

Denis Naughten T.D.  
Minister for Communications, Climate Action and Environment  
29-31 Adelaide Road  
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05 May 2017

Dear Minister

I am writing to you on behalf of the Irish Printing Federation (**IPF**) which is the premier representative body for firms in the print and packaging industry in Ireland.

The Federation is very concerned about the damaging effect which the recent Communications Regulation (Postal Services) (Amendment) Act 2017 will have on the printing and postal industry. The removal of postage price controls, followed by unprecedented and very substantial price increases, of up to almost 40%, will be seriously detrimental to our businesses. The Federation does not believe it is commercially viable to attempt to pass on these increased costs to its customers and so, the industry is now caught between a rock and a hard place.

To address this unsustainable situation, the Irish Printing Federation now proposes the following four point plan.

1. Bulk mail prices must be reduced to their pre 13 April 2017 levels. The Federation's understanding from An Post's 2015 accounts is that the Company was breaking even on the bulk mail business with these prices.
2. The tariffs charged to international suppliers of mail for delivery in Ireland are discriminatory and are not geared to An Post's costs. This is a very significant loss making section of An Post's business, which the Commission for Communications Regulation has been pressing to have rectified for many years now. Action is urgently required and we would welcome your views on the June 2016 ComReg proposals to address the situation.
3. The tariffs charged by An Post for registered mail must be increased, as this section of An Post's business is also losing money and is not geared to costs.
4. The Federation understands An Post's concerns about the commercial viability of sections of the post office network. If the network is to be substantially maintained, for understandable social considerations, then moves should be made to identify and

fund the cost of this social function separately from the purely commercial considerations under which An Post must operate. The now reversed policy decision to involve the Department of Arts, Heritage Regional, Rural and Gaeltacht Affairs in the post office network, was a recognition of this reality. A new strategy to address the situation is urgently required.

One possible strategy could be the following: *Post offices could be protected from closure by separating them from An Post and setting up a new state sponsored organisation under the aegis of the Department of Arts, Heritage Regional, Rural and Gaeltacht Affairs.* Such a move would recognise the important social dimension of the post office network and would provide a focus, not governed by An Post's purely commercial considerations, when planning the future of the network.

The Federation would ask you to examine and respond to its proposals, which represent a genuine attempt to move from the unsustainable path now being taken. Failure to act will, undoubtedly, cause job losses and hardship across the printing and postal industry.

I look forward to hearing from you.

Yours sincerely



Eugene Healy  
President Irish Printing Federation