

## Media Release

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### **Australia Post delivers unprecedented \$2.4 billion eCommerce boom during COVID-19**

Australia Post powered an estimated \$2.4 billion eCommerce boom during the height of the COVID-19 crisis through its parcel delivery service, a new analysis from Deloitte Access Economics has found.

At a time when two out of three businesses in Australia reported weaker revenue with much of the nation under restrictions, Australia Post has provided a lifeline for business, allowing them to continue to trade and service their customers online.

The Deloitte analysis released today found Australia Post's activities during the three months to May 2020 – the peak COVID-19 period – facilitated an additional \$2.4 billion in e-commerce compared to the same time last year, with communities in regional and remote Australia accounting for almost of quarter of the business.

Australia Post Group Chief Executive Officer and Managing Director Christine Holgate said while this was a credit to the direct workforce of 36,000 people, it was very encouraging to see an additional 25,000 Full-time equivalent local jobs were supported each month during the pandemic.

“It's very clear Australia Post has played a critical role in keeping the country running during the COVID-19 pandemic. Not only have we supported business to trade online, for every three workers employed by Australia Post, another two jobs in other businesses and industries have been supported, many in small and medium businesses,” Ms Holgate said.

“I'm so proud of the way we have stepped up and kept many Australian businesses alive. Australia Post really has become the 'BusinessKeeper' of the national economy.

"This new analysis underlines the fundamental role Australia Post plays in connecting communities and businesses across Australia.”

Minister for Communications, Cyber Safety and the Arts, the Hon Paul Fletcher MP, said, “The Deloitte report underlines the vital role Australia Post has performed during the COVID-19 pandemic in serving the increased parcel delivery needs of Australians and their small businesses as people moved their economic activity online, particularly those in rural and regional locations.

“It further highlights why the Government agreed to grant temporary regulatory relief to Australia Post so it could meet the increasing parcel volumes by redeploying around 2000 posties to work in the growing part of the business delivering parcels instead of letters, which are sharply declining during the pandemic.”

The analysis also found:

- The number of parcel deliveries increased by 26 million on the 2019 figures, with activity in regional Australia increasing at a faster rate than metropolitan areas.
- Food, liquor, homewares and appliances stood out as the top categories for growth in Australia Post parcel deliveries in the COVID lockdown, while variety stores and fashion retailers gained sales momentum during the three-month period.
- Australia Post contributed more than \$1 billion directly but importantly generated an additional \$747 million in flow-on economic activity in other sectors.

Deloitte Access Economics partner John O'Mahony noted with more than 80 per cent of Australia's e-commerce economy facilitated by Australia Post, regional Australia was increasingly reliant on the parcel delivery service, particularly as lockdowns and restrictions on physical shopping drove consumers to online retailing.

“Consumer behaviour has changed as a result of this health and economic crisis. Businesses and individuals have had to adapt drastically to a changing climate. With many stores closed or having limited physical operations, consumers have shifted to online purchases, resulting in changes to delivery networks.

“The limited availability of alternatives for the fast and reliable delivery of parcels between regional and remote areas means that for many businesses operating outside of metropolitan cities, Australia Post’s delivery infrastructure is essential for maintaining a high-quality experience for customers residing in other regional communities.”

The Economic assessment of Australia Post’s activities during COVID-19 analysis was commissioned by Australia Post and produced by Deloitte Access Economics. The full analysis is available at [auspost.com.au/publications](https://auspost.com.au/publications).

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