

**PERFORMANCE OF POST AND TELECOMMUNICATIONS
DEPARTMENT FOR FINANCIAL YEAR 2004/2005 AND FOCUS FOR FINANCIAL
YEAR 2005/2006**

1.0 Purpose of Ministry Paper

This report is intended to provide highlights of the performance of the Post and Telecommunications Department and Postal Corporation of Jamaica during the Financial Year 2004/2005 and to outline the main focus for the Financial Year 2005/2006.

2.0 Background

The postal service comprises the entities – the Post and Telecommunications Department (PTD) and Postal Corporation of Jamaica (POSTCORP). The PTD is governed by statute while POSTCORP is a government-owned company. POSTCORP was formed to be a transition company to commercialize and modernize the postal service as certain modernization initiatives could not be implemented within the legislative framework of the PTD. Both PTD and POSTCORP share the chief executive officer. The plan is to promulgate a new Postal Services Bill which will result in the creation of a new statutory corporation to be known as “Jamaica Post” which will assume the functions of the PTD and POSTCORP. Subsequently, the PTD and POSTCORP would be dissolved.

3.0 HIGHLIGHTS OF ACHIEVEMENTS

3.1 Management Strategy

POSTCORP continued to work in close cooperation with the Post and Telecommunications Department to:

- (i) review the corporate objectives and develop an operational plan for the year
- (ii) set up systems for monitoring performance against targets
- (iii) deepen the process of accountability by appointing accountable officers
- (iv) develop solutions for longstanding problems
- (v) share information
- (vi) upgrade skills and competencies
- (vii) agree on the new organizational structure for Jamaica Post
- (viii) establish and maintain the *esprit de corps*

3.2 Human Resources Development

(a) Training

The Department continued its aggressive programme of up-grading the skills and competencies of supervisory and managerial personnel. These areas were significantly strengthened through the hosting of seminars/workshops and accounts training in collaboration with the Management Institute for National Development (MIND) and other external agencies. Table 3.1 shows the types of training, number of employees and categories of staff trained.

Table 3.1: Types of Training and Number of Participants

Type of Course	No of Participants	Categories
Management related studies	69	All categories
Information Technology	110	All categories
Stress Management	49	All categories
First Aid/Emergency Management	30	Staff-Safety Wardens
Parcel Training	60	All categories
Accounting Procedures	33	All categories
Leadership/Team Building	21	All categories
Clerical Training	190	Clerks/Postmasters
Customer Service	45	All categories
Rules & Regulations/ Welfare Issues	33	All categories
Hospitality Skills	15	Office Attendants
Security Seminar	28	All Categories
Total	683	

It is believed that the development of the staff is one of the most important means of modernizing the postal service and so plans are being pursued for the establishment of a Postal Training School. The Universal Postal Union is supportive of this venture and sees the school as an important means of developing postal management in the Caribbean. The curriculum has been finalized and the pilot Certificate in Basic Postal Operations course is scheduled to commence in early 2005.

(b) Institutional Strengthening

As part of institutional strengthening efforts being undertaken by the Agency, a draft manual outlining policies and procedures to be used by regional inspectors is now ready for final review. The aim of this manual is to institutionalize best practices and standardize the management of the postal network.

(c) Security Seminar

In an effort to assist the enforcement efforts, a security seminar was held in October 2004. Police Officers from the Narcotics Division were the presenters. The aim was to train select personnel to identify and detect contraband items. There were twenty-eight (28) participants. A similar seminar will be hosted in the Spanish Town in mid 2005

(d) Dress Code

The attire of postmen (who no longer qualify to receive uniforms) has been of concern to the Department. Following discussions with the trade unions, a dress code for postmen will be implemented early in the 2005 financial year.

3.3 Express Mail Service

The Department introduced its up-graded international Express Mail Service and as a member of the Mail Express Cooperative of the Universal Postal Union (UPU), established partnerships with over forty (40) member countries by November 2004. The up-graded service is equipped with a computerized web-based track and trace system that allows customers to access information on the location of items dispatched to countries such as United States of America, the United Kingdom and Canada.

The re-engineering of the Parcels Unit has begun with training in the use of the track and trace system, the aim being to include all inbound and outbound express and ordinary parcels on the tracking system. For the period 2003/2004 parcels and packages accounted for 8.55% of revenue collected. This share declined to 6.3% for 2004/2005, representing a 2.5% slippage. It is expected that this track and trace system will attract customers and result in increased volume.

3.4 Quality of Service

(a) Improved Delivery Standards

The Department continued to maintain the delivery standards set in July 2003. The first in a new series of local mail testings was conducted and the outcome revealed that sixty percent (60%) of local mail was delivered within two (2) to three (3) days. Feedback from customers has indicated general satisfaction with the improved delivery service.

The new monitoring system for mail sorting and delivery continues to be effective and the plan is to introduce a dedicated Quality Control function.

(b) Extended Post Office Opening Hours

The following offices are now offering extended opening hours –

- Liguanea P O - Mondays to Fridays - 7:00 a.m. to 7:00 p.m.
- Cross Roads - Saturdays - 9:00 a.m. to 1:00 p.m.
- Greater Port more - Saturdays - 9:00 a.m. to 1:00 p.m.

(c) Quality of Service Project

Confirmation was received from the UPU that proposal for grant funding for consolidation and streamlining of sorting operations on the first floor has been approved. This is in keeping with a Quality Development Plan previously approved by the UPU. Grant funds of US\$176,000 allocated under the Quality of Service Fund will be made available for this project. The project includes a technical assistance component and the Department is now in the process of identifying a specialist in postal layout and logistics to finalize the floor plan.

(d) Customer Care

A committee was formed to establish a customer service unit and to identify account managers who would increase revenue by marketing the services offered by the Department. Training sessions in Sales and Marketing were conducted in November 2004. Twelve (12) account managers have been selected and introduction of the service is set to begin early in the 2005 financial year.

3.5 New Services

(a) Global Alliance Transport Service (GATS)

In 2002 an agreement was signed with Global Alliance Transport Services (GATS) and POSTCORP for the establishment of Jamaica as a mail hub for the Caribbean. The hub is in operation but revenue has not met expectations due to competition from airlines, which transport mail through Jamaica without the required handling by the Post Office. The legal requirements for the handling of mail that passes through this administration are being reviewed.

(b) Private Letter Box (PLB) Project

The first phase of the PLB Project was initiated. Discussions are in progress with the developers of Angels Estate to install PLBs. One hundred and forty (140) boxes have been earmarked for installation at the housing scheme and a similar number at the shopping centre.

At Long Mountain housing scheme, five hundred and forty (540) PLBs were installed and commissioned into service. In addition one hundred and fifty-one (151) boxes are available at the Liguanea Post Office.

3.6 Infrastructure Development

(a) Refurbishing of Post Offices

In September 2004, Hurricane Ivan damaged several post offices across the island with thirty (30) facilities sustaining significant damage. Five (5) of these had to be relocated. Three (3) of the five (5) relocated were repaired allowing for operations to resume at the original venues. To date, a total of fourteen (14) offices have been completely refurbished at a cost of \$6 M. The Department submitted a letter to the Office of National Reconstruction (ONR) seeking assistance to carry out repairs to thirty (30) post offices at an estimated cost of \$42 M. The process of inviting tenders for these repairs is now underway.

(b) Official Opening of Post Offices

- The Liguanea Post Office was officially opened on June 24, 2004. The office was cited for the pilot project for automation of counter services.
- The new Shooters Hill Post Office was opened on June 1, 2004.

(c) Community-Based Partnerships

The Bensonton and Comfort Castle Postal Agencies, which were built through community efforts, were opened during the review year. Jamaica Broiler's Limited kindly donated the McCook's Pen Postal Agency and the Moneymusk Gun Club in partnership with Food for the Poor built a new concrete structure to house the post office in Portland Cottage. The latter however, was severely damaged during Hurricane Ivan and is no longer useable.

(d) Grants Pen Community

The American Chamber of Commerce through its PERT Programme has undertaken to build a community facility, including a post office, in Grant's Pen. Work has commenced on the structure.

(e) Sligoville

The Chinese Government is set to finance a new sports and community complex in Sligoville, St. Catherine. The complex will include a new post office. Upon completion, the functions of the existing post office will be relocated to the new facility.

(f) Little River

Rose Hall Development Limited has requested permission to include a post office building in its development. This facility will replace the rented Little River Post Office and will be renamed the Rose Hall Post Office.

(g) Surveillance System

A contract valued at \$1.5 M was awarded to Sitewatch Limited, for the installation of a surveillance system at the Central Sorting Office. The installation process has been completed and the system, which allows for full electronic surveillance of the Central Sorting Office compound and the indoor operations, was commissioned in December 2004.

(h) Mobile Post Offices

A request has been prepared for bilateral support in purchasing three (3) mobile post offices to serve unprofitable rural locations. The final proposal is currently being prepared.

3.7 Postal Operations

(a) Increase in Postal Rates

Approval was granted for the increase of postage rates with effect from August 01, 2004 to bring postal rate more in line with cost. Rate increases average thirty percent (30%) for letter mail. Revenue inflow has not been according to expectations. This could have adverse implication for service to certain geographic areas where mail volume is low and have to be heavily cross-subsidized.

(b) New Stamp Dealers

Three (3) new stamp dealers, as indicated below, were added to the existing list –

- Pagasus Hotel, Kingston
- Sangster International Airport, Montego Bay
- Island Plaza, Ocho Rios.

There are now fourteen (14) authorised stamp dealers operating island-wide.

(c) Special Rates for Christmas Mail

During the Christmas Season a reduction of thirty three percent (33%) in postage rates was offered to customers mailing unsealed Christmas cards. This resulted in greater volume of cards mailed.

(d) Agreement with Canada Post

POSTCORP and Canada Post have entered into an agreement to offer a new and unique service to cruise ship passengers. This involves the printing personal postage stamps. Jamaica Post provided the pro forma stamps, which afford the cruise ship customers a choice in background. Initial sales are slow, but there is optimism for growth in this market.

(e) Post Code Project

A postal coding system has been developed to international standards. The eight (8) alpha numeric characters digit system is expected to facilitate mail sorting and the automation of letter mail. A pilot project to introduce the system is scheduled for the Kingston 08 area in May 2005.

(f) Mail Contractors

The Department was successful in the court case brought against the Postmaster General by Moore's Air Express Limited. This has now paved the way to enable the Post Office to pursue competitive procurement of mail transportation services and achieve greater level of efficiency and cost-effectiveness in this aspect of operation.

(g) Mail Volumes

For the period January to December 2004, mail volume totaled 70.8 million pieces, representing a marginal 0.1% increase over the previous year. Thus although the rate of increase in mail volumes is small, the decline in letter mail that many other administrations have experienced is not yet affecting the post office in Jamaica, despite the growing competition in the mail and express sectors.

3.8 Public Education and Communication

(a) World Post Week Celebrations

World Post Week was celebrated from October 09 -14, 2004. Highlights included church services island wide and an impressive postmen's bicycle parade. Consideration is being given that annual awards be given to postmen who perform above a set benchmark.

(b) Gleaner Feature

The Gleaner Company has committed to publishing a weekly feature highlighting the postal service. The feature has been running since July 2004 and has drawn

favourable responses from readers. The Post Office wishes to express sincere appreciation to the Gleaner Company.

The Post Office has also benefited from cooperation with the print and electronic media in other areas. Advertisements on new products have been aired on a regular basis and there has been significant improvement in news coverage.

4.0 Main Focus for 2005/06 Financial Year

The main focus of the organization for the current financial year is as follows:

- Promulgation of new Postal Services Bill
- Introduction of a new regulatory framework for the postal and courier sector to protect customers and ensure that standards of safety and security are met.
- The modernization of the postal network for the financial sustainability of the service
- Further up-grading of the sorting and delivery processes for greater productivity.
- The mobilization of a price competitive courier service
- The establishment of the Postal Training School
- The refurbishing of the Postal Museum in Falmouth

5.0 Financial Aspects

The revised recurrent budget for the Post & Telecommunications Department was \$1.2 billion for the 2004/05 Financial Year. Of this amount approximately 75% is for personnel cost. The approved budget for the 2005/06 Financial Year is \$1.03 billion.

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