

Our reference: QSBC-6537

27 April 2023

Attention: Director, Postal Policy,
Communications Services and Consumer Division
Department of Infrastructure, Transport, Regional Development,
Communication and the Arts
via email: postalconsultation@infrastructure.gov.au

Re: Postal Services Modernisation Discussion Paper

The Queensland Small Business Commissioner (QSBC) welcomes the opportunity to provide feedback on the Postal Services Modernisation Discussion Paper.

It is my aim as the Small Business Commissioner, together with my supporting office (collectively referred to as the QSBC), to enhance the operating environment for small businesses through practical information, fast and fair assistance, and collaborative advocacy.

There are approximately 473,000 small businesses in Queensland who represent more than 97% of Queensland businesses¹. Many of these small businesses are customers of Australia Post – relying on the letter and parcel delivery service to operate their business and meet changing consumer demands. A smaller number are partners of Australia Post – delivering essential services as Licensed Post Offices (LPOs) and Community Postal Agents (CPAs). It is therefore imperative that any changes to Australia Post services strongly consider the impacts on small businesses.

Part 2 – Delivery Services

Letters

The QSBC acknowledges that the increased use of digital communications has meant that there has been a significant decline in letter volumes, and that Australia Post are looking at opportunities to optimise the letter services to match demand.

While many Australians are embracing digital communications, the rapid pace of technology change and a lack of digital capability is a concern for small business owners in Queensland². Australia has the highest percentage of business owners over the age of 50 in the Asia-Pacific region³ – this demographic has a lower digital literacy compared to younger demographics and may have a higher reliance on letter services to operate their business, so we recommend being mindful of this demographic when implementing changes.

For example, if the results of the consultation recommend an adjustment to the delivery frequency of letters, the QSBC would encourage that this change be introduced in a staged approach. For example, if reducing frequency from 5-days to 3-days a week, this change could be staggered over time from 5-days to 4-days, then finally to 3-days. This would lessen the immediate impact on small business owners, allowing them time to adapt to digital communication methods.

¹ ABS 8165 Counts of Australian Business, including entries and exits as of 30 June 2022. Australian Bureau of Statistics, Canberra.

² CCIQ Digital Readiness 2021. Business Chamber Queensland, Brisbane.

³ CPA Australia Asia-Pacific Small Business Survey 2022-2023 CPA Australia.

Parcels and eCommerce

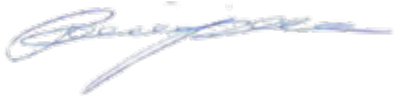
The QSBC acknowledges the increased demand on parcel services, and that eCommerce penetration is expected to continue to grow, further increasing the demand on parcel services. Many small businesses transitioned to an eCommerce model during the COVID-19 pandemic, and they continue to look for opportunities to improve their logistics practices (including parcel services). We strongly support the continued modernisation and expansion of the parcel service and encourage any changes that would make the service more cost-effective, convenient, reliable and flexible for small business customers.

Part 3 - Accessibility of services - points of presence

As many of the Australia Post LPOs and CPAs are run by small business partners, the QSBC is concerned by the decline in retail transaction volumes through these service points, which are down 39% since 2013-14 and expected to continue to decline.⁴ These LPOs and CPAs provide a vital service to their local communities, especially in regional areas. The QSBC recommends that Australia Post work closely with its small business partners, to help them adapt to changing demands in services and ensure their business format and range of services is the most appropriate for their local market – with an aim to increase revenue and profitability and ensure long-term viability of the business.

Thank you once again for the opportunity to provide feedback on the review of the Postal Services Modernisation Discussion Paper. If you have any questions, please contact [REDACTED], Principal Policy Officer, on [REDACTED] or via email at [REDACTED].

Yours sincerely



Dominique Lamb
Small Business Commissioner

⁴ Australia Post internal data, 2022

