



**Submission to the Department of Infrastructure,
Transport, Regional Development, Communications
and the Arts**

on

Postal Service Modernisation

Prepared by
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About COTA Australia

COTA Australia is the peak body representing the almost nine million Australians over 50. For over 70 years our systemic advocacy has been improving the diverse lives of older people in policy areas such as aged care, health, retirement incomes, and more. Our broad agenda is focused on tackling ageism, respecting diversity, and the empowerment of older people to live life to the full.

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Introduction

Australia Post is a vital service for all Australians, including older Australians. Any business enterprise, including a self-funded government business enterprise, must work as efficiently and effectively as they can. However, Australia Post is a crucial public asset an important part of our national infrastructure delivering critical services across the country. While its profit is declining its critical services need to be maintained which may require its funding structure to be amended.

Modernising its operations is important to long term viability, but this must not be done at the expense of older people, often the most vulnerable Australians, of their ability to communicate simply, quickly, and efficiently with government, commerce, or each other.

This review is an opportunity to genuinely consult with, and listen to the community, on how all Australians need and want our Australia Post service to operate.

With the growth of digital services and the promise of better internet access we are seeing the removal of infrastructure, and consolidation and/or withdrawal of essential services from local communities. This is particularly evident in rural and regional Australia but is also felt in outer urban and peri-urban areas. Older people are uniquely disadvantaged by this process.

Older Australians tell us that they value their post office as an accessible place they can trust and where they are treated like valuable members of the community. We look forward to the modernisation program building on these strengths while making it a service fit for the current century.

Recently, Alan (80, Yass, NSW) told us *“I think identity theft is a serious concern, and the faces at the local post office are trusted. For me, the Post Office is a place of trust.”*

Part 1: Postal Services and modernisation benefits

The Community Services Obligations state the current number and spread of post offices which should be maintained. Our consumer engagement¹ has highlighted a desire to see increased range of services at post offices beyond Bank@Post. Suggestions have included the attachment of telecommunications providers such as Telstra shops for sales and in-store support; and wi-fi access and computers for customers to access digital services without needing to have their own internet access.

The current limited Bank@Post facilities currently available in most, but not all, Australia Post outlets are regularly presented as an alternative to bank branches. These services are not broad ranging enough to support a town's business community. Older people are concerned about the shift away from the use of cash in banking and in society more generally. If such practices were extended to Australia Post, the suitability of Bank@Post as an over-the-counter alternative to a local bank branch would be further diminished. Easy access to cash, Australia's legal tender, is an essential requirement for older people, particularly those who do not or cannot use cards for their services because of distrust or being unable to use different forms of technology.

Australia Post recently wrote to organisations to advise that "from 1 May 2023 Australia Post will no longer be accepting cheque as a method of payment for Australia Post products and services". However, Bank@Post does currently include the acceptance of cheques. This is confusing for older people when one part of their local post office accepts cheques across the counter, but another part does not. If the facilities to accept cheques are available for the purposes of Bank@Post, they should also remain available for general postal services.

Older people, particularly those living alone, see "posties" as the regular and friendly face that connects them to the outside world. Many times, it is the postie that recognises the build-up of mail in the mailbox, or the absence of a regular face on their run and raises the alarm that something might be wrong. Any proposals to change letter delivery services should consequently consider the societal benefits that arise from regular deliveries.

Part 2: Delivery services

Older Australians broadly prefer to receive their official communications by postal mail. Consequently, any reduction in the frequency of letter deliveries will likely create difficulties for them across a range of interactions ranging from postal voting to pension and legal or tax matters.

The Postal Services Modernisation Discussion Paper highlights that 97 percent of addressed mail is sent by government or business, including correspondence which has legislated

¹ In general terms, our engagement includes phone calls and emails received from older people and their families, recent surveys with a high level of response, and group and individual discussions on relevant topics.

timeframes for people to action or respond. Older people rely on and trust physical letters as the means to conduct their business with government. Any reduction in the frequency of letter deliveries would make it more difficult for older Australians to manage their affairs effectively.

Speed of delivery (including the legal obligations around assuming a required number of days after mail is posted the recipient of the letter has been 'served' or assumed to have receive it) and price is important for regular letter services. In some cases, the ability to track and/or sign is a feature that will need to be maintained while legal requirements around "wet" signatures are maintained. We consider that, three deliveries per week would be the minimum acceptable to meet such legal requirements. It would also potentially require consequential changes to other legislation or response requirements place on Government and legal correspondence.

It is unrealistic to require a full cost recovery model for the delivery of postal services. Achieving cost-recovery might be pursued through cross-subsidising the use of non-reserved services and parcels to contribute to cost recovery of reserved services, or it may require the Government to subsidise Australia Post to maintain an appropriate delivery timeframe as outlined in the current Community Service Obligations.

In addition, retaining the current levels of concessional prices that enable age pensioners and other people depending on government support payments, to access postal services when needed must be retained or enhanced.

Part 3: Accessibility of services – points of presence

Post Offices in regional and rural areas have become the de-facto banking, commercial and communications hub for older Australians that have less access to digital communications and services. About one-in-three older Australians live in rural and remote areas of Australia. Having an accessible post office becomes even more vital when you live in a regional community – as internet access may be limited, and access to other essential services may be difficult.

In addition to reserved letter delivery serviced, we need to ensure parcel delivery services in this country remain affordable and accessible, regardless of where you live; we need to make sure that people can access the services they need at their local post office; and we need to make sure that our letter delivery service meets the needs of the community. For example, Wayne, (77, Yass NSW) told us: *"The former treasurer of our Men's Shed was in his late 70s and had compromised health. When our usual bank was not available, we were using the post office to deposit the Men's' Shed cash. He had concerns because he could not stand in line for prolonged periods and the need to go up and down steps because of restricted access. We are afraid that if we campaign for a bigger and more accessible post office, Australia Post will just close it."*

At the heart of this issue is the inclusion of older Australians. Many people have embraced digital technologies in place of physical letters as their primary form of communication. However, this is not the case for many older people.

Our consumer engagement has highlighted a desire to see increased range of services at post offices beyond Bank@Post. Suggestions have included the attachment of telecommunications providers such as Telstra shops for sales and in-store support; and wi-fi access and computers for customers to access digital services without needing to have their own internet access.

For older Australians able to use technology, the increased use of parcel lockers in the community, but away from Australia Post locations would be highly welcomed, if sited within easy walking distance from public transport. Mobile Post Offices should also be explored to provide coverage in areas that may not be able to have a fulltime CPA, CPO or LPO.

Finally, collocating a government presence, such as Services Australia, in post offices without a current federal government face-to-face presence, would be very welcome by older people in rural or remote Australia.

Part 4: Support for Australians with diverse needs

Over recent years, the ever-widening shift to online services has left many older Australians – that is the frail, socially isolated, and digitally-excluded - increasingly isolated and with diminished their autonomy as they are forced to rely on family members or service providers to act as intermediaries in their digital interactions.

This was reinforced by the most recent Australian Digital Inclusion Index (ADII), which ranked Australians aged 65 years and over as the most digitally excluded age group. Such digital exclusion makes older Australians increasingly reliant on the delivery of paper copies of bills, bank statements, and of course Government communications from the ATO or DSS. The reliance on the post becomes even more significant when considering older Australians living in regional, rural, or remote Australia.

Older Australians who are not confident with digital services are a key demographic that Australia Post should be targeting in their outreach activities and seeking to attract with a broader range of services. , Australia Post could play a critically important role in ensuring older Australians can continue to transact business as valued customers and community members by remaining the human and trusted face across the post office counter.