

# Quarterly Update 2: 1 October-31 December 2019

# Trends in postal industry complaints

Complaints about the postal industry are seasonal. Complaint volumes tend to increase during Christmas period each year in connection with higher volumes of items being posted. The Office of the Commonwealth Ombudsman (the Office) usually receives a peak of postal industry complaints in January each year and then experiences a reduction in complaints over the remainder of the calendar year. The most useful measure of complaint performance for the postal industry is to compare complaint numbers with the same period in the previous year, or previous years.

During 1 October—31 December 2019 we received 710 postal industry complaints, which represented a small increase of 1.6 per cent compared to the same period last year. This small increase may be the result of the seasonal peak in postal industry complaints coming a little early this year or a shift in the long term trend of declining complaints.

Over the longer term, postal industry complaints have generally been declining. Complaint numbers peaked in 2014–15 when the Office received 5,629 postal industry complaints, and have been steadily declining since then.

# Quarterly update at a glance

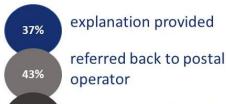
**1.6%** increase in complaints received



compared to the same time last year

This quarter we received
710 complaints and finalised
712 complaints

How complaints were finalised

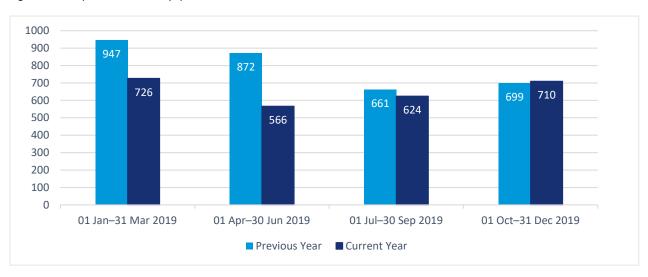


investigated informally or formally

# Complaints received

#### Complaints received by quarter

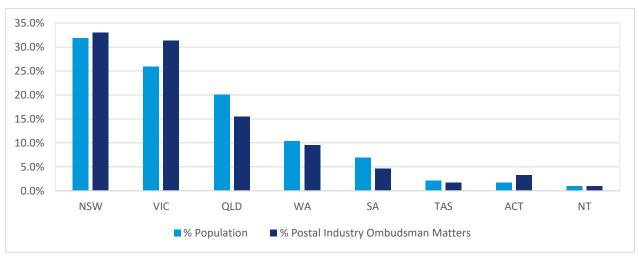
Figure 1—Complaints received by quarter



## Complaints by state and territory

Consumers in Victoria, Australian Capital Territory and New South Wales were more likely to have a complaint about their postal operator, compared to consumers in other states and territories.

Figure 2—Complaints by state/territory



## **Complaints by postal operator**

During 1 October-31 December 2019 we received:

- 676 complaints (95 per cent) about Australia Post
- 27 complaints (4 per cent) about StarTrack, and
- 7 complaints (1 per cent) about Federal Express.

# Complaints finalised

The Office uses a number of different processes to manage postal industry complaints. A matter is finalised when no further action is being taken with the complaint.

During 1 October–31 December 2019 the Office finalised all postal industry complaints within our service standards, as follows:

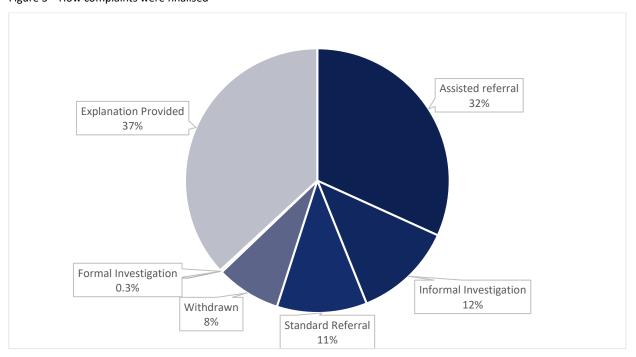
Complaints finalised	Timeframe	Service standard
68.5%	Within 14 days	65%
87.5%	Within 45 days	85%
98.5%	Within 90 days	95%
100%	Within 12 months	99%

#### Actions taken to finalise complaints

During 1 October–31 December 2019 we finalised 712 postal industry complaints, which represented a 7.2 per cent increase on the same period last year. The improvement in case handling appears to be as a result of a change to our processes from 1 July 2019 where we commenced referring some matters directly to postal operators.

For further information of the different types of actions the Office takes to finalise a complaint please refer to Quarterly Update 1.

Figure 3—How complaints were finalised



#### **Complaint issues**

The types of complaints we received are explained below:

- Delivery Issues—see issue in focus below for a discussion of the delivery issue complaints we receive.
- Loss—are complaints where the primary issue was that an article was lost in transit by the postal operator.
- Delay—are complaints that relate to letters or parcels that have been delivered later than expected.
- Compensation—are complaints that primarily concern a compensation request. Most complaints about a postal operator also include a request for compensation, so this does not represent all complaints that include a compensation request.
- All other—includes complaints about Australia Post concerning services other than postal or similar services and matters of administration that are considered under the Commonwealth Ombudsman jurisdiction. This might include services provided in a postal retail outlet (e.g. retail products, bill payment, passport services), actions of staff, the handling of requests under the Freedom of Information Act 1982, tenders and contracts and some pre and post-employment matters. These complaints represented 6 per cent of postal industry complaints to the Office.

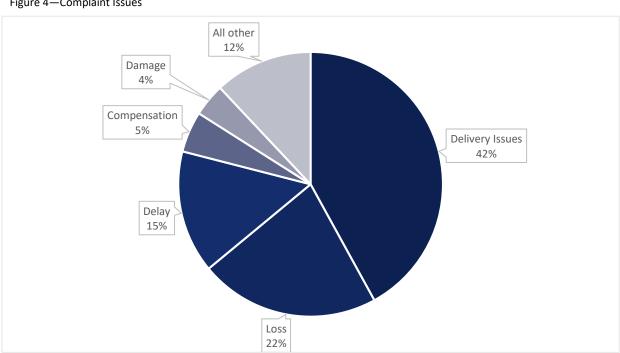


Figure 4—Complaint Issues

# Issue in focus: delivery issue complaints

During 1 October-31 December 2019 delivery issues made up 42 per cent of the complaints received about the postal industry. These complaints comprise a range of problems encountered by consumers, including:

Method of delivery—68 per cent of delivery issue complaints concerned problems with deliveries not being attempted or deliveries otherwise being mishandled or delayed.

The two most common issues related to "carding" and the safety of leaving parcels at addresses. "Carding" is where collection cards are left requesting consumers collect items left at a local post office. Safe delivery complaints relate to disputes about parcels being left in an unsafe location or deliverers determining an address is unsafe and leaving a collection card instead of attempting delivery of the item. The Commonwealth Ombudsman investigated the issues of carding, safe drop and compensation in 2017 and issued a public report <u>Review of Australia Post complaints about carding, Safe Drop and compensation</u> in April 2018.

- <u>Mail redirection or hold</u>—8 per cent of delivery issue complaints concerned problems redirecting or placing a hold on post for consumers moving address or travelling. Complaints concern either instructions to redirect or hold not being followed, or problems removing an instruction once a person wants to resume normal post services.
- <u>No street delivery</u>—3 per cent of delivery issue complaints are from people experiencing problems receiving post at a particular address and finding their deliveries being made to a post office which they find inconvenient. Usually these complaints concern difficulties with a particular address location because of a hazard such as road conditions or a dangerous dog, or how the address is listed in directories.
- <u>Post office boxes</u>—2 per cent of delivery issue complaints related to problems setting up a post office box or the fees for maintaining a post office box.
- <u>Street posting boxes</u>—1 per cent of delivery issue complaints related to problems with sending items through street posting boxes or issues with a physical postal box.

## Case Study—Damaged in transit

Amy\* sent a piece of sporting memorabilia back to Australia whilst on holidays overseas. When it arrived, the item had been damaged.

Amy contacted the domestic postal operator to see if they would compensate her for the damage. The postal operator conducted an assessment of the damage and concluded that the item had not been adequately packaged for transit. Amy made enquiries with the originating international postal operator who explained that in their view, the item had been adequately packaged.

Dissatisfied with the response from the domestic postal operator Amy contacted our Office for assistance. We made enquiries with the postal operator and confirmed that the originating international postal operator had packaged the sporting memorabilia properly and she should have expected the item to arrive undamaged. After reconsidering the matter, the postal operator recognised it was at fault for the damage to the sporting memorabilia.

Postal operators, like any business operating under the Australian Consumer Law, are required to guarantee that goods and services are of an acceptable quality and that services in particular are performed with due care and skill. In this case, there was reliable information showing that the postal operator was responsible for the damage to Amy's sporting memorabilia.

The postal provider agreed to pay Amy the declared value of her damaged sporting memorabilia.

<sup>\*</sup>Names and some details have been changed for privacy reasons.

# Case Study – Loss of travel documents

Greg's\* passport was sent from an international consulate after he had a visa approved for international travel required to attend a family occasion. The passport was sent one month prior to scheduled departure.

A week before scheduled departure, the passport had still not arrived so Greg contacted the postal operator for assistance. The postal operator advised that the passport had been lost in transit and offered to refund the cost of postage and a replacement passport. Greg was unable to attend the family occasion due to the passport not arriving in time.

Greg was dissatisfied with this response as he was seeking reimbursement for the total cost of travel to attend the family occasion including the cost of a new passport, flights, vaccinations, accommodation, visas and insurance. One week after scheduled departure, Greg's neighbour delivered the passport to him as it had been delivered to his address by mistake. Greg notified the postal operator that the passport had since arrived and the postal operator revised their offer of compensation to cover only the cost of the visa. Dissatisfied with the response from the postal operator Greg contacted our Office for assistance.

We made enquiries with the postal operator and established that an error was made in delivering the passport to the incorrect address. As a result, the postal operator offered compensation to Greg for the total cost of travel, so long as he had not been compensated through travel insurance.

\*Names and some details have been changed for privacy reasons.

#### Data

The data in this update is for the period 1 October–31 December 2019. Our data is dynamic and regularly updated as new information comes to light. For this reason, there may be minor differences in data when compared to what was reported in the last quarterly update. Previous quarterly updates are available at the Ombudsman's website.

More information is available at ombudsman.gov.au/ How-we-can-help/postal-industry-ombudsman