



**Chambers  
Ireland**  
Advancing business together

**Chambers Ireland's Submission to the Communications  
Regulator regarding the consequences of the repeal of  
the price cap on the universal postal services**

*June 2019*

Chambers Ireland is the largest business network in the State. With members in every geographic region and economic sector in Ireland, we are well positioned to understand the concerns of businesses and represent their views.

An Post is an important national organisation that plays a vital role in providing services throughout the country and is an vital factor in the services provided in local economies.

- 1) The removal of the Price Cap allowed An Post to establish tariffs that had remained artificially below cost for many years. This effectively saved the company and sustained the provision of the universal postal service for customers in Ireland into the future. It is vital that this measure was taken to ensure the service could be maintained to an adequate level.
- 2) An Post are now on a sure financial footing as demonstrated in the last set of financial results released by the organisation which can be directly linked to the price cap. This turn around by the organisation has allowed them to improve their normal services to customers and businesses. They have also been able to broaden the services they offer.
- 3) Tariffs in Ireland are clearly average when compared to services provided by postal services in other countries.
- 4) The cost of delivery in Ireland is well above average in Europe. The average # items delivered per Km<sup>2</sup> in Ireland is 5.8k, whereas this is 43.5k in our closest neighbour in the UK. There is over 7 times the density of population. This is unlikely to change in the greatly in the next few years.
- 5) There has been no impact on competition. In fact, higher rates in the market should stimulate competition as this makes the market more attractive for other companies to enter. The market has now been shown to be commercially viable through the turnaround of the incumbent company in the market.
- 6) There was a recent rebrand of the main Postal service in Ireland. This has been broadly welcomed in Ireland along with the enhanced service they are now providing.