LOCKING OUT LIBERALISATION

BURTON ONG

WHO would have thought that the end of a 15-year monopoly would come with a big question mark over a set of master keys?

While the Government’s decision to deregulate the last segment of the postal services market — the reportedly lucrative basic mail services market — has been greeted with enthusiasm in general, potential market entrants have raised concerns about the dominant incumbent and designated public postal licensee, SingPost, having exclusive access to the letterbox master keys, which provide access to the mailboxes of most HDB estates.

This unique feature of the mail delivery infrastructure in Singapore’s heartlands is an obstacle to the complete liberalisation of the market. This is so even though one can appreciate the legitimacy of the Infocomm Development Authority’s (IDA) reasons for not having multiple copies of the keys in the hands of the various postal service providers, such as the need to ensure the integrity of the mail delivery system.

Notwithstanding the regulator’s promise to ensure that there will be access to SingPost’s delivery services at reasonable rates to all householders, so that they may reap the full benefits of a liberalised mail services market, there are, thus, broader issues at play here that go beyond the realm of the competition authority’s regulatory competence.

Do Town Councils and residents want their mailboxes to be fully accessible to all mail delivery personnel, including junk mail distributors, so that they may reap the full benefits of a liberalised mail services market?

The immediate impediment towards the complete liberalisation of the basic mail delivery market is, therefore, not the fact that the dominant incumbent will retain the only set of keys to the locked master doors of HDB letterboxes.

The true obstacle is, lamentably, a lot more mundane: Unless and until the social problem of junk mail — and the junk mailing advertisers and inconsiderate residents that come with it — is dealt with effectively, there will be a need for such physical safeguards in the postal infrastructure of HDB housing estates.

And come April 1, not every licensed postal services provider will have equal access to these delivery channels when serving customers who live in HDB estates.

In the meanwhile, SingPost — with its distribution network of 60 post offices, 80 authorised postal agencies and more than 800 post boxes islandwide — works out, within the IDA’s regulation, how it plans to charge its competitors. And keen entrants do their sums and formulate viable business models against the Goliath they will face.

It remains to be seen to what extent this latest liberalisation exercise in Singapore will reap the full benefits of a truly free market.

Associate-Professor Burton Ong teaches at the Faculty of Law at the National University of Singapore. The views expressed here are his own.

What’s your view? Email us at news@newstoday.com.sg

Edith Cowan University in Perth, Western Australia has more than 21,000 students undertaking studies in 330 courses at both undergraduate and postgraduate levels, and has more than 4,600 international students originating from 83 countries. It is a member of the National University System of Australia and the Associate of Commonwealth Universities (ACU). According to the recent Course Experience Questionnaire (CEQ) conducted nationally for all Australian Universities, Edith Cowan’s Faculty of Business and Law ranks third nationally for teaching skills and eighth nationally for generic skills developed.

MASTER OF BUSINESS ADMINISTRATION (International)
Commenas Feb 2007 (Day/Eveing)

- A postgraduate degree designed to provide a broad knowledge base and the management skills required for success in operating international businesses
- Assessment is in 12 monthly full-time or part-time equivalent
- Extensive contact hours and fully supported by faculty and students
- Degree has same standing as those awarded to full-time, on-campus students
- In the recent Good Universities Guide 2007, ECU’s MBA programme ranked 5th in Australia for起始的英語
- For Corporate Links
- For Staff Quality Academic Qualifications
- For Staff Quality - Size of Management Faculty
- For Staff Quality - Female Academic Staff
- For Staff Quality - Provision of Female Students

BACHELOR OF BUSINESS (Marketing)
Commenas May 2007 (Day/Eveing)

- Designed to train professionals in all areas of marketing including advertising and sales in the market
- Recognised by: The Chartered Institute of Marketing (CMI), UK
- Australian Marketing Institute (AMI)
- Australian Market and Social Research Society

To request for a brochure, SMS [ECU] + [Name] + [Address] + [Email] + [Course] to 9786 5499
Please leave a space in between each field.

International students may apply. Call 6279 8000.

Edith Cowan University in Perth, Western Australia has more than 21,000 students undertaking studies in 330 courses at both undergraduate and postgraduate levels, and has more than 4,600 international students originating from 83 countries. It is a member of the National University System of Australia and the Associate of Commonwealth Universities (ACU). According to the recent Course Experience Questionnaire (CEQ) conducted nationally for all Australian Universities, Edith Cowan’s Faculty of Business and Law ranks third nationally for teaching skills and eighth nationally for generic skills developed.

MASTER OF BUSINESS ADMINISTRATION (International)
Commenas Feb 2007 (Day/Eveing)

- A postgraduate degree designed to provide a broad knowledge base and the management skills required for success in operating international businesses
- Assessment is in 12 monthly full-time or part-time equivalent
- Extensive contact hours and fully supported by faculty and students
- Degree has same standing as those awarded to full-time, on-campus students
- In the recent Good Universities Guide 2007, ECU’s MBA programme ranked 5th in Australia for起始的英語
- For Corporate Links
- For Staff Quality Academic Qualifications
- For Staff Quality - Size of Management Faculty
- For Staff Quality - Female Academic Staff
- For Staff Quality - Provision of Female Students

BACHELOR OF BUSINESS (Marketing)
Commenas May 2007 (Day/Eveing)

- Designed to train professionals in all areas of marketing including advertising and sales in the market
- Recognised by: The Chartered Institute of Marketing (CMI), UK
- Australian Marketing Institute (AMI)
- Australian Market and Social Research Society

To request for a brochure, SMS [ECU] + [Name] + [Address] + [Email] + [Course] to 9786 5499
Please leave a space in between each field.

International students may apply. Call 6279 8000.