

Protecting the future of your community post office

Community post offices are so much more than a place to post your parcel. As banks and other services go online and close their shop fronts, your community post office is becoming increasingly important in providing equitable universal access to postal, financial, business and community services for all Australians, regardless of where they live. Community post offices also provide vital face-to-face services for vulnerable Australians who are not digital citizens, or for those that live in remote, rural, and regional areas.

Community post offices account for 80% of Australia Post's network - but Australia Post does not own or operate this vital network. Your local community post office is most likely owned and operated by a small business owner working under Australia Post's unsustainable franchise agreement - *1993 LPO Agreement*.

Without reform the LPO Agreement will remain an unsustainable business model

The *1993 LPO Agreement* gives Australia Post exclusive access to the entire network of community post offices across Australia and requires most community post offices to be open and staffed between 8:00am – 6:00pm, 5.5 days a week. However, Australia Post only pays for each transaction, this does not cover the costs of keeping the post office network open for their exclusive use.

In business terms this is the equivalent of a plumber being called to a house to fix a tap under an agreement that says they must be at the house for the whole day, but they are only paid for the time taken to fix the tap; and they are also not allowed to work for anyone else during the time they are waiting to fix the tap.

The current Australia Post License agreement is not a sustainable business model for community post office businesses and is endangering the future of this vital national network. A network that represents \$2.5bn of private investment from these small business owners.

Licensed Post Office Group (LPOG)

LPOG, established in 2013, is the peak franchisee association for licensees of community post offices. Our aim is to negotiate a more sustainable agreement that ensures Australia's post office network thrives into the future, which may include deregulation to provide additional income to help achieve that outcome.

What LPOG wants?

LPOG is seeking the following actions and commitment from the federal government and Australia Post Board:

- Reform the *1993 LPO Agreement* to include expense payments that reflect the business costs for community post offices to keep their business open for the mandated hours and days.
- Ensure equitable universal access to government and financial services at all Post Offices
- An agreed representative appointed to the Australia Post Board to advocate for Licensees interests
- Establish a Postal Bank to service SMEs and help sustain the network and fund infrastructure

Or to consider the need to open the LPO Network as Australia Post has done for their side of the business by

- Decoupling or partial deregulation of the network to allow community post offices to leverage the value of their network through commercial partnerships with external providers

How can you help?

In the lead up to the federal election on 21 May, contact your local member to raise your concerns about the future of your community post office and ask your members what their policy, or their party's policy will be to support this essential service for Australia.

Please feel free to share this information.