

Australia Post modernisation media statement

06-12-2023

Statement from Paul Graham, Chief Executive Officer and Managing Director, Australia Post on the Federal Government's proposed changes to postal services announced today.

Today is a significant day in Australia Post's history.

The reform roadmap announced today by the Minister for Communications, the Hon. Michelle Rowland MP and the Minister for Finance Senator the Hon. Katy Gallagher is a crucial first step in the modernisation of Australia Post.

These reforms establish a platform for Australia Post to build a more sustainable business, while still providing secure employment for tens of thousands of Posties and other team members, as we continue to deliver for our customers and the community every day. The reforms announced today support the significant progress we have made in delivering against our Post26 strategy.

Given the significant decline in our letters business, we've worked closely with our team members and the Communication Workers Union (CWU) to trial new ways to deliver that are better for our Posties. The changes to the frequency of letter delivery will enable us to focus on what matters most

to Australians - fast and reliable parcel delivery with better tracking technology and quicker turnaround times for eCommerce.

As eCommerce continues to boom and fewer and fewer Australians send letters, the changes to letters frequency announced today will free up our posties to also focus on parcels and packages. This will further turbocharge eCommerce in Australia.

Urgent mail will still be delivered as it always has, and the reforms announced today do nothing to diminish our unwavering commitment to the service and support we provide across Australia. By allowing Australia Post to change the way it manages priority mail, which now accounts for only around 8 per cent of addressed letters, it can deliver priority mail more sustainably.

We will also continue to prioritise and protect vulnerable people, maintaining discount stamp pricing for pensioners and charities, while continuing to offer some of the lowest stamp prices in the developed world.

Additionally, the Government has agreed to

update the outdated methodology used to classify our network in rural and remote Australia, which was based on the 1991 Census. The decision to use the most recent Census data means it accurately reflects the significant population and geographic changes over the last 30 years.

Importantly, today's announcement recognises we need greater flexibility to acknowledge the true cost of mail delivery. Today's reforms provide us with additional scope to adjust our pricing when needed, while maintaining the checks and balances on stamp prices that Australians want.

After decades of discussion and debate about modernising Australia Post, we applaud the Federal Government for taking this important initial step to set us on the path to securing our future. We also welcome the support from our union partners and team members in delivering these historic reforms.

While this reform package will provide some meaningful financial benefits over the next four years, we look forward to working with the Federal Government on further reforms to ensure we remain financially sustainable beyond 2026.

Source: [Australia Post](#)