



THE HON FRAN BAILEY MP

MINISTER FOR SMALL BUSINESS AND TOURISM

PO BOX 6022
PARLIAMENT HOUSE
CANBERRA ACT 2600

Mr Mark Fletcher
Director
newsXpress Forest Hill
Suite 10
22 Horne Street
ELSTERNWICK VIC 3185
Dear Mr Fletcher

Thank you for your letter of 26 September 2006 concerning the retail services provided by Australia Post. Portfolio responsibility for Australia Post matters rests with Senator the Hon Helen Coonan, Minister for Communications, Information Technology and the Arts. However, the issues that you have raised also relate to small business which is my area of portfolio responsibility.

The Australian Government recognises the importance of newsagencies in our communities and is committed to creating a fair trading environment for all small businesses. Australia Post is a Government Business Enterprise which is allowed to act commercially within a framework that ensures competition on a level playing field. Australia Post is subjected to the same rules and regulations applying to fair business conduct as other corporations and privately-owned businesses.

The powers and functions of Australia Post, set out in the Australian Postal Corporation Act 1989, allow it to carry on any business or activity that is incidental or relates to the supply of postal services. Within the broader communications market place, this includes mail-related and communications products that are designed to keep Australians in touch with one another. These products include communications products, greeting cards, stationery and office products that are listed in your letter.

The Government has given the power to the Australian Competition and Consumer Commission (ACCC) to act when it finds larger corporations using their size or market power unfairly to compete with smaller businesses. If you have not already done so, you may want to contact the ACCC, to further address any concerns you may have.

