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14 August 2026

Committee Secretary
Senate Standing Committees on
Environment and Communications

PO Box 6100
Parliament House
Canberra ACT 2600

Email: ec.sen@aph.gov.au

Dear Tas Larnach

RE: Inquiry into Australia Post's Retail Network.

AgForce Queensland Farmers Limited (AgForce) is a peak organisation representing Queensland's cane, cattle, grain and sheep, wool & goat producers. The cane, beef, broadacre cropping and sheep, wool & goat industries in Queensland generated around \$11.2 billion in on-farm value of production in 2022-23. AgForce's purpose is to advance sustainable agribusiness and strives to ensure the long-term growth, viability, competitiveness and profitability of these industries. Over 6,000 farmers, individuals and businesses provide support to AgForce through membership. Our members own and manage around 55 million hectares, or a third of the state's land area. Queensland producers provide high-quality food and fibre to Australian and overseas consumers, contribute significantly to the social fabric of regional, rural and remote communities, as well as deliver stewardship of the state's natural environment.

AgForce welcomes the opportunity to make a submission to the Senate Standing Committees on Environment and Communications' inquiry into retail network plans for Licensed Post Offices (LPO) in regional, rural and remote (RRR) Australia.

AgForce has received feedback from our membership to express concern about this issue and for this reason we have offered a set of recommendations to the inquiry to support finding solutions to a challenging situation.

This submission should be read in conjunction with AgForce's 2023 submission to the Rural and Regional Affairs and Transport References Committee's inquiry into Bank Closures in Regional Australia¹ and attached, member case study.

¹Agforce Queensland Farmers (2023) [Senate Inquiry into Bank Closures in Regional Australia](#)



Historical Background

As we understand it, Australia's organised postal system dates to 1809, with the first recorded post office in George Street, Sydney, New South Wales. In 1825, NSW enacted legislation governing post offices, postage rates, and postmasters and by 1828 regular mail was being carried between Sydney and regional centres. At Federation in 1901, the postal and telgraph systems become Commonwealth responsibility, operated by the Postmaster General's Department.

The network was developed because distance created a communications problem that market alone could not necessarily solve, and Australia Post itself describes those early postal routes as having played a *vital role in connecting people, businesses and communities, and that this very same purpose of helping people stay in touch remains at the core of the service.*²

Therefore, we acknowledge Australia's postal network was established as communications infrastructure, designed to overcome Australia's defining challenges of distance, dispersed population and geographic isolation.

Present Day

Australia Post remains 100 per cent owned by the Australian Government and in 1989 it was established as a Corporate Commonwealth Entity and Government Business Enterprise operating under the Australian Postal Corporation Act 1989³. This significant change places the government organisation on a more commercial footing that seems to have created an inherent tension as the legislation says Australia Post should operate, "*as far as practicable, consistent with sound commercial practice*"⁴, yet, at the same time, the Act imposes community service obligations, i.e., provision of a national letter service.

Australia Post is government-owned, but required to think commercially while delivering services that have an inherently non-commercial public purpose. This tension is most pronounced in RRR Australia, because servicing a small remote community will almost inevitably cost more per customer than servicing metropolitan Australia.

Digital communications are extraordinarily important, but they have not eliminated Australia's geographic vulnerabilities. Regional communities continue to experience limitations associated with telecommunications coverage, power supply and distance. **The Government is still developing universal telecommunications obligations precisely because reliable digital connectivity remains problematic outside metropolitan Australia.**

Further, the ever increasing privatisation of government services and withdrawal of physical presence in RRR Australia elevates the Australia Post/LPO network of communications and service infrastructure as a matter of national strategic significance that contributes to Australia's resilience, sovereign capability and social and economic connectivity.

The physical postal network therefore provides something different: a distributed physical network of people, premises, transport routes and local knowledge reaching communities across the continent.

² Australia Post (2026) [Our History](#)

³ Australian Government. (2025). Department of Finance: [Australia Post Corporate Form](#).

⁴ Australian Government. (2025). Federal Register of Legislation: [Australian Postal Corporation Act 1989](#).



AgForce Recommendations:

Recommendation 1 – Recognise and protect the long-term viability of LPO network as nationally significant and essential community service infrastructure

AgForce recommends that the Australian Government recognise Australia Post's national retail network, and particularly the LPO network across RRR Australia, as nationally significant communications and essential (community) service infrastructure. LPOs provide critical physical connectivity for residents, farming businesses, community organisations and visitors through postal, parcel, banking, identity and other services.

In many smaller communities, the loss or reduction of the local post office would remove one of the last remaining face-to-face service points and require residents to travel significant distances to access services readily available to metropolitan Australians.

AgForce recommends that the vital role of rural mail contractors be recognised and protected, ensuring existing mail-run services to rural and remote properties are not diminished as the Australia Post network evolves.

AgForce recommends that the value of the Licensed Post Offices (LPO) network should NOT be assessed solely through the commercial performance of individual outlets, but by the collective economic, social and strategic value these independently operated businesses provide in maintaining Australia's physical service presence across geographically vast communities.

AgForce recommends the government should **establish a long-term framework to maintain this national capability**, recognising that services necessary to connect geographically isolated communities may not always be commercially viable when assessed in isolation.

Recommendation 2 – Protect face-to-face access in an increasingly digital economy

AgForce recommends that the Government recognise and protect the role of LPOs in supporting people who cannot reasonably access services through digital channels. Elderly residents, disadvantaged households, people without suitable devices or digital skills, and those living with unreliable telecommunications are being progressively marginalised as banking, government and business services move online.

LPOs provide an increasingly important bridge between these Australians and the digital economy and should be appropriately funded and equipped to continue that role. AgForce has previously highlighted that digital-only service models particularly disadvantage older and geographically isolated Australians.

Recommendation 3 – Develop LPOs as regional community service hubs model

AgForce recommends that Government and Australia Post explore an expanded community service hub model for RRR LPOs, allowing suitable outlets to provide a broader range of Commonwealth, banking, identity and other essential services.

As banks and government service centres progressively withdraw their physical presence from smaller communities, existing LPO premises, staff and local knowledge provide an established network



through which essential face-to-face services can be maintained rather than requiring communities to travel to larger regional centres.

Recommendation 4 – Open the LPO network to greater parcel interoperability

AgForce recommends consideration of a parcel interoperability model that enables LPOs to act as collection, lodgement and delivery points for a broader range of parcel and freight providers. Rather than Australia Post competing solely for parcel market share in an increasingly competitive, low-margin and capital-intensive market, Australia Post and its Licensees could earn service revenue from additional parcel volumes moving through the existing LPO network. Such a model could improve consumer choice and parcel access in RRR Australia while creating an additional revenue stream that supports the viability of local post offices.

Recommendation 5 – Establish minimum service standards for RRR communities

AgForce recommends the development of minimum postal and essential-service access standards for RRR communities, including consideration of reasonable operating days and hours, distance to alternative services and the availability of banking, medical, government and other community services.

Member experience demonstrates that limited post office operating days can require residents to make separate long-distance trips for postal or banking services when those days do not align with medical appointments or other essential services. Service decisions should therefore consider the cumulative impact on the whole community, including local businesses and tourism, rather than the profitability of an individual outlet alone. (*i.e.*, see *member case study*).

Recommendation 6 – Strengthen Bank@Post as an essential regional banking service

AgForce recommends that Bank@Post be strengthened and adequately funded as part of Australia's regional essential-service network, particularly where communities have lost their last physical bank branch. This should include appropriate cash capacity, transaction limits, identification services and the ability to support a broader range of banking transactions. AgForce has previously recommended better resourcing Bank@Post, including greater cash capacity, expanded responsibilities and reliable power and telecommunications to support consistent service delivery.

Recommendation 7 – Assess network value on community and national benefit, not outlet profitability alone

AgForce recommends that decisions affecting RRR LPO viability consider the *whole-of-community and national value of the network*, including regional development, business continuity, communications resilience, access to cash and government services, social connectivity and the consequences of losing physical service infrastructure.

Once an LPO closes, rebuilding that physical presence, local capability and community trust may be difficult and considerably more expensive. This approach is consistent with AgForce's previous position that essential regional services should be assessed according to their broader regional benefit rather than individual outlet or branch profitability.



Conclusion

Australia's postal network was established to overcome distance and connect a geographically dispersed population. More than two centuries later that fundamental public purpose is unchanged. While the technology and the services delivered through the network have changed, Australia's vast geography and the challenges of distance remain unchanged.

For many regional, rural and remote communities, the local post office remains one of the last permanent physical service networks connecting residents and businesses with banking, government, commerce and the wider Australian community; and in our members' view forms part of Australia's overall essential service infrastructure and communications network.

AgForce encourages the committee to view LPOs as more than simply whether every individual LPO is a commercially profitable retail outlet; rather, what value does the network provide to Australia's economic resilience, regional development, communications capability and in the nation long-term interests; and how does the government enhance the role of the LPO network as an essential service and a nationally significant asset. It should also consider what it would cost Australia to recreate that capability once it has been lost.

AgForce leaves the committee with one final question: *"What physical service network does Australia need to maintain across its vast continent, to ensure people, businesses and communities remain connected, are not marginalised and what role should the LPO network play as an essential service and nationally significant asset?"*

AgForce thanks the committee again, for the opportunity to provide feedback to this inquiry. If you have any questions or require further information, please contact Sam Forzisi, AgForce Policy Director, by email: forzisi@agforceqld.org.au or on mobile: 0499 960 006.

Yours sincerely

Niki Ford

Chief Executive Officer

Enc. Member Case Study – Farmer A.



THE LEADING VOICE FOR QUEENSLAND PRODUCERS



MEMBER CASE STUDY

Case Study – Farmer A: Remote addressing is causing significant mail delays

practical consequences of Australia Post’s addressing system in remote areas.

Farmer A operates an agricultural property in remote Queensland where mail has traditionally been delivered through a nearby Licensed Post Office (LPO). Changes to addressing standards now require use of a designated locality, road number and postcode, rather than the property name and postal town historically used by the local postal network.

For Farmer A, the designated locality crosses different postal service areas. Automated sorting can consequently direct mail to the wrong postal centre, despite the property being serviced by a different LPO.

Parcels can take up to a month to arrive, sometimes being redirected multiple times before reaching their destination. This creates practical risks beyond inconvenience. Delays affect business correspondence, government and licensing documents and potentially time-sensitive or perishable medical supplies.

Farmer A also highlights the importance of retaining property names and the servicing LPO town within remote addressing arrangements, where local postal workers rely on this information to correctly identify properties and mailboxes.

The experience demonstrates the need for Australia Post’s addressing standards and automated systems to better recognise the practical realities of regional and remote postal delivery and the critical role of local LPO knowledge.

End.

