

Australia Post invests \$25m in new Adelaide parcel facility to meet online shopping boom

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Australia Post is investing \$25 million in a brand new parcel facility in Adelaide - to meet the demand for parcels boosted by the unprecedented growth in online shopping in the state.

This will be the company's biggest operational investment in South Australia ever.

The new site will consolidate operations currently carried out across multiple sites into one state-of-the-art facility, featuring automated parcel processing for the first time ever in the state, significantly boosting parcel processing capacity and improving service standards for residents in South Australia.

Australia Post Group Chief Executive Officer and Manager Director Christine Holgate said South Australians are shopping online more than ever before, with this investment part of Australia Post's ongoing efforts to keep up with demand, particularly in growing areas such as Adelaide.

"It is no secret Australians love shopping online, spending over \$4.4 billion in April this year alone, and South Australians love it more than most with a huge jump in online purchases during COVID-19," Ms Holgate said.

"More than 14,000 South Australian households shopped online for the first time in April, with Adelaide's postcode alone ranked third nationally by percentage of new online shoppers. This drove the state's overall online shopping growth figure for the month to an incredible 86 per cent up on last year.

"I am so thrilled to be making this investment

as it will be the first time we have introduced any parcels automation in South Australia so it truly will future-proof our operations.

"The facility will be critical in helping us to stay ahead of the continued growth in parcels, enabling us to get parcels from merchants and to our customer faster," Ms Holgate continued.

The new facility is not just great news for online shoppers, it will also improve safety and efficiency, and create 50 new, important local jobs while preserving current roles.

"The health and safety of our people is our priority and this new site will feature high-speed sorting machinery and other automation, significantly reducing manual handling and the associated risk of injury to our people," she added.

"Through the transition we will be bringing our teams together under one roof, maintaining current roles while also creating new opportunities for our people to move into new positions within the growth area of our business."

According to Australia Post's 2020 Inside Australian Online Shopping Report, South Australians are big buyers of fashion, health and beauty and home and garden products with growth in the state across the three categories up 19.2 percent, 12.6 percent and 11.9 per cent YOY respectively in 2019.



Preparations for the new Adelaide parcels facility are already underway with the site due

to become operational in 2021.

Source: <u>Australia Post</u>