

Good Morning Senators.

We appreciate the opportunity to give evidence to the inquiry.

My Name is Leroy Lazaro and I am the State Secretary of the Communication Workers Union (Postal and Telecommunications) Branch of Victoria. I am accompanied today by Joanne Kelly and Elizabeth Williams who are both posties in Melbourne and Martin O'Nea, Industrial Officer in our branch.

It should be of concern to every Australian that COVID-19 has been used as a cover to progress a structural reform agenda that nobody has acknowledged exists.

It is increasingly clear from the evidence before the Senate that the temporary regulations are a vehicle to embed the structural features of this agenda by stealth.

This, in our view, is not a proper or responsible way to make public policy. The workers of Australia Post, the post office licensees, and the public, deserve more respect than this.

If this undeclared agenda is successful, it will gradually degrade Australia Post until it is no longer a community institution.

Instead, it will become an entity primarily run for the financial interests of shareholders, overtaken by a culture of unrestrained commercialism, with little or no regard for the public interest and community service obligations.

This is not what Victorians want.

We wish to turn to the Alternate Delivery Model, also known as the ADM, and the issues it caused in Victoria.

There is a myth that traditional posties did not deliver parcels prior to COVID-19. This claim is false and we respectfully put to you that anyone who makes this claim is either misinformed or is seeking to misinform.

Evidence from Australia Post to the Senate in 2018 clearly stated that at that time posties carried 45 per cent of total parcel volumes, and that this was growing.

Every postie, bar none, delivered mail, packets and small to medium parcels prior to COVID-19. It was an efficient model.

The introduction of the ADM saw roughly 2 in 4 posties shifted from traditional rounds on motorbikes, and 3 wheeled vehicles, into vans.

Imagine you have this large van, that's expensive to lease, uses more petrol, is constantly battling traffic, has to find a park in metro Melbourne, and is 80 per cent empty – carrying the same small product that posties used to carry.

Then contrast this with a motorbike or 3 wheel electric bike, which takes advantage of footpaths, is faster to dismount when necessary, that's far more efficient and is better environmentally.

Put simply the vans magnified the bottlenecks the lockdown caused in Victoria and despite numerous requests to suspend the implementation of ADM in Victoria due to the extra difficulties it was causing, Australia Post refused.

It made an already very stressful time even worse and our survey, that was tabled as part of our submission, clearly identifies the morale and mental health issues that the ADM created in Victoria. Joanne and Elizabeth can talk to this issue first hand.

Some like to claim these postie vans are full of heavy products and big parcels – this not true. Larger parcels are being carried by contractors, as they were before COVID.

It is still unclear to us who the actual architects of the ADM are but the more efficient and faster delivery of parcels did not end up being the result.

Ms Holgate has given evidence to the inquiry that the Government and Australia Post need to acknowledge the role of the traditional mail service and restore the priority mail for businesses that need a CSO offering on top of regular mail and that the pre COVID regulations need to recommence on 1st July 2021.

We agree that Australia Post should expand services. More financial, insurance and telecommunications offerings branded Australia Post for instance should be offered via both corporate and licensed post offices.

The original decision, that has since been reversed due to public pressure, to end the perishable freight service to thousands of small producers occurred under the acting CEO and is an example of the myopic thinking that seems prevalent in the ranks of Government, the Australia Post board and among certain Australia Post executives.

Australia Post need to focus on expanding services, not cutting them and to find new ways to leverage off the fact that posties are passing every house every day. There will come a time in the not too distant future where posties will have a small parcel for nearly every house.

Australia Post rarely consult in a manner which provides a bona fide opportunity to influence the decision maker. An example of the lack of effective consultation was the evidence given to the Inquiry by Mr Rodney Boys and Mr Rod Barnes that Australia Post "are making considerable plans" to operationally revert to standards.

This was the first we have heard of any such plans and on a telephone hook up the next day senior Victorian management professed no knowledge of any such plans.

The logistical difficulties of switching back to the previous delivery structure have been exaggerated. The statement by Mr Barnes that there “has to be a complete restructure” of 10,000 delivery rounds suggests it is an issue more problematic than it actually is and my colleagues here with me can attest to that.

We thank the committee again for the opportunity to make an opening statement and we look forward to any questions.