With Australia Post bleeding to death under a CEO who obviously cannot stop the flow why doesn’t the Govt owned company have a report into how the business is run, and how overseas postal services managed their drop in letter mail. This is not unique to Australia. In many countries including the UK their Royal Mail was privatized and then the Post Offices were separated from the postal service.

Here is Australia the drop in letters has been apparent even to a blind man for many years and all the CEO can do is to increase the cost of stamps. That will accelerate the drop in number of letters. Quickest way to save money is to leave the rate as it is and reduce the number of days post is delivered to houses. As most mail is from Govt depts or invoices or junk mail then most homes would be happy with a delivery twice a week, so saving the wages of 1000s of posties. Businesses would still get 5 day delivery. If a letter is urgent then the sender can pay extra for next day delivery by special postman.

There proposal is to increase the rate by 30% to $1 and delay  the delivery by 2 -3 days. They reckon that will slow the decline. The decline will continue(as per their own admission) regardless due to change in technology etc etc. They are just accelerating its demise. There is no incentive for consumers to send more letters, people just don’t want to send letters and no incentive will make them, its a dying market like the Australian car industry, you couldn’t save that with more money and higher selling prices.

Australia Post admits their biggest cost is labour, then by reducing the number of days that houses get mail by 50% they could save up to 50% of their postal delivery employees. Other companies have to trim their costs when sales are down NOT increase prices to try and cover it. They have reduced number of employees at HO but not those on the ground going door to door with a handful of letters.

They employ 31,000 staff, how many are posties? and how many would not be required if delivery was reduced to once or twice a week to households?

You walk into the average post office and it is like stepping back in time, crowded with cheap rubbish plastic toys etc and with long  queues who are handled by one or if lucky two assistants who spend 5 mins to transact a telephone bill. What happened to the coin in the slot stamp machines?

The CEO is grossly overpaid at $4.8M for doing nothing over the years except push up prices. He also has 100s of execs earning over $200k a year

regards

richard faure-field