

**Letters from Members of Parliament and Assembly Members in  
response to Royal Mail's proposal to introduce Zonal Pricing**

<b>Respondent</b>	<b>Page</b>
Alan Reid MP	1
Harry Cohen MP	1
Matthew Taylor MP	2
Nicholas Bourne AM	3
North Wales Labour MPs	4

**Alan Reid MP**

I urge Postcomm to reject Royal Mail's application to introduce zonal pricing for certain bulk mail retail products for the following reasons:

1. The proposal would impact unfairly on recipients of mail who live in rural areas because utility companies, banks and magazine distributors would be likely to increase their charges to customers living in rural areas to cover the extra postage costs.
2. The proposal would impact unfairly on organisations which regularly send bulk mail to residents in a rural area, eg publishers of farming magazines, Councils in rural areas.
3. The proposal would mean that companies such as utility companies and banks would have to amend their computer systems to take account of the different costs of sending bulk mail to different customers.

Yours sincerely

Alan Reid MP

**Harry Cohen MP**

It proposes changes to prices The Royal Mail wishes to charge Businesses.

I am concerned that it is proposed that the prices charged for business mail delivered in *Greater London*, and rural and less populated areas would rise, whilst prices for delivery in other areas would fall.

I see no justification for this.

It does not seem reasonable that prices would fall in areas of high population density, but not in London, most of which clearly has such high population density.

This would be treating London businesses unfairly, including those that operate in my constituency.

Higher prices to businesses in less populated areas also does not seem to me to be particularly reasonable, so I would favour maintaining a uniform price structure.

Please take into account my representations on this.

Yours sincerely,

Harry Cohen MP

### **Matthew Taylor MP**

Many thanks indeed for your letter of 5 April regarding Royal Mail's application to charge large mailers by delivery location "zonal pricing".

I am very strongly opposed to this and I trust that Postcomm will be as well.

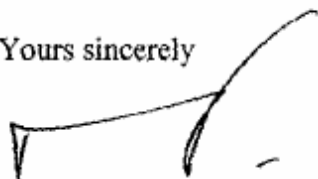
Royal Mail was created precisely in order to deliver a universal postal service across the United Kingdom, and the principle of same cost postage everywhere is a very fundamental one. Of course any such change would be brought in closely in line with Royal Mail's costs with charges - but the issue that this raises is the gradual loss of services in rural and more isolated communities unless people are willing to pay more. In the long run this could lead to a fundamental loss in Royal Mail services.

This is clearly the major concern with the gradual introduction of private competition in the postal remit, and is precisely the kind of move that was anticipated.

I very much doubt that Royal Mail's view is that the issue of costs for "large mailers" is one which is likely to arouse relatively little public opposition, whilst establishing a rather important principle from their point of view. However, the risk to services in rural communities would I think be substantial, plus the very real loss of service to those communities.

I would therefore appreciate your confirmation that you will absolutely oppose this.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Matthew Taylor', written over the 'Yours sincerely' text.

## **Nicholas Bourne AM**

Thank you very much indeed for your email concerning the Royal Mail's application to Postcomm to be allowed to vary business tariffs according to the geographic location of the recipients of mail (zonal pricing). You are right to say that this will be of interest to my constituents.

I would anticipate that this measure will result in higher costs for people in the area I represent and therefore, inevitably, and I am sure not to your surprise, I am very much against this.

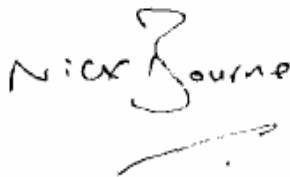
I think the great strength of Royal Mail has been the provision of a uniformed service at universal prices and this deviation from that I think is extremely dangerous for people living in the area I represent.

Although I appreciate that a general run down of rural services, which we have seen under the Welsh Labour Assembly Government, is not something to be laid at your door, the policy on zonal pricing certainly will be and this will contribute further to the assault on the rural way of life. It may even be that your zonal pricing results in price rises generally throughout Wales in which case I will clearly be even more strongly against it than if it just affected my own particular area in Wales.

I appreciate that there is to be a consultation document setting out Postcomm's provisional conclusion on Royal Mail's application in July 2007 following the detailed letter that is being issued by Postcomm in response to Royal Mail's application.

I write to confirm my own opposition and request that this be recorded in relation to the submissions by Postcomm, and I look forward to your early response on this matter.

Yours sincerely

A handwritten signature in black ink that reads "Nick Bourne". The signature is written in a cursive style with a long horizontal flourish underneath.

**NICHOLAS BOURNE AM**  
**Leader of the Welsh Conservatives in the National Assembly**

## North Wales Labour MPs

The North Wales Group of Labour MPs have discussed the content of your letter of the 5<sup>th</sup> April headed 'Royal Mail's application to charge large mailers by delivery location: 'zonal pricing'.

We feel that such a move by Royal Mail would be a retrograde step and a complete move away from the principle is that better paying sectors subsidize less populated areas. There has been a single pricing system in place for the better part of the time that postal services have been operating in this country. Changing this would mean that universal access would be threatened, there would be unacceptable delays, and the customer would end up paying.

Could you please take our representations into account during your consultation.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Chris Ruane', written in a cursive style.

Chris Ruane MP (Vale of Clwyd) Chair, North Wales Group of Labour MPs, on behalf of:

David Hanson MP (Delyn)  
Martyn Jones MP (Clwyd South)  
Ian Lucas MP (Wrexham)  
Albert Owen MP (Anglesey)  
Mark Tami MP (Alyn & Deeside)  
Betty Williams MP (Conwy)