

15 May 2023

Department of Infrastructure, Transport, Regional Development, Communications and the Arts
GPO Box 2154
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Email: postalconsultation@infrastructure.gov.au

Dear Communications Services and Consumer Division

Thank you for the opportunity to provide feedback on options to modernise postal services. An efficient, sustainable, and effective postal service underpins Australia's economy, and was key to Australians adapting quickly during the worst of COVID.

Any reforms, including to the legislation governing Australia's postal services, must recognise is that consumers are more empowered than ever before. Any service – government or private – must meet new consumer expectations.

Rather than holding on to past business models, Australia must embrace opportunities to modernise. For this reason, we support modernisation of the postal service that:

- Meets consumer preferences and demands, including by embracing technological change, and
- Enables long-term sustainability for postal services, as the best way to meet community service obligations.

Advances in technology have changed how individuals and businesses communicate. The decline in letter volumes is reflective of an increasingly paperless economy. This is a positive trend and should be supported.

Increasing letter pricing to offset declining demand will not be a long-term solution. Government must look for regulatory reform, including to the *Australian Postal Corporation Regulations*. Allowing greater flexibility in the performance standards will be critical and amendments must recognise how consumer and business preferences have changed. Australia should not lock an important Australian institution into an unsustainable or uncompetitive business model, with performance standards set 25 years ago.

This needs to be matched with wider efforts beyond the *Post Services Act*, including by government adopting a digital-first approach to communications. This means more effectively using myGov and accelerating the rollout of digital identity. Businesses should be similarly supported to look for opportunities to digitise communications – such as by supporting the adoption of eInvoicing.

Similarly, for some remote and regional areas, it is going to be challenging for many individual businesses – including Australia Post – to sustain a point of presence.

This would be unfortunate: for Australians living in these areas, parcel services allow them to access a wider range of goods and services through online marketplaces or reach new markets for their own products.

So these services can be delivered more sustainably, government should support Australia Post working with other businesses to ensure the provision of important services to all Australians, through initiatives like Bank@Post. These types of collaborations help Australia Post franchisees diversify their revenue streams and remain viable, while also ensuring communities can continue to access to key postal, financial or identity services. To support this, Australia Post should not be restricted in how it pursues new business models.

I look forward to continuing to engage with you on this important work.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Jennifer Westacott', with a stylized flourish at the end.

Jennifer Westacott AO
Chief Executive
Business Council of Australia