

Senate Standing Committees on Environment and Communications

PO Box 6100

Parliament House

Canberra ACT 2600

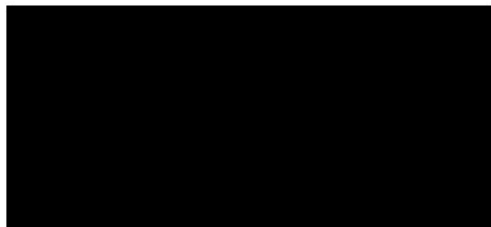
3<sup>rd</sup> March 2021



Tuncurry Licensed Post Office

84 Manning Street

Tuncurry NSW 2428



Dear Senators

Re: The circumstances leading to the direction by the Minister for Communications to the Chair of Australia Post on 22 October 2020, that the Chief Executive Officer of Australia Post, Christine Holgate, be stood down pending an investigation into her gifting in 2018 of watches to four managers who secured \$225 million investment into the organisation, with particular reference to:

Points A to G will not be commented on in this submission as we feel that we are unable to substantiate with proven facts only hearsay. We will therefore leave that to our honourable senators to ascertain the truth mentioned in these.

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H. Any other related matters:

Tuncurry Licensed Post Office has been owned and operated by our family since 1972 and is one of approximately 2,850 LPO's Australia wide who collectively are the largest stakeholders of AP.

Prior to the Appointment of Christine Holgate we feel that Australia Post (AP) did not care about the importance of the Licensed Post Office's (LPO's) and treated us as a business expense at the bottom of the pile. Unfortunately if there was a cut to be made so that someone higher in the AP Corporate food chain could meet the KPI's we felt the brunt of it. Cuts flow downhill and being at the bottom we felt the brunt of every cost cutting measure, after all we were only the completely dispensable Licensees!

We were struggling to survive and we are a reasonably busy office, many didn't.

The Senate enquiry in 2013 into the performance and operations of Australia Post had over 200 submissions with the majority very scathing of AP's treatment of LPO's.

Instead of looking at the big picture the previous boards and CEO's threw their hand in the air and decided that AP had no future in the changing digital world. The result was instead of formulating a plan for AP to survive for future generations the tactic was to sell off assets to make the business look profitable and prepare for the inevitable privatisation. No thought seemed to be given to the LPO's or corporate staff future. These executives were being paid huge salaries to run down an Australian institution. They did not earn their money but still took their salaries and predictably bailed out with an even larger redundancy!

Then Christine Holgate was appointed, wow, what a change! As CEO Christine actually cared about our business and Australia, wanted AP to be successful not only during her tenure but into the future. She travelled overseas prior to

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her appointment and visited successful postal services to see if any of their processes could be adopted by AP. She consulted with Australian stakeholders, including LPO's to see what directions AP could take to ensure its viability in the long term. Following this she set in place processes and systems with success of AP the agenda not the destruction that we saw in the past.

Who would of thought that the Bank @ Post deal with three of the big four banks plus many more financial institutions could be achieved. A deal that bought \$220m into AP. Without Christine Holgate this would never come into being. This along with her many new initiatives helped save our LPO and AP. For awarding of 4 Cartier watches, with board approval in 2018, she has had her reputation tarnished by politicians (for political gain it seems), media outlets and the Australian public. Nobody deserves that. Our humble opinion is that a reward of \$20k with a return of \$220m is what we call exceptional business.

We offer this submission in support of Christine Holgate whom we consider the best CEO that AP has ever had, her vision and passion for our industry we feel has never before been duplicated by any previous CEO's. We are terrified that a change in CEO will bring back the bad old days prior to Christine where we were never consulted with any change, we had to fight to get a voice and were supposed to blindly accept yet another cut in our income.

Surely a viable AP paying dividends for future generations to the Australian Government each year is a far better option than privatising our industry which will give a short term cash injection to the treasury. Is it not the Governments role to govern for now as well as the future.

Christine Holgate has demonstrated that AP can be viable by growing the business without the need to sell assets. AP's six month profit of \$166m before tax (up 100% from same period in the previous financial year) definitely shows that she is the right CEO, someone who has turned around the sinking ship that was AP under previous CEO's. We believe that with the help of a professional

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AP board, who must understand our industry and will support her initiatives (if they are in the best interests of AP and its stakeholders including the general public) AP will continue to prosper for generations to come.

What would Australia be without the important services that AP provides, how can rural and remote areas survive in an environment that supports the closing down of essential services? The Post Office picks up the slack and keeps the country running. What happens to the people that are not tech savvy, again the Post Office provides service, how can the Government discriminate against these communities and people by not supporting vital services that now can only be provided by AP. Christine Holgate understands this but it seems unfortunately our government does not comprehend how vital AP is to all Australian communities and how pivotal that she is to the success of our great organisation.

There have been suggestions in media circles about a Christine Holgate proposal to commence a Postal Bank. How good would that be for Australia! A Postal Bank could service the rural, regional and metropolitan customers that have been so badly neglected or abandoned by banking institutions of today. Imagine the support a Postal Bank with branches at every Post Office would receive.

Our customers that we have talked with all agree that the “public expectation” is to have an AP that is accessible to all Australians not just in the selected areas that are profitable to service.

Privatisation is not the answer. A viable growing business with Christine Holgate at the helm is.

Thank you for taking time to read our submission.

Warwick and Bruce Thompson

Licensees

Tuncurry LPO