

## NZ Post confirms plans to stream mail into parcel network as mail volumes drop further

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NZ Post has today confirmed plans to progressively stream mail into its parcel network to create a sustainable and cost-effective service through one network.

NZ Post Chief Executive David Walsh says NZ Post has been consulting with employees and unions and engaging with transport and delivery partners since October 2023 before coming to this decision.

"The way we deliver mail in the future will look very different and we know our future workforce won't be the same size and shape as it is today. NZ Post announced in June 2023 that we would be consulting on reducing the number of roles involved in mail as a response to continuing mail decline."

"Currently we have two separate delivery networks – one for mail and one for parcels. This will over time cease to be commercially viable as mail volumes continue to decline and we have therefore confirmed our decision to progressively stream mail into our parcel network to create a sustainable and cost-effective service through one network."

"This decision means that there will be significant job losses in existing mail delivery, processing and support roles. Since this is a long-term plan, no employees are directly affected by the move to one delivery network right now and our focus is on supporting our people with this change."

"For customers – this means your mail and parcels will eventually be delivered by one person, rather than two separate deliveries made by a Postie and a Courier. There is nothing that New Zealanders need to do differently" says Walsh.

NZ Post is going through a period of transformation, as we continue to respond to the ongoing decline in mail volumes while supporting future growth in e-commerce, as we chart a path towards commercial sustainability.

"Twenty years ago New Zealanders sent over 1 billion mail items in the year, which has decreased dramatically to around 220 million mail items in the current year, and we predict that this will decrease to about 120 million items by 2028. Mail decline isn't unique to New Zealand. Postal services around the globe are responding to the same changes in communication and are focusing on the challenge of maintaining a service that has high operating costs and very low usage," says Walsh.

"We need to continue to make hard decisions about our future as we evolve to meet the needs of New Zealanders. We are continuing to invest in growing an unmatched delivery business, while managing a transition to a commercially sustainable mail delivery service as we move toward one network for mail and courier delivery. These are not always easy decisions to make."

NZ Post is committed to supporting our people through this change using a Just Transition support programme recently signed with the E tū union, that will support



both those that may be affected by redundancies and those that are impacted by the change in other ways.

Source: NZ Post