

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
BUDGET ESTIMATES 2015-16

Finance Portfolio
27-28 May 2015

Department/Agency: Department of Finance

Outcome/Program: 2/2.2

Topic: Australia Post – analysis of efficiencies including labour costs

Senator: Gallagher

Question reference number: F48

Type of question: Hansard, F&PA Committee, Page 43, 28 May 2015

Date set by the committee for the return of answer: Friday, 10 July 2015

Number of pages: 2

Question:

Senator GALLAGHER: Is there any more you can provide the committee on that, such as the effect on jobs with the proposed changes, and particularly effects on regions versus metropolitan areas? Was that looked at?

Mr Edge: I believe the analysis would have covered a range of things to do with costs, and the proposal that we were reviewing and that led to the announcement was around a different, two-tiered, pricing structure for Australia Post mail deliveries. The impact of that on costs, labour and employment and all the relevant factors would have been considered in terms of our analysis of the proposal.

Senator GALLAGHER: Is there anything you can tell me about that analysis?

Mr Edge: I think we would need to take any detailed questions about the analysis on notice. I am not able to respond at this point.

Senator GALLAGHER: We might put them on notice then.

Answer:

The analysis of the government's postal reforms was focused on how they would affect Australia Post costs, revenue base and overall sustainability. Part of this analysis included consideration of confidential commercial cost information provided by Australia Post.

The precise impact of the introduction of a new two speed letter service on both Australia Post's employment and regional communities will be determined when Australia Post finalises its

operational planning. Australia Post's workforce and unions are being consulted as part of this planning.

Australia Post has publicly stated that there will be no involuntary redundancies for those directly impacted by the proposed reforms and it has a comprehensive *Post People 1st* strategy in place to assist its employees transition through the reform process. This strategy includes provision for redeployment of affected staff to growing business areas within Australia Post, retraining/reskilling and financial and retirement planning as well as outplacement support.