



Australian Government

Australian Government response to the Senate
Environment and Communications References
Committee report:

Australia Post

May 2024

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Overview

The Australian Government notes the report by the Environment and Communications References Committee (the committee) into Australia Post, including the events relating to the standing aside and resignation of former Australia Post Group Chief Executive Officer and Managing Director (CEO), Ms Christine Holgate.

The Government notes the recommendations. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Australian Government response

The Australian Government's response to *Australia Post* is set out in detail below.

Recommendation 1:

As previously recommended by the Senate Environment and Communications Legislation Committee, the committee recommends that Australia Post provide regular training and support to senior staff and Board members to ensure they can better meet their responsibilities to the Senate and its committees through understanding Senate procedures.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 2:

The committee recommends that the Australian Government strengthen the Performance Bonus Review (the Review) into Commonwealth entities by consulting with a wider selection of stakeholders and canvassing public opinion. The Review should seek to reform the way bonuses are used by Commonwealth entities to ensure the remuneration practices of these entities meet public expectations and conform to the *Public Governance, Performance and Accountability Act 2013*.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 3:

The committee recommends that the Australian Government conduct a review into the expenditure of corporate Commonwealth entities focussing on incentive payments, rewards, gifts and other discretionary expenditure, including short and long term incentives and other payments to highly paid staff, to ensure they meet public expectations and conform to the requirements of *Public Governance, Performance and Accountability Act 2013*.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 4:

The committee notes the advice provided by the Senate Standing Committee for the Scrutiny of Delegated Legislation that there was no formal direction issued under section 49 of the *Australian Postal Corporation Act 1989*. As such, the committee recommends that the Australian Government refer the actions of the Minister for Communications, the Hon Paul Fletcher MP, on 22 October 2020—in particular his "instruction" to the Australia Post Board that it stand Ms Holgate aside—to the Auditor-General for investigation, including into any breaches of relevant legislation and policies of Australia Post.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 5:

The committee recommends that the Australia Post Board and Shareholder Ministers and the Prime Minister apologise to Ms Holgate for denying her the legal principles of procedural fairness and natural justice in her departure from Australia Post.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 6:

The committee recommends that the Solicitor-General investigate the legality of the instruction from Shareholder Ministers to the Australia Post Board on 22 October 2020 that the Board should stand Ms Holgate aside while an investigation takes place into the purchase of the watches.

The instruction should be investigated in relation to the provisions of the *Australian Postal Corporation Act 1989*, in particular sections 49, 50 and 84, and any relevant sections of the *Public Governance, Performance and Accountability Act 2013*.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 7:

The committee recommends that the government re-set the relationship between the Shareholder and Australia Post, clarify the proper role of the Shareholder, and restore an appropriate level of independence to the Board.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 8:

The committee recommends that the Australia Post Board be restructured to ensure that its makeup is consistent with the original intent of the *Australian Postal Corporation Act 1989*, and so that it functions properly as a public enterprise. A restructured board should include nominees of:

- the House of Representatives;
- the Senate;
- the employees and unions; and
- the licensees.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 9:

The committee recommends that the Australian National Audit Office conduct an audit—of a similar type to the audit conducted into the governance of the Australian Broadcasting Corporation in 2002—into Australia Post's corporate governance arrangements, including its relationship with government, to identify areas in which its governance structures and processes are in need of reform. The audit should also include a review of Australia Post's post-separation arrangements.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 10:

The committee recommends that Australia Post, in its annual report, detail the findings of any Board evaluations and actions that the Board might have taken to improve its performance, processes, policies, skillset and composition throughout the year.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 11:

The committee recommends that the Australian Government ensure it duly considers the advice from Government Business Enterprise boards related to skills gaps and prospective appointees, and acts upon this advice as far as appropriate when appointing new board members.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 12:

The committee recommends that the Department of Finance review the Government Business Enterprise guidelines with a view to ensuring ministerial appointees to Government Business Enterprises are more diverse and more representative of a broader range of skills and experience.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 13:

The committee recommends that the Chair of Australia Post resign in acceptance of his responsibility for the organisation's failings with respect to the Holgate matter, the veracity of his evidence provided to the committee, his capacity to defend the independence of Australia Post and the lack of effective robust policies and financial oversight processes in place throughout his tenure.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 14:

The committee recommends that the Australian Government consider requiring authorised deposit-taking institutions (ADIs) to allow Australia Post to process basic banking transactions for their customers as a condition of their licence; and that fees be levied on ADIs that are sufficient to cover the cost to post offices of providing this service.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 15:

The committee recommends that Australia Post establish an Innovation Council formed on a tripartite basis that brings government, business and unions together to build a strong, productive and competitive public postal service with stronger community service obligations.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 16:

The committee recommends that the Australian Government immediately release the Boston Consulting Group *Review of Australia Post's Financial Sustainability*.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 17:

The committee recommends that the Australian Government expressly rule out privatising or divesting of Australia Post, or any of its services, including parcels.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 18:

The committee recommends that Australia Post review its procurement principles and seek to incorporate sections of the Commonwealth Procurement Rules into these principles, particularly relating to local content of purchases.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 19:

The committee recommends that the Australian Government bring forward amendments to the *Australian Postal Corporation Act 1989* and associated regulations, to incorporate parcel-related benchmarks in Australia Post's community service obligations and performance standards, to ensure parcel services are affordable and equitable for all Australians, and that parcel delivery remains a core element of Australia Post's services. In developing these amendments and associated regulations, the committee recommends that the government and Australia Post consult a wide range of stakeholders, such as business, employees and their representatives, and interested communities, including those representing regional and rural Australia.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 20:

The committee recommends that:

- the Australian Government publicly release the reports or final findings of the Boston Consulting Group relating to the ongoing impact of COVID-19 on Australia Post's business, including any evaluation of the efficacy of the temporary regulatory relief; and
- Australia Post release the findings of the McKinsey report into the development of forward-looking delivery network strategies and plans for Australia Post.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 21:

The committee recommends that the Senate oppose any extension to the temporary regulations now in force.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 22:

The committee recommends that the Australian Government consult widely and extensively on any proposed continuation of the current temporary regulations or introduction of any future regulatory changes, including with post users, businesses, licensees, and employees, contractors and their representatives.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 23:

The committee recommends that the Australian Government work with Australia Post, licensees, employees, contractor and worker representative organisations, and other stakeholders, to explore new ways to support the network of licensed post offices around Australia to benefit communities, particularly rural and regional communities.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 24:

The committee recommends that the Australian Government consider excluding regional capitals with a population of over 100 000 from the definition of 'metropolitan' in the regulatory relief and Alternative Delivery Model, should these regulations be extended.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 25:

The committee recommends that Australia Post improve its consultation arrangements with regional, rural and remote communities across Australia in the development of future policies and implementation plans.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Australian Government response to Liberal and Nationals Senators' dissenting report

The Liberal and Nationals Senators' dissenting report in relation to *Australia Post* is set out in detail below.

Recommendation 1:

Australia Post and other Government Business Enterprises are responsible for familiarising themselves with parliamentary processes, and their responsibilities to the Parliament and its committees. Liberal and Nationals Senators support the recommendation and note that the Department of the Prime Minister and Cabinet has published the Government Guidelines for Official Witnesses Before Parliamentary Committees and Related Matters.¹

The guidelines are designed to assist departmental and agency officials, statutory office holders and the staff of statutory authorities in their dealings with the Parliament. This includes advice on providing written material to a parliamentary committee inquiry, preparing to give evidence as a witness and the procedures associated with public interest immunity claims.

The Department of Finance provides additional advice to Australia Post and other Government Business Enterprises (GBEs), which operate at arms-length from Government, through the Commonwealth Government Business Enterprises – Governance and Oversight Guidelines and other guidance material focussed on advising directors of a GBE of their accountability and governance requirements.²

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 2:

The Government has already initiated a Performance Bonus Review into Commonwealth entities. On 12 November 2020, the Prime Minister wrote to the Assistant Minister to the Prime Minister and Cabinet agreeing to a review of existing performance bonus arrangements for Senior Executive Service-level Australian Public Service employees, as well as officials of corporate Commonwealth entities and Commonwealth companies. The interim report was published on 25 March 2021. The Hon. Ben Morton MP, Assistant Minister to the Minister for the Public Service, has agreed to the two recommendations of the interim report.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 3:

The Government has already instructed the Australia Post Board to review and update Australia Post's internal governance arrangements and financial controls to ensure that they comply with its legislative obligations and reflect public expectations. The Finance Minister also wrote in similar terms to the accountable authorities for other Government entities.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

¹ www.pmc.gov.au/resource-centre/government/government-guidelines-officialwitnesses-parliamentary-committees-and-related-matters-february-2015.

² Further information is available at www.finance.gov.au/government-business-enterprises.

Recommendation 4:

The Auditor-General's jurisdiction does not extend to reviews of Ministerial conduct. Neither the *Auditor-General Act 1997* nor the *Australian Postal Corporation Act 1989* would empower the Auditor-General to undertake such an investigation.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 5:

The claim that Ms Holgate was denied procedural fairness and natural justice is contested. Evidence to the inquiry was characterised by differing recollections of events and interpretations placed on evidence such as phone records. While disputed by Ms Holgate, the Australia Post Chair made the case based on key email evidence (which regrettably was not initially made available to the committee) that Ms Holgate agreed to temporarily stand aside from her role as chief executive officer, albeit reluctantly, on 22 October 2020. Ms Holgate tendered her letter of resignation from Australia Post on 2 November 2020. On 10 May 2021, it was announced that Ms Holgate would take up the role of Chief Executive Officer with the company Global Express. Ms Holgate and Australia Post have confirmed that the matters surrounding Ms Holgate's departure from Australia Post are now subject to mediation between Ms Holgate and Australia Post.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 6:

The evidence of the Chair of Australia Post, Mr Lucio Di Bartolomeo, confirmed that the Minister for Communications had asked him to stand Ms Christine Holgate aside. However, despite agreeing, Mr Di Bartolomeo gave evidence this had not been taken as a 'formal direction'.³

If a formal direction had been given by the Minister, it would have been given to the Board of Australia Post by the Minister for Communications under section 49 of the *Australian Postal Corporation Act 1989*. It does not appear that any formal direction under section 49 of the Act was given by the Minister to Australia Post on 22 October 2020.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 7:

The suggestion that the Australia Post Board is not independent was not supported by evidence or precedence.

Independent directors are not members of management and are free of any business or other relationship that could materially interfere with – or could reasonably be perceived to interfere with – the independent exercise of their judgement. Board members are required to complete a Private Interests Declaration to identify any private, business, and financial interests that might conflict with their duties.

While the Board did have Directors who had been associated with the Liberal Party in former careers, previous political involvement does not preclude a post political career for competent individuals from any political party. Previous members of Parliament are employed by the private sector in areas as diverse as the minerals sector to communications, often in governance roles such as Boards. Precedence highlights that the composition of the Australia Post Board has also included Directors appointed by, or affiliated with former Labor Governments:

- Mr John Stanhope AO, former Chair, appointed by the Hon Stephen Conroy from November 2012;

³ Mr Lucio Di Bartolomeo, Chair, Australia Post, *Committee Hansard*, 13 April 2021, p. 41.

- Ms Trish White appointed in July 2010. From 1994, spent 16 years as a Labor MP in South Australia and was a Senior Cabinet Minister in the Rann Government; and
- Mr Bill Mansfield served from October 2008 and was Assistant Secretary of the Australian Council of Trade Unions.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 8:

Directors of the Australia Post Board are appointed by the Governor-General on the nomination of the Shareholder Ministers. This approach has been consistently taken by Australian Governments since 1989.

The recommended approach would also be inconsistent with the arrangements that exist for other Government Business Enterprises (GBE). GBE Boards require members selected on skill in corporate governance, public administration and/or the relevant commercial industry fields in which each GBE operates. It would be contrary to that requirement if members were appointed solely on representative grounds.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 9:

An independent review of the performance of the Board is conducted every two years, while an internal review is conducted in the intervening years. Each Committee of the Board undertakes an annual self-assessment of their performance against the requirements of its Charter and provides that information to the Board.

Post-separation arrangements are common for senior executives from both Government and the private sector. There are many benchmarks that Australia Post could use to evaluate its own policies rather than diverting the resources of the ANAO. Potential audits are matters for the ANAO to consider.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 10:

In addition to measures outlined in comments on Recommendation 9, the Australia Post Board already annually reviews its performance, including its performance against the requirements of its Charters, and of individual Directors. While the Board could include relevant details in the annual report, such self-disclosure does not provide as much independent scrutiny as Senate Estimates already provides.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 11:

Directors of the Australia Post Board are appointed by the Governor-General on the nomination of the Shareholder Ministers. Comments on Recommendation 8 are also relevant.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 12:

See comments to Recommendations 7 and 8.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 13:

The purchase of the watches by Ms Holgate occurred in November 2018, when Mr Stanhope was the Chair of Australia Post.

Mr Di Bartolomeo was appointed Chair of Australia Post in November 2019.

Evidence to the Committee highlighted that the current Chair sought to work in a constructive manner with Ms Holgate during what was a fast-moving sequence of events being played out in the spotlight of the media.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 14:

The Australian Government Cost-Recovery policy requires not just bare cost-recovery as default charging practice by GBEs, but commercial pricing (i.e. including contribution to profit).

The Bank@Post deal significantly improved the profitability of Licensed Post Offices (LPOs), particularly in non-metropolitan areas. The importance of the Bank@Post deal was acknowledged by the Hon Michael Ronaldson, Non-Executive Director of Australia Post, in his evidence to the committee, stating that Australia Post wants to expand and extend, and not reduce financial services offered through the Bank@Post deal.⁴

While Liberal and Nationals Senators agree with the sentiment of the recommendation—given that the big four banks have left many rural and regional communities without branch services—Liberal and Nationals Senators do not support the recommendation for a direct intervention into the commercial arrangements between Authorised Deposit-Taking Institution (ADIs) and Australia Post via regulation.

Liberal and Nationals Senators note that the Community Service Obligations (CSOs) set out in section 27 of the *Australian Postal Corporation Act 1989* require that in respect to core business such as letter delivery:

- the service be available at a single uniform rate within Australia for standard letters;
- the service be reasonably accessible to all Australians wherever they reside; and
- the performance standards for the service reasonably meet the social, industrial, and commercial needs of the community.

Parcels and financial services are now core Australia Post services, particularly for rural and regional communities. Consideration should be given to whether the scope of the CSO should be expanded and the optimal model for cost recovery that provides equity for communities and sustainability for LPOs, Australia Post and ADIs. Comments to Recommendation 19 are also relevant.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 16:

The Boston Consulting Group (BCG) Report is subject to a Public Interest Immunity claim. This process exists in recognition that the Executive has the right to maintain the confidentiality of some information and advice it has received. The financially sensitive information in the BCG report is a good example in a competitive market. However, in light of the lack of clarity and perceived risk caused by not releasing the report, in future it may be helpful for the Government to consider a publicly releasable version of such a report or an expedited Government response to address concerns created for licensees, staff and the community.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

⁴ The Hon Michael Ronaldson, Non-Executive Director, Australia Post, *Committee Hansard*, 3 May 2021 p. 45.

Recommendation 17:

Liberal and Nationals Senators reject privatisation in whole or in part of Australia Post. The Minister for Communications has already publicly stated that the Government has no intention of partially or fully privatising Australia Post. The Treasurer has also publicly ruled out privatisation.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 18:

The Commonwealth Procurement Rules exempt GBEs so that they can act competitively, including by allowing them to direct source for large contracts without the cost and delay of formal tender processes, where that is the most efficient way to secure best terms and generate returns.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 19:

Parcel services

As a GBE, Australia Post is required under the *Australian Postal Corporation Act 1989* to balance its commercial obligations with its community service obligations. Given the significance and growth of the parcel service (financially and socially) to Australia Post and its customers, it may also be worth exploring avenues to ensure parcels are a core business of Australia Post. As per comments on Recommendation 17, the Liberal and Nationals Government is not supportive of Australia Post being privatised. This is a longstanding position of the Nationals which is supported by the Liberal and Nationals Government.

1.36 Liberal and Nationals Senators recommend Australia Post should investigate and implement business models that maintain or increase the number of LPOs in regional, rural and remote areas, and that further enhance the delivery of Australia Post services in these communities through the consideration of changes to the Community Service Obligations.

1.37 Doing so will secure the financial viability and ongoing sustainability for the LPOs, their licensees and employees, with subsequent benefits flowing to the communities that are reliant on access to the services offered by Australia Post.

1.38 Given the significance and growth⁵ of the parcel service, legislative amendments should be made to incorporate the parcel service as a core-business of Australia Post, and performance regulations and standards should be implemented to support this.

Mr Di Bartolomeo gave evidence that 'Parcels is our core business today. Certainly, 'our regulatory environment puts letters front and centre'⁶. The incorporation of parcels as core business was supported by Australia Post Non-Executive Director, Mr Tony Nutt AO⁷, and Mr Miguel Carrasco⁸, Managing Director of BCG, in evidence to the committee.

Incorporating the parcels service as core business of the organisation would be a concrete demonstration of the commitment of the Government and Australia Post to not privatise or divest elements of the business. In line with comments on Recommendation 14, the Government could consider how to modernise Australia Post's CSOs and performance standards in line with the changing service demands.

Liberal and Nationals Senators recommend that the Government should consider amending the *Australian Postal Corporation Act 1989*, associated regulations, and Australia Post's Community Service Obligations and

⁵ Mr Di Bartolomeo, *Committee Hansard*, 3 May 2021, p. 33.

⁶ Mr Di Bartolomeo, *Committee Hansard*, 3 May 2021, p. 32.

⁷ Mr Tony Nutt AO, Non-Executive Director, Australia Post, *Committee Hansard*, 3 May 2021, p. 21.

⁸ Mr Carrasco, *Committee Hansard*, 3 May 2021, p. 12.

performance standards to include parcels as a core business of the organisation while maintaining affordable and equitable service delivery for all Australians, particularly those in regional, rural and remote areas.

Perishable foods

During the inquiry, Nationals senators raised the issue of the decision by Australia Post to cease delivery of perishable foods by 30 June 2021. Businesses in regional, rural, and remote Australia will be severely impacted if Australia Post stops delivering perishable foods. The lack of consultation by Australia Post with affected stakeholders and LPOs was extremely disappointing and highlighted further evidence of poor consultation practices raised by witnesses during the inquiry.⁹

Australia Post renounced the decision to cease delivery of perishable foods by 30 June 2021 and formed a consultative group led by the Small Business Ombudsman.

In evidence, Mr Rodney Boys, Acting Group Chief Executive Officer and Managing Director (CEO) of Australia Post, stated that the decision to cease perishable food deliveries occurred when '...we realised that it was a complex regulatory environment that we had to work through – in both origin and sending'.¹⁰

With the importance of perishable food delivery not just to small primary producer and food businesses, but to their customers who purchase these products, prompt action should be taken by Australia Post in conjunction with the Australian and state and territory governments to revise regulations pertaining to perishable food delivery.

Liberal and Nationals Senators recommend that the Australian Government in collaboration with state and territory governments, and Australia Post should seek to address regulatory issues affecting the ability for perishable foods to be delivered so that the service can be continued indefinitely.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 20:

See comments on Recommendation 16.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendations 21 and 22:

Regulatory relief was sought by Ms Holgate (as CEO of Australia Post) from the Government on 31 March 2020.

On 21 April 2020, the Government announced temporary regulatory relief to assist Australia Post to continue providing important postal services for all Australians during the COVID-19 pandemic. The changes took effect on 16 May 2020 and will end on 30 June 2021.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

⁹ Ms Muscat and Mr Rayner, *Committee Hansard*, 27 April 2021, p. 10; Ms Rayner, *Committee Hansard*, 27 April 2021, p. 21; Mr O'Nea, *Committee Hansard*, 27 April 2021, p. 28; and Mr Boys, *Committee Hansard*, 27 April 2021, p. 47.

¹⁰ Mr Boys, *Committee Hansard*, 27 April 2021, p. 47.

Recommendation 24:

The classification of metropolitan, rural, and remote classifications is embedded in Australia Post's performance standard regulations. The classification document is the publication titled *Rural, Remote and Metropolitan Areas Classification 1991 Census Edition*, prepared by the Department of Primary Industries and Energy and the Department of Human Services and Health in November 1994 (based on 1991 Census data).

As metropolitan, rural and remote classifications do not necessarily align with the geographic realities of the boundaries that denote regional, rural and remote communities of interest, the appropriateness of the classification embedded in Australia Post's performance standard regulations should be reviewed to ascertain whether the underlying application of the 1991 Census data remains fit for purpose.

If such a review is not completed, Liberal and Nationals Senators recommend that the Government consider amending the performance standard regulations to exclude regional capitals that have a population of more than 100 000 from the definition of 'metropolitan'.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Australian Government response to Senator Pauline Hanson's additional comments

Senator Pauline Hanson's additional comments in relation to *Australia Post* are set out in detail below.

Recommendation 1:

That the Australia Post Chair, Mr Lucio Di Bartolomeo, be removed from the Board.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 2:

That the Prime Minister and the Shareholder Ministers, Ministers Fletcher and Birmingham, should each offer an unqualified apology to Ms Christine Holgate.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 3:

That Mr Bruce McIver AM, currently the longest serving Board member at Australia Post, be forthwith appointed as interim Chair and that his appointment to the Board, which is currently due to expire this year, be extended accordingly.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.