

S. C. M. P.

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## Addi's 'No' to hived off PO

The Postmaster-General, Mr M. Addi, is strongly against the recommendation of the McKinsey consultants that the Post Office be "hived off" from the Government for the sake of efficiency.

"In the conditions of Hongkong, the setting up of an autonomous Post Office would be a mistake," he told a Y's Men's Club of Hongkong lunch meeting yesterday.

"There is no way, in my view, in which any postal administration can escape from a significant measure of Government control . . . (and) that being the case, it is better to accept that control from the start and to turn one's efforts to making it more tolerable," he added.

Mr Addi argued that 40 per cent of the business done by the Post Office is international in character and therefore the Government would have to control at least this area of its operations.

In addition, he claimed, an autonomous Post Office would inevitably have to increase its charges and eliminate or reduce its unprofitable services in order to remain solvent.

In contrast, Mr Addi noted

that the Post Office Department's revenue last year exceeded its direct expenditure of about \$150 million by almost \$102 million.

"Indeed, the Government — in deciding not to proceed with the McKinsey recommendation to 'hive off' the Post Office — made it clear that if this were done the Post Office excess of revenue over total expenditure would not be available for other Government projects," he said.

Mr Addi also took issue with an S.C.M. Post editorial some months ago which advocated the implementation of the McKinsey recommendation as a means to generate more revenue and produce greater efficiency.

"That was a sweeping statement and, with respect, I suggest it was unjust insofar as the Post Office is concerned," he said.

In addition, he had never experienced what the editorial described as "stifling controls" exercised by the Colonial Secretariat.

"This does not mean that I always get what I want or as quickly as I would like," he conceded. "But in very large measure indeed I get what I need."