

Consultation on Proposed Postal Size-Based Pricing

The Council believes that this proposal would have an impact in two main areas: Cost and Service

Cost

Jersey Post “estimates that the likely effect ... would be an overall price increase of 2% across all mail formats” and the public will see “little or no impact” if posting letters. However they would see 27% increase for posting light large items and 10% for larger items. Letters and heavy items may in effect become cheaper if the 3 day option is chosen; whilst large packets will become more expensive whichever way they are sent. With the increased use of email and other electronic communications, the general public tend to send very few letters or cards these days, other than those (mainly the elderly) who still prefer to pay their bills by cheque, and a 3 day delivery service could cause a delay in bill payments being received and receipted.

The proposal claims it is a fairer system as it costs more to process large but light packages. However, the 37% increase for larger items, such as reports not folded to A5 size, books, parts and samples may make the cost of posting much more prohibitive for many.

Letters, which are on the decline anyway, can be sent more cheaply, but it is on the most common type of medium sized packages that the residents of Jersey will feel this increase the hardest. Most presents sent to the UK would probably come under the heading of large packages.

JP estimates that 33% of the population will feel “significant changes” to their current charges. So the public will be expected to change their postal habits and move away from sending large items to smaller ones. What if the nature of their business means that this cannot realistically be done? Small businesses would be hit the hardest, if they do not send enough to qualify for the bulk business tariff but send more than a few sheets of paper that can be folded to A5 size. The Council, for example, when it sends out the agenda packs, will probably be looking at a much higher postage bill.

Service

If the proposal goes through, it will be more difficult for the average member of the public (who doesn't have a pair of scales) to work out the correct tariff as there are now many more permutations. There may well be shortfalls, if these are incorrectly estimated. More time will need to be taken to ensure the correct postage is paid. This will inevitably incur more trips to Post Offices.

If ‘standard’ delivery time is lengthened to 3 days, the service will no longer be able to operate a 6 day a week delivery service as there will not be the volume to sustain this. If more local people have to move to the standard 3 day delivery time to keep their costs down, deliveries could well end up being managed by Jersey Post so that deliveries take place as seldom as 3 times a week in out of town areas.

So, in summary, the Council feels that general public and small businesses may well end up paying more for the most common form of postage, which for local postage will be delivered less frequently. In other words, paying more for less.