

Quarterly Update: 1 April–30 June 2021

Introduction

The function of the Postal Industry Ombudsman (PIO) is to investigate complaints about postal and similar services provided by Australia Post (AusPost) and Private Postal Operators.

Australia Post is the only mandatory member of the PIO scheme. Private operators join voluntarily. Current registered members are StarTrack, Cheque-Mates and D Mailing Services. FedEx Australia (Federal Express Australia) was registered until 1 April 2021, following which complainants have up to one year to lodge complaints about issues that arose before that date.

We place a high priority on quick and informal dispute resolution and seek an outcome that is fair to both parties. Where complaints indicate systemic issues, we work with the postal operator to address these problems and influence improvements in their service and administration.

This update covers the period from 1 April to 30 June 2021 and:

- provides statistical data on complaints received, finalised and key consumer issues
- compares complaint data against previous quarters
- outlines the action we took to finalise the complaints we received.

It also includes a summary of the Office's complaint data for the 2021–22 financial year.

Quarterly update at a glance

41.4% decrease in
complaints received



compared
to the same time last year

This quarter we
received
643 complaints
and
finalised
659 complaints

How complaints were finalised



Contactless signature on delivery

For items of higher value and important documents, Australia Post recommends that customers pay \$2.95 for its Signature on Delivery service. Prior to COVID-19, the sender of a package could be assured that the Postal Delivery Officer (PDO) would obtain a signature from the receiver at the designated address before a parcel was delivered. If the person was not at the address to receive a parcel, it was sent to a local post office where the person was required to show proof of identity to collect the parcel.

Due to physical distancing requirements imposed in response to the COVID-19 pandemic, Australia Post changed its procedure in March 2020 to no longer require a signature on delivery to acknowledge receipt of a parcel. Instead, a PDO must record the name of the individual present during delivery and sign the handheld scanner with “CV19”. Australia Post assures customers that it still confirms that a person is present to receive a parcel and will take the item to a local post office if no one is available at the delivery address.

The Office has received complaints from customers where it seems the new process was not followed and instead of confirming an individual is present, parcels have been left unattended. In some instances, this has resulted in loss of the item due to theft.

Australia Post resolved the individual cases we brought to its attention. The Office will continue monitoring this issue and investigating individual complaints from consumers.

Case Study – Electronic item damaged then lost on way back to seller

The complainant sold an electronic item on eBay for \$2,579 and then sent it to the buyer using Australia Post. The complainant purchased Extra Cover for \$64.90 which Australia Post sells as an optional protection for high value items costing more than \$100, together with Signature on Delivery. If the item was lost or damaged beyond repair the complainant could expect compensation of \$2,579.

When the item arrived, the buyer reported it was damaged and unusable. The complainant provided the buyer with a refund via eBay’s system and asked them to return the item by post. The buyer posted the item without purchasing Extra Cover. The parcel was lost in transit, leaving the complainant without the \$2,579 refunded by eBay or the camera lens.

The complainant lodged a claim under Extra Cover which was initially refused by Australia Post because Extra Cover had not been purchased for the return journey. There was also some uncertainty over exactly where the parcel was lost in its system.

After our Office contacted Australia Post, it reviewed the matter and decided to pay the complainant full compensation of \$2,579 on the basis that, while it could not determine where the returned parcel was lost, it was clear the complainant had experienced a loss.

Case Study – Unsafe location to leave a parcel

The complainant purchased items from an online store to be delivered to a family member’s address. During the purchase process they provided authority to leave the parcel if no one was at home to receive it and the location was safe. The online store sent the parcel using a postal operator whose terms and conditions allow the delivery driver some discretion to decide whether it is safe to leave a parcel at a front door.

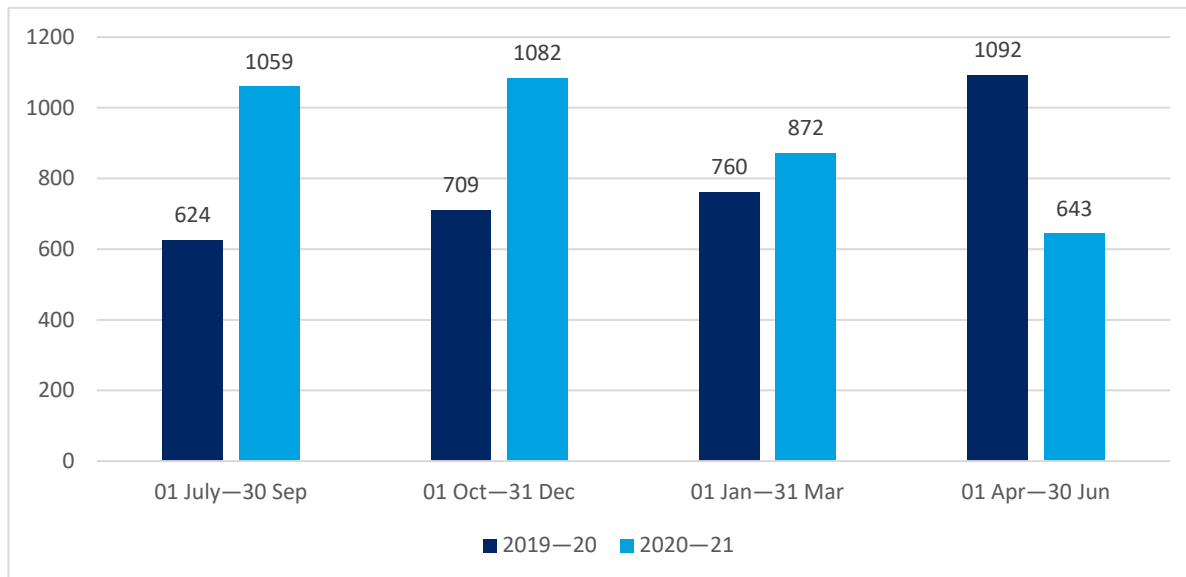
In this case the delivery driver left the parcel at the front door which was in full view of the street and according to the complainant, it was stolen. The postal operator refused the complainant’s request for compensation on the basis that the purchaser had given authority to leave the parcel and it had been delivered as instructed.

Our Office investigated the matter and concluded that, although the complainant had provided authority to leave the parcel, this was contingent on the parcel being carried in line with the postal operator’s terms and conditions, including that parcels not be left in an unsafe location. The postal operator subsequently agreed to pay compensation for the lost parcel on the basis it had been left in an unsafe location.

Complaints received¹

Complaints received by quarter

Figure 1: Complaints received by quarter compared to same quarter in previous year



Complaints by postal operator

Between 1 April and 30 June 2021 we received 643 complaints, comprising:

¹ Includes complaints about private postal operators registered by the Postal Industry Ombudsman and complaints about Australia Post under the Commonwealth Ombudsman jurisdiction.

- 608 complaints (94.6 per cent) about Australia Post
- 24 complaints (3.7 per cent) about StarTrack
- 11 complaints (1.7 per cent) about Federal Express

Complaints finalised

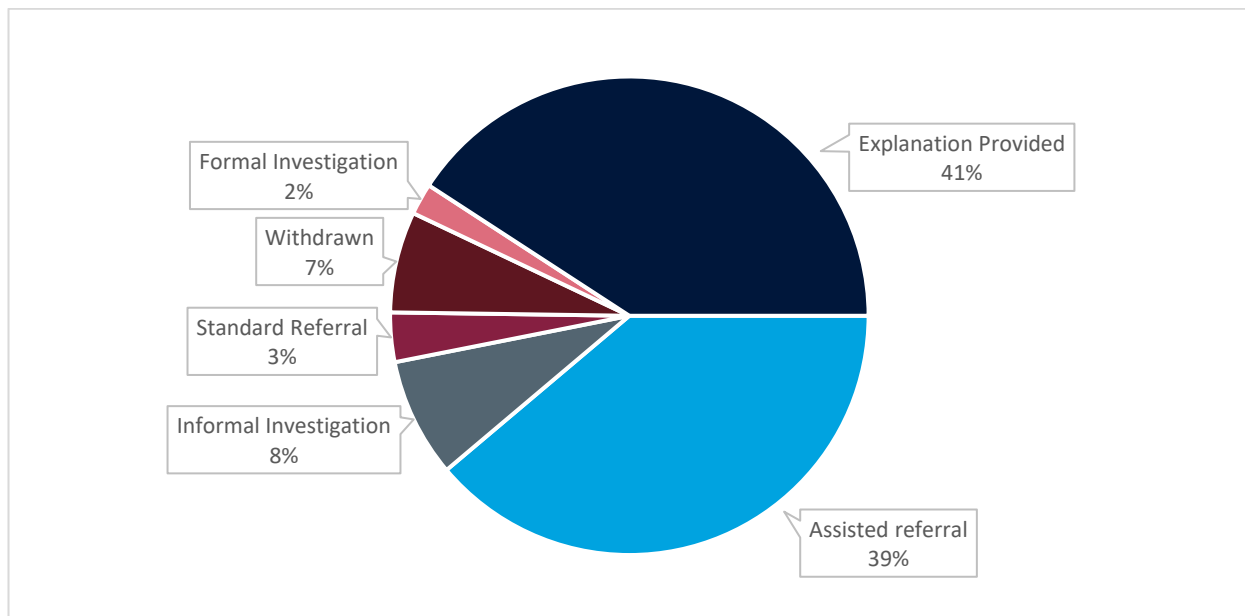
Between 1 April and 30 June 2021 the Office finalised all postal industry complaints within its service standards.

| Timeframe | Service standard | Complaints finalised |
|------------------|------------------|----------------------|
| Within 14 days | 65% | 70.6% |
| Within 45 days | 85% | 88.5% |
| Within 90 days | 95% | 98.0% |
| Within 12 months | 99% | 100% |

Actions taken to finalise complaints

Between 1 April and 30 June 2021 we finalised 659 postal industry complaints which represents a 38.2 per cent decrease compared to the same period last year. This corresponds with the 41.4 per cent decrease in the number of complaints we received during the period compared to the same period last year.

Figure 2: How complaints were finalised



Summary of 2020–21

During 2020–21 we received 3,656 postal industry complaints which is an increase of 15 per cent compared to 2019–20 when we received 3,185 complaints. This is not surprising, given that border closures and lockdowns

imposed in response to the COVID-19 pandemic caused significant disruptions to the postal industry during the year.

Complaints to our Office about the postal industry peaked in September 2020 when the Office received 437 complaints, double the number we would usually expect to receive at that time of the year.

Following that peak, complaint numbers gradually returned to more normal levels. Although there were multiple disruptions to postal services in different areas of Australia throughout the year, our complaint data did not reflect corresponding peaks in complaints. This suggests the postal industry and the Australian public may have naturally adapted to changed postal arrangements.

Some of these adaptations were made possible by the Australian Parliament granting Australia Post relief from some of its regulatory obligations until 1 July 2021, which enabled it to reduce mail delivery frequency to metropolitan areas, and adjust other service standards, so that it could concentrate its resources on parcel deliveries. Although all postal services are considered an essential service, during the pandemic, parcel deliveries to people shopping at home were considered particularly important. Overall, the measure appears to have had little or no effect on the number of any complaints to the Office. However, we suggest this should be understood in the context of customers accepting revised practices and levels of service during the pandemic because they are unavoidable and temporary and the same level of acceptance may not continue if postal services are affected in the longer term.

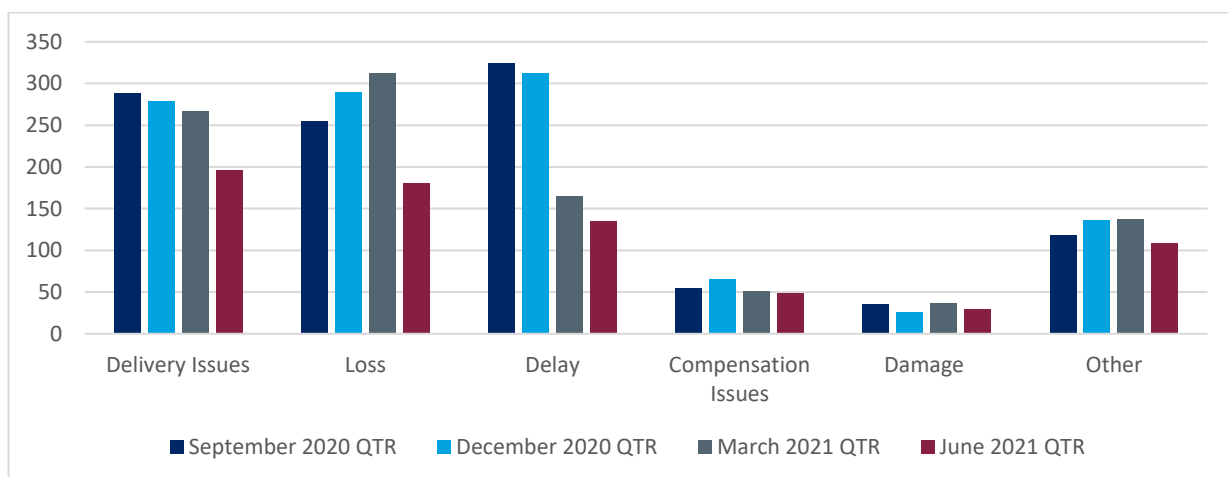
During 2020–21 the main complaint issues was parcel delivery problems.

Figure 3, below, illustrates the numbers and themes of postal complaints over the 4 quarters of the year. In the June to September quarter, postal delays were the most prominent issue followed by delivery issues and loss. At that time, many domestic and international parcels were still located in the postal system and considered delayed, but not lost.

Over the subsequent quarters, our Office received an increased number of complaints about lost parcels. This recognised that parcels which were previously considered delayed were increasingly being declared lost, and consumers were seeking compensation through their postal operator or internet marketplaces like eBay or AliExpress. However, by the final quarter, complaints had significantly reduced in all areas and we observed that the lockdowns in Sydney had little impact on complaints during June 2021.

In summary, the postal system and particularly Australia Post adapted well to the causes of consumer complaints in 2020–21. Many practices were changed during the year to maintain essential services and these seemed a reasonable response given the circumstances and because they were only temporary. Going forward it will be important to ensure some new practices, such as not obtaining signatures on delivery, return to normal to avoid complaints.

Figure 3: Complaints issues, this quarter compared to 3 previous quarters



Sign up for regular updates

If you would like to subscribe to a newsletter service to receive updates about the Postal Industry Ombudsman, please email us at PostalComplaints@ombudsman.gov.au and we will add you to our mailing list. Registrations can be cancelled at any time by using an automated system.

Data

The data in this update is for the period 1 April–30 June 2021. 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 on the Ombudsman's [website](#).

More information is available at ombudsman.gov.au