

Senate Environment and Communications References Committee
ANSWERS TO INQUIRY QUESTIONS ON NOTICE
Department of Infrastructure, Transport, Regional Development and Communications

Division: Communications Services and Consumer

Inquiry Name: Australia Post Inquiry

Inquiry Date: 27 April 2021

Topic: CEPU evidence - mail stacking up

Question Type: Hansard Ref: Page 62, 27/04/2021

Senator Bridget McKenzie asked:

Senator McKENZIE: Can I refer you to the evidence of the CEPU. We've got examples of mail stacking up and up. I would have thought it would have been a little more stringent than quarterly meetings where we assure ourselves, as shareholders, on the standards and the community service obligations that Australia Post is subject to. On notice, can I please have detailed information, not a bureaucratese paragraph, on how—

...

Senator McKENZIE: That's it; they will not. They've got this one under control. Can you please give me a detailed response, and if you haven't got what needs to be in place to assure ourselves that that isn't happening, or that we know about it if it is happening—I take from your evidence that you didn't know about it?

Mr Windeyer: That's correct.

Mr Jagers: I might just add: whilst we didn't know about the information that had been provided today, we will take on notice what reporting we have received from Australia Post over the period in relation to the temporary arrangements.

Senator McKENZIE: It's quite disturbing.

...

Senator McKENZIE: I want a lot more detail, thank you.

Answer:

The CEPU tabled a photo of the Tweed Heads mail facility with the Committee. Australia Post has investigated these concerns and established the delays were the result of short-term and unplanned staffing shortages at the Tweed Heads facility over the Easter 2021 period. Mitigation strategies were put in place by Australia Post, including weekend work and outside assistance.

Australia Post has asked the CEPU to provide specific information, including impacted facilities and rounds, so that concerns can be investigated. Where specific information has been provided, Australia Post has investigated the concerns and has worked with union representatives to address them. Australia Post has, and will continue to, work with union representatives to address workforce concerns.

The CEPU has also raised general concerns regarding Australia Post's performance against on-time delivery standards. Since March 2020, Australia Post reported that it had met or exceeded the requirements in the Regulations, with the exception of the Letters On-Time Delivery performance standard of 94 per cent of non-bulk letters for the months of August, September, October and November in 2020.

As identified in its most recent reporting, Australia Post's unaudited on-time delivery performance result for non-bulk letters was above the 94 per cent standard required in the Regulations over recent months (and is now back above the standard for the financial year to date).

Australia Post is required to meet the standards set out in the *Australian Postal Corporation (Prescribed Performance Standards) Regulations 2019* (the Regulations), including for letter delivery speed and frequency. Australia Post's performance against the Regulations in each financial year is subject to audit and report by the Auditor-General, which is tabled in Parliament each year as part of Australia Post's Annual Report.

Australia Post reports to Shareholder Ministers on at least a quarterly basis on its performance against the Regulations. Since temporary amendments to the Regulations commenced, Australia Post has reported to Shareholder Ministers on a monthly basis on its performance.

Senator the Hon Simon Birmingham, Minister for Finance and the Hon Paul Fletcher MP, Minister for Communications, Urban Infrastructure, Cities and the Arts wrote to Australia Post noting it had not achieved the Letters On-Time Delivery performance standard in the September 2020 quarter, and asked for advice on what actions Australia Post was taking to improve the efficiency and speed of the letter delivery service; notwithstanding the Regulations are measured on an annual basis.

Australia Post advised that the primary reason for not achieving the Letters On-Time Delivery performance standard during the period August to November 2020 was the disruption as a result of the Stage 4 lockdown in Victoria and related COVID-19 restrictions impacting on its supply chain.

While not a regulated service, Australia Post's monthly reports also include parcel delivery performance metrics. As identified in its most recent reporting, parcels delivery in full on-time is at its best level since the beginning of the COVID-19 pandemic.

In addition to formal reporting obligations, Australia Post senior management meet on a regular (approximately monthly) basis with Minister Fletcher and provide updates on implementation of temporary service changes.

The Government has established the Postal Industry Ombudsman (PIO) as a free, independent and impartial body to help resolve consumer complaints about postal operators and help identify potential issues at the systemic level. In relation to performance against the Regulations, the PIO has stated in its 1 October – 31 December 2020 Quarterly Update that:

“This Office monitored our complaints to see whether the regulatory relief changes caused a higher level of complaints. It would appear we have very few instances of complaints identifying regulatory changes, such as reduced mail frequency, as their primary concern. It is possible that some of the complaints we saw during 2020 were a result of the regulatory relief changes, although the consumer was unaware of the relationship between the changes and their complaints. However, it seems that there has been broad acceptance that Australia Post needed to change its services during the pandemic.”

Australia Post has proactively advised customers of the impacts to its network and the delivery times for domestic and international letters and parcels on its website since the onset of COVID-19.