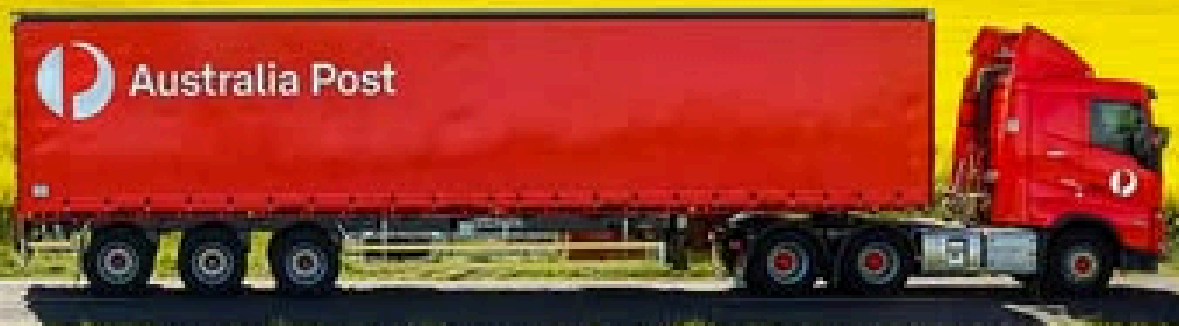




A SUBMISSION TO THE

**Senate Standing Committee
on Environmental and
Communications on
Australia Post retail network**

2026



Introduction

This submission is made on behalf of the Hon. Bob Katter MP, Federal Member for Kennedy, in response to the Senate Standing Committees on Environment and Communications on Australia Post retail network.

The submission is written for the benefit of the constituents within the electorate of Kennedy and to highlight the significant challenges facing Licensed Post Office (LPO) operators and the communities they serve in regional, rural, and remote Australia.

LPO's are far more than retail outlets. In regional and remote towns across the country they function as essential community service hubs. Providing access to banking, bill payments, parcel services, identification services, and trusted in-person assistance for residents.

The ongoing sustainability of Australia's LPO network is critically important to the economic and social wellbeing of regional and remote communities.

The loss of a LPO in regional Australia can be devastating to a community, leaving residents without practical access to essential services and further reinforcing a city-country divide.

This submission urges the Committee to consider not only the longevity and prosperity of LPO operators but also the disastrous consequences regional communities suffer when their vital local services become profitable, cease operation, and close their doors.

We respectfully request that the Committee examine measures to ensure the long-term sustainability of Australia's LPO network and that Australia Post works collaboratively with licensed operators to support the continued delivery of services to regional, rural and remote communities.



Key challenges facing regional and remote Licensed Australia Post Office operators and their customers

We are writing this submission to formally outline the critical pressures currently affecting Licensed Australia Post Offices (LPOs) and their customers in regional and remote areas, and the important services LPOs provide their communities.

We urge the committee to consider:



What happens to a remote community when the last viable service hub reaches a point where it can no longer sustain itself, and



When there is no other option within a reasonable distance for people who live in regional and remote areas?

Regional and remote communities

Numerous LPO operators in the electorate have expressed uncertainty around agreement changes and the absence of any clear long-term direction from Australia Post making it extremely difficult to plan for the future.

They, and we, are concerned not only for their businesses but for their communities too.

We have been informed by many constituents who own LPOs in Kennedy that for a significant number of people who walk through the doors of our local LPOs, face to face service is not a preference, it is the only option they have. In communities with low literacy rates and unreliable internet access the local LPO is their connection to services that our metropolitan cousins take for granted.

When a community loses their LPO they also lose:

- banking access,
- bill payment services,
- parcel services,
- identify functions, and
- to the trusted, familiar help that local operators have provided their customers over sometimes many decades.



Kennedy's Local Post Office (LPO) Operators

LPO operators have told us with the frequently 'out of order' Australia Post parcel lockers in their communities' customers are going to them to assist track their 'delivered' packages. While operators do their best to assist them are not paid for that time. This is a repeated occurrence that leaves customers frustrated and confused, and LPO operators acting as unpaid problem-solver for a system they have no control of and that is not working.

We have been told that any prospective buyers of their small business would face declining revenue, limited growth prospects, and real difficulty obtaining finance from a lending institution and it is not a reflection of how they have run it, but a reflection of the structure they have been required to operate within. This situation is and will result in regional towns losing their LPO, a vital service in our small towns.

Some of the challenges impacting current APOs include:

- **Uncompetitive compensation for operators:** For licensed post offices (LPOs) operating under lease agreements, the payment metrics provided by corporate Australia Post often fail to cover rising localised rent and labour costs.
- **Declining foot traffic:** Letter volumes have dropped drastically over the last decade. Fewer customers visit physical branches for traditional mail services, reducing spontaneous retail purchases. Also LPOs where parcel pick up has moved to parcel lockers are experiencing reduced foot traffic.
- **Parcel boom spatial strain:** While letter volumes are down, parcel volumes have surged due to e-commerce. In regional LPOs located in older retail layouts, and where there is no parcel locker service, there can be a lack of the back-room storage space required to manage large volumes of packages efficiently.



.....con Kennedy's Local Post Office (LPO) Operators

- **Digital service displacement:** Bank branch closures originally pushed customers to Australia Post via Bank@Post services. However, the rapid adoption of digital banking and online identity verification is now reducing the need for in-person transactions altogether.
- **Inflexible lease terms:** Many licensed locations are locked into long-term commercial leases. These agreements often lack the flexibility needed to down or up size square footage as physical inventory needs shrink or expand with changes imposed by Australia Post.
- **High fixed overhead costs:** Rising commercial rents and energy costs create severe financial pressure. These fixed expenses clash with the declining profitability of standard postal counters.

Constituent LPOs have said the collective effect of these changes to normal operating business, having occurred simultaneously are putting regional and remote Australia Post outlets under extreme stress and they have no confidence that this trend will reverse and this is a crisis for our regional communities.





Conclusion

We formally and urgently request the government work with LPOs to ensure Australia Post is providing its licensed operators the tools and procedures to be able to sustain services in regional and remote Australian towns.

Without the services, paid and unpaid, that our LPOs provide communities in regional and remote Australia, a great number of people, many already marginalised, will be cut off from essential services and be further left behind socially and economically.



Acknowledgements

The Office of the Hon Bob Katter MP, Federal Member for Kennedy would like to sincerely thank all parties that have assisted in the development of this submission.

It is greatly appreciated.

