

MINISTRY PAPER No. \_\_\_\_\_

## PERFORMANCE OF THE POST AND TELECOMMUNICATIONS DEPARTMENT FOR FINANCIAL YEAR 2005/2006 AND FOCUS FOR FINANCIAL YEAR 2006/2007

### 1.0 Introduction

This document is intended to inform Parliament and the public about the work of the Post and Telecommunications Department and Postal Corporation of Jamaica, its performance for the Financial Year 2005/2006 and its main focus for the Financial Year 2006/2007.

### 2.0 Background

The postal service comprises the entities, the Post and Telecommunications Department (PTD) and the 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. PTD and POSTCORP share a 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 both 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 PTD to:

- (i) identify new and creative products for introduction
- (ii) review the corporate objectives and develop an operational plan for the year
- (iii) set up systems for monitoring performance against targets
- (iv) deepen the process of accountability by appointing accountable officers
- (v) develop solutions for longstanding problems
- (vi) share information
- (vii) upgrade skills and competencies
- (viii) agree on the new organizational structure for Jamaica Post
- (ix) establish and maintain the *esprit de corps* within the staff complement
- (x) maintain a stable industrial climate through support from the unions

## 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	Target Group	Region	Period	No. of Participants	Presenter(s)
Customer Service	Postmen, Postal Clerks, Ancillary Staff	Corporate Area	September 2005 – January 2006	268	HEART Trust
Information Technology	Postmen, Postal Clerks, Supervisors	Corp Area	Sept. 2005 Jan. 2006	28	Cyber Centre
Business Travel Workshop	Senior Executives	Corp Area	Oct. 2005	1	MIND
Secretarial Qualifying Exam	Secretaries	Corp Area	Sept. 2005	2	Office Professional Training Centre [MIND]
Literacy Skills	Ancillary Staff / Grounds-Man	Corp Area	Jan. 2006	1	JAMAL
Train the Trainer	Senior Managers & Supervisors	Corp Area	Feb. 2006 (deferred)	15	HEART Trust
Supervisory Management	Supervisors	Corp Area	Feb. 2006	21	P&T Training School
Customer Care	Postmasters, Deputies, Counter Clerks	Mandeville	Mar. 2006	15	P&T Training School

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 (UPU) 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 commenced in early 2005.

The Department received the prestigious HEART/Jamaica Employers Federation Award in October 2005, for its commitment to improving customer service standards by utilizing HEART/NTA's Enterprise Based Training [EBT] in customer service best practices.

### **(b) Institutional Strengthening**

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

### **(c) Security Issues**

In an effort to assist the enforcement efforts, security seminars were held by police officers from the Narcotics Division. The aim was to train select personnel to identify and detect contraband items. There were twenty-eight (28) participants. The seminars were hosted in Spanish Town in mid 2005, as well as in Mandeville and Morant Bay.

The Security Unit retained the services of a Deputy Chief of Security in February 2006 and a Chief of Security is to be in place in the early part of the 2006/2007 financial year.

### **(d) Dress Code**

Postmen now proudly wear their Jamaica Post logo shirts. This provides a corporate identity for the team that is most visible to the public. Additionally, staff morale has been improved as the agreement regarding uniform allowance has worked well while also affording team members a more modern, corporate appearance.

## **3.3 Express Mail Service [EMS]**

The EMS has provided customers with the opportunity to send packages/documents overseas with the confidence of being able to track their movement from dispatch to destination via the Internet. The significantly lower rates for EMS *vis-à-vis* similar products by multinational companies, provides tremendous cost savings to customers.

### **3.4 Quality of Service**

#### **(a) Improved Delivery Standards Maintained**

The Department continued to maintain the delivery standards set in July 2003. Feedback from customers has indicated general satisfaction with the quality of service. The new monitoring system for mail sorting and delivery continues to be effective and the plan to introduce a dedicated quality control function has been further advanced. The fact that there were only a few enquiries from the 2005 Christmas holiday season suggests high standard in mail delivery.

#### **(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 Portmore - Saturdays - 9:00 a.m. to 1:00 p.m.
- Constant Spring - Saturdays - 9:00 a.m. to 1:00 p.m.

#### **(c) Quality of Service Project**

Confirmation was received from the UPU that a proposal for grant funding for consolidation and streamlining of sorting operations on the first floor of the Central Sorting Office (CSO) 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 will soon complete the plan to allow the second floor to be leased, thus creating an additional revenue stream.

#### **(d) Customer Service**

The Department continued to deepen its customer service focus in 2005/2006 with the following initiatives:

- Customer Service Unit reorganized and upgraded – now provides faster response to enquiries
- Installation of Toll Free Line: 1-888-JAMPOST [1-888-526-7678]
- Staff training with specific focus in this area.
- POSTCORP's website redesigned and officially launched ([www.jamaicapost.gov.jm](http://www.jamaicapost.gov.jm))

### **3.5 New Services**

#### **(a) Global Alliance Transport Service (GATS)**

In 2002 an agreement was signed between 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**

Private Letter Box rental is a major source of revenue for the Department.

- The first phase of the PLB Project has been initiated and discussions are in progress with the developers of Angels Estate to install PLB's. 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) PLB's 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) Official Opening of Post Offices**

Strategic corporate alliances with private sector entities have allowed PTD to benefit from enhanced physical infrastructure in two locations:

- Rose Hall Post Office in St James valued at \$15 M was built through Rose Hall Development Company Limited on land donated by the Urban Development Corporation (UDC). The official opening took place on October 13, 2005.
- Grant's Pen Post Office, built through AMCHAM and the Jamaican private sector, was officially opened on January 24, 2006.
- Santa Cruz which is fully government-owned and valued at approximately \$23 M was officially opened on July 14, 2005.

#### **(b) Sligoville**

A groundbreaking ceremony for this sports & community complex which will include a state-of-the-art post office, was held on March 15, 2006. This project is scheduled to be completed in March 2007.

### **(c) Surveillance System**

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

### **3.7 Postal Operations**

- (a)** Letter and parcel operations were consolidated on the 1<sup>st</sup> Floor of the CSO, leading to greater efficiency, security and control of the operations.
- (b)** Approximately sixty thousand (60,000) sq ft of space on the 2<sup>nd</sup> Floor is now available for rental or other income generating activity.

### **(c) New Stamp Dealers**

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

- Purfit Tours Limited - Kingston
- Gateway Pharmacy - Mandeville
- Fontana Pharmacy – Spanish Town

There are now seventeen (17) authorized stamp dealers operating island-wide.

### **(d) Special Rates for Christmas Mail**

During the 2005 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.

### **(e) Post Code Project**

A postal coding system has been developed to international standards. The alpha numeric character digit system is expected to facilitate mail sorting and the automation of letter mail.

### **(f) Mail Contractors**

New Contracts have been finalized and are to run until May 2008. It is envisaged that the Department will achieve a greater level of efficiency and cost-effectiveness in this aspect of its operations.

### **(g) Mail Volumes**

For the period January to December 2005, mail volume totaled 66.565 million pieces, representing a six percent (6%) decline against the previous year. Indications are that the decline could be due to competition in the sector.

## **3.8 Corporate Communications**

### **(a) World Post Week Celebrations**

This annual event has been transformed into a week of events. It creates significant public attention, thereby allowing the Department to showcase its major products. Private sector sponsorship has been the primary funding source.

### **(b) Gleaner Feature**

The Gleaner Company has committed to publish 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 2006/2007 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 upgrading 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 a Postal Museum in Falmouth
- Automation of Postal Counters
- Implementation of the Financial Management Information System (FMIS)
- Further rationalization of post offices and opening of post shops.
- Continued fine tuning of the rationalization plan.
- Acquisition of motorcycles for postmen. Ministry of Finance and Planning has been requested to offer duty free concession. Loan arrangements will be pursued with credit unions to enable post men to acquire bicycles.

- Enhanced mail and post office building security
- Attain revenue of \$916 M

## **5.0 Financial Aspects**

The revised recurrent budget for the Post & Telecommunications Department was \$1.16 Billion for the 2005/2006 Financial Year. Of this amount approximately three quarters (75%) was to meet personnel costs (wages and salaries). The proposed budget for the 2006/2007 Financial Year is \$1.2 Billion.

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**Phillip Paulwell**  
**Minister**  
**Ministry of Industry, Technology, Energy & Commerce**  
**June 20, 2006**