

GEN 20/26
7.0-002

28 October, 2020.

The Hon. Paul Fletcher, MP
Minister for Communications, Cyber Safety and the Arts,
Federal Member for Bradfield,
c/o Parliament House,
CANBERRA. ACT. 2600.

Dear Minister,

RE: AUSTRALIAN POSTAL CORPORATION (PERFORMANCE STANDARDS) REGULATIONS 2019

Thank you for the opportunity to provide our views on the operation and impact of the temporary regulatory changes effected by the Australian Postal Corporation (Performance Standards) Regulations 2019.

We note that the Regulations were made on 16 May 2020 and are intended to remain in place until 30 June 2021.

We note that the Regulations were passed by the Australian Senate after Senators were provided with an assurance by Australia Post Management that no postal workers would be disadvantaged under the Alternative Delivery Model (ADM) that was enabled by the Regulations, and that the quality and reliability of services to customers would not be unduly compromised.

What follows is the CEPU Communication Division's (also known as the CWU) submission to the Departmental Review of the Regulations, which was announced by the Government when the Regulations were passed by the Parliament, and which is intended to determine whether the Regulations should remain in place for the full period.

Our submission provides direct evidence from Postal Delivery Officers (posties) across Australia, obtained through direct reports to CEPU/CWU Branches and an online survey conducted nationally. This evidence points to a significant reduction in the quality of service provided to Australia Post customers, unreasonable and unmanageable workloads for posties, and unacceptable risks to the workplace safety and wellbeing of postal workers as a result of the implementation of the ADM.

It is the view of the CEPU/CWU that the temporary Regulatory relief should be revoked in the next sitting of Parliament, and that Australia Post's Performance Standards as set out in the Australian Postal Corporation Act 1989 should be reinstated to those prior to the granting of temporary relief – pending a comprehensive, independent review of the operations and future directions of Australia Post, including an objective assessment of the impact of COVID-19 on the Australia Post Network.

National Survey Results

The CEPU/CWU has conducted a national survey of its members working at ADM sites over a four-week period, via online methods. Workers were invited to log in daily to complete the survey.

The responses to this survey reveal the following results, nationally:

- 57% of traditional posties (IE: those who deliver both letters and small parcels predominately by motorcycle) said they left letters-based products behind at, or brought them back to, the delivery centre, where they remained undelivered for more than one business day. This is in contradiction of the regulations that give force to the ADM.
 - Of those, the average number of letters not delivered was 201 per postie, per response.
- 51% of all posties (both 'traditional' and 'parcels' posties) said they left behind, or brought back, parcel products (including premium and *Express Post* products) they were unable to deliver on their run, on the day that parcel product was due and available for delivery.
 - Of those, the average number of parcels undelivered on the day they were due, and available for delivery, was 44.
- 43% of posties admitted to not adhering to all footpath and nature strip speed limits whilst performing the delivery function of their role, due to time pressures.
- 84% of posties said they were unable to complete their duties within their rostered hours.
 - Of those, 34% said they considered the level of overtime required to complete their run to be unreasonable.
- 55% of posties admitted to not taking all their applicable breaks in order to complete their duties

State specific findings

Victoria

When the findings of the survey are broken down on a state-by-state basis, it is clear that the impact of the ADM has been particularly acute on postal services in Victoria, which reflects the surge in parcel volumes due to the extended 'lockdown' measures in place in that state. The Victorian Branch feedback below touches on the various outcomes experienced in that state.

The majority of postal workers in Victoria, some who have been working in the organisation for more than two decades, report that the ADM has caused a significant reduction in the quality and reliability of postal service offered to the Victorian Community.

Over 400 Victorian posties took part in the online survey, with the following results:

- 87% of respondents confirmed that letters products were left behind or undelivered for more than one business day;
- 89% of respondents confirmed parcel products were left behind or undelivered for more than one business day;
- 70% of respondents confirmed that they had to exceed the speed limits of 10kms per hour on the footpath to try to meet delivery targets within the time limit for their postal round;
- 70% of respondents confirmed they had not been able to take their required breaks (lunch & tea) in order to meet the delivery targets within the time limit of their postal round;
- 89% of respondents reported that the ADM has had a negative impact on their work and moral; and
- 92% of respondents confirmed that the ADM has reduced the quality and reliability the service Australia Post provides to the Victorian Community.

Furthermore, Victorian posties reported that general letters products, including essential communications from doctors, local government and utility companies, are running up to two-weeks late.

It should be noted that several members report that delivery centres are prioritising the delivery of Council Election material and leaving behind other products including letters, parcels and even *Express Post* items.

Victorian members also report significant negative effects on their employment, and on workplace safety and wellbeing as a result of the ADM. First-hand accounts to the Victorian Branch reflect the survey findings that posties are regularly exceeding permissible speed limits and forgoing scheduled breaks to try complete their rounds under the ADM. Posties also report that the ADM requires them to start their rounds later in the morning, resulting in posties having to negotiate peak hour and school traffic. As summer approaches, this will mean that posties will be forced to work during the hottest part of the day.

At a time of considerable social stresses in Victoria, this added pressure has had a notable impact on the well-being and morale of posties in the state.

As a result of the implementation of the ADM, several permanent staff do not have a position in their facility and many fixed term staff who have worked for Australia Post for up to two years face considerable insecurity, with their jobs no longer guaranteed, due to the introduction of the ADM.

Further, many facilities are understaffed under the ADM, compared to the previous Performance Standards, which compromises the safety and wellbeing of postal workers. Facility managers have refused to engage with the CEPU around staffing resources on a facility by facility basis, or to discuss the recasting of rounds under the ADM. The CEPU believes this represents an abrogation of the Corporation's duty of care to its workers.

Finally, the CEPU Victorian Branch is increasingly concerned that Australia Post Management is not accurately measuring labour usage against product volume to assess the success or failure of the ADM. This means that any internal review of the ADM will be unreliable, and should not be accepted by the Parliament as an adequate assessment of the model's operation when giving consideration as to whether to revoke or extend the Regulations.

Queensland:

The ADM has been implemented in all metropolitan sites in Queensland, including all Delivery Centres from the NSW border up to and including Caboolture DC and the Townsville Region.

The following is a list of key issues reported to the CEPU Queensland Branch by members, either through individual reports or gathered at an LWG meeting by Officials, which have resulted from the implementation of the ADM.

- Staffing – management failing to fill vacancies and employ additional resources as needed;
- Uncertainty for employees on fixed term contracts;
- Significant concerns that the ADM results in posties not meeting Community Service Obligations (CSOs), EG: Members report multiple occasions of rounds carrying more than two days' worth of letter products;
- Parcels being sent to contractors as the volumes are unmanageable for Australia Post staff;
- Unreasonable expectations of overtime to deal with increased parcel volumes;
- Occupational Health and Safety (OH&S) concerns around the accumulation of parcel products in delivery centres, including trip hazards due to undelivered parcels being left at and around workstations undelivered, and a lack of adequate dock space to safely load parcel delivery vans.

Western Australia

In addition to the findings reflected in the national survey results above, the CEPU/CWU Western Australia Branch has reported concerns that the Regulations are being exploited by Australia Post Management to close Australia Post outlets without just cause in relation to COVID transmission risk, as required in the Regulations.

The CEPU/CWU Western Australia Branch has provided the example of the Myaree Post Office, which in September was still to reopen, despite most other local businesses reopening by August 2020.

New South Wales and the Australian Capital Territory

In addition to the findings reflected in the national survey results above, the CEPU NSW / ACT Branch has reported the following concerns expressed to them by members via individual complaints or through onsite meetings:

- Where the model is working (IE: there are minimal letters or parcels remaining undelivered past the advertised or regulated delivery timetable) there has been a significant injection in staffing and a notable adjustment to reverting to earlier shift commencement times – measures that have not been undertaken in other states;
- Where posties start rounds at 7:00am for letters or 8:30am for parcels, significant problems with meeting delivery times have been encountered, due to the impact of peak hour traffic, daylight availability and fatigue;
- Where rounds have been revised to start at 6am or earlier, the ADM has worked more successfully, albeit not as modelled;
- The CEPU/CWU NSW/ACT Branch reports that, in some areas, the diversion of a significant amount of traditional postie work to contractors is occurring at almost double the normal delivery piece rate paid in order to clear backlogs caused by elements of the ADM. During consultative meetings held between state management and Union Branch officials and their workplace delegates, management have admitted that up to 15% of parcel volume, ordinarily delivered by posties, is being streamed to third-party contractors.
- The delayed delivery requirements have allowed Australia Post to cease clearances of street posting box lodgement points on Sundays – causing a significant reduction to the traditional take-home pay, and additional annual recreation leave accruals, to the workers normally responsible for those clearances – without compensation.

Similarly, to the Western Australian Branch, the CEPU NSW/ACT Branch also reports concerns that the Regulations are being exploited to close Australia Post outlets without just cause in relation to COVID transmission risk, as required in the Regulations.

The Branch provides the example of the Broken Hill Post Office, where operating hours were recently altered to close the Post Office for an hour every day to allow staff to take a meal break. Previously, this time had been covered by another staff member, who is currently on annual recreation leave. Rather than replacing this employee with a casual resource, as is the normal occurrence in regions where a permanent relief pool is uneconomical, Australia Post has wrongly used the authority given to them under the Regulations to close the Post Office for an hour every day, despite there being no reason related to COVID infection control, as stipulated in the Regulations.

The ADM is an unacceptable impost on postal workers, households and businesses

Minister, we believe that the evidence from the CEPU/CWU's national survey and individual reports by members to State Branches demonstrates that the implementation of the ADM has had, and continues to have, an unacceptable impact on the job security, safety and wellbeing of Australia Post staff.

Further, the ADM has clearly resulted in a significant reduction in the quality and reliability of the service provided to Australia Post customers, both individual households and businesses, across Australia.

In regard to the postal service provided to small business, the CEPU/CWU is particularly concerned that the implementation of the ADM has put such pressure on the letters service that Australia Post is now actively considering scrapping the Unaddressed Mail Service (UMS), which allows small and medium business to pay a discounted rate, however premium in comparison to competition, to ensure the safe delivery of marketing and other materials.

The UMS is an essential service enabling small and medium enterprises to compete with larger domestic and international business. Its loss would have a significant impact on business costs for small and medium business as they try to re-establish profitable operations after the significant economic shock caused by COVID-19. It would also remove a key revenue stream from Australia Post, which contributes significantly to the Corporation's balance sheet.

The CEPU and its members, the hardworking postal workers who have provided a trusted essential service to Australians for over a century, take great pride in the quality and reliability of the Australian postal network.

Our interest is in ensuring that Australian families and businesses continue to receive the outstanding service they have relied on for generations, and that the essential workers who provide this service are able to perform their jobs safely and with no reduction to their income or threat to the security of their work at a time when Australia Post is recording record profits due to the surge in demand for parcel delivery.

The CEPU is in possession of a vast number of photographs demonstrating the significant volumes of letters and parcels which have been withheld at delivery facilities well beyond the day those articles are due and available for delivery. This additional product, piling up at these facilities daily, has quickly become a serious safety hazard.

Furthermore, their inability to complete their daily workloads has caused, what we believe to be, mental health concerns at a level not seen before within the posties' occupational group. Australia Post has, in many cases, had employee assistance counsellors attend workplaces and remain on site to assist workers on demand – only occurring following repeated requests by workplace level delegates during consultative meetings with State level management. At its most severe, we are aware of posties feeling they have been left without any choice but to resign from their employment – citing the unreasonable workload and its effects on their mental wellbeing as the reasons for their resignation. This has only exacerbated the inefficiency of the model and the under-resourcing issues plaguing the delivery network.

We reiterate our view that the temporary regulatory relief should be revoked in the next sitting of Parliament. We further submit that Australia Post's Performance Standards as set out in the Australian Postal Corporation Act 1989 should be reinstated the provisions contained in the regulation prior to the granting of temporary regulatory relief – pending a comprehensive, independent review of the operations and future directions of Australia Post, including an objective assessment of the impact of COVID-19 on the Australia Post Network.

We thank you again for the opportunity to provide our views to this important review of the operation of the regulations that apply to Australia Post, and look forward to discussing our submission with you during the Departmental Review process.

Yours sincerely,



Greg Rayner,
NATIONAL DIVISIONAL SECRETARY.

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