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Minister for Finance

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Minister for Communications, Cyber Safety and the Arts

JOINT MEDIA RELEASE

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Supporting Australia Post throughout COVID-19

The Morrison Government has today announced regulatory relief to assist Australia Post to continue providing important postal services for all Australians during the COVID-19 crisis.

The Government will temporarily adjust Australia Post's Performance Standards to reflect the operating constraints and limitations that have resulted from COVID-19. These adjustments provide Australia Post with flexibility to meet increased demand for online ordering and delivery as people practise social distancing.

Finance Minister Mathias Cormann said measures to support Australia Post's services at this critical time were necessary given the unprecedented disruption caused by COVID-19.

"Like many industries, postal operators around the world are being significantly impacted by COVID-19 – with acute downturns in letter volumes and international business," Minister Cormann said.

"Australia Post is an important service all Australians rely on, which is why the Government is adjusting Australia Post's Performance Standards to give it greater flexibility to optimise its operations to meet community demands during this period.

"Under the adjustments, Australia Post will be able to redeploy its workforce to critical areas experiencing a surge in volume, such as parcels and essential services.

"This will support customers and the viability of the business during this challenging time so it can continue to serve all Australians."

Minister for Communications, Cyber Safety and the Arts, the Hon Paul Fletcher MP, said the regulatory relief means Australia Post can respond to customers' changing postal requirements, support letter deliveries and help post offices stay open for business.

"Demand for e-commerce has skyrocketed as people stay home to combat the coronavirus health crisis. The changes we've announced today provide Australia Post greater flexibility to respond to the increased demand for parcels, which will help posties continue to deliver essential products and services to Australians, including pharmaceutical and grocery products," Minister Fletcher said.

"We know letters remain important for many in the community, so Australia Post will continue to

deliver letters according to a revised set of service standards, which reflect the current demand levels.

“Post offices are expected to remain open – including those in regional, rural and remote parts of the country – but we will be providing discretion for retail outlets to close during exceptional circumstances during the pandemic to protect the health and safety of their staff and customers.”

Under the temporary changes, Australia Post will no longer provide its priority letters service. This accounts for only twelve per cent of letter volumes today. Australia Post will maintain its regular and express post services.

Australia Post will also operate under a temporary relaxation in regulatory requirements:

- its required delivery time for regular intrastate letters will be extended to five days after the day of posting;
- it will be permitted to adjust its delivery frequency, in metropolitan areas only, from every business day to every second business day; and
- it will have greater freedom in managing post offices while there is a pandemic, but will take all reasonable steps to keep outlets open.

Delivery frequency in regional, rural and remote Australia will not change.

The changes will apply until 30 June 2021, subject to review. This timeframe acknowledges that Australia Post has one of the largest networks and extended workforces in Australia and structural adjustments such as these require significant transition periods.

The regulation will take effect after approval of the Governor General at the Executive Council.

ENDS

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