

AUSTRALIA POST SERVICES SUBMISSION 20230427

“Australia Post is a cherished national institution that provides essential services to Australian communities, particularly in regional Australia.”

Receiving and sending mail is a very important part of my daily life, and has been for the past almost seven decades. A daughter of a farmer and grazier, I grew up in the country, went to boarding school for my secondary education, and lived in the capital city for my tertiary studies. Since then I lived and worked mostly in rural communities, followed by more than a quarter century in a remote mining area. Now retired from paid employment, living in a little coastal town far from cities, I continue to write, send, post and receive letters and cards via “snail mail”. My spouse quips that I “singlehandedly support the Post Office”. Rarely a day goes past that I do not use AusPost for letter delivery.

Yes, letter delivery is still an essential service to be provided to the Australian communities, particularly in regional and remote Australia. TIMELY letter delivery service is still an essential service, although my experience is that “timely” has deteriorated, diminished, been reduced in the past several years, maybe for the past decade or so. Very disappointingly so. So much so, that I find it impossible to time my sending of birthday, Christmas, Easter and other greetings cards to arrive ON the appropriate date.

“The Government is undertaking public consultation to inform development of balanced changes to ensure postal services meet the needs of the Australian community both now and into the future.

“The Government recognises that actions need to be taken to support Australia Post transition to meet the needs of contemporary Australia”

Contemporary Australia includes the vulnerable, the homeless, the disadvantaged, the poor socio-economic and poorly educated, migrants, the techno-phobic, the technological illiterates, the senior and aged people living in our country, who are much more likely to be reliant upon timely effective and efficient letter deliveries than younger, more affluent etc etc citizens of Australia.

“The Government proposes that modernisation of the postal service adheres to the following principles:

- Australia Post remaining in full public ownership, providing a universal and equitable service that meets the needs of Australian people and businesses;
- Australia Post remaining financially sustainable, and invest in its networks, services and people to support improved national productivity and supply chain resilience;

- Postal services that support Australia’s digital economy, particularly as a critical enabler of the growing eCommerce market;
- Providing appropriate coverage of the Post Office network, particularly in regional and rural areas, and supporting LPO and CPA financial sustainability; and
- Reducing Australia Post’s operating cost in delivering regulated letter services, freeing up delivery and processing resources to support parcels delivery to respond to increasing demand and consumer expectations. “

Has the Government, has Australia Post executive, have the decision-makers considered reductions of the gross and grossly overpaid executives, CEO, upper management? Stop bonuses being paid to the upper levels of Australia Post management and employees. That would be a great saving financially. How does AusPost justify the salary and bonuses of someone whose business is losing money?

“Australia Post has revealed its former chief executive Ahmed Fahour was paid a total of \$10.8 million after quitting earlier this year amid political and community uproar about his fat pay deal.

“In its remuneration report released this morning, Australia Post confirmed Mr Fahour was paid a total \$6.8 million in the 2017 financial year, sweetened by an additional \$4 million in long-term incentives awarded from 2015 and 2016.

Mr Fahour's \$10.8 million parting pay — which includes \$1.75 million in superannuation — is well above the \$5.6 million estimate circulating in February in the lead-up to his abrupt resignation in the face of criticism.

The bonuses reflect what Australia Post describes as Mr Fahour's "sustained success" in transforming the government agency from a letter delivery business to a parcels and ecommerce business in line with contractual obligations.

However, Mr Fahour's successor Christine Holgate will receive a substantially lighter pay deal set at a maximum of \$2.75 million, comprising a fixed base of \$1.37 million and a potential short-term bonus capped at a similar level.

Unlike Mr Fahour, Ms Holgate will not be eligible for long-term incentive payments in 2018.

Her pay will now be determined by the Remuneration Tribunal after the Federal Government removed the ability of the Australia Post board to set chief executive pay. ...” (1)

(1) [https://www.abc.net.au/news/2017-08-25/ahmed-fahour-walks-away-from-australia-post-with-\\$10.8-million/8841226](https://www.abc.net.au/news/2017-08-25/ahmed-fahour-walks-away-from-australia-post-with-$10.8-million/8841226)

“Australia Post is especially sensitive because it is a government-owned corporation. So, while it can still earn profits, there are no shareholders it is accountable to. Ultimately, Australia Post is answerable to the government.

Overindulgent executive salaries are usually rationalised with vague arguments that eschew responsibility. Managers and their PR minions harp on about the need to compete for global talent. Australia Post joined the chorus, very specifically defending the salaries of its chiefs because they were [“in line with market practice”](#).

The poverty of this argument is palpable. Australia is leading the way internationally on this executive salary creep. And top postal executives in other countries earn a fraction of [what is paid here](#). Britain's postal boss does well, earning the equivalent of A\$2.5 million. Favour's US counterpart takes home just A\$543,616. In Canada, the salary is A\$497,000. ..."

"... we need to take heed of research that clearly shows inequality is [continuing to widen in Australia](#), and that this rising inequality is [harmful to economic and social stability](#)." (2)

(2) <https://theconversation.com/australia-post-salary-scandal-highlights-our-nations-growing-wage-inequality-72738>

"Hundreds of Australia Post's senior employees were among those to receive hefty bonuses during the pandemic, as the company spent almost \$92 million rewarding its workforce last year.

"A total of 345 employees earning between \$200,000 and \$500,000 shared in \$28.2 million worth of bonuses during the 2019-20 financial year, according to data provided by Australia Post in response to a Senate estimates question on notice.

A total of 345 employees earning between \$200,000 and \$500,000 shared in \$28.2 million worth of bonuses during the 2019-20 financial year, according to data provided by Australia Post in response to a Senate estimates question on notice.

"Senior managers are only rewarded when delivering performance that is aligned to the Australia Post strategy, helping to create long-term value and strong financial returns to the government," the statement said.

"Remuneration is regularly benchmarked externally and must be positioned competitively to attract, motivate and retain highly skilled senior managers. It reflects their responsibilities, performance, qualifications and experience." (3)

(3) <https://www.smh.com.au/politics/federal/australia-post-senior-staff-rewarded-with-almost-92m-in-bonuses-20210825-p58lxv.html>

I strongly suggest getting back to basics and focus on providing letter delivery and other essential postal services.

Maggie T