



67 St Pauls Terrace
Spring Hill QLD 4000
PO Box 48
Spring Hill QLD 4004

ABN | 44 009 664 073
P | 1800 RETAIL (738 245)
F | (07) 3240 0130
www.nra.net.au

2 July 2020

Committee Secretary
Senate Standing Committees on Environment and Communications
PO Box 6100
Parliament House
Canberra ACT 2600

By email: ec.sen@aph.gov.au

Dear Committee Secretary,

INQUIRY INTO THE FUTURE OF AUSTRALIA POST'S SERVICE DELIVERY

Thank you for the opportunity to provide a submission in relation to the *Australian Postal Corporation (Performance Standards) Amendment Regulations 2020* (Regulations).

The National Retail Association (NRA) is Australia's largest and most representative retail industry organisation, representing more than 28,000 stores and outlets nationwide. This membership base includes the majority of national retail chains, as well as independent retailers, franchisees and other service sector employees. Members are drawn from all of the sub-categories of retail and also include personal services such as hairdressers and barbers.

The NRA supports the making of the Regulations as Australia Post's parcel delivery service has been connecting our members' businesses with Australians throughout COVID-19. Australia Post are providing a critical service that is helping small businesses across the country to stay on their feet as with every parcel delivery, jobs are being saved and even created. The Regulations will ensure that Australia Post is able to deliver this service for Australian businesses as it continues to adapt to unprecedented circumstances.

The COVID-19 pandemic has significantly impacted the way retail businesses operate and parcel deliveries are providing a lifeline for our sector. Small business has been on the front line when it comes to feeling the full force of any economic downturn so it has been vital for our small business members to innovate and rethink their current practices during this time. Those who have been able to survive the recent turmoil have relied heavily on their online presence to sustain business and supplement some of the revenue that would have otherwise been lost by dwindling instore foot traffic and voluntary store closures. For these businesses, every parcel delivery has supported employment.

Australia Post has been a major contributor to the success of businesses who chose to adjust their operations and respond to the change in consumer behaviour as a result of lockdowns and more people working from home. Foot traffic in shopping malls and strips plummeted as a result of the COVID-19 crisis. In the first week of April, there was a 93.6 per cent reduction in foot traffic when compared to the same period last year. In the eight weeks to 15



May 2020, there was an 80 per cent increase in online shopping. In late April, Boston Consulting Group (BCG) surveyed Australian consumers and found that the percentage of people who shopped online had increased to 76 per cent, compared to just 39 per cent four years ago.

For retailers who have invested in new infrastructure to support the changing purchasing habits of Australians and where the future of traditional bricks and mortar retailing has been compromised, now more than ever a reliable, efficient and economical postal and parcel delivery is crucial to supporting our industry.

In addition, whilst many services in regional areas have slowly crept back to the cities and major centres, almost everyone in Australia has access to a post office. This makes Australia Post the most present service provider in regional, rural and remote Australia. Parcels provide crucial support to regional, rural and remote areas of Australia. For our regional members, this means they are able to partner with one of the 2,500 post offices across regional Australia to meet the needs of their customers.

Notably, there isn't a more important partner to support the retail sector's recovery over the next 12 months.

The Australian retail sector is adapting to support new customers and business demand in the face of COVID-19 and we need Australia Post to be able to do the same. The Regulations enable Australia Post, and its posties, to meet the current unprecedented customer demand for parcels and to continue to support our members' businesses and their employees, as we navigate the ongoing challenges of COVID-19 in the months ahead. The National Retail Association fully supports the making of these Regulations. Any alternative might lead to dire consequences for the retail sector in Australia.

Thank you again for the opportunity to provide this submission. If you wish to discuss this further, please do not hesitate to contact me on _____ or by email

Yours sincerely,

Dominique Lamb
Chief Executive Officer