



Senate Environment & Communications Legislation Committee
Parliament House
CANBERRA ACT 2600
By email: ec.sen@aph.gov.au

Postal & Telecommunications
Branch of Victoria
Division of the CEPU

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Inquiry into the overall performance, importance and role of Australia Post in Australian communities, and the challenges it faces in the immediate and longer term; Licensed Post Offices and on any related matters

This submission is from the Communication Workers Union: Postal & Telecommunications Branch Victoria.

Our major two related concerns are:

- Australia Post's threat to reduce the previously advertised and provided standard of service for mail delivery in country Victoria.
- Australia Post's proposal to take mail originating in country Victoria which has been sorted at Country Mail Centres in Ballarat, Bendigo, Seymour, Geelong and Morwell to Dandenong Letters Centre for sorting.

Our concerns relate to the loss of jobs in country Victoria. Regional development is recognized to be important for many reasons. We have had past State and Federal governments deliberately setting up employment opportunities in country areas to assist with this regional development objective. We believe that Australia Post (as a Government Business Enterprise) should assist with this community objective as well.

We are also concerned about the loss of productivity for businesses in rural Victoria. If Australia Post plans go ahead there is an impost on country communities and businesses if country areas receive a second-rate, slower service than metropolitan areas.

The Terms of Reference of the Inquiry invite comment on **the importance of Australia Post in Australian communities**. Attached (Attachment 1) is a copy of a petition to the Minister for Communications that was started once we became aware of the above plans of Australia Post. To date, 1552 people in country Victoria have physically signed this petition. There is also a petition on change.org which has attracted 461 signatures. The union started a facebook page on this topic and this has been viewed by 14,000 people.

Clearly, the continuance of an excellent postal delivery system is a matter of importance to the people of country Victoria.

While digital messaging has decreased the reliance on mail, it must be realized that not everyone has access to a smart phone, computer, and the internet. Many low income people cannot afford this access, or many people do not have the technical skills to keep their systems fully functioning. For some types of messaging, physical mail is the preferred option. This is particularly true of documents containing signatures or confidential information or that are lengthy.

We have had phone calls from Australia Post customers stressing the importance of a reliable and timely mail service. For example: a car-sales operator who relies on VicRoad stickers and documents, and the large cheques from purchasers of cars reaching his business, a doctor waiting for specialists' reports for his patients, sick people waiting for prescriptions in the mail. Many community groups and organizations find bulk mail-outs are the most efficient way to contact their members as their members' email addresses are unknown or constantly changing.

Australia Post has undertaken and has access to several studies that emphasize people's preference for paper-based messaging. Internet and even mobile phone coverage in country Victoria is often patchy, and sometimes (especially during rain) non-existent.

The Terms of Reference also invite comment on **the overall performance of Australia Post**. Over the last several months, Australia Post has been running down the staffing in both the Country Mail Centres and the Country Delivery Centres in Victoria, and this has had a detrimental effect on service standards.

The design of the postal network in country Victoria allows for an excellent next day delivery service in almost all of the state of Victoria. The mail processing, transport and delivery work is co-ordinated and designed to enable this, and this is what has been achieved in practice for the last 35 years. There are interchange transport runs which allow this network to be sustained e.g. Geelong Mail Centre interchange mail at Meredith nightly with Ballarat Mail Centre. In June 2013, a staffing freeze was implemented that meant this next day delivery standard was put under severe pressure. Long-term agency staff and 'casuals' were no longer engaged at the country Mail Centres. Vacancies were no longer filled at the country Mail Centres or Delivery Centres, and relief was no longer provided when mail and delivery staff went on leave.

This has meant that even the bare minimum standards under the Community Service Obligations under the Postal Act are no longer being met. Here is some evidence of this:

During the month of October 2013, the union office sent 100 letters to the office of the Member for Bendigo. The office of the Member for Bendigo sent the union office 100 letters. As both

these parties lease private post office boxes located at Australia Post Post Shops, this mail would be the quickest and easiest to deliver out of the range of delivery options.

Eighty-eight percent of the letters going from Melbourne to Bendigo were delivered the next day, while 12% were delivered on the second day. Only sixty percent of the letters sent from Bendigo to Melbourne were delivered on the next day, 30% were delivered on Day 2, seven were delivered on Day 3 and three were delivered on Day 4. Therefore, in relation to these letters, the minimum 94% 2nd Day service standard was breached.

It is clear from information provided by our members that these service standards are being undermined throughout country Victoria. Complaints from customers in the Geelong region are probably the most numerous of all country areas. Members at Geelong Mail Centre, and Ocean Grove, Grovedale and Torquay Delivery Centres have been shocked by the amount of mail left behind on a regular basis. I attach several letters the union has written to Australia Post over previous months this year providing examples of failures in service standards (Attachment 2).

Once Australia Post deviates from a clear floor policy, there is a greater risk of mail being further delayed because the mail is 'mixed-up' in ULDs (containers) of mail. The processing staff cannot readily check the dates that the mail was posted. An example of this is when Express Post bags are covered up by trays of small 'ordinary' letters, and are mistakenly not sorted immediately.

Australia Post management believe that they can save \$2.3 million from implementing their plans for country Victoria. This is chicken feed when viewed against Australia Post's profit (\$312 million); their revenue (\$5.9 billion), the salaries of the top ten executives (\$12.98 million) which included the salary of the CEO (\$4.75 million) for the last financial year.

Our Branch of the union would welcome the opportunity to be heard on the Terms of Reference of the Inquiry if the Committee is receiving oral submissions.

Yours faithfully

Joan Doyle
Secretary

Communication Workers Union
Postal and Telecommunications Branch Victoria

Attachment 1

These have been posted as there are
many pages of signatures

This is a copy of the wording of the petition

Hon Malcolm Turnbull

Dear Minister

Stop Aussie Post reducing country postal services & cutting country jobs

Regional and Rural Australia need increases in services *Not Reductions!*

Australia Post is abandoning country customers and businesses with its plan to cut next day delivery for regional centres in Victoria.

'Next day' mail service has been provided to regional Victoria for the last 35 years, but Australia Post wants to reduce this to a 'Day 2' service.

As well as reducing productivity for country Victoria, this will lead to job losses at the Regional Mail Centres in Seymour, Morwell, Bendigo, Ballarat, and Geelong, with mail sorting to be carried out in Dandenong instead of these regional centres.

Country Victoria deserves a first class postal service and needs these jobs to remain in regional communities.

Please stop Australia Post from cutting country service standards and jobs.

| Name | Address | Signature |
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RETURN DATE: 15 November 2013

RETURN TO: PO BOX 1052, North Melbourne Vic 3051 or FAX TO: 03 9600 9133

ONLINE PETITION: <http://www.change.org/en-AU/petitions/stop-aussie-post-reducing-country-postal-services-cutting-country-jobs>

Attachment 2
post offices
Submission 6



4th April 2013.

Manager Country & Rural Mail Network
P.O.Box 1777.
Melbourne
Victoria 3001.

Postal & Telecommunications
Branch of Victoria
Division of the CEPU

PO Box 1052
North Melbourne
Victoria 3051

Ph: (03) 9600 9100
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Web Site: www.cwuvic.asn.au
Email: office@vicpt.cepu.asn.au

Re: Stored Mail / Parcels in Country Network.

I have been informed that there is up to 60 ULDs of Mail and Parcels being left unsorted at the Country Mail Centres at Bendigo, Seymour, Ballarat and Morwell. Mail, Plastics and Parcels date stamped from February were only sorted over the Labour Day weekend. This attitude to delayed delivery standards is appalling.

As you are fully aware, the Corporation is investing millions of dollars trying to create new business and retain its current customers in what is becoming a very competitive and shrinking market place for Parcel delivery. Australia Post is selling its brand to the Community and the Business Community on the great service and customer care Australia Post will provide. It claims to be the leader in the Parcels and Mail delivery service.

Could you please advise the Union of the plans you have for the country network in relation to the timely delivery of Mails and Parcels. The Union has been informed that Australia Post's own delivery management are complaining about not receiving Parcels and Mail in their Networks, because of high numbers of complaints from their customers.

This decision to just remove delivery time standards from Parcels and Mail is doing damage to the Corporate brand **Australia Post** and is opening the door for Post's competitors.

Not only will you lose business in the regional and rural areas with poor standards of service, it will also have an impact on the city customers and businesses if their goods are not delivered and just sitting in ULDs somewhere in the country network.

I look forward to your earliest reply about how you intend to rectify this situation.

Yours faithfully

Brendan Henley
Organiser
Communication Workers Union
Postal & Telecommunications Branch Victoria
0122 271 511

5 April 2013

Manager – Country Network
Australia Post
509 Williamstown Road
POST MELBOURNE VIC 3207

Re: Country Mail Centres Service Standards & Staffing

I am writing to you to inform you that if you do not change your policy of deliberate understaffing of the Victorian Country Mail Centres, the union is going to embark on an extensive media and lobbying campaign about Australia Post's failure to provide a reasonable standard of mail service to regional and rural Victoria.

We have been agitating this issue for some time expecting that common-sense would come into play. Our members' patience is now at an end.

We have been collecting information from the Country Mail Centres. I am providing some of the information collected from the Bendigo Mail Centre so that you can see that the union is not making hollow threats. The story is similar at each of the other Country Mail Centres.

I hate to 'trash the brand' but given that you are 'trashing the brand' in reality and seem to intend keeping on with this policy, I believe the country community and their representatives have a right to know about your willful breach of Community Service Obligations.

I intend to contact the media from Monday April 8, 2013 unless I receive some notice that you will re-engage the previous level of staffing at these Centres immediately.

- There has been delivery delayed mail every night at Bendigo Mail Centre for at least the last month.
- The plastics are being sorted a month late.
- On 24 March 2013 there were 80 ULDs of terminating parcels left unsorted.
- On 25 March 2013 the terminating Parcels being sorted were from 5 days previous.
- Myer catalogues to be delivered on 3 March & 10 March 2013 were only discovered on 21 March 2013.

- The Manager and all office staff were all on the floor sorting Terminating parcels on 26 March 2013.
- Originating parcels are being sent to Melbourne unprocessed obviously leading to extensive delays for the parcels belonging to local and other country delivery areas.

I am sure the public will get the picture. The community in country areas will appreciate being told that the reason why their parcels and mail are extraordinarily late is due to your penny-pinching cost-cutting.

Yours faithfully

Joan Doyle

Secretary

Communication Workers Union

Postal & Telecommunications Branch Victoria

3 July 2013

Manager – Country Operations
Australia Post
GPO Box 1777
MELBOURNE VIC 3001

Re: Community Service Obligations – Regional & Rural Victoria

I refer to the union's earlier letters to you concerning service standards in country Victoria.

These standards continue to fall short of Australia Post's responsibilities mandated under the Postal Act.

I am providing details of these failures below. I am writing to inform you (as requested by senior management) that if action is not taken to fill vacant positions, and/ or to provide adequate relief staff, that the union will be commencing a media and political lobbying exercise in the coming weeks to bring pressure to bear to ensure these standards are met. I intend to start this campaign on Wednesday, next week.

Wendouree Delivery Centre

3 July 2013

Rounds undelivered 4 & 17

2 July 2013

Rounds undelivered 9, 31 and 3 rows on 4

1 July 2013

Rounds undelivered 34, 35 & 37 and ½ of 17

26 June 2013

Rounds undelivered 5, 34, 41

19 June 2013

Rounds undelivered – 24, 33 and Large letters and small packets not delivered on
Rounds 4 & 15

12 June 2013

Rounds undelivered – R2 including undelivered political householders for Simon Ramsey.

11 June 2013

Sorting of mail ceased at 9am (leaving a proportion of small & most large letters unsorted)
Staff was told this was to ensure a full delivery of political householders

6 June 2013

Round undelivered – 36

3, 4 & 5 June 2013

R 9 had a number of rows on the sorting frame undelivered, there were 8 rows left on 3 June, 5 rows on 4 June and 3 rows on 5 June, 2013. Residents in Queen Victoria, Nightingale and Pleasant Streets had no mail delivered for 3 days in a row.

3 June 2013

There were 55 rows (4 rounds) undelivered on 3 June 2013 including Express Post items.

There have been long standing problems at Wendouree DC. The RACV magazines for February were delivered over 3 weeks when the usual arrangement is to have them delivered within 3 days after they reach the Delivery Centre. There were problems with the delivery of Express Post items on the week 25 – 29 March, 2013 and on 2 May 2013. On April 30, 2013 – Rounds 12, 13 & 34 were not delivered. On May 1, 2013, Round 36 was not delivered. On May 7, 2013, Round 41 was not delivered and on 8 May 2013 Round 4 was not delivered.

As you would be well aware this problem is not confined to Wendouree, but is a consequence of Australia Post deliberately under-staffing country facilities. I list some other instances in other facilities to underline this point:

Bairnsdale Delivery Centre

20 June 2013

Round undelivered – Round 2

North Geelong / Corio Delivery Centre

4 June 2013

2 rounds undelivered.

Grovedale DC

Since the middle of June, 2013 service standards have been very poor due to staff shortages. Parts of Rounds are left most days, and on occasions whole rounds. Posties are being instructed not to work past 3 pm.

Bendigo Mail Centre

Standards at Bendigo Mail Centre have not improved since our last letter on this matter. There is 'Leave Over' most nights, with between 10 -25 trays of originating mail left unsorted. Originating parcels have been sent to Melbourne because of under-staffing, and on Thursday 20

June 2013 and Thursday 27 June 2013 originating Large Letters were sent to Melbourne on the next Friday to be returned the following week. It is estimated that at least 25% of those were for Bendigo Forward Delivery. The Supermarkets unaddressed mail advertising their 'specials' are still being delivered late and the Magazine Subscriptions sit unsorted for several days.

We note that you already have this information in your own reporting systems and have failed to act thus far. We hope that the treat of a community campaign might spur you to action.

I look forward to your urgent response before Wednesday July 10, 2013.

Yours faithfully

Joan Doyle
Secretary
Communication Workers Union
Postal & telecommunications Branch Victoria

2 August 2013

Manager
Country Mail Operations
Bertie Street
PORT MELBOURNE VIC 3207

Re: Non Processed Mail Ballarat Mail Centre

I have been advised that there were 2 ULDs of Originating and Terminating Mail not processed for the last week 29th July to end of processing on the 2nd August. Also the mail collected from the Bendigo and Geelong Interchange Shuttle Runs was not processed either.

The union has on a number of occasions written to you regarding the service standards in the country network being down graded.

The union requests that Australia Post stop treating the community in the country with contempt and asks that you provide them with the service they are paying for under the terms of the Australian Postal Act.

It is not right that their mail is stuck in a ULD for a week at a country mail facility.

I look forward to your earliest response on the deplorable actions regarding the treatment of the paying customers in the Country Network.

Yours faithfully

Brendan Henley
Organiser
Communication Workers Union
Postal & Telecommunications Branch Victoria