

**WRITTEN QUESTION TO THE MINISTER FOR ECONOMIC DEVELOPMENT
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 2nd FEBRUARY 2010**

Question

To what extent, if any, has the Economic Department been in consultation with the management of Jersey Post, either directly or through the Jersey Competition Regulatory Authority or other bodies, over the recently announced restructuring plan for Jersey Post?

Will the Minister clarify whether the redundancies at Jersey Post will lead to a reduction in jobs and advise how many employees are currently employed and how many it is envisaged will be employed the end of the process in 2013?

Does the re-alignment of pay to market rates for particular skill sets and activities mean pay cuts for any employees, and if so which grades and how many? Further, will the Minister outline for members the depth of any such pay cuts?

Can the Minister assure members that this process will not result in deterioration to the Universal Service Provision, including collection and delivery provision?

Has the Minister received any assurances that Post Offices or sub post offices will not be closed or otherwise affected by this process?

Answer

As an incorporated body Jersey Post is not required to consult with the Economic Development Department (EDD) or the JCRA on proposed staff restructuring.

Employment-related issues are a matter for Jersey Post operating as an independent incorporated entity.

However, Jersey Post does invite EDD to regular briefings regarding the challenges faced by the organisation and potential business development opportunities. At the most recent meeting with Jersey Post on 6th January 2010, attended by the Minister for Economic Development and the EDD Chief Executive, the Department was informed of the imminent announcement of a call for expressions of interest for voluntary redundancy (VR) from up to 80 staff over the next four years.

Jersey Post has announced that restructuring has the objective of reducing operational costs by replacing a number of the full time posts with part time positions. This cost reduction is necessary to sustain Jersey Post's operations in the light of a continued and significant reduction in the volume of traditional mail and associated postal revenues. Faced with this position, Jersey Post must seek to reduce costs and increase the revenue contribution from its business development activities.

The VR programme does not include "pay cuts" for existing employees. It provides the choice for employees deciding to take voluntary redundancy and then to apply, along with any external applicants, for new jobs created by Jersey Post. Pay levels for new jobs created will reflect market rates. The VR programme applies to all grades in Postal Services, up to and including the General Manager.

Any changes to the Universal Service Obligation (USO), including any impact on Post Offices and Sub Post Offices would be a matter for Jersey Post and the JCRA as the postal regulator. The interests of the consumer are and will continue to be fully protected under the Law through regulation by the JCRA.

