

MINISTRY PAPER No.: _____

**PERFORMANCE OF THE POST AND TELECOMMUNICATIONS DEPARTMENT
FOR FINANCIAL YEAR 2006/2007 AND FOCUS FOR FINANCIAL YEAR
2007/2008**

1.0 Purpose of Ministry Paper

This Ministry Paper is intended to inform Parliament and the public about the performance of the Post and Telecommunications Department and Postal Corporation of Jamaica during the Financial Year 2006/2007 and to outline the main focus for the Financial Year 2007/2008.

2.0 Background

The postal service comprises the entities, 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. The PTD is headed by the Postmaster General who also functions as Chief Executive Officer of the POSTCORP. 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." This new entity 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* within the staff complement
- (ix) maintain a stable industrial climate through support from trade unions

3.2 Human Resource Development

3.2.1 Training Programme

As a part of the modernization thrust, significant emphasis is being placed on the development of the human resources. Hence, the Department has been consistent in the delivery of training and development initiatives to ensure the availability of a multi-skilled staff for increased personal development, performance, efficiency and confidence at all levels and to enhance job satisfaction. The Department was able to successfully complete a number of training activities targeted for the review period. For the year under review, the highlights of activities are presented later.

- The continuation of partnership with MIND and HEART Trust NTA in the delivery of training programmes for over fifty (50) senior managers, supervisors and head of units in supervisory management, management development, transformational leadership and training of trainers.
- The forging of links with other training organizations - Justice Training Institute, Professional Training Institute – in delivering training in writing output focused job descriptions for forty (40) senior managers inclusive of supervisors and regional inspectors in preparation for implementation of Performance Management and Appraisal System (PMAS) and the training of two (2) senior managers in writing of policies and procedures.
- The formation and regular meeting of a lead group to serve as “industry experts” to facilitate the development of competency standards by HEART Trust. Standards are to be used as a basis for assessment, certification and accreditation of training programmes.
- The participation of in-house facilitators in training ninety-nine (99) postmasters from the Port Antonio, Montego Bay, St. Thomas and St. Mary Regions in operational procedures resulted in over eighty percent (80%) compliance in the preparation of cash accounts statements and adherence to the FAA Act.
- In-house customer service training continued with over two hundred (200) postmen from the Corporate Area completing phases 1-3 of level 1 qualification in customer service, facilitated by HEART enterprise-based training.
- Eight (8) computers (reconditioned) were installed in the training laboratory, allowing for upgrading of computer skills for various categories of staff including seven (7) ancillary staff members who have been utilizing the lab to reinforce literacy and numeracy skills.

- In an effort to improve service delivery, more than seventy (70) postal counter clerks from the Corporate Area, Montego Bay, Runaway Bay and Ocho Rios were trained in:
 - Delivery of customer service
 - Counter duties
 - Postal products sensitization

Participants will be issued statements of competent service by HEART Trust NTA for the training in Delivery of Customer Service as well as certificates of participation from the Department's training school.

3.2.2 Training Activities

Course	Target Group	Region/ Venue	Dates	# of Participants	Presenter(s)	Status
1. Supervisory Management	Supervisors	Corporate Area	March 28-29, April 4-5, 2006	23	Senior Managers	Completed
2. Computer	All categories	Corporate Area	May 15- July 20, 2006	21	HRMIS Officer	Completed
3. Achieving Quality Mail Acceptance & Delivery	Deputy PM, CA 1-4 Supervisors, Postmen, Postmasters	Training School	May 2, 2006	13	P&T Training Staff	Completed
4. Train the Trainers	Senior Staff	Training School	July 3-7, 2006	20	HEART Trust	Completed
5. Supplies Management Course	Procurement Manager	MIND	May 15- July 17, 2006	1	MIND	Completed
6. Conflict Management	Supervisors	Training School	May 24, 2006	20	Cabinet Office	Completed Completed
7. Performance Management Appraisal System [PMAS]	Directors- Personnel & HRD	MIND	May 2006	2	MIND	Completed
8. Postmasters as Managers & Customer Care	Postmasters	Mandeville	October 3, 2006	30	P&T Training Staff	Completed
9. Personal Development/ Job Enrichment	Postmen	Training School	July 19-20, 2006	40	Mr. M. Lewin (National Heritage Trust)	Completed
10. Basic Computer	Ancillary Staff	Training school	July 11-13, 2006	7	Mr. D. Carr (Records Officer)	Completed
11. Management Development Training	Senior Managers & Supervisors/ Head of Sections	Training School	September 5-7; 14-15; 26-27, 2006	25	MIND	Completed
12. Effective Quality Systems Audit	Audit staff	Professional trainers' Institute (PTI)	September 19-21, 2006	1	Professional Training Institute [PTI]	Completed
13. Supervisory skills/ Operational Procedures	Postmasters, Deputy PMs, Senior Clerks	Montego Bay, Morant Bay, Port Antonio Regions	Nov 27-28, 2006; Jan 16-17, 2007; Feb 6-7 2007	99	Training school	Completed

Course	Target Group	Region/ Venue	Dates	# of Participants	Presenter(s)	Status
14. NCTVET Competency – Based Conference-	Training	Corporate Area	December 8, 2006	2	NCTVET	Completed
15. Customer Service	Postmen	Corporate Area	Feb 12- March 1, 2007	211	HEART Trust (Enterprise-based)	Completed
16. Customer Service	Postal Clerks	Runaway Bay, Corporate Area & Montego Bay Regions	February 13-15, 19-23, 27-28 & March 1, 2007	71	P& T Training School	Completed
17. PMAS	Senior Managers, Head of Sections, Regional Inspectors & Supervisors	(In House) Conference Room (CSO)	March 6-8, 13-14, 2007	40	Justice Training Institute	Completed
TOTAL				715		

TABLE - Showing List of Training Activities- March 1, 2006-2007

3.3 Security Activities

3.3.1 X-ray Equipment

The Department acquired an X-ray machine (Hi-Scanner) which has served to considerably enhance its contraband detection capabilities. Since the equipment was commissioned on January 26, 2007, in excess of 200kg of narcotics have been intercepted. The use of the equipment is also being extended to include the examination of inbound mail as it was recognized that the mail is potentially vulnerable to exploitation by persons engaged in illegal imports of firearms, ammunition or other illegal items, as well as money laundering activities. The X-ray equipment will now effectively assist the Department in the prevention of such contraband entering the country through the mail.

3.3.2 Tender for Security Services

The Department is in the process of reviewing tenders for private security services in the areas of armed and static guards and security courier transfers. The matter of security is of high importance to the organisation.

3.3.3 Security Training

The Postal Security Branch in partnership with Air Jamaica Security Training Unit conducted a training Seminar on mail and aviation security at the Central Sorting Office (CSO) on March 5, 2007. A total of fifteen (15) persons consisting of customs agents, police personnel and post and telecommunications personnel participated in the seminar. The objective of the seminar was to sensitize persons responsible for the final processing of the mail for overseas destinations, about issues relating to port and aviation

security and safeguards against threats of terrorism by means of the mail system.

3.4 Express Mail Service (Ems) 2007/2008 Section

For the Financial Year 2007/2008, the Department will be exploring the option of extending the working hours for EMS, a move which will facilitate delivery of mail on Saturdays. There is also the option of purchasing a motor vehicle to be designated for Express Mail which will improve the quality of service to domestic customers and therefore improve the Department's international rating.

3.5 Quality of Service

3.5.1 Improved Delivery Standards Maintained

The Department continued to maintain the delivery standards set in July 2003, thus 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 2006 Christmas holiday season attained high standard in delivery of all classes of mail.

3.5.2 Quality of Service Project (QSF)

- The Quality of Service Project is in its second phase and the consolidation of the letter operations and parcel operations on one floor has been successfully completed
- The procurement procedure for postal equipment is being conducted by the Universal Postal Union, this approach having been identified as the most economical method of acquiring the equipment
- In the final stage of the Project, the delivery and execution of the postal equipment is to be implemented at the Central Sorting Office and this is slated to be completed by July 2007
- Preparation of the final budget outlining all the expenditure which will be submitted along with a final report relaying the successful completion of the Project and this will be done to the Board of Trustee of the Universal Postal Union (UPU).

3.6 INFRASTRUCTURE DEVELOPMENT

3.6.1 New Post Offices

The Lift-Up Jamaica Foundation has been working with the Department to ensure accessibility to postal services in several communities across the island. In this regard, a new post office building is being constructed in Mount Salem, St James. This facility is approximately fifty percent (50%) complete.

A similar project is being undertaken in Hopewell, Hanover.

3.6.2 Refurbishing

The following offices are undergoing refurbishing:

- Mandeville (Manchester)
- Buff Bay (Portland)
- Falmouth (Trelawny)
- Ocho Rios (St Ann)
- Constant Spring (St. Andrew)

3.6.3 Repairs and Replacement

General repair work, including sealing of roof and windows, is being undertaken at Central Sorting Office (CSO). The cost of this exercise is estimated at \$11M dollars.

In addition, passenger and service elevators at the CSO are being replaced at a cost of approximately \$25 M.

3.7 INTERNATIONAL AND LOCAL POSTAL OPERATIONS

3.7.1 Terminal Dues

Policies and standards recommended by the UPU have been implemented at post offices island-wide. This facilitates the improved transaction of mail between Jamaica and over one hundred and ninety (190) postal administrations worldwide. This activity generated US\$2 M for Financial Year 2006/2007.

3.7.2 ZipMail Service

Effective August 2, 2006, the British ZipMail Service was implemented. It is a pre-paid service that facilitates the sending and returning of documents (e.g. visa/passport) destined for the British High Commission. Customers interested in utilizing this service can visit all post offices offering the ZipMail (next-day) premium service at a cost of \$600.00. The applications are delivered to the British High Commission within twenty four (24) hours.

ZipMail Same-Day Service allows for movement of packages in the Corporate Area. The procedure entails the customers taking their packages to any of the following three (3) locations:

- Cross Roads Post Office
- Central Sorting Office (CSO)
- Whitfield Town Post Office.

3.7.3 ZipCourier Service

Effective January 15, 2007, Jamaica Post launched two (2) same-day delivery services. The new ZipCourier Service allows for packages to be picked up from the customer. ZipCourier offers same-day delivery service for Corporate Area clients at competitive rates.

3.7.4 Mail Volume

For the period January to December 2006, mail volume totaled 83,746,260 pieces representing a twenty six percent (26%) increase against the previous year (2005). This increase was exemplified in all postal products.

We believe that this increase in volume is directly attributable to the renewed confidence in the postal service engendered in part by the improved quality of service.

MAIL OPERATIONS

REPORT OF COMPARATIVE DATA ON POSTAL ARTICLES PROCESSED FOR THE PERIOD 2005 - 2006

Feb-07

2006													
Months	Zip Mail	Express Mail	Parcels	Packets	Registered Letters				Ordinary Letters				TOTALS
					Inland	Incoming	Outgoing	Total	Inland	Incoming	Outgoing	Total	
Jan.	1,706	3,336	11,016	4,286	244,413	7,338	7,810	259,561	3,442,619	1,568,261	993,177	6,004,057	6,283,962
Feb.	1,754	3,246	6,873	3,284	112,381	6,408	7,602	126,391	3,011,428	1,578,784	904,001	5,494,213	5,635,761
Mar	2,569	3,687	5,206	4,542	159,878	7,822	9,083	176,783	3,265,610	954,351	2,469,787	6,689,748	6,882,535
Apr	2,233	3,191	4,540	3,807	113,128	6,178	6,215	125,521	3,242,902	2,404,616	769,230	6,416,748	6,556,040
May	2,306	3,713	5,017	3,667	105,668	6,516	7,864	120,048	3,501,688	2,614,994	1,019,334	7,136,016	7,270,767
Jun.	2,149	3,310	7,053	3,667	65,719	5,862	7,663	79,244	4,025,103	2,604,094	1,219,607	7,848,804	7,944,227
July	2,286	3,350	2,247	3,415	147,582	5,939	6,248	159,769	3,588,221	2,023,109	764,905	6,376,235	6,547,302
Aug.	2,350	3,123	5,144	3,582	67,271	6,209	7,156	80,636	4,176,088	2,527,030	703,963	7,407,081	7,501,916
Sept.	2,748	3,374	5,207	3,764	74,386	6,027	7,887	88,300	4,303,297	2,609,514	869,570	7,782,381	7,885,774
Oct.	1,984	3,645	5,003	3,915	82,876	5,475	8,086	96,437	3,060,522	2,623,766	739,051	6,423,339	6,534,323
Nov.	2,688	3,314	5,474	4,302	73,080	5,646	8,249	86,975	2,818,241	2,974,524	966,484	6,759,249	6,862,002
Dec.	3,603	3,877	8,239	4,762	70,288	7,217	6,801	84,306	2,279,276	4,346,873	1,111,324	7,737,473	7,842,260
TOTALS	28,376	41,166	71,019	46,993	1,316,670	76,637	90,664	1,483,971	40,714,995	28,829,915	12,530,433	82,075,343	83,746,260

3.8 Corporate Communications

3.8.1 Cricket World Cup 2007

The Jamaican postal administration released its officially licensed ICC Cricket World Cup 2007 postage stamps on Wednesday, February 28, 2007, and since then the response has been strong and favourable.

Caribbean postal administrations with membership in the Universal Postal Union (UPU) - a branch of the United Nations - simultaneously created a commemorative series of stamps from each country to commemorate the ICC Cricket World Cup 2007. This Cricket World Cup 2007 series consists of stamps featuring:

- two (2) of Jamaica's well known cricketers:
Ambassador Courtney Walsh
O'Neil "Collie" Smith
- the newly built Trelawny Multi-Purpose Stadium
- Jamaica's world famous cricket venue, the recently refurbished Sabina Park
- A sheetlet with flags from all participating West Indian nations set against the background of a map of the Caribbean.

Also available is a First Day Cover, which is a specially decorated envelope on which the postage stamps are placed. From the perspective of a philatelist or stamp collector, or a cricket enthusiast, a First Day Cover with a set of the stamps as well as a First Day Cover with the Sheetlet affords greater value than a single stamp issue, thus collectors are encouraged to buy the complete set. The stamps are also being marketed to companies to frame the complete set and place it in suitable locations within the office setting to enhance the décor.

A set of Cricket World Cup 2007 stamps was presented to eminent West Indian cricketer Ambassador Courtney Walsh and the family of O'Neil "Collie" Smith at a March 16, 2007 ceremony to launch the stamps.

3.8.2 Gleaner Feature

Jamaica Post continues to benefit from the generosity of the Gleaner Company Ltd through its sponsorship of the Gleaner's Jamaica Post feature published weekly on Mondays. This is an invaluable tool for maintaining contact with customers locally and overseas, providing them with a source of postal service news and advisories.

3.8.3 "Susan" Show Feature

The postal service was selected to be featured on a prime time television programme, "Susan". This brought significant attention to the role and job

functions of everyday postmen/postwomen, thus providing a morale boost to staff at every level.

3.8.4 Favourable News Highlights

The Post Office continues to experience favourable news highlights that speak to a new era in the postal service, one aspect of the modernization process being greater availability of information to journalists and media houses.

4.3 Accounting Systems

- The Department implemented the Financial Management Information System (FMIS) in April 2006. This has resulted in the financial statements being prepared and presented on a timelier basis as required by the regulations.

- Efforts are being made through the Ministry of Finance & Planning to have the BizPay Payroll System currently used by some ministries/departments, implemented in Financial Year 2007/2008. The present payroll system is not cost effective and there are lengthy delays and other problems whenever adjustments need to be made. The BizPay Payroll System would enhance the efficiency of the Department while redressing accounting problems, namely payroll and reconciliation.

5.0 Main Focus for Financial Year 2007/2008

5.1 Training and Development

For the Financial Year 2007/2008, the Department will continue on the path to providing a multilevel training facility that aims to sustain high performance in all operational areas through:

- Carrying out continuous needs assessment to identify staff development gaps
- Conducting training programmes, evaluations, reviews and customer service surveys
- Continuing in partnership with MIND, HEART Trust NTA and other external agencies in the design and delivery of training programmes for all staff categories
- Establishing links and facilitating staff enrollment in the High School Equivalency Programme (HISEP).
- Creating a learning organization through the upgrade of the training facility allowing for staging of educational exhibitions and establishment of a library facility/learning laboratory complete with MIS/e-mail access.
- Establishing mechanisms for certification and accreditation of a postal training school

5.2 Postal Operations

- Over thirty (30) Postmen have been provided with motorcycles; this trend is expected to continue in support of the ZIP Courier Service and to improve on the delivery standards
- Upgrade of EMS, airmail and parcels post operations by introducing track and trace system and the direct delivery of parcels
- Quality-of-service linked to terminal dues
- Introduction of a new regulatory framework for the postal and courier sectors to protect customers and ensure that standards of safety and security are met
- Modernization of the postal network for the financial sustainability of the service
- Further up-grading of the sorting and delivery processes for greater productivity
- Mobilization of a price competitive courier service
- Establishment of the postal training school
- Refurbishing of the postal museum in Falmouth, Trelawny
- Automation of postal counters to be completed
- Further rationalization of post offices and introduction of postshops
- Continued fine tuning of modernization plan
- Quality of Service Fund Project – The Department is in the planning stage of the next project which will commence by the end of the financial year 2007/2008.
- Further mobilization of the new ZIP courier service that will allow packages to be picked up from customers and provide same day delivery service for Corporate Area clients at competitive rates
- Seek funding through the Quality of Service Fund to procure a new conveyor system
- Attain revenue of \$953 M encompassing:
 - stamp sales and prepaid postage
 - custom clearance fees on parcels
 - share of postage on parcels
 - commission from Ministry of Labour & Social Security (NIS)
 - commission on foreign postal orders

4.0 BUDGET

4.1 Recurrent Budget

- The revised recurrent budget for Financial Year 2006/2007 is \$1,438,922,000. Approximately seventy five percent (75%) of this amount is to meet personnel costs (wages and salaries).
- The estimated budget for the Financial Year 2007/2008 is \$1,657,252,678.

4.2 **Revenue**

- The approved revenue estimate for the Financial Year 2006/2007 is \$921 M and for Financial Year 2007/2008, the amount projected is \$953 M
- In addition there are receivables totaling \$20 M (Accountant General's Department - \$15 M, Ministry of Labour & Social Security - \$5 M).

Phillip Paulwell
Minister
Ministry of Industry, Technology, Energy and Commerce
May 30, 2007