



# Members Bulletin

## Postal Reform Forum – Consultation and Workforce Commitments

As Members would be aware Representatives from your Union meet with Australia Post CEO and his Executives on March 25 this year in respect of the announcement by the Federal Government on a **Proposed Reform Package for Australia Post** the following is a copy of a letter sent to Australia Post from five State Branches in response to a meeting to be held on Monday 11 May, the meeting is part of the consultative process and the letter is what your Union Representatives see as fundamental in terms of important and necessary commitments to be provided by Australia Post to their workforce **if the Government intends to proceed with their present contemplated changes** to the regulatory letter service that has been announced by Minister Turnbull on 3 March 2015.

### **Business revenue and costs to future estimated letter volume and revenue assumptions against digital communication service alternatives**

The present contemplated changes to the regulatory letter service announced by the Government consists of a change to postage price settings along with a introduction of a two speed letter service, being;

#### **Priority Letter Service**

A higher postage price as yet to be determined for postal users having access to the same speed of service identical to present regulatory letter service standards.

#### **Regular Letter Service**

A higher postage price determined to move from 70 cents to \$1.00 however, postal users will receive a slower speed of service where an additional two (2) days to the present and proposed priority letter service shall apply.

### **Union: Potential acceleration of letter volume decline and associated employment impacts**

We are of the view that the present contemplated reforms to postage price and speed of letter services may have an adverse reaction by postal users in continuing to utilise a letter service that result in a combination of a higher postage price and slower speed and given where alternative digital communication services is already a cheaper and speedier communication service as a substitution to letter communication services.

We are extremely concerned to the adverse impact the Reform may have on future letter volumes in this regard and in particular, within regional and rural communities where an additional 2 days in speed shall apply under the proposed regular letter service. This ultimately means that the regular letter speed of service shall be a minimum of 5 days (inclusive of day of posting) for a letter to reach its destination regardless of location to where a letter is posted.

Furthermore, if our concerns are with merit and substance, then at what consequence shall the Reform have on the future sustainability of Australia Post with its letter service to the community without having to make further adjustments to the postage price and/or speed of letter service of the proposed Reforms if letter volume decline is accelerated by the Reform. More importantly, what could this mean for the workforce and the further additional consequences to jobs and/or employee earnings and entitlements?

We are therefore requesting for the following information to be provided in terms of the projected letter volumes, estimated letter revenue, estimated letter service costs and labour reduction saving measures contemplated with the intended reforms:

1. Overall current letter volumes, present revenue from current letter volumes and the current letter service costs.
2. Same information as described in 1 above however separated for next day letter delivery service and outside of next day letter service as combined other regions.
3. Projected estimates for letter volumes, revenue and service costs for year 1-5 following the introduction of a priority and regular letter service Reform presently contemplated by the Government.
4. Projected elasticity assumptions to information described in 3 above as a consequence of potential accelerated volume decline with major postal users switching to digital communications.
5. Overall implementation timeframe and projected job impacts by levels/classifications within each state and region following the introduction of priority and regular letter service speed changes contemplated by the Government.

### **Consultation, information sharing and workforce engagement with Reforms**

It is fundamental that consultation involves the union and the workforce and is supported by information sharing and workforce engagement being undertaken by the Corporation on every step and stage of changes to the regulatory letter service that is finally determined by the Government and ultimately not opposed by the Parliament along with the consequential affect this shall have on community letter services and the workforce in terms of their future employment.

Information sharing on Reforms and changes affecting the workforce should not be restricted to an SIB or a management representative reading from a narrow prepared script to a staff briefing. Briefings should involve the senior management group and participation of union representatives with employees being able to interact.

### **Union: Workforce consultation and participation to workplace changes with systems of work**

The Branches are seeking for a framework consultation structure and process to be developed that enables employees and their union representatives to have input into system of work changes, job design and resourcing mix against overall work offering.

This framework consultation structure and process in our view must include meaningful consultation at the state (where more than one business unit is involved in a change), business unit and the workplace levels.

### **Important regulatory matters for further consideration and community, workforce commitments supported by combined State Branches**

Represented below are our initial claims that are supported in principle by the majority of Branches and we are calling on support by Australia Post to the Government for further consideration to their announced Reforms and for necessary commitments to be made by Australia Post to the workforce if the Government proceeds with its announced intended Reform to the regulatory letter service.

## **Union: Australia Post support sought for further consideration to regulatory letter service change announcement by the Government**

### **Priority letter service:**

We are of the view that the postage price for the priority letter service:

- a) should be capped at no more than 25% of the postage price setting for the regular letter service; and
- b) be subject to the ACCC process for setting postage price increases and not treated as an unregulated commercial product.

### **Regular Letter Service:**

- a) be subject to a same universal speed of service of up to a three (3) days across all regions regardless of location of posting and destination apart from the small existing remote and rural locations who presently do not receive a five (5) day letter delivery service.

### **Australia Post commitments to the community and the workforce**

The Reform process should not only be a focus on the challenging business environment Australia Post is facing with the evolving pace of alternative digital communication services. Reform must include the important priorities of the workforce in terms of their jobs, conditions and entitlements.

The following represents the important priorities that Branches have identified to be facing the workforce in terms of potential consequences of Reforms and deservingly should be seriously considered with priority as a package of Reform commitments to the community but also to all employees and contractors presently employed within the corporation.

1. No reduction to the present number of Corporate Retail Outlets;
2. No closure of present regional sorting/delivery facilities;
3. No forced retrenchments;
4. Voluntary redundancy offers to include no reduction to present redundancy benefit;
5. Salary maintenance of nominal salary and shift penalty rates regardless of retraining and a redeployment to a lower placement level into suitable position of an excess employee;
6. Exemption of APSS AWOTE to employees who are at the minimum retirement age if an employee is subject to retraining and redeployment at a lower level;
7. Funds to be available and strictly invested into quality reskilling and development programs for existing employees with priority for employees being placed into suitable and meaningful employment role under retraining and redeployment processes and/or for employees who seek a voluntary transfer into stable, growth or new employment opportunities within other existing and new business of Australia Post.
8. Development of an agreed special employment program for existing employees who are at the minimum retirement age to be provided with an opportunity to participate in a transition to retirement employment arrangement and access to their APSS superannuation benefit subject to superannuation regulatory provisions;
9. Maintaining the present APSS fund and defined benefit without change;

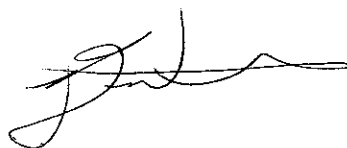
10. Ending mail delivery contract employment arrangements with mail work offering undertaken by corporate employees with contractor employees being provided with a corporate employment opportunity;
11. Work offering to be maximised by secure permanent full time job design with access to additional earnings within workplace resourcing modelling against overall work offering;
12. Permanent part time employees followed by fixed term employees to be given priority for placement into full time employment based on service seniority before any external recruitment is considered or occurs.
13. Workplace resourcing to be maximised with reasonable additional overtime earnings prior to fixed term or casual engagement at all times.
14. Management and supervisory structures to be reviewed and developed with consistency in terms of levels and roles and supported by appropriate administration support roles with quality training and development programs to be available to enable the existing management/supervisory/administration group to have certainty and stability in their roles and to enable other employees who have career aspirations to progress.
15. Revisit the Workers Compensation, Rehabilitation and Safety Department Structures and resourcing in terms of their overlapping roles with the aim to provide quality support for injured workers with their claims and for receiving their entitlements along with a safe return to work in a safe workplace environment.
16. Address the payroll and management systems contributing to long standing payroll irregularities to enable the workforce to have access to quality payslip information with wage earnings and for the workforce to have certainty in having access to payslips and correct wage earnings provided for on time.
17. Employee access to digital communication facilities for supporting employee needs and for being provided with an opportunity of embracing new skills as important ambassadors for Australia Post products and service offerings to the community as an investment towards an expanded employee role in making a valued contribution towards the future sustainability of Australia Post.

**Members will be immediately notified of the outcomes from the meeting of Monday 11 May 2015**

Yours in Solidarity



Barry McVee  
Branch Secretary



Bryan Watkins  
Branch Vice-President



John O'Donnell  
Branch President

communication workers union  
**CWU**Union  
Western Australia



CEPU

Connecting  
our community