



COVERSHEET

Minister	Hon Paul Goldsmith	Portfolio	Media and Communications
Title of Cabinet paper	Postal Deed of Understanding changes for commercial sustainability	Date to be published	22 October 2025

List of documents that have been proactively released

Date	Title	Author
June 2025	Postal Deed of Understanding changes for commercial sustainability	Office of the Minister for Media and Communications
30 June 2025	Postal Deed of Understanding: Changes for Commercial Sustainability CBC-25-MIN-0034 Minute	Cabinet Office

Information redacted

YES / NO (please select)

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- Commercial Information
- Confidential Advice to Government



Cabinet Business Committee

Minute of Decision

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Postal Deed of Understanding: Changes for Commercial Sustainability

Portfolio **Media and Communications**

On 30 June 2025, the Cabinet Business Committee (CBC):

Background

- 1 **noted** that New Zealand Post Limited (NZ Post) and the Crown are parties to the Postal Deed of Understanding (the Deed), which sets out minimum requirements that NZ Post must meet relating to its mail service;
- 2 **noted** that in September 2024, CBC agreed, as part of the 2024 Review required in the Deed, that consultation be undertaken on proposed Deed changes [CBC-24-MIN-0096];

Deed changes

- 3 **agreed** to reduce the minimum mail delivery frequency per week in the Deed to three days in rural areas, and two days in urban areas;
- 4 **agreed** to reduce the minimum mail delivery frequency per week to two days for PO Boxes and Private Bag delivery points;
- 5 **agreed** that mail delivery days at the minimum delivery frequencies set out above must be non-contiguous (i.e. they cannot all be consecutive days);
- 6 **agreed** to reduce the minimum required number of postal outlets from 880 to 500, with a glide-path (provided for in two steps at two-year intervals) down to 400 outlets;
- 7 **agreed** to provide a mechanism for NZ Post to update its classification of areas as rural or urban at its discretion, with reference to an objective source;
- 8 **agreed** that the Deed will specify that NZ Post will not initiate the closure of any postal outlets in rural areas in the first year following the signing of the revised Deed, except in circumstances beyond its control (such as an agent going out of business);
- 9 **agreed** that the Deed will require NZ Post to engage with affected communities on proposed rural postal outlet closures, providing reasonable time to receive and consider public feedback prior to confirming and communicating its final decision, and the key factors that were considered in reaching its decision;

- 10 **agreed** that the Deed will retain the requirement for at least 240 postal outlets to have personal assistance available to consumers in the form of 'staffed' retail points of presence, reducing this minimum requirement over time to 120 in two-yearly steps as the minimum total number of required outlets decreases;
- 11 **agreed** that the Deed will provide for NZ Post to meet its requirement to extend its network in the form of delivering to communal delivery points, or individual letter boxes, at its discretion for new delivery points;
- 12 **agreed** that the Deed will allow NZ Post to convert pre-existing delivery points into communal points at a rate of up to five percent per annum, with reasonable notice to affected parties – providing sufficient time for affected parties to submit feedback for NZ Post to consider prior to converting delivery points;
- 13 **agreed** to remove the three percent cap on total delivery points that may be comprised of communal delivery points;
- 14 **noted** that the Deed requirement for NZ Post to provide access to its postal network to other postal operators will be retained;
- 15 **agreed** that the next Deed Review will commence three years from the date of the revised Deed;
- 16 **agreed** to include a provision in the Deed for an earlier review to be triggered if annual mail volumes fall below 120 million mail items in a year;

General

- 17 **noted** that the NZ Post Board has confirmed that the above Deed changes would allow NZ Post to run its mail service in a commercially viable manner without needing to seek further Government funding for at least the next three years;
- 18 **noted** that Deed changes will be announced following Cabinet approval, and that NZ Post will also take a central role in leading communications about Deed changes;
- 19 **noted** that a revised Deed will be drafted and signed by the Minister for Media and Communications and NZ Post.

Rachel Clarke
Committee Secretary

Present:

Hon David Seymour (Chair)
Rt Hon Winston Peters
Hon Nicola Willis
Hon Chris Bishop
Hon Simeon Brown
Hon Shane Jones
Hon Erica Stanford
Hon Paul Goldsmith
Hon Louise Upston
Hon Judith Collins KC

Officials present from:

Office of the Prime Minister
Department of the Prime Minister and Cabinet