
Edition 2	\$267,000
Edition 3	\$267,000
Edition 4	\$302,000
Edition 5	\$302,000

These costs have been offset over the life of the magazine by advertising income of \$128,000.

8. As a marketing tool, the success of the magazine has been measured primarily against customer awareness and engagement, both of which have shown a positive customer reaction. Product sales increased at times when the magazine was in circulation, however, it is difficult to draw a direct correlation.

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Question No: 68

Hansard Ref: In Writing

Topic: Australia Post and Centrelink

Senator Abetz asked:

1. Does Australia Post have any agency relationship with Centrelink?
2. Is Australia Post in negotiations with Centrelink regarding provision of Centrelink services at post offices?

Answer:

1. Yes, Australia Post has a bill payment agency agreement with Centrelink.
2. No.

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Question No: 69

Hansard Ref: In Writing

Topic: Customer Call Centres

Senator Abetz asked:

1. What is Australia Post doing to reduce the huge waiting times for customers at Customer Call Centres?
2. What training is given to staff at Customer Call Centres? Do they have any “hands on” counter or delivery experience prior to working in the CCC?
3. What are the hours of the Customer Call Centres, and will Australia Post increase those hours for the convenience of customers who cannot make calls during the present hours?

Answer:

1. The new Customer Contact Centre (CCC) model - which involved consolidating six state based CCCs into a national networked CCC in two sites (Melbourne and Brisbane) - has been up and running since March 2010. Since that time, Australia Post has introduced a range of initiatives to reduce customer waiting times, including ongoing recruitment and enhanced coaching/development of frontline staff. As a result of these initiatives, average wait times have reduced from 375 seconds in March to 110 seconds in June 2010.
2. While some staff in the CCC have “hands on” retail and delivery experience, it is not a mandatory requirement for recruitment. All CCC staff undergo a two-week induction course, which is regularly reviewed and updated, to ensure they gain a broad understanding of Australia Post’s operations.
3. Current CCC operating hours are 8.30am to 5.00pm, with some specialist queues open for extended hours. Customers who cannot make calls to the CCC during these normal business hours are provided with alternative means of contact, including access to key transaction types through automated channels and the corporate website www.auspost.com.au. At present, there are no plans to change the CCC’s operating hours.

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Question No: 70

Hansard Ref: In Writing

Topic: Corporate Entertainment

Senator Abetz asked:

1. Does Australia Post hold any corporate boxes at sporting grounds around Australia? If so, please give details for each corporate box, including annual cost per box, estimated cost per game, estimated cost per corporate customer entertained in the box, and length of any leases or agreements to hold the corporate box.
2. Are these boxes ever unused when sporting events are being held at these grounds? If so, what happens?
3. What is the mix of staff, management and guests who are privileged enough to get an invitation to use an Australia Post corporate box?

Answer:

1. Australia Post has corporate boxes at the following sporting grounds:
 - Aurora Sports Stadium, Hobart, at a cost of \$5,300 per season. The Hobart Chargers play 14 basketball games in the SEABL this season, so the cost per game is \$378. There are eight positions in the box, so the cost per person, per game, is \$47. Lease expires at end of this season (July 2010).
 - The Gabba, Brisbane, at a cost of \$58,252 for the 2010 AFL season and the 2010/11 international and domestic cricket season. Averaged over the AFL and cricket seasons, the cost of the box, per game, is \$2,223. There are 12 positions in the box, so the cost per person, per game, is \$185. The lease expires in February 2011.
 - Etihad Stadium, Melbourne, at a cost of \$118,680 for 49 AFL games and one Bledisloe Cup rugby game. The cost per game is \$2,373. There are 16 positions in the box, so the cost per guest, per game, is \$148. The lease for this box expires in March 2012.
 - The MCG, Melbourne, at a cost of \$144,816 for 2010. With 56 event days at the MCG, the cost per event is \$2,586. There are 16 positions in the box, so the cost per person, per event, is \$161. The lease for this box expires in March 2012.

- AAMI Stadium, Adelaide, at a cost of \$40,000 for 11 games this AFL season. Cost per game is \$3,636. There are 18 positions in the box, so the cost per person, per game, is \$202. The lease expires in September 2010.
 - Subiaco Oval, Perth, at a cost \$90,000 for the 2010 AFL season. Fremantle and West Coast play 11 games each at Subiaco, so the cost per game is \$4,090. There are 16 positions in the box, so cost per person, per game, is \$255. This lease expires in September 2010.
 - Rosehill Racecourse, Sydney, at a cost of \$28,000. We use the box for 12 race meetings per year, at a cost per meeting of \$2,333. There are 25 positions in the box, so the average cost, per person, per race meeting, is \$93. Lease expires in June 2011.
2. In nearly all cases, Australia Post's corporate boxes are occupied on every event day, at each venue. On rare occasions, the boxes at Etihad Stadium and the MCG are not occupied and, for these events, they are locked. The corporate suite at Rosehill Racecourse is only occupied for 12 of the 28 race meetings held there each year.
 3. For the vast majority of events, there are two Australia Post managers and their partners (acting as hosts in the box) and the remaining positions are occupied by Australia Post business customers and other stakeholders.

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Question No: 71

Hansard Ref: In Writing

Topic: Outgoing Managing Director

Senator Abetz asked:

1. How much did Australia Post pay in wages to Graeme John in 2009/10?
2. How much did Australia Post pay in bonuses to Graeme John in 2009/10?
3. How much did Australia Post pay in other non-salary benefits to Graeme John in 2009/10?
4. How many overseas trips did Graeme John take at Australia Post's expense during 2008 and 2009? What were the reasons for these trips? What were the costs (including accommodation and meals) for these trips?
5. How much time did Graeme John spend on leave (including long service leave and annual leave) in 2009/10?

Answer:

1. Mr John's base salary was \$1,366,997.
2. Mr John was paid \$604,151 in July/August 2009 for the 2008/09 financial year and \$420,000 in January 2010 for the 2009/10 financial year.
3. Australia Post is unable to answer this question because its final accounts will not be available until late-August 2010.
4. Mr John took three trips in 2008 and three trips in 2009 for business-related purposes. The total cost of the trips was - \$31,032 in 2008 and \$14,520 in 2009.
5. Mr John spent 109 days on leave, of this 103 days represented leave pending formal retirement.

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Question No: 72

Hansard Ref: In Writing

Topic: Sorting Tubs – Delivery Contractors

Senator Abetz asked:

1. Why is Australia Post forcing Delivery Contractors to pay for sorting tubs?
2. Are employees expected to pay for their sorting tubs?
3. Is the fact that Delivery Contractors need to pay for their own sorting tubs noted clearly in the tender documentation? If not, why not?
4. Is Australia Post changing the terms of the Contract unilaterally?
5. Why does Australia Post insist that Mail Contractors insure V-sort sorting frames when the frames are owned by Australia Post?

Answer:

1. Contractors are required to provide their own equipment and tools of the trade that are necessary to perform the mail service for which they have tendered. Typically, this includes (but is not limited to) motor vehicles and mail handling aids such as tubs.
2. No.
3. Yes, the requirement to provide equipment and tools of the trade such as handling aids is covered in the General Information for Tenderers booklet and the Mail Contractor Agreement. Where a tenderer is required to provide specific handling aids to perform the service, it will be noted in the tender specification and any costs of this equipment is then included in the tender. If a contractor is required to provide additional handling aids during the term of the contract, appropriate reimbursement will be negotiated in good faith.
4. No. However if the requirements change during the term of the contract a variation or reimbursement will be negotiated in good faith in accordance with the Mail Contractor Agreement.
5. Contractors are only required to obtain insurance on Vsort frames where the frame is not located in Australia Post premises. Contractors are reimbursed for all insurance costs associated with the provision of the service.

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Question No: 73

Hansard Ref: In Writing

Topic: Roadside Delivery

Senator Abetz asked:

1. Where mail is delivered by a roadside mail contractor, do mail items have to be delivered right to the door when the residence is not within a reasonable distance (say 50 metres) of the entrance to the property?
2. What is the situation when an unfriendly dog is loose on the property, particularly in close vicinity to the mailbox?

Answer:

1. No. Delivery is made to a roadside mailbox. Where an item is too large to fit into a roadside mailbox or where a signature is required, a card is left advising the addressee the item is awaiting collection at their nearby postal outlet. By arrangement, for corporate contract customers, Australia Post may deliver to the door. Contractors are consulted and reimbursed for any additional costs they incur.
2. If the contractor believes there is a risk of injury, they should act in accordance with their OH&S management plan and procedures. They should then report the matter to their Australia Post manager.

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Question No: 74

Hansard Ref: In Writing

Topic: Redirection Service – Waiver of Fees for AP Employees

Senator Abetz asked:

1. How many Australia Post staff and managers have availed themselves of Australia Post's offer of a free redirection of mail? How much revenue has Australia Post forgone to provide this service to staff?
2. Is this service a goodwill gesture by Australia Post or was it negotiated as part of an EBA?
3. Does this free offer apply to all staff, including casual and temporary?
4. Will Australia Post extend this service to Mail Contractors, Post Office Licensees and Agents and their staff? If not, why not?
5. Are Australia Post managers on a contract offered this free service?
6. Given the amount of money Australia Post must have expended ("wasted") on the Australia Today magazine effort, surely to extend this offer to its private work people would be a gesture of goodwill and inclusiveness.

Answer:

1. In 2009/10, approximately 9,873 employees (staff and managers) utilised this entitlement. Approximately \$329,000 in revenue was foregone to provide this entitlement.
- 2, 3&5. This entitlement is provided as a goodwill gesture to all employees with an Australian Postal Services (APS) number (i.e. including managers, casuals and temporary staff), not just staff covered by the EBA.
- 4&6. No. The relationship between Australia Post, Licensees, Agents and their staff is not one of employer/employee. It is a commercial arrangement formalised through agreements. Under these agreements, benefits flow to these parties from business activity, rather than entitlements.

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Question No: 75

Hansard Ref: In Writing

Topic: Outlets

Senator Abetz asked:

1. How many Franchised Postshops does Australia Post have in operation now and what are their names?
2. How many Corporate Post Offices have been converted to Licensed operations during 2009 and 2010 so far and what are their names?

Answer:

1. Currently, there are 29 franchised outlets in operation and their names are as follows:

Ascot Vale, Bacchus Marsh, Bentley, Brunswick, Bulleen, Carlingford, Caroline Springs, Chullora, Coorparoo, Diamond Creek, Edgecliff, Glenside, Gordon, Green Valley, Lutwyche, Moorooka, Mortdale, Pacific Paradise, Padstow, Point Cook, Pyrmont, Rosanna, Rouse Hill, Sippy Downs, Springfield, Stirling, Stones Corner, Thornlie and Wentworthville.

2. Nine corporate outlets have been converted to licensed operations in 2009 and 2010 and their names are as follows:

Outlets converted 2009

Airlie Beach
Kallangur
Woolloongabba

Outlets converted (ytd 30th June 2010)

Christies Beach
Canningvale East
Orbost
Proserpine
Moranbah
Boonah

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Question No: 76

Hansard Ref: In Writing

Topic: Planned Cost Cutting

Senator Abetz asked:

1. What are the key elements in the Australia Post Future Delivery Design (FDD) program that are identified to the ACCC as part of your productivity reform that would warrant them creating an increase in basic postage?
2. Can you guarantee the Australian community that these programs will not result in a reduction in quality and frequency of postal delivery especially rural Australia?
3. A number of programs such as deep sorting of mail to sequence it for delivery are already features of your current technology and have been mentioned in past Price Increase submissions to the ACCC - why haven't these opportunities been taken before now?
4. What is the number of jobs Australia Post expects to shed as a result of Future Delivery Design and the new MDs recently announced Future Ready programs?
5. If specific targets and time frames are not known why not? Surely the program has some targets in mind or will the organisation simply stumble along and hope to get an outcome?
6. Australia Post claims that unless it changes its method of operation that it will make a loss in two years time - what is the expected size of that loss and what services will need to change to avoid this deficit?
7. Why did Australia Post take so long to reach its last Enterprise Bargaining Agreement (EBA)? What does this really say about the capacity of the organisation to achieve improvements and reform under its Future Ready and FDD programs?
8. When will the Senate expect to hear about progress being made with the Future Ready and FDD programs? When and what achievements will you be able to tell us about to give the Parliament confidence that you are going to succeed given the snail like progress with other reforms?

Answer:

1. Details about the Future Delivery Design (FDD) program - including the reasons for its introduction, key elements, timeframes for implementation and associated cost/labour saving forecasts – are included in Australia Post's formal price notification to the ACCC. This document is publicly available on the ACCC's website www.accc.gov.au
2. The FDD program will not result in any reduction in quality or frequency of mail delivery services.
3. The enhanced address recognition software that is required to make automatic sequencing financially viable for a majority of delivery rounds has only recently become available.

4&5. Labour saving forecasts and timeframes relating to the FDD program are included in Australia Post's formal price notification to the ACCC.

Labour saving forecasts relating to the Future Ready program are not available at this point in time. The Future Ready program commenced in April 2010 and is a five-year change management program that will see a new business model/structure put in place and bedded down in 2010/11 and then a shift to a rebuilding and growing phase in 2012 and beyond.

During the life of both programs, Australia Post expects labour usage will decline in some traditional areas of the business, primarily in response to declining letter volumes, and increase in other areas of the business in which it is pursuing new growth opportunities. This body of work is currently being scoped.

6. The financial scenario referred to in the question envisaged losses in two years time if Australia Post had not taken any action to reform its business in the face of a rapidly changing market.

The Future Ready program aims to restore profitability to the business by introducing a new business model/structure with four strategic business units and less levels of management in the Headquarters and State administrations; capitalising on growth opportunities in the delivery, retail and express distribution areas; pursuing new e-commerce and e-finance initiatives; and containing costs.

7. The two key unions that represent Australia Post staff withdrew their support for the corporation's seventh enterprise bargaining agreement (EBA7) in late 2007.

However, since the signing of a Memorandum of Understanding in March 2010 - which espouses key commitments to the way in which the parties will work together to achieve important business change while continuing to work with employees and their representatives to minimise any negative impact from that change – the parties have worked diligently towards finalising a new Fair Work Agreement under the Fair Work Act 2009 (Cth).

Australia Post is pleased to announce that negotiations with the CEPU and the CPSU have been finalised for the Australia Post Fair Work Agreement (FWA). As part of the process, staff will now be given the opportunity to familiarise themselves with and provide feedback on the three-year FWA, before being asked to endorse it by voting in a ballot that will be run by the Australian Electoral Commission. It is expected ballot papers will be sent to staff in September 2010.

8. Australia Post will continue to provide updates on the Future Ready and FDD programs to shareholder ministers/departments via the corporate plan and regular briefing sessions; Senators in response to questions raised at Senate Estimates hearings; unions and staff via regular briefings and bulletins and the public (as appropriate) via its corporate website and annual report.

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Question No: 77

Hansard Ref: In Writing

Topic: New Management Team & Reform Program

Senator Abetz asked:

1. Given the importance of the new managers recently announced for the organisations recently created Strategic Business Units and the commercial challenges that they must face what selection process was undertaken? Why wasn't the market place thoroughly tested for these positions?
2. Given the significance of the Future Ready program can you tell us what its key targets are with respect to reduced costs and what are the expected staff impacts? How many jobs will be reduced as a result of this program? If you don't know what is the point of the program? Are you suggesting that you just hope it works without targets or timetable? When will you be able to tell us the specific features of the program and its targets?
3. Will the managers of these Business Units be selecting their own staff and managers? Will those staff and managers be coming from existing Australia Post staff and managers or will they be brought in to the organisation?

Answer:

1. There are four Strategic Business Unit Executive General Managers (e.g. level 1 roles) in the new Future Ready business model/structure. Following a combination of an internal and external selection process, internal candidates were appointed to three of the positions (Postal Services, Retail Services, Distribution & Express Services) and an external candidate was recently appointed to the fourth position (e-Services).

The internal process included consideration of senior management Talent Council information (e.g. personal performance reviews, results of cognitive, behavioural and preferences testing, and specific training and experience). After suitable candidates were identified, they underwent detailed interviews with the Managing Director/CEO and Executive General Manager People and Community, with input and feedback from the Australia Post Chairman.

The external process included sourcing possible external candidates from professional recruitment search firms and industry contacts. Some external candidates were interviewed and only one was considered suitable for an Executive General Manager role.

2. Labour saving forecasts relating to the Future Ready program are not available at this point in time. The Future Ready program commenced in April 2010 and is a five-year change management program that will see a new business model/structure put in place and bedded down in 2010/11 and then a shift to a rebuilding and growing phase in 2012 and beyond.

During the life of the program, Australia Post expects labour usage will decline in some traditional areas of the business, primarily in response to declining letter volumes, and increase in other areas of the business in which it is pursuing new growth opportunities. This work is currently being scoped.

3. Yes, the Strategic Business Unit Executive General Managers will be selecting their own managers and staff and are currently designing their individual organisation structures. To date, managers for level 2 roles have been selected, and in many cases appointed. Recruitment for level 3 roles is expected to be a combination of both internal and external appointments.

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Question No: 78

Hansard Ref: In Writing

Topic: Appearance of the Managing Director

Senator Abetz asked:

1. The managing director was not in attendance at Budget Estimates. The Minister has assured the Committee that the new MD would make himself available. Why was the Managing Director not in attendance?
2. It is good enough for the Governor of the Reserve Bank and other Chief Executives and/or Chairman of government agencies to attend the Senate hearings what is the Minister or Managing Director afraid of? Will the Minister assure the committee that the MD will attend future Committee hearings?

Answer:

1. Mr Fahour outlined the reason for his absence in a letter to the Committee dated 30 March 2010 (copy attached). Shortly after that, the Committee secretariat advised Australia Post the listed date for the hearing had been changed to 15 June 2010. Australia Post confirmed with the secretariat that Mr Fahour was available and looked forward to attending the hearing on 15 June 2010. Unfortunately, the hearing date was then changed back to 24 May 2010.
2. Australia Post has assured me that Mr Fahour is fully aware of the Committee's expectations and is looking forward to attending future Senate Estimates hearings.

FILE COPY



30 March 2010

Senator Anne McEwen
Chair
Senate Standing Committee on
Environment, Communications & the Arts
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Dear Senator McEwen

Further to previous correspondence, I am writing in regard to the upcoming round of Budget Estimates hearings, scheduled for the week of 24 May.

Unfortunately, the timing clashes with a commitment I have as a director of the International Postal Corporation. I will be in San Francisco from 19–23 May for the IPC board meeting and annual conference, as well as to attend a series of meetings with the CEOs of a number of major international logistics, internet and postal businesses.

Given that I will have to cross the International Date Line on the way back, I will not return to Australia until Tuesday 25 May (in time for scheduled Australia Post board and sub-committee meetings on Wednesday 26 and Thursday 27 May).

As such, I regret that I will be unable to attend this particular round of Estimates in person. In my absence, the Australia Post team will be led by my deputy, Jim Marshall, in his capacity as Acting Managing Director.

Trusting the Committee will understand my position, I would reiterate my commitment to attend future Estimates hearings, circumstances permitting.

Yours sincerely

A handwritten signature in black ink, appearing to read "Ahmed Fahour".

AHMED FAHOUR

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Question No: 79

Hansard Ref: In Writing

Topic: Franchising Model

Senator Abetz asked:

1. In previous Hearings, senior officers of Australia Post have told us of the new franchising model for retail shops they were establishing. Even now, it is promoted strongly on your organisation's web site. Can you tell the Committee how this program is going?
2. What is the number of franchised outlets now operating under Australia Post?
3. How many were operating in this format four years ago? Ten years ago?
4. We understand that this format is not attractive to purchasers. What does that say now about the commercial reality you are bringing to this project?
5. Why don't you just take the silly nonsense off the website and write it off as a loss?

Answer:

1. Franchised outlets are in operation in all mainland states. They are operating profitably for both Australia Post and the franchisees and are providing customers with a high level of service and access to an extensive range of Australia Post products and services. Progression of the franchise network beyond the initial phase has been affected by the delay to Australia Post's seventh Enterprise Bargaining Agreement.
2. Currently, there are 29 franchised outlets in operation.
3. There were five franchised outlets in operation four years ago at the commencement of the franchise rollout program (2006). There were four pilot sites in operation ten years ago (2000).
4. External industry experts evaluated the franchise business model prior to its introduction to ensure it was commercially attractive to both franchisees and Australia Post. Feedback from franchisees indicates they are happy with their decision to purchase an Australia Post franchise.
5. Australia Post considers it is important to inform interested parties about the franchise business model and will continue to include this information on its website.

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Question No: 80

Hansard Ref: In Writing

Topic: ACCC's Franchising Consultative Committee

Senator Abetz asked:

1. It is understood the Commission recently sought expressions of interest from members of the community to join its Franchising Consultative Council. What is the background of those people selected for this role? Are the majority legally or professionally qualified?
2. Why is the selection so skewed to this attribute rather than selecting organisations and people with real experience of how the franchising sector works.?
3. Is the Commission serious about community consultation or is it simply a group of lawyers thinking that only other lawyers have the answers?
4. When will the Commission make a genuine attempt to get an appropriate cross section of the franchising industry on its Council or is this forum just to give the impression of community consultation?

Answer:

- 1-4. The ACCC is responsible for appointing members to its Franchising Consultative Committee. Accordingly, these questions should be directed to the ACCC.

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Question No: 81

Hansard Ref: In Writing

Topic: Harassment of Delivery Contractors

Senator Abetz asked:

1. Does Australia Post have a policy in place regarding harassment or bullying of Mail Contractors, Parcel Contractors and other Delivery Contractors?
2. What protocols or procedures does Australia Post follow if a Contractor complains about being bullied or harassed by an Australia Post employee or manager?
3. What should a Contractor do if it is their local manager who is bullying or harassing them?
4. What does Australia Post do if there is a pattern of bullying complaints?
5. Has Australia Post ever taken any serious action to address bullying or harassment of Contractors?
6. Has there ever been a concerted effort – more than just distributing a pamphlet – to eliminate bullying and harassment from Australia Post workplaces where there are Contractors?
7. Is Australia Post taking steps to eliminate such practices in some areas of Sydney, Brisbane and Ingham

Answer:

- 1-3. Yes. The Mail Service Contractor Harassment Policy booklet (copy attached) explains the background to the policy, the action contractors should take if they are harassed by Australia Post staff in the workplace and the process Australia Post will follow in response to a reported incident or complaint.
- 4-7. Australia Post is well aware of its obligations under the various state and federal anti-discrimination laws to provide a harassment-free workplace and actively implements a wide-range of precautionary measures to minimise the risk of this occurring in the workplace.

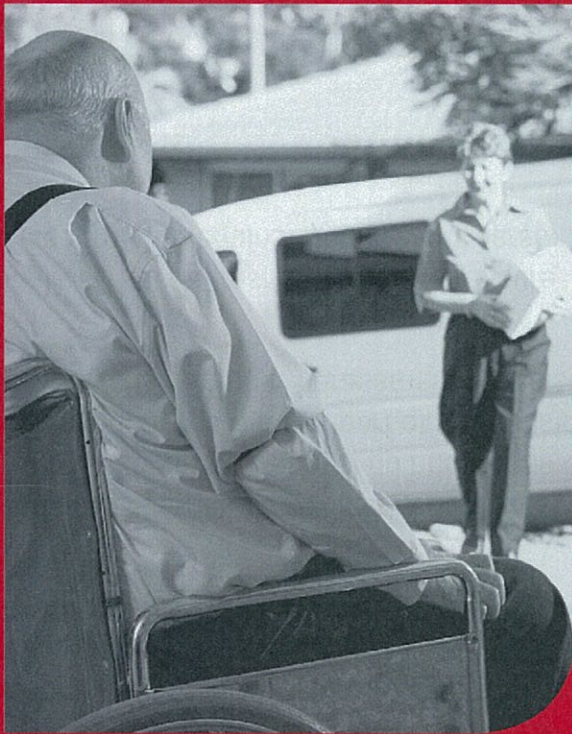
These measures include mandatory training for all staff, regular workplace briefing sessions, detailed and widely available written guidelines and procedures and a myriad of brochures on harassment and discrimination topics to assist managers, staff and contractors in the prevention and management of harassment and discrimination in the workplace.

Australia Post takes all complaints about harassment in the workplace very seriously and will investigate all reported incidents, as outlined in the policy. Where harassment is found to have occurred, appropriate action is taken. Alternatively, if the reported incident does not constitute harassment, it may be dealt with under the “Our Ethics” policy, which contains guidelines on appropriate standards of behaviour, including workplace relationships.

Mail Service Contractor Harassment Policy

A harassment free workplace and you





A harassment free workplace and you

Employers are required by law to ensure that their workplace is free from harassment and discrimination. This applies to both you, as an independent contractor, and Australia Post.

Under Clause 2 of the Mail Contract Agreement, ("the Contract") you are required to comply with all applicable Federal, State and municipal laws, statutes, regulations and by-laws. As a minimum, this means that you should have a Policy in place, which prohibits discrimination, harassment (including sexual harassment) and victimisation when providing the services under the Contract. This policy should be widely disseminated to your personnel (which includes employees and sub contractors) and they should receive training in the policy. There should be a clear point of contact for any person who wishes to make a complaint under the Policy.

You have a responsibility under State and Federal anti discrimination law to ensure that you and your personnel do not harass or discriminate against those you have dealings with as part of your business, including Australia Post employees. Such harassment or discrimination is unlawful.

Equally, Australia Post has a responsibility to ensure that our staff do not harass or discriminate against you or your personnel.



Harassment

Whether or not behaviour amounts to harassment will depend on the particular circumstances of the case. The following Three Part Test can be used as a guide in deciding if the behaviour is harassment:

- 1** Is the behaviour directed at a person's disability, sex, race, colour or any other grounds described in the Harassment Policy?
- 2** Is it behaviour that is unwelcome - ie behaviour that another person does not want and does not return?
- 3** Would a reasonable person have expected that the behaviour would offend, embarrass or scare that person?

If the answer is **yes** to all of these questions, then it sounds like unlawful harassment and should be dealt with immediately.

Harassment can be:

- sexual or non sexual
- something that is said (such as remarks or jokes)
- something that someone does (such as touching, leering or gestures)
- something that may be sent (such as e-mail)
- something that may be displayed (such as a poster) or
- something written

Some examples of harassment are:

- unwanted or offensive telephone calls
- offensive gestures
- ignoring, isolating or keeping separate a person or a group on the basis of any of the grounds in the Harassment Policy
- staring or leering in a sexual way
- sexual or physical contact, such as kissing or touching
- intrusive questions or comments about a person's sex life or physical appearance
- repeated and unwelcome sexual invitations or unwelcome love letters
- sexual abuse or assault

Discrimination

Discrimination is treating a person or group of people differently, unfairly or less favourably because of certain of their attributes that are protected by law. These include their sex, marital status, parental status or status as a carer, sexuality, race, colour or national or ethnic origin, physical or intellectual impairment/disability, age, physical features, political belief or activity, religion or industrial activity.

Discrimination can be direct or indirect.

Direct discrimination occurs when a person with a particular attribute (such as their sex, race or marital status) is treated less favourably than a person without that attribute in the same or similar circumstances.

Indirect discrimination generally speaking, occurs when the discriminator imposes a requirement, condition or practice, with which a person with a certain attribute protected by anti-discrimination legislation (for example, a disability), cannot comply, and with which a substantially higher proportion of people without that attribute are able to comply, and which in all the circumstances is not reasonable.

It is irrelevant in either case whether the discriminator intended to discriminate.

What to do if there is a complaint of harassment or discrimination

What if you or your personnel are harassed or discriminated against by Australia Post staff?

It's important to report the alleged behaviour immediately to Australia Post. This would be to the Australia Post Manager designated in the Contract, or, if this is not appropriate, to the National Manager Workforce Diversity, GPO Box 1777 Melbourne Vic 3001.

Your complaint should include:

Your name and contact details

The name and contact details of the person harassed

The name and work centre of the person you are complaining about.

Details of the complaint:

Fully describe the incident or behaviour that has upset you or your personnel, including the dates/s and time/s that it occurred.

The name/s of any person/s who saw the behaviour or incident about which you or your personnel are complaining.

It's important to note that the person that you have complained about will be told that a complaint has been made about them, who made the complaint and the details of the complaint.

Following receipt of your complaint, Australia Post will investigate your concerns under our Harassment Complaint Resolution Process.

As appropriate, you or your personnel will be invited to meet with the Australia Post employee charged with investigating the complaint to ensure that we have a full understanding of the concerns. At the end of the investigation, you or your personnel will be advised, in broad terms, of the outcome.

What if an Australia Post employee complains that you have harassed or discriminated against them?

Under our duty of care, Australia Post is required to investigate harassment or discrimination allegations made by our staff. You will be notified if an allegation of harassment or discrimination has been made against you. This advice will include the name of the person who made the complaint and the details of that complaint.

You will be invited to assist Australia Post in its investigation into the allegations and you will be given an opportunity to fully respond to the allegations made against you or your personnel.

You will be advised of the outcome of the investigation. If the allegations are proven, Australia Post will consider the seriousness of the behaviour and will consider our right to take further action under the Mail Contract Agreement.

You and your personnel are encouraged to co-operate with this process, as an adverse determination as a result of the investigation may have consequences for the continued operation of the Mail Contract Agreement. If you do not co-operate with Australia Post's investigation, Australia Post will make its determination based on the information that has been made available to it.

What if an Australia Post employee complains that one of your personnel has harassed or discriminated against them?

Under Section S8 of the General Specifications to the Contract you are required to ensure that your personnel do not engage in any unlawful discrimination against or harassment of any person. You will be notified if an allegation of harassment or discrimination has been made against one of your personnel by an Australia Post employee. This advice will include the name of the person who made the complaint and the details of that complaint.

You will be reminded of your obligations under the Contract and Australia Post expects you to investigate the allegations and resolve them as soon as possible, but without compromising the fairness of the investigation. As the allegations involve an Australia Post staff member, you must liaise with your Australia Post Manager on a regular basis as to the steps taken by you and you will be required to advise us of the outcome.

What if Australia Post receives a harassment or discrimination complaint about you or your personnel from Customers or independent contractors to Australia Post?

Australia Post will forward the complaint to you. It is your obligation under the Contract and anti-discrimination law to resolve the matter directly with the person making the complaint as expeditiously as possible.

Australia Post may also undertake its own investigation and take action, as it considers appropriate.



Victimisation

Victimisation by you or one of your personnel of persons who make complaints of discrimination and/or harassment about you or your personnel is unlawful.

You must take great care to ensure that your personnel do not victimise complainants.

Harassment at work is unlawful.

Australia Post is committed to a harassment free workplace and will take action to address allegations of harassing or discriminatory behaviour by our staff. If such behaviour is alleged to have occurred, it will be handled under Australia Post's Harassment Complaint Resolution Process.

Equally, it is your responsibility to ensure that you and your personnel do not behave in a harassing or discriminatory way. Your Mail Contract Agreement and anti discrimination law state that you are responsible for your behaviour and for that of your personnel. If you or your personnel harass or discriminate against someone during the course of your business, including Australia Post employees, there may be legal consequences and costs for you. You may also risk having your Mail Contract Agreement with Australia Post terminated.

So the bottom line is to ensure that all your business dealings are free from harassing and/or discriminatory behaviour.

Relevant Acts

Federal

Sex Discrimination Act 1984
Racial Discrimination Act 1975
Disability Discrimination Act 1992
Age Discrimination Act 2004
Human Rights and Equal Opportunity Act 1986

New South Wales

Anti-Discrimination Act 1977

Victoria

Equal Opportunity Act 1995
Racial and Religious Tolerance Act 2001

Queensland

Anti-Discrimination Act 1991

South Australia

Equal Opportunity Act 1984
Racial Vilification Act 1996

Western Australia

Equal Opportunity Act 1984
Criminal Code Chapter XI – Racist Harassment and Incitement
to Racial Hatred
Spent Convictions Act 1998 Pt 3 Div 3

Tasmania

Anti-Discrimination Act 1998

Australian Capital Territory

Discrimination Act 1991
Discrimination (Remuneration and Allowances) Regulations

Northern Territory

Anti-Discrimination Act 1992

Australia Post Harassment Policy for Service Providers and Suppliers

HARASSMENT – there's no excuse!

To all Australia Post suppliers and service providers

Australia Post does not allow harassment in our workplace.

This includes harassment that happens during any work activity, work organised social activity and/or during any Australia Post related work undertaken by a person outside the workplace itself.

Harassment makes the workplace unpleasant and uncomfortable.

Harassment is behaviour that:

- another person does not want and does not return;
- offends, embarrasses or scares them, in circumstances that a reasonable person should have expected
- that the behaviour would offend, embarrass or scare that person.

Harassment is against the law if it is about a person's disability, sex, race, colour, national or ethnic origin or is of a sexual nature. It is also against this policy to harass someone because of:

- pregnancy
- marital status
- irrelevant medical record
- religion
- age
- social origin
- irrelevant criminal record
- political belief
- trade or profession
- parental/family status
- caring responsibility
- breastfeeding
- physical features
- union or employer association activity
- personal association
- sexuality/sexual orientation/gender identity

Bullying (repeated 'picking on', or undue teasing/hassling of, another person causing them to 'lose face'; violent and/or dangerous jokes; degrading or embarrassing pranks etc) is unacceptable workplace behaviour that can be a form of harassment covered by this policy and/or be against Australia Post's Code of Ethics and the law.

Harassing behaviour can be spoken, written, visual and physical.

Examples include: jokes that are sexual, racial or about a person's disability; physical contact of a sexual nature; sexually suggestive comments or propositions; display of offensive pictures, posters and graffiti (including magazines, computer screen savers, emails, faxes, videos and downloaded pornography from the internet); stalking and indecent or sexual assault.

There are other forms of harassing behaviour that are not listed in this policy, but may constitute unacceptable behaviour under Australia Post's Code of Ethics.

We all have a responsibility to prevent harassment.

At all times, every person supplying goods and/or services to Australia Post is required to comply with this policy in connection with their personnel, dealings with our customers and suppliers, whether on Australia Post's premises or not.

Where harassment is found to have occurred, appropriate action will be taken.



Ahmed Fahour
Managing Director & Chief Executive Officer

HARASSMENT – there's no excuse!



AUSTRALIA
POST

Senate Standing Committee on Environment, Communications and the Arts
Answers to Senate Estimates Questions on Notice
Budget Estimates Hearings May 2010
Broadband, Communications and the Digital Economy Portfolio
Australia Post

Question No: 82

Hansard Ref: In Writing

Topic: Licensed Post Offices (LPOs)

Senator Abetz asked:

1. How many LPOs are manually operated?
2. What size townships are they located?
3. What would be the cost if Australia Post gave its EPOS technology to all manual LPOs?
4. Is Australia Post developing a low-cost mini-EPOS suitable for the smallest of country POs?

Answer:

1. 484 at 31 May 2010.
2. Australia Post does not maintain a record of the size of the townships in which these LPOs are located. As a general rule, they are located in smaller rural and remote communities.
3. The capital cost would be approximately \$10m with ongoing support and maintenance costs of at least \$2.5m per annum.
4. Australia Post has, on a number of occasions, investigated low cost point of sale equipment for outlets with low volumes of transactions. To date, no suitable technology has been identified that meets both the needs of licensees and Australia Post. Australia Post will continue to regularly review the technology requirements of its retail network taking into account such matters as the cost and availability of equipment.

Senate Standing Committee on Environment, Communications and the Arts
Answers to Senate Estimates Questions on Notice
Budget Estimates Hearings May 2010
Broadband, Communications and the Digital Economy Portfolio
Australia Post

Question No: 83

Hansard Ref: In Writing

Topic: AUSTRAC

Senator Abetz asked:

- a) Why is AUSTRAC proposing to charge AML/CTF reporting entities a \$500 annual fee?
- b) Will each and every reporting entity be required to pay the fee?
- c) Will small businesses that are reporting entities be liable to pay the same fee as large reporting entities such as banks?
- d) Why does AUSTRAC expect small business to fund its activities?
- e) Why isn't AUSTRAC paying small businesses for performing work for AUSTRAC?
- f) Is AUSTRAC proposing to introduce any other fees on reporting entities?
- g) What consultation with industry took place before this fee was announced?
- h) Why wasn't the Post Office Agents Association Limited (POAAL), as the representative body for thousands of reporting entities – those being Licensed Post Offices – consulted beforehand?
- i) Will the proposed \$500 annual fee be indexed?
- j) Who made the decision to introduce this fee?
- k) Has AUSTRAC performed any analysis of the impact this fee would have on small business?
- l) Did AUSTRAC take into account that the owner/operators of Licensed Post Offices are unable to pass on this fee to their customers?

Answer:

- (a-1) AUSTRAC recently released a proposed cost recovery strategy, which includes an annual registration fee of \$500 per reporting entity and a charge of \$1.06 for each Threshold Transaction Report and International Funds Transfer Instruction Report submitted to AUSTRAC. The proposed cost recovery would apply from the 2011/2012 financial year.

Essentially, this matter relates to the Government's intention to bring AUSTRAC funding into line with its cost recovery guidelines. Accordingly, any questions concerning the proposed cost recovery strategy should be directed to the Attorney-General's Department and AUSTRAC.