

German postage rates remain economical compared with rest of Europe

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The cost of postage for standard letters in Germany remains low compared with the rest of Europe. A purely nominal comparison of European letter postage rates shows that Germany, at EUR0.80 for a standard domestic letter, is well below the European average of EUR1.12. When macroeconomic factors such as labor costs and purchasing power are also considered in order to make a more meaningful comparison of European letter postage rates, Germany takes 6th place among the countries with the most affordable rates. Only in five much smaller countries are the rates lower: Austria, Switzerland, Slovenia, Cyprus and Malta. As it has been for some time, the latter is the country with the lowest postage rate. Denmark charges the most to mail a letter, as it did last year. These facts and more are presented in this year's Deutsche Post survey comparing letter postage rates in the 27 remaining EU countries plus the United Kingdom and the EFTA countries Iceland, Norway and Switzerland.

If only nominal postage rates are considered, Germany's rate of €0.80 puts it in 18th place along with Luxembourg, Austria and Slovakia. Since last year, seventeen countries have raised their postage rates – Finland and Greece by more than 100% – so that the average cost of mailing a letter in Europe rose by €0.15 to €1.12. At €3.88 (converted), Denmark has the highest nominal postage for domestic letters; Malta's rate is still the lowest at €0.30. Greece made the largest jump in the ranking, from nineteenth place last year to fourth place.

The Deutsche Post survey shows a similar situation for international letters sent within Europe, with the average rate rising by €0.09 to €1.67 following rate hikes in thirteen

countries. In comparison, Germany's rate of only €1.10 for mailing a standard letter within Europe puts it in 26th place; only five countries have a more affordable rate.

The affordability of German postage rates compared with the rest of Europe is also underscored when one considers the price trends in the five years since 2015. In this period, postage for a standard letter in Europe rose 70% on average, and 250% in Italy. The figure for Germany was 29%. In the last five years, postage rates have risen more sharply in nineteen European countries than in Germany.

If one considers the last ten years, inflationadjusted postage rates in the countries surveyed have risen by 73.39% since 2010. In



comparison, Germany's postage rate rose 28.8% during that period, placing it 22nd in the European ranking. Only nine countries have a lower inflation-adjusted postage rate than Germany.

In its nineteenth postage rate survey, Deutsche Post again considers how long an industrial worker in each country would have to work in order to earn enough to pay the postage for a standard letter. This illustrates how affordable the postage is; the affordability of universal postal services is a key criterion of the EU's Postal Services Directive. By this criterion, Germany is the country with the most affordable postage rates after Malta and Switzerland. A worker in Greece needs the most time to earn enough to mail a standard letter.

Source: <u>Deutsche Post DHL</u>