

DEPARTMENT OF COMMUNICATIONS AND THE ARTS

Question No. 1740

Senator Kimberly Kitching asked the Minister representing the Minister for Communications, Cyber Safety and the Arts, on 29 July 2020

With reference to Australia Post:

1. On the date the Chief Executive Officer (CEO) was appointed, how many employees were employed in the Office of the CEO.
2. As at 1 January 2018, how many employees were employed in the Office of the CEO.
3. As at 1 July 2018, how many employees were employed in the Office of the CEO.
4. As at 1 January 2019, how many employees were employed in the Office of the CEO.
5. As at 1 July 2019, how many employees were employed in the Office of the CEO.
6. As at 1 January 2020, how many employees were employed in the Office of the CEO.
7. As at 1 July 2020, how many employees were employed in the Office of the CEO.
8. Does Australia Post management consider asbestos to be harmful to its employees; if so, what occupational health and safety procedures are in place to manage any risk.
9. What internal documents and business rules govern the provision of bonuses to executives.
10. If any bonuses or gifts, monetary or otherwise, were awarded to any executive, employee, officer, contractor or any other person in the financial year ended 30 June 2018, can details be provided of the recipient, the reason for receipt and who approved the bonus.
11. If any bonuses or gifts, monetary or otherwise, were awarded to any executive, employee, officer, contractor or any other person in the financial year ended 30 June 2019, can details be provided of the recipient, the reason for receipt and who approved the bonus.
12. If any bonuses or gifts, monetary or otherwise, were awarded to any executive, employee, officer, contractor or any other person in the financial year ended 30 June 2020, can details be provided of the recipient, the reason for receipt and who approved the bonus.
13. If any bonuses or gifts, monetary or otherwise, were awarded to any executive, employee, officer, contractor or any other person in the period 1 July 2020 to 29 July 2020, can details be provided of the recipient, the reason for receipt and who approved the bonus.
14. Can the commencement remuneration package of the CEO be provided; can a breakdown be provided of all monetary components and dollar figures and all other non-monetary components and, if the CEO's remuneration included bonus arrangements, including details and the criteria required to be met to receive such bonuses; and specifying if the CEO was in possession of a private plated vehicle as a part of her remuneration or alternatively whether a vehicle allowance is paid.
15. Can the remuneration package of the CEO as at 30 June 2018 be provided; can a breakdown be provided of all monetary components and dollar figures and all other non-monetary components and, if the CEO's remuneration included bonus arrangements, including details and the criteria required to be met to receive such bonuses; specifying if the CEO was in possession of a private plated vehicle as a part of her remuneration or alternatively whether a vehicle allowance is paid.
16. Can the remuneration package of the CEO as at 30 June 2019 be provided; can a breakdown be provided of all monetary components and dollar figures and all other non-monetary components and, if the CEO's remuneration included bonus arrangements, including details and the criteria required to be met to receive such bonuses; specifying if the CEO is in possession of a private plated vehicle as a part of her remuneration or alternatively whether a vehicle allowance is paid.
17. Can the remuneration package of the CEO as at 30 June 2020 be provided; can a breakdown be provided of all monetary components and dollar figures and all other non-monetary

- components and, if the CEO's remuneration included bonus arrangements, including details and the criteria required to be met to receive such bonuses; specifying if the CEO was/is in possession of a private plated vehicle as a part of her remuneration or alternatively whether a vehicle allowance is paid.
18. Is the CEO allocated a car park at the head office premises in Melbourne.
 19. Is the CEO allocated a car park at any other premises in Australia.
 20. Since the CEO's commencement as chief executive officer, if the CEO has used Comcar or other chauffeured driven car services (other than taxis and ride share vehicles), can a full breakdown be provided of the reason the services were required together with the cost of each trip.
 21. Can a copy of all Australia Post issued credit card statements be provided since the CEO was issued the credit cards.
 22. Can a copy of all Australia Post issued travel charge card statements be provided since the CEO was issued the travel cards.
 23. How many times did the executive leadership team meet in the period between 1 November 2017 and 31 December 2017; can the date and location of each meeting be provided.
 24. How many times did the executive leadership team meet in the 2018 calendar year; can the date and location of each meeting be provided.
 25. How many times did the executive leadership team meet in the 2019 calendar year; can the date and location of each meeting be provided.
 26. How many times did the executive leadership team meet in the period between 1 January 2020 and 29 July 2020; can the date and location of each meeting be provided.
 27. In the period 1 January 2020 to 29 July 2020, for all 'entertainment', 'gifts' and 'functions' expenses, what was the quantum spent by the CEO; can a detailed and itemised breakdown be provided of all expenses.
 28. In the period 1 January 2020 to 29 July 2020, for all 'entertainment', 'gifts' and 'functions' expenses, what was the quantum authorised by the CEO; can a detailed and itemised breakdown be provided of all expenses.
 29. From 1 November 2017 to date, if Mr Ross Thornton and/or Domestique Consulting has been employed or engaged by Australia Post, can full particulars be provided of any and all engagements, including the periods of engagement, a detailed description of the services that have been/are being provided, the sum paid to either or both of the above named, the sum to be paid to either or both of the abovenamed, details of the tender process for any and all engagements and who authorised each engagement.
 30. Who recommended Mr Thornton be engaged by Australia Post in 2020; can details be provided as to the name, position and the date on which the recommendation was provided.
 31. Who, on behalf of Australia Post, first engaged with Mr Thornton regarding the provision of his services to Australia Post in 2020.
 32. Was the Minister's Office notified verbally, in writing, or via any form of text message, that Mr Thornton had been engaged.
 33. How many trips to the United States have Australia Post executives undertaken since 1 July 2017; can a summary be provided of the total costs associated with these trips.
 34. How many trips to Switzerland have Australia Post executives undertaken since 1 July 2017; can a summary be provided of the total costs associated with these trips.
 35. How many trips to Italy have Australia Post executives undertaken since 1 July 2017; can a summary be provided of the total costs associated with these trips.
 36. Can details be provided as to the dates on which the Australia Post CEO has met with Minister Cormann in person, or spoken to via telephone, since 1 July 2019.
 37. Has the Australia Post CEO ever provided Senator Pauline Hanson with a personally guided tour of Australia Post facilities; if so, can details be provided as to the date and executives in attendance.
 38. Since 1 July 2017, how many times did Senator Mitch Fifield meet with the Australia Post CEO at the Australia Post Corporate Headquarters in Melbourne.
 39. Does Australia Post currently engage any external consultants on a retainer agreement; if so, can details of the agreement be provided, including type of service, sum of the retainer per month and who authorised the agreement.

Senator the Hon Linda Reynolds CSC – the answer to the Senator’s question is as follows:

1. The Group Chief Executive Officer and Managing Director commenced on 30 October 2017.

On that date, two employees were employed in roles that either wholly or in part involved directly supporting the Group Chief Executive Officer and Managing Director, on day-to-day administration, planning, communications, and reporting.

There was a team named ‘Office of the Managing Director’ also in existence, comprising 51 employees. Despite the name of the team, apart from the two roles referred to above, it did not directly support the Group Chief Executive Officer and Managing Director on day-to-day administration, planning, communications, and reporting. It contained the following functions: Letters Product, Government Affairs, International Regulatory Affairs, Corporate Secretariat and Governance.

2. As at 1 January 2018, two employees were employed in roles that either wholly or in part involved directly supporting the Group Chief Executive Officer and Managing Director, on day-to-day administration, planning, communications, and reporting.

3. As at 1 July 2018, four employees were employed in roles that either wholly or in part involved directly supporting the Group Chief Executive Officer and Managing Director, on day-to-day administration, planning, communications, and reporting. At this time two of the four were involved in a handover of administrative roles, from one to another.

4. As at 1 January 2019, two employees were employed in roles that either wholly or in part involved directly supporting the Group Chief Executive Officer and Managing Director, on day-to-day administration, planning, communications, and reporting.

5. As at 1 July 2019, two employees were employed in roles that either wholly or in part involved directly supporting the Group Chief Executive Officer and Managing Director, on day-to-day administration, planning, communications, and reporting.

6. As at 1 January 2020, two employees were employed in roles that either wholly or in part involved directly supporting the Group Chief Executive Officer and Managing Director, on day-to-day administration, planning, communications, and reporting.

One of the two roles also commenced providing administrative support to the Australia Post Chair, Mr Lucio di Bartolomeo after his appointment in November 2019.

7. As at 1 July 2020, two employees were employed in roles that either wholly or in part involved directly supporting the Group Chief Executive Officer and Managing Director, on day-to-day administration, planning, communications, and reporting.

As referred to in the preceding response, one of the two roles also provided administrative support to the Australia Post Chair.

8. Australia Post management places the utmost importance on its responsibility for providing a safe work environment for its people. Australia Post is very conscious of the serious safety risks associated with asbestos in the workplace. A comprehensive Work Health and Safety Management System is in place at Australia Post to assist in the management of such risks, including:

- a National Asbestos Register, which lists all occurrences of asbestos containing materials in facilities, and is referred to before any building works occur to determine if asbestos removal by a licenced removalist is required;
- an Asbestos Management Plan, which includes planned activities for any necessary removals, periodic condition reviews, and testing plans;
- local asbestos registers at facilities, and an Asbestos Incident Response Site Manager Action Guide, so that personnel and where necessary, tradespersons, can quickly identify the presence of known asbestos containing materials should building damage occur, or before the commencement of minor works;
- the placement of signage on readily accessible known asbestos containing materials wherever practicable; and
- a Hazardous and High-Risk Work Procedure, to be applied where any high-risk work may be undertaken (eg work that may disturb possible or known asbestos containing materials), which sets out authorisation and permit arrangements for the work, and requires a check for any asbestos containing materials.

9. Australia Post's approach to executive remuneration is set out in its Remuneration Reports, which are produced annually and tabled in Parliament with Australia Post's Annual Report.

Key governance artefacts relating to incentive payments to executives are Australia Post's group remuneration policy, corporate incentive plan rules, and executive performance scorecards.

10. For the financial year ended 30 June 2018, Australia Post had the following programs in place that provided incentives, rewards and recognition to its workforce:

Australia Post Corporate Incentive Plan:

The Australia Post Corporate Incentive Plan is designed to provide an annual Short Term Incentive (STI) opportunity for eligible employees based on individual employee performance and contribution to team and enterprise performance outcomes. The STI focuses participants on the key strategic priorities of the Enterprise via cascaded Enterprise and Business unit KPIs, coupled with individual tailored KPIs.

Discretionary Incentives:

Where there are exceptional circumstances, the Group Chief Executive Officer and Managing Director and the Executive General Manager (EGM) People and Culture can approve, at the request of an EGM, a discretionary payment opportunity to an Australia Post employee. The opportunity, when granted, is in response to a retention requirement or specific program of work. Any discretionary incentive paid to an EGM or (from the 2018/19 financial year) 'other highly paid' employee is included in the remuneration details disclosed in Australia Post's Remuneration Report.

Long Term Incentive Plan (payments made in FY18 and FY19):

2015-2017 Australia Post Long Term Incentive Plan (LTIP). This plan was offered to a small group of senior executives to reflect the important contribution made by them over a three year period as key members of the senior leadership group in the successful implementation of Australia Post's Part of Tomorrow strategy. No current executive participated in, or received a payment under, the LTIP.

One Team Reward:

The One Team Reward recognises and rewards the valuable contribution of award employees across the Australia Post Group for working collaboratively - as One Team. Although not a part of

the Australia Post EBA 2017, the One Team Reward was activated once the EBA was set in place and ran for three years. It was also conditional on Australia Post meeting its on-time delivery performance standard of 94 per cent for letters and the Australia Post Group achieving a financial year profit. Payment was based on 1 per cent of the individual employee's gross financial year earnings or minimum payment of \$250.

Retail Rewards Bonus:

The Retail Rewards program is designed to motivate the Post Office teams to meet the key objectives of the Consumer and Community team. Payment is based on a points and reward system.

Sales Incentive Scheme:

Tailored Sales Incentive Scheme (SIS) drives sales and revenue retention and growth through incentivising eligible participants to sell through to small, medium and large customers.

Service Awards:

The service awards scheme is a way for Australia Post to publicly thank employees for their years of service and provide a reward for their commitment.

Applaud Program (decommissioned 30 June 2019):

Online recognition program where employees and managers could recognise peers or Direct reports. In addition, the program provide points that were redeemable for goods.

To provide granular reporting of individual payments made through these programs would involve an unreasonable diversion of resources.

11. For the financial year ended 30 June 2019, Australia Post had the programs in place listed in the response to question 1740(10).

For this period, the aggregated remuneration details (including incentive payments) of any employee earning over \$220,000 are provided in Australia Post's 2019 Remuneration Report (published in Australia Post's 2019 Annual Report and available at auspost.com.au/about-us/news-media/publications).

To provide granular reporting of individual payments made through these programs would involve an unreasonable diversion of resources.

12. For the financial year ended 30 June 2020, Australia Post had the programs in place listed in the response to question 1740(10), with the following changes:

Long Term Incentive Plan (payments made in FY18 and FY19):

No payments were made, in this period, relating to the 2015-17 Australia Post Long Term Incentive Plan. Final payments relating to the Plan were made in FY19. No current executive participated in, or received a payment under, the LTIP.

Thank You Award (payments made in respect of FY20):

The Thank You Award rewarded Australia Post Group team members for their extraordinary efforts during the COVID-19 pandemic. It involved a one-off payment for the 2019-20 financial year. For award and casual employees (and contract employees not participating in an incentive program), payment was based on 1 per cent of the individual employee's gross financial year earnings or minimum payment of \$100. Payments were also made to Post Office Licensees and Community Postal Agents, Australia Post and StarTrack Courier delivery contractors and personnel, and StarTrack Express and StarTrack Premium contractors.

Thank You Program (replaced Applaud Program)

Recognition program where managers or peers provide a "Thank you" note to employees/peers for a job well done or as a sign of appreciation. In some cases, a \$50.00 gift card may also be provided.

For this period, the aggregated remuneration details (including incentive payments) of any employee earning over \$225,000 are provided in Australia Post's 2020 Remuneration Report (published in Australia Post's 2020 Annual Report and available at auspost.com.au/about-us/news-media/publications).

To provide granular reporting of individual payments made through these programs would involve an unreasonable diversion of resources.

13. For the period commencing 1 July 2020 to 29 July 2020, Australia Post had the programs in place listed in the response to question 1740(10), with the changes noted in response to question 1740(12).

In this period, Australia Post only made payments relating to two of the programs: o Thank-you program, which is a short term recognition of nominal amounts, and Service Awards. In this period, Australia Post made no Australia Post Corporate Incentive Plan payments, Discretionary incentives, Thank-you payments (not the Thank-you program referenced above), or Sales Incentives. Both the Thank-you program and Service Awards payments may be allocated to multiple account codes. Therefore, to provide granular reporting of individual payments made through these programs would involve an unreasonable diversion of resources.

14. The Group Chief Executive Officer and Managing Director commenced on 30 October 2017. Australia Post's 2018 Remuneration Report (published and available at auspost.com.au/about-us/news-media/publications#remuneration) discloses the Group Chief Executive Officer and Managing Director's remuneration throughout financial year 2017/18, including a breakdown of all components and details of incentive arrangements. Neither a private plated vehicle nor a vehicle allowance formed part of the remuneration in this period.

The remuneration arrangements for the Group Chief Executive Officer and Managing Director are determined by the Remuneration Tribunal, an independent statutory authority established under the *Remuneration Tribunal Act 1973*. The Tribunal sets the reference rate, and permissible range for fixed remuneration for the role, as well as eligibility for performance pay.

On appointment, the Group Chief Executive Officer and Managing Director's fixed remuneration for the financial year 2017/18 was set by the Australia Post Board at \$1,375,000 (within the permissible range set by the Remuneration Tribunal). Consistent with the Remuneration Tribunal's Guidelines on Geographic Relocation of Full Time Office Holders, the Remuneration Tribunal approved an allowance of \$34,500 to be provided to the Group Chief Executive Officer and Managing Director to cover accommodation costs for up to six months (later extended to nine months). The Remuneration Tribunal also confirmed performance pay incentive arrangements for the the Group Chief Executive Officer and Managing Director with a target STI potential of 70 per cent of fixed annual remuneration and a STI maximum potential of 100 per cent of fixed remuneration.

Neither a private plated vehicle nor a vehicle allowance formed part of the remuneration in this period.

15. Australia Post's 2018 Remuneration Report (published and available at auspost.com.au/about-us/news-media/publications#remuneration) discloses the Group Chief Executive Officer and Managing Director's remuneration throughout financial year 2017/18, including a breakdown of all components and details of incentive arrangements. Neither a private plated vehicle nor or a vehicle allowance formed part of the remuneration in this period.

The remuneration arrangements for the Group Chief Executive Officer and Managing Director are determined by the Remuneration Tribunal, an independent statutory authority established under the *Remuneration Tribunal Act 1973*. The Tribunal sets the reference rate, and permissible range for fixed remuneration for the role, as well as eligibility for performance pay.

16. Australia Post's 2019 Remuneration Report (published in Australia Post's 2019 Annual Report and available at auspost.com.au/about-us/news-media/publications) discloses the Group Chief Executive Officer and Managing Director's remuneration throughout financial year 2018/19, including a breakdown of all components and details of incentive arrangements. Neither a private plated vehicle nor a vehicle allowance formed part of the remuneration in this period.

The remuneration arrangements for the Group Chief Executive Officer and Managing Director are determined by the Remuneration Tribunal, an independent statutory authority established under the *Remuneration Tribunal Act 1973*. The Tribunal sets the reference rate, and permissible range for fixed remuneration for the role, as well as eligibility for performance pay.

17. Australia Post's 2020 Remuneration Report (to be published and available at auspost.com.au/about-us/news-media/publications) will disclose the Group Chief Executive Officer and Managing Director's remuneration throughout financial year 2019/20, including a breakdown of all components and details of incentive arrangements.

The remuneration arrangements for the Group Chief Executive Officer and Managing Director are determined by the Remuneration Tribunal, an independent statutory authority established under the *Remuneration Tribunal Act 1973*. The Tribunal sets the reference rate, and permissible range for fixed remuneration for the role, as well as eligibility for performance pay.

As Australia Post's 2020 Remuneration Report has not yet been published, the following details are provided: The Group Chief Executive Officer and Managing Director's fixed remuneration for the financial year 2019/20 was set at \$1,507,560 (within the permissible range set by the Remuneration Tribunal). Remuneration set at this level benchmarks appropriately with CEOs of other Government Business Enterprises.

The Group Chief Executive Officer and Managing Director, the other members of the Executive Team, and the Australia Post Board, all voluntarily took a 20 per cent pay cut for a three month period, following the onset of COVID-19. No performance pay was awarded to the Group Chief Executive Officer and Managing Director and the other members of the Executive team for the financial year 2019/20.

Neither a private plated vehicle nor a vehicle allowance formed part of the remuneration in this period.

18. Yes. This car park is utilised by the Office of the CEO and external visitors.

19. Yes – at Australia Post's New South Wales headquarters in Strawberry Hills, Sydney. This car park is utilised by the Group Chief Executive Officer and Managing Director and external visitors.

20. The Group Chief Executive Officer & Managing Director uses private car services booked through two of the organisation's approved service providers for work-related transport including, between the office, the airport, accommodation, meeting locations and home.

The Group Chief Executive Officer & Managing Director works out of Australia Post's offices in Melbourne and Sydney and frequently travels to other Australia Post facilities – as well as the offices of customers, suppliers, business partners, representatives of Commonwealth, State and local government, and other important stakeholders. These services allow the Group Chief

Executive Officer & Managing Director to travel safely and securely – often at early or late hours – and provide a confidential environment in which to work on Australia Post matters while in transit.

The services were booked through the organisation's approved service providers, who also provide services to other Australia Post personnel. The amounts billed by the two service providers (for services provided to the Group Chief Executive Officer & Managing Director and to others) are included in the response for question 22.

An itemised breakdown of the cost and reason for each trip over this period (almost three years) would involve an unreasonable diversion of resources. Australia Post's Melbourne Headquarters have been closed for several months, due to the COVID-19 lockdown in metropolitan Melbourne. As a result, Melbourne office staff have been working remotely and access to some records has been restricted. This has impacted on the retrieval and review of records and preparation and review of draft responses.

21. There is one credit card in the name of the Group Chief Executive Officer & Managing Director.

An itemised breakdown of the charges over this period (almost three years) would involve an unreasonable diversion of resources. Australia Post's Melbourne Headquarters have been closed for several months, due to the COVID-19 lockdown in metropolitan Melbourne. As a result, Melbourne office staff have been working remotely and access to some records has been restricted. This has impacted on the retrieval and review of records and preparation and review of draft responses.

Australia Post has provided a total of the work-related expenditure paid with this credit card:

- \$44,129.66 for the period November 2017 to 30 June 2018. This amount includes some of the accommodation costs paid by Australia Post during the first nine months of the Group Chief Executive Officer & Managing Director's tenure in accordance with a Remuneration Tribunal determination. This allowance was disclosed as non-monetary benefits totalling \$32,868 in Australia Post's 2018 Remuneration Report - published and available at www.auspost.com.au/about-us/news-media/publications#remuneration.
- \$14,673.23 for the 2018/19 financial year.
- \$29,297.78 for the 2019/20 financial year.

The credit card was used by the Group Chief Executive Officer and Managing Director for work-related expenses incurred in accordance with applicable Australia Post policies. The categories of expenditure included:

- Accommodation
- Charitable donations
- Gifts
- Meals
- Professional memberships
- Taxis
- Technology
- Training & professional development
- Travel expenses

The Group Chief Executive Officer & Managing Director pays for all her own accommodation charges in Melbourne and Sydney and does not claim any other entitled travel allowances.

22. The Group Chief Executive Officer & Managing Director has not been issued with a travel charge card.

However, there is one credit card in the name of the ‘*Office of the CEO*’ used to pay for various organisational expenditure, including travel expenses, incurred in accordance with applicable Australia Post policies. It is a long standing practice for authorised administrative staff to use office credit cards to pay for goods and services provided by suppliers to Australia Post, where such expenditure has been approved by relevant Australia Post management.

Organisational expenditure paid with this credit card totalled \$287,063.44 for the 2019/20 financial year.

The credit card was used for a wide range of organisational expenditure, including in relation to the Group Chief Executive Officer & Managing Director, the Board Chair, the Executive Team, the Office of the CEO, and the Extended Leadership Team. The categories of expenditure included:

- Accommodation
- Australia Post conferences, functions & events
- Car hire
- Catering
- Charitable donations
- External conferences, functions & events
- External speakers
- Flights (domestic and international) & booking fees
- Flowers
- Gifts
- Industry & professional associations
- Meals
- Newspapers, magazines & books
- Office supplies
- Private car services (see also the response to question 20)
- Professional memberships
- Professional services
- Taxis
- Technology
- Training & professional development
- Travel expenses
- Venue hire

During the year the previous Chair left the organisation and *the Office of the CEO* took responsibility for these charges and any previous accounts for the ‘Office of the Chair’ were cancelled.

The Group Chief Executive Officer & Managing Director pays for all her own accommodation charges in Melbourne and Sydney and does not claim any other potential entitled travel allowances.

An itemised breakdown of the charges, and specifically for travel expenses, would involve an unreasonable diversion of resources. Australia Post’s Melbourne Headquarters have been closed for several months, due to the COVID-19 lockdown in metropolitan Melbourne. As a result, Melbourne office staff have been working remotely and access to some records has been restricted. This has impacted on the retrieval and review of records and preparation and review of draft responses

23. In the period between 1 November 2017 and 31 December 2017 the executive leadership team (known as the Executive Team within Australia Post) generally met on a weekly basis and more frequently in November. Meetings were held in either Melbourne or Sydney, or via video/teleconference between those locations.

Providing the date and location of each meeting would involve an unreasonable diversion of resources.

24. In the 2018 calendar year the executive leadership team (known as the Executive Team within Australia Post) generally met on a weekly basis. Meetings were held in either Melbourne or Sydney, or via video/teleconference between those locations, and one meeting was held in Canberra.

Providing the date and location of each meeting would involve an unreasonable diversion of resources.

25. In the 2019 calendar year the executive leadership team (known as the Executive Team within Australia Post) generally met on a weekly basis. Meetings were held in either Melbourne or Sydney, or via video/teleconference between those locations.

Providing the date and location of each meeting would involve an unreasonable diversion of resources.

26. In the period between 1 January 2020 and the onset of COVID-19 in early March the executive leadership team (known as the Executive Team within Australia Post) generally met on a weekly basis. Meetings were held in either Melbourne or Sydney, or via video/teleconference between those locations. At the onset of COVID-19 meetings were held more regularly and via remote participation only.

Providing the date and location of each meeting would involve an unreasonable diversion of resources.

27. In the period 1 January 2020 to 29 July 2020, the Group Chief Executive Officer and Managing Director spent \$43,837 on 'functions' expenses. The Group Chief Executive Officer and Managing Director made no spend on 'entertainment' or 'gifts' expenses in that period.

Function expenses of \$27,159 related to an extended leadership team day conducted in the Melbourne head office (and also attended by a number of customers and other stakeholders), a donation to a bushfire appeal and attendance at a supporting event, and an executive team dinner.

Additional function expenses (held in credit because the events did not proceed), totalled \$16,678. These related to a proposed offsite extended leadership team day and executive team dinner, that did not proceed as planned because of the COVID-19 pandemic.

28. In the period 1 January 2020 to 29 July 2020, the Group Chief Executive Officer and Managing Director authorised expenditure by Executive General Managers of \$25,234 on functions, 'entertainment', 'gifts' and 'expenses'.

Function expenses totalled \$24,284. These related to a Community & Consumer event, a table at a charity event dinner, a farewell dinner, farewell drinks, and an executive team dinner.

Gift expenses totalled \$207. These included sympathy flowers and a purchase from a bottle shop.

Entertainment expenses totalled \$743. These related to dinner with a key supplier and refreshments at an event.

29. Domestique, a firm at which Mr Thornton is a partner, is currently engaged by Australia Post to provide communication planning and advice services, and issues management advice services. Domestique is a corporate communication and reputation management firm regularly retained by a

large number and wide range of Australian corporations and organisations. It provides advice to Australia Post as required on issues as they emerge.

In 2019, there were discussions with Mr Thornton around a potential engagement, which did not proceed with Domestique. For the current engagement, Domestique was formally engaged on 23 June 2020 (but was involved in discussions from early June 2020), and remained engaged at 31 August 2020. Domestique was engaged directly, in accordance with procurement policies and procedures, authorised by Australia Post's Executive General Manager (EGM) Community and Consumer.

Australia Post has been invoiced for, and paid, for services provided to 31 July 2020 to the value of \$119,178.40 (including GST).

30. Australia Post's EGM Community and Consumer, Nicole Sheffield, recommended Domestique be engaged in June 2020.

31. Australia Post's EGM Community and Consumer, Nicole Sheffield, is the executive responsible for engaging Domestique on behalf of Australia Post.

32. The engagement of Mr Thornton was reported in the media on 10 June 2020. The Minister's Office was verbally advised of the engagement in June, after Australia Post had commenced discussions with Domestique.

33. The United States is a significant sender and receiver of parcels and mail and a signatory to the Universal Postal Union. The United States Postal Service is also a major postal partner to Australia Post. The United States is home to many of our most important partners including Amazon and Pitney Bowes, and Australia Post has an office in the United States for our cross-border eCommerce business.

In the period 1 July 2017 to 29 July 2020 there was one trip involving two Australia Post executives (the Group Chief Executive Officer and Managing Director and an Executive General Manager) and five trips involving one Australia Post executive (an Executive General Manager) travelling to the United States. The total expenditure associated with those trips is \$110,993.

The total expenditure includes, in respect of the one trip involving two executives, costs associated with travel to London on the same trip.

34. The Universal Postal Union (UPU) is a United Nations body which sets postal standards and regulates postal rates between all member countries. It is based in Switzerland, as are several inter-governmental coordinating bodies and other international institutions and organisations. Australia Post must attend meetings as Australia's designated operator and as a member of the UPU's Postal Operations Council.

In the period 1 July 2017 to 29 July 2020 there was one trip involving two Australia Post executives (i.e. Group Chief Executive Officer and Managing Director or Executive General Managers) travelling to Switzerland. The total expenditure associated with those instances was \$38,367.

35. In the period 1 July 2017 to 29 July 2020 there were 0 occasions of Australia Post executives (i.e. Group Chief Executive Officer and Managing Director or Executive General Managers) travelling to Italy.

36. The Group Chief Executive Officer and Managing Director met with Minister Cormann in his Canberra office on 30 July 2019.

The Group Chief Executive Officer and Managing Director has on several occasions communicated by phone with Minister Cormann and regularly communicates with his office.

37. Senator Hanson visited the Brisbane Parcel Facility in Redbank, Queensland, on 22 July 2020. Senator Hanson joined a tour with Australia Post representatives including the Group Chief Executive Officer and Managing Director, Executive General Manager (EGM) People and Culture, EGM Community and Consumer, and General Manager Divisional North – NSW/ACT and QLD. The tour provided an overview of the facility.

Australia Post regularly provides tours of its facilities to representatives across all levels of government, and similarly engages with representatives on a range of issues.

There have been visits to the Brisbane Parcel Facility by Federal Parliamentarians (the Hon Shayne Neumann MP and Mr Milton Dick MP) and State Parliamentarians (Ms Jennifer Howard MP and Mr Jim Madden MP).

38. The Group Chief Executive Officer and Managing Director commenced on 30 October 2017. Since that date the former Minister, the Hon Mitch Fifield, has not met with the Group Chief Executive Officer and Managing Director at Australia Post headquarters in Melbourne.

The Group Chief Executive Officer and Managing Director met with Mr Fifield on several occasions at his offices, on several occasions communicated by phone, and regularly communicated with his office.

39. Having made enquiries of our Procurement team, we have not identified any current retainer arrangements with external consultants.