



An Australian Government Initiative



NSW & ACT

Senator Sarah Hanson-Young
Chair
Senate Standing Committee on Environment and Communications
PO Box 6100
Parliament House
Canberra ACT 2600

7 August 2026

Re: Regional Development Australia (RDA) NSW & ACT Committee submission to the Inquiry into the Australia Post Retail Network.

Dear Chair,

Thank you for this opportunity to provide a submission to this Inquiry. RDA NSW & ACT is a trusted, state-wide network of 13 regionally based organisations that bring deep local knowledge, strong cross-sector relationships, and a clear mandate to drive economic growth, innovation, and community prosperity. As part of a nationally funded Commonwealth initiative, RDAs play a pivotal role in identifying regional needs, strengthening investment in people, infrastructure, essential services, and local economies, and ensuring the effective, place-based delivery of Australian Government priorities.

Executive Summary

Licensed Post Offices (LPOs) are essential regional infrastructure across NSW. Their importance has grown as banks, government agencies and commercial service providers have reduced their physical presence in non-metropolitan communities. Across NSW RDA regions, including the Hunter, Central Coast, Mid North Coast, Northern Rivers, Northern Inland, Orana, Far West, Central West, Riverina, Murray, Illawarra Shoalhaven and Southern NSW & ACT, LPOs provide critical access to postal, banking, identity, government and parcel services.

There is no publicly available, consolidated record of how many Post Offices have closed across regional NSW in recent years. At Senate Estimates in May 2026, when asked how many Licensed Post Offices had closed, sought to relinquish their licence, or otherwise been assessed as at risk of closure since July 2022, Australia Post's Chief Executive Officer confirmed the organisation does not hold such a list. This absence of transparent, disaggregated reporting is itself a barrier to informed policy making and is addressed further under Term of Reference (d) below. However, regional

intelligence from the RDA network confirms that closures and service reductions are occurring across NSW, compounding digital exclusion, long travel distances, ageing populations, and cumulative service withdrawal already affecting these communities.

In FY2024–2025, Australia Post operated 4,118 Post Offices nationally, of which 2,523 (61%) were located outside major cities. This demonstrates the fundamentally regional nature of the network and underscores the need for a sustainable model that protects full-service access in non-metropolitan communities.

This submission addresses Terms of Reference (c) and (d), drawing on statewide evidence and regional intelligence from multiple RDAs.

1. Introduction

Australia Post’s retail network is one of the last remaining Commonwealth service footprints in many regional, rural and remote communities. As at FY24–FY25, Australia Post operated 4,118 post offices nationally, with more than 2,500 located in rural and remote areas (RA2–RA5). The majority of these are Licensed Post Offices (LPOs), small, locally owned businesses delivering Australia Post’s full suite of services under licence.

In NSW, particularly outside metropolitan Sydney, LPOs are foundational to community wellbeing, economic resilience, and service equity. Their sustainability is therefore a matter of national significance.

2. Term of Reference (c)

The crucial role that licensed post offices play in delivering services to support local communities, particularly in regional, rural and remote Australia.

2.1 Essential Service Access

Between 2022 and 2026, LPOs have continued to provide the majority of Australia Post’s face to face services in regional NSW, including:

- Identity services (passports, police checks, Working with Children Checks)
- Banking services through Bank@Post
- Government transactions (bill payments, licence renewals, form lodgement)
- Parcel collection, lodgement, returns and e-commerce fulfilment
- Secure document handling for residents without home delivery

In many towns, the LPO is the only remaining access point for these services following the closure of bank branches, Centrelink shopfronts, and other Commonwealth/State service outlets. The withdrawal of regional bank branches and agencies, including in Moulamein and Mathoura, has left Bank@Post as one of the few remaining face-to-face banking options in these communities. In very small towns, LPOs often function as multi-service hubs, combining postal, banking, identity and everyday transaction services under one roof; in Urana (population approximately 300), this prevents residents from needing to travel 70–140 km for routine transactions, a value that transaction volumes alone do not capture. Where a full-service outlet does close, as occurred at Talbingo in 2024, residents are pushed onto services in nearby towns such as Tumut; an informal

parcel collection point that emerged in its place later closed, illustrating that informal substitutes are fragile and cannot replicate the reliability of an LPO.

2.2 Economic Infrastructure

LPOs underpin regional economic activity by:

- Supporting small businesses and sole traders reliant on daily parcel lodgement
- Providing business banking services where no bank branch exists
- Enabling e-commerce participation for rural microbusinesses
- Anchoring local commercial precincts and generating foot traffic

Where closures and service reductions do occur, they increase travel distances and costs for small businesses, reducing competitiveness and service reliability. Rural businesses face a dual barrier, couriers will not deliver to many farm addresses, and some online retailers will not deliver to PO Boxes; without a reliable LPO collection point, rural households and microbusinesses risk exclusion from the digital economy. Local councils are similarly affected, relying on LPOs for cash handling, obtaining change, supporting Service NSW agency functions, and managing correspondence and statutory notices, reduced access affects local government operations as well as residents and businesses.

2.3 Social Cohesion and Community Identity

LPOs are trusted, familiar, and accessible. They provide:

- Face to face assistance for older residents, people with disability, and those with limited digital literacy
- Informal social contact in towns with few remaining public institutions
- A sense of continuity and community identity

In towns such as Lambton, Lochinvar, Windale and Blacksmiths, the closure of the local LPO has had measurable impacts on community cohesion and confidence in government service provision.

2.4 Digital Inclusion

Digital exclusion remains significant in parts of regional NSW due to:

- patchy mobile coverage
- unreliable broadband
- low digital literacy among older residents

LPOs provide essential assisted digital access, enabling residents to complete online forms, government transactions, and parcel management tasks they cannot reliably perform at home.

2.5 Equity and Accessibility

LPOs ensure equitable access for:

- older residents
- people with disability
- culturally and linguistically diverse communities
- low-income households
- residents without private transport

Closures disproportionately affect these groups, creating compounding disadvantage. These impacts are concrete and quantifiable. In the Riverina and Murray, communities without a full-service local LPO face substantial round trips for banking and postal services, Mathoura to Deniliquin is a 70 km round trip (or 84 km to Echuca), Moulamein to Swan Hill is a 140 km round trip, and Barham to Swan Hill is a 144 km round trip. In the Central West, small villages such as Carcoar, Mandurama, Millthorpe and Molong rely on a part-time LPO for mail and banking access; many residents have no home mail delivery service, and for those without private transport, the alternative, a 50–90 km trip to Orange or Bathurst, is a full-day undertaking rather than a routine errand. These distances create fuel costs, time away from work, reduced independence, and increased risk when transporting cash, and fall hardest on residents who are already most vulnerable to service withdrawal.

3. Term of Reference (d)

Alternative business models to support the sustainability of Australia Post’s retail network

Transparent public reporting of network change

There is currently no publicly available, consolidated record of Licensed Post Office closures, licence handbacks or format conversions. At Senate Estimates in May 2026, when asked how many LPOs had closed, sought to relinquish their licence, attempted to sell, or otherwise been assessed as at risk of closure since July 2022, Australia Post's Chief Executive Officer confirmed that no such list exists. Without this data, neither the RDA network, affected communities, nor the Parliament can properly assess the scale, pace or regional distribution of network change, or test Australia Post's evidence against the lived experience of licensees and communities. The RDA network recommends that Australia Post be required to publish a regular, disaggregated public register of network changes, including closures, licence handbacks, format conversions and new openings, by RDA region, to support transparent oversight and evidence-based policy.

Public value beyond transaction volume

Regional evidence shows that transaction counts do not capture the full public value of LPOs. Avoided travel, demographic vulnerability, digital inclusion, local government reliance and cumulative service withdrawal must be incorporated into network modelling decisions.

Transparent regional service impact testing

Before any closure or conversion, Australia Post should assess:

- travel distances
- demographic vulnerability
- transport availability
- digital connectivity
- banking access
- alternative service capacity

This prevents decisions that unintentionally compound service loss.

Workforce sustainability

Small regional outlets face higher staffing, relief and recruitment challenges. In towns such as Finley, a single staff absence has resulted in part-day closures and delays in parcel distribution, illustrating how thin these outlets' workforce margins are and how quickly a single absence can disrupt service

continuity. Any future model must recognise workforce fragility and ensure fair remuneration for the full range of services delivered.

Planning with communities

Early engagement with councils, licensees, businesses and community organisations ensures reforms reflect local realities rather than metropolitan assumptions.

Cumulative service loss

Post office decisions must be considered alongside bank closures, reduced government access, limited public transport and other service changes affecting the same community.

Final comment: a sustainable regional network will require flexible service models that keep essential services close to communities. This includes partnering with councils and community organisations to maintain local access, expanding multi-service hubs that combine postal, government and health functions, providing mobile or outreach services where permanent outlets aren't viable, and ensuring agency-based models retain core services such as identity checks, banking, parcel lodgement and accessibility standards. Together, these approaches protect service equity and reduce travel burdens for regional NSW.

4. Conclusion

Regional intelligence across NSW reinforces that LPOs are essential regional infrastructure. They are multi service hubs embedded in the daily functioning of regional communities. Their withdrawal creates cascading impacts across households, businesses, councils and local economies.

Any future network model must recognise this broader public value and ensure that regional communities do not bear disproportionate costs when services are centralised or reduced, this will require a deliberate investment, partnership with local communities, and a commitment to maintaining a physical presence in regional, rural and remote Australia.

Thank you for your consideration of the NSW Regions.

Yours sincerely



Chair
RDA NSW & ACT Committee