



24 April 2023

**Department of Infrastructure, Transport, Regional Development,  
Communications and the Arts  
GPO Box 2154, Canberra ACT 2601  
postalconsultation@infrastructure.gov.au**

Dear Director, Postal Policy-Communications Services Consumer Division,

On behalf of the Avalon Palm Beach Business Chamber Inc., please find herewith our submission regarding the Australia Post Modernisation Discussion Paper for Public Consultation.

We write this submission as local professionals and members or leaders of the Chamber.

### **Our area**

We are a small member-based organisation based on the upper northern beachers of Sydney (from Bilgola up to Palm Beach, and offshore locations) and the Chamber has been recently revived to better represent the growing business, economic, social and cultural needs of our community.

The Avalon Australia Post branch is a critical provider of essential services, business services and parcel services to the area which includes many small businesses, retail and hospitality businesses, trades and professionals, artists and musicians, sole traders, hybrid workers, students, omni-channel and e-commerce businesses, and schools.

Our Australia Post branch is the only Australia Post outlet serving 13,052 people<sup>1</sup> (Census 2021) and the area has grown since the previous Census of 2016.<sup>2</sup> In addition to the local population, thousands of more people travel into the area each day as tourism workers, trades, and tourists themselves. Over 2.6 million tourists visit the northern beaches annually, of which 16% visit Avalon Beach and 52% visit Palm Beach.<sup>3</sup>

Both life and business in the Avalon Palm Beach peninsula are heavily influenced by its Pittwater topography and our limited road access via the Barrenjoey Road connection (the 'Bilgola Bends') leading into the area.

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<sup>1</sup> <https://www.abs.gov.au/census/find-census-data/community-profiles/2021/122021420>

<sup>2</sup> Our Chamber takes in the postal suburbs of 2107 and 2108 including suburbs of Bilgola, Bilgola Plateau, Avalon Beach, Clareville, Careel Bay, Whale Beach, Palm Beach and offshore locations Coasters Retreat, Currawong Beach, Great Mackerel Beach, Morning Bay and The Basin. As some of these locations are particularly challenging to reach (with a combination of car, bus or boat required) they are heavily dependent on the essential business, retail and support services located mostly within Avalon Village.

<sup>3</sup> Destination NSW Strategy, Northern Beaches Council.  
<https://files.northernbeaches.nsw.gov.au/sites/default/files/documents/policies-register/destination-management-plan/destination-management-plan/destination-northern-beaches-sep2021.pdf>

The Bends imposes limits on the community's access to larger services such as major hospitals and road-based emergency services; a choice of supermarkets, and we have limited reliable transport. Ride share and last-mile deliveries are often not offered or easy to obtain.

It is not uncommon for business owners and residents to be stuck in traffic on the Bends when heading to towards the Sydney CBD or held up by accidents and breakdowns. We may be adversely affected by cancelled NSW Transport Buses, or unable to get to work or school due to these limitations. One might ask – why do we stay here? The natural beauty of the area has attracted residents and international visitors for over a century, and many residents in the current Avalon Palm Beach area have lived and worked here all their lives, or returned here after stints in the inner city, interstate or elsewhere.

Disappointingly, in recent years, all-but-one bank (Commonwealth) has left the Avalon Palm Beach peninsula. Down the bends, Newport also only has one Bank (Greater Bank). Therefore, business owners and residents are 8 to 11 kms away from business and personal banking services with most of the four major banks. While we recognise the role Australia Post plays in facilitating bill payments and other financial transactions, if there was an expansion of banking services inside Australia Post, a payment from banks to Australia Post relative to the impost on Australia Post should be levied. Not doing so further rewards profitable Banks for their lack of service to many communities while shifting the physical presence, costs and service burden to Australia Post locations, a place whose core business is not banking.

### **Changing needs and pain points**

Despite the loss of banks, the continued demand for postal services is noticeable in our area.

The changing needs of Australians means our local Avalon Australia Post branch is even more critical to maintain, grow in size, improve and invest in for postal modernisation in 2023. We need enhanced e-commerce options in the area, better parcel management space in store, more modern layouts and logistics, reliable last mile delivery, and well-supported customer service.

During and since the pandemic years, there were often long lines at the Avalon post office. This is in part due to growth in permanent residences, more hybrid workers relying on local services and more small businesses with e-commerce services. And in part due to the poor layout of the store.

Avalon Palm Beach locals and businesses can be observed as:

- Using and needing online shopping services (receiving, returning, sending) from other Australian businesses or overseas;
- Operating omni channel or e-commerce stores - there are many boutiques in the village that are vital to our community, its attraction to visitors and the local economy and they use pick-from-store selling to enhance reach beyond their physical location;
- Need parcel and larger delivery services to facilitate their businesses – such as sending samples, art, furniture etc;
- Have personal needs such as sending and receiving gifts;
- Are actively buy-and-selling or swapping personal items on the second-hand market using resale platforms (estimated to be worth \$182.4 billion globally and includes Facebook Marketplace, Depop, eBay, Etsy, Instagram and others). This is particularly observed among local teens, young adults, families and down-sizers and is an important aspect of our growing concern for the environmental impacts of returns, over-shopping and landfill;

- Require priority letter services for secure passport delivery, credit card and debit card delivery. Some businesses and individuals may require standard letter deliveries as well;
- Require consistent customer service, and service staff who are empowered with more information to provide to customers. The Google review for Avalon Post Office is sadly 2.3 stars on average. There are extremes of wonderful service delivered by one or two staff, and then many comments relating to packages never being delivered, lack of information or other problems. This is an area with difficult road access for some streets and some couriers won't come as far as Avalon or Palm Beach. Therefore, any understaffing at Avalon Post Office is worsened by the fact that we may sometimes have no choice but to rely on them for most inbound and outbound services.

Consequently, the local Avalon Australia Post often experiences congestion, and we are conscious of the impact of this stressful situation on staff.

- The Avalon Post Office space and layout has not grown in line with parcel growth, either at the back or front of the store. There are only 3 spaces for labelling packages or satchels, and it is often crowded with waiting customers snaked around merchandise shelves, and sometimes too-few staff during peak times.

If the Avalon Post Office were ever closed or reduced in size from its current state, it would be a disaster.

It would leave over 13,000 permanent people and their businesses un-served. Traffic and environmental impact would be immense for the area.

Our businesses and residents would need to travel down the Bends to reach other post offices such as Newport and Mona Vale for basic services. Newport PO would not be able to cope with the influx of 13,000 others driving down from the peninsula, in addition to Newport's 9000 residents. It would also introduce far more cars onto the Bends, which is already congested and at times can be dangerous in wet weather or holiday periods when there are more tourists who are unfamiliar with the local roads.

### **Supporting Australia Post modernisation**

Avalon Palm Beach Business Chamber (APBBC) supports Australia Post's key principles of (1) remaining in full public ownership (2) remaining financially sustainable and investing in networks and services (3) supporting the digital economy (4) and evolving from letter services to support parcels and meet consumer expectations while reducing letter-related operating costs.

In addition:

- We recognise that letter services are in decline but costly to maintain. Price increases for standard letters may be necessary but we feel that this should be not more than 10%.
- We do not believe that subsidising letter services through parcel pricing would be wise given that this would impact many more businesses and individuals who now rely on parcel services and would make parcel services uncompetitive relative to other Last Mile players in the market. Whilst this has not been proposed in the discussion paper, we are conscious of commercial realities and the possibility of this occurring later.
- We believe that government being a large sender of letters, should undertake a letter audit of all departments to examine what is currently sent by snail mail, and what could be shifted to eGov services. Ministers have the power to change departmental processes and behaviours around their communications, not Australia Post. In the last Federal election it was noticed by many in our community that the sheer number of letters from incumbent

politicians was a significant waste of paper and money, and largely ended up in the recycling bin. Alongside the proliferation of corflute signs, many residents commented on the amount of rubbish created and how environmentally unsustainable this was at a time when we are all very concerned about climate change. The letter audit could include examining what letters are legislated, such as those from banks or the ATO, and if this is necessary since corporations can still comply securely with these needs via electronic opt-in means for a large number of the population.

- We recognise that letter services may need to be delivered on alternate days as is done in New Zealand and elsewhere, but we ask that better capacity utilisation planning be explored for last-mile motorcycle riders who currently may only deliver letters. Re-designing bikes to carry a delivery-style 50 x 50 cm rear boxes may allow them to carry and deliver small parcels and letters at the same time, particularly letters and small parcels going to the same address. This reduces costs and emissions by reducing trips.
- We believe the postal regulatory framework needs to be reformed to address current letter requirements and should change to reflect the actual needs of Australians in the 21<sup>st</sup> century.
- We believe that deregulating the priority letter service should undergo a feasibility study beforehand. Some document/letter services currently in Australia are the likes of DHL and Fedex for documents sent overseas. These companies may have to introduce US-style ground services to operate within/across Australia (which includes parcels) in order to make priority letter services cost effective or worth doing at their end. A feasibility study could include whether combining Priority Letters into the existing Express Post letter services would be advantageous, streamline products or be cost effective.

### **Maintaining appropriate network coverage of Post Offices**

As part of its key principles, we agree that Australia Post should provide appropriate network coverage but that '*appropriate*' should be well defined and not subjective. It should be agreed to include critical factors such as density, population, distance, road and transport limitations, current usage data from that post code, a feedback period for any areas where closures or significant changes are proposed, and deep listening on pain points such as those which exist in post codes such as ours, to ensure changes are beneficial for the community.

We prefer Avalon Post Office to be a Corporate Post Office (CPO) that is owned and operated by Australia Post.

It is the most northerly of Sydney post offices and the only Post Office on the peninsula. Our community needs the full gamut of services which may not be offered by a smaller franchisee LPO – in particular: we need more space in the actual Post Office shop, reliable vehicles and local drivers for delivery and Parcel lockers (not currently offered). We would not like to see a franchised Licenced Post Office as a substitute.

We cite the example of the closure of the Turrumurra CPO in July 2011, on the lower north shore, with little community consultation at the time.

This caused post boxes to be moved to Wahroonga, a village with very difficult street parking and significant local traffic congestion already. In addition, the two remaining options for services were North Turrumurra and South Turrumurra LPO, both small shops which can barely cope with the parcel management at times and it's not uncommon to see parcels in a complete jumble. Apart from causing a frenzy when a parcel needs to be found, these shops are often run by only 1 person on duty and the increased risk of parcels being lost, damaged or late seems to fall on these sole operators.

## **Supporting Australia Post staff and the customer experience**

In a remote, albeit urban, community such as the Avalon Palm Beach peninsula, the Australia Post staff are often locals or well-known by local businesses and families over many years. We share more in common with regional and remote Australian post offices due to our topography and the tight knit community who live here, and we often know the mailman, the local manager or staff at the post office. Likewise, they know us, our businesses and our homes, difficult driveways, small shared carriageways or steep hills.

It was apparent to us during Covid 19 that Australia Post staff were under immense pressure. If customers become irritated at the Post Office, it's because the system isn't working, not the people. Our terrain is difficult, it takes time for items to be delivered and they don't always get delivered or left in 'safe places' as such safe spaces are not always easy to locate, streets are not as well lit, letter boxes are not always obvious on slopes.

To support Australia Post staff during difficult situations, they need better parcel information and reliable logistics for the area. We need multi-modal forms of delivery (small van, trucks, motorcycle all able to deliver both letters and parcels) for difficult areas such as ours; adoption of more in-store technology to alleviate pressure on staff; a way to educate businesses and residents to upgrade their letterboxes to parcel-sized boxes which are safer than leaving parcels at the door or sidewalk; and ongoing training for staff facing difficult customers. Perhaps better or decentralised access to a pool of casual team members who could step in at peak times and support those under-pressure Australia Post staff; more capacity planning for seasonal casuals and drivers; and information on mental health support services for Australia Post staff as well as activating the free counselling via Medicare.

We believe Australia Post is vital to the economic prosperity and business growth of Australia. Hand in hand with the NBN and internet, Australia Post needs to continue to make us a competitive nation through innovation and investment.

Yours sincerely,

Kathryn Franco, Member  
Stephanie Hammond, President  
Sally Tabner, Vice President

### **Avalon Palm Beach Business Chamber Inc.**

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