Australia: Post offices closures to escalate amid ongoing Post30 restructure

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Australia Post (AP) chief executive Paul Graham faced questions in a Senate inquiry hearing last week over a document leaked in June, allegedly revealing plans to shut down or strip back hundreds more post offices across the country than previously acknowledged.

The closure of post offices, already underway, is part of AP's broader Post30 restructuring operation, aimed at transforming the state-owned mail service into a profit-driven parcel delivery business. Carried out with the full support of the federal Labor government and the Communication Workers Union (CWU), this will mean the slashing of full-time jobs and the evisceration of pay and conditions in order to compete with Amazon and other gig-economy operators.

The leaked business case, approved by the AP board in May, outlined a plan called "Licensed Post Office Reimagined," the *Australian* reported, under which, "core functions would be stripped away, postal services consolidated in or relocated to businesses such as pharmacies, newsagents or convenience stores or downsized to parcel agents."

Licensed post offices (LPOs) are privately run businesses contracted by Australia Post to provide postal, banking and bill-payment services, with licensees responsible for their own premises and staff.

Referring to the document, Liberal Senator Sarah Henderson accused Graham of lying when he told Senate estimates in May that there were "no active closure plans in place." Henderson is fraudulently posturing as a defender of regional postal operators even while supporting the overall corporatisation of AP.

Graham's response was a study in corporate evasion: "You asked me during that senate committee if there was a list of future closures and I said there was not because we do not have a list of future closures." In other words, AP management had not yet decided which of the roughly 2,600 LPOs—about two thirds of the post offices in the country—would be stripped, consolidated or shut.

Figures provided to the Senate hearing state that AP now operates approximately 4,082 retail outlets nationally, a reduction of 189 from 4,271 in October 2023.

Graham sought to cloak all this in the sentimental rhetoric of community service, declaring the retail outlets "the beating hearts of Australian communities" and pledging to "remain steadfast" in maintaining a minimum network of 4,000 outlets.

But this is the same executive who told the *Australian Financial Review* in late August that moving to once-a-week letter delivery and stamp prices of up to $4 is "inevitable," and who, in an internal video address in July, told workers the next four years would be a "battle for our lives," in which the business must be radically restructured or "die on the vine."

The driving force behind the gutting of the post office network is not, as management and the media would have it, the inexorable decline of the letter. It is the determination of AP to secure and expand its market share in the lucrative parcel delivery sector, and to maintain its competitive position against Amazon and a swarm of gig-economy operators.

As the *World Socialist Web Site* reported in July, the Post30 program represents "an escalation of the Post26 program, aimed at transforming the public postal service into a profit-driven parcel logistics corporation subordinated to the demands of e-commerce giants and major retailers."

The letters business, which requires a large, full-time, relatively secure workforce delivering to every address, is anathema to this model. It must be run down, its service cut, its prices raised and its workforce thinned, so that capital can be diverted into the parcel operations competing for the spoils of the e-commerce boom.

The financial results released in August make the orientation explicit. In 2025–26, AP's revenue rose to $9.83 billion, led by $8.01 billion from Parcels and Services. Letter volume fell 14.7 percent to 1.42 billion, resulting in a reported loss of $63.2 million on that side of the business. Although the corporation reported a $31.8 million pre-tax profit, it recorded an underlying pre-tax loss of $107.6

million after excluding $139.4 million in property-divestment gains.

This is why letter delivery has already been cut to every second business day—a change that Graham claims saved the business $188 million—why stamp prices have risen 165 percent in a decade, to $1.85, and why Graham now openly floats the prospect of once-a-week delivery and a $4 stamp.

It is why Australia Post has acquired Rendr, an artificial intelligence-driven "delivery orchestration" platform that coordinates deliveries across multiple courier services, placing posties on an equal footing with gig-economy operators like Amazon Flex, Uber and DoorDash. And it is why the retail network—the post offices that are the most visible face of the public service—must be stripped down and dispersed into private shopfronts.

AP is not waiting for post offices to decline; it is consciously running down their revenue. Management has instructed posties to deliver parcels to parcel lockers rather than to post offices, which have traditionally earned income from holding parcels for collection.

The massive expansion of parcel lockers—64.3 percent in 2025–26—is a deliberate means of bypassing the post office network, diverting the parcel traffic that sustains LPOs into automated infrastructure controlled directly by the corporation.

The CWU bureaucracy is totally complicit in this operation. The union's submission to the Senate inquiry is a piece of pro-corporate hack work that ties the interests of AP workers to the profit and corporate structures of the company itself. It does not demand the restoration of daily delivery, the reversal of the cuts to the retail network, or the reinstatement of the thousands of jobs destroyed over the past decade.

The CWU accepts the framework laid down by management and the Labor government—that the postal service must be a profit-making enterprise, and that its survival depends on finding new sources of revenue to offset the losses of the letters business. Its submission complains, "The CWU is concerned that insufficient effort has been directed towards replacing these revenue streams with new service opportunities."

The CWU's central proposal for the future of the postal service is the establishment of a "Post Bank"—a corporatist scheme under which AP's retail outlets would double as bank branches, generating additional commercial revenue.

The CWU is not opposing the "rationalisation"—i.e., mass closure—of post offices; it is tying the jobs and living standards of postal workers to the commercial success of a "reimagined" and restructured AP.

This is nothing new. The CWU suppressed workers' opposition to the Alternative Delivery Model in 2020 with a no-strike deal, collaborated in designing—and played the lead role in imposing—the New Delivery Model that ended everyday delivery, and rammed through a real-wage cutting enterprise agreement in 2024 that locked workers into the restructure.

Jobs, wages and conditions in the postal service cannot be fought for within the framework of the CWU, which functions as an arm of management, or through appeals to the Labor Party, which has presided over every stage of the restructure since the corporatisation of the service under the Hawke-Keating government in 1989.

What is required is the building of rank-and-file committees in every depot and post office, democratically controlled by workers themselves and independent of the union bureaucracy. Through these committees, postal workers can link up with the super-exploited drivers and riders of Amazon, Uber and DoorDash, whose struggles are inseparable from the fight against cost-cutting and restructuring at AP.

The assault on postal workers is not confined to Australia. It is part of a global offensive—from the gutting of the US Postal Service and Britain's Royal Mail, where the CWU's British counterpart has likewise collaborated in the destruction of jobs and conditions, to the drive to casualise postal work everywhere through gig-economy "last mile" delivery. The same processes are at work in every country, and the fight against them is one fight.

The Postal Workers Rank-and-File Committee (PWRFC), formed by Australia Post workers in 2021 in opposition to the ADM and the complicit CWU bureaucracy, fights for this perspective. The PWRFC rejects outright the premise that an essential public service must turn a profit, and that workers must pay for its "losses" with their jobs and living standards.

Above all, the defence of the postal service poses the necessity of a political struggle against capitalism itself. AP must be placed under genuine public ownership and democratic workers' control, along with the banks and major corporations, organised to meet social need, not corporate gain.