

Ann Lawler

Department of Infrastructure, Transport, Regional Development, Communications and the Arts

PO Box 594

CANBERRA ACT 260

Attention: The Director, Postal Policy—Communications Services and Consumer Division

Postal Services Modernisation

Thankyou for the opportunity to put forward my views on how to modernise the way Australia Post functions so that it is stronger and more viable going forward.

Page 5 of the Discussion paper states:

A stronger, more viable Australia Post will be able to continue meeting its service obligations to the Australian community and means consumers and businesses will continue to benefit from a large, national network of postal services, particularly in rural and regional areas. Modernising postal services will ensure Australia Post has the capacity to prioritise the services that Australians are using now, and continue to invest in products and services for the future.

This review is a unique opportunity to ensure Australia Post's profitability and longevity by promoting the only viable life-line for both Australia Post, and rural and regional Australia. As convenient as digital technology may be, it cannot, and will not replace the need for face-to-face postal, and banking, needs particularly in rural and regional areas. Many of those areas have very limited connectivity preventing them access to online activity, as is also frequently the case in urban areas according to news reporting.

Using online banking as the reason, all the major banks have been de-banking towns at an accelerating rate. When they vacate those towns, all, except for ANZ that didn't sign up to an agreement, expect Bank@Post to fulfil their banking service obligations! But are the major banks taking unfair advantage of Australia Post, and the Australian taxpayers who own it? The workload for Australia Post's corporate agencies and the licensed post office franchisees (LPOs) has increased significantly as a result — there's always a line up at my local post office — but they only get a pittance from the banks for acting as "their agent". Many LPOs are on the brink of bankruptcy, and Australia Post in general is experiencing declining profits due to changes in the letters' volumes and digital transactions.

If Australia Post starts closing outlets like the banks, what then? Will towns die if they lose both their banking and postal services? It is hard to think that they won't! Doesn't the government have a responsibility to ensure that people everywhere have access to both of these services?

The discussion paper states: *Australia Post's extended workforce of more than 60,000 people and 4,300 Post Offices continue to deliver letters, parcels and essential services to communities and businesses throughout Australia. More than 3,500 Post Offices are operated by individuals and small businesses acting as licensees and agents.*

I would recommend that Australia Post be awarded a banking licence so that it can operate — with the full backing of the government — through the thousands of post office outlets. With a banking licence, the post offices would become branches of a government-bank and offer full banking facilities; not simply act as agents for the banks as they do now through Bank@Post.

A public postal bank run through the thousands of post office outlets would:

- fill the void created by the “desertification by the banks” which is happening not only in regional towns, but cities and other major centres as well;
- ensure the profitability of Australia Post outlets as they would then be paid properly for their services;
- ensure that both banking and postal services are maintained in rural and regional Australia as well as the cities; plus,
- there are many other benefits a public bank would bring into existence.

The Australian Citizens Party has written legislation for a Commonwealth Postal Savings Bank (CPSB). Unlike with the major banks, Australia Post would not simply be an agency for the CPSB. The CPSB would be a “publicly-owned” alternative to the major banks. Operating through the post offices it would offer complete banking services thus ensuring regional towns of both banking and postal services.

A public postal bank would be a genuine competitor for the major banks, and a win-win solution for everyone as all Australians would have a genuine alternative to the major banking oligopoly. Many countries have successful examples of a post office bank, such as Japan and New Zealand.

Regardless of whether or not the major banks decide to rethink their approach to the regions as a result of the CPSB would be up to them. However, the major banks would no longer be pivotal to the life or death of towns, which would be a game-changer for regional Australia. And, Australia Post would be given a life-line that puts it at the heart of that transformational change!

Ann Lawler

16 April 2023