

18 DEC, 1985

South China Morning Post

## \$128m sought for mail-sort system

The Post Office is to seek a lump sum of \$128.33 million and an annual recurrent sum of \$5.72 million from the Finance Committee today for the introduction of a mechanised letter sorting system.

A Government release said the new system involving optical character reading and video coding techniques is expected to be introduced in two years' time.

Plans for the sorting system follow the completion of a study of the feasibility of electronic letter sorting for the Hongkong Post Office carried out by the British Postal Consultancy Service last year.

At present, letters are sorted manually and, depending on their destination, they may have to be sorted several times.

As a result, the proportion of staff costs is growing in relation to other forms of expenditure, reflecting the increase in the number of staff employed to cope with the growth in postal traffic.

In 1984-85, staff costs represented 51 per cent of total expenditure as compared with 41 per cent in 1970-80.

Over the same period the volume of letter traffic handled increased by 42 per cent from 370 million items to 524 million items, requiring an extra 132 sorters and supervisors.

For 1985-86, a 10 per cent increase in mail traffic is envisaged, and additional staff will be required annually to process the extra traffic.

The proposed new system would be designed to read

addresses typed or machine printed in roman type; which account for about 50 per cent of the total letter mail traffic, thus avoiding the need for a postcode system in Hongkong.

Letters rejected by the equipment because of un-readable addresses will be diverted to video coding desks.

Operators will extract alphanumeric information in a standardised format from the addresses to enable the video coding machines to print the relevant binary codes on the envelopes.

Thereafter, the items will be sorted on the automatic letter sorting equipment.

The survey confirmed that it would be possible to convert currently available systems to read Chinese printed characters, if and when such a facility becomes commercially available.

Meanwhile, sums sought at today's Finance Committee meeting will include \$115,353,000 for the universities and polytechnics building programmes and \$77,860,000 for the Vocational Training Council to furnish and equip existing and new buildings.

And sums amounting to \$263,000,000 will be sought for land acquisition for the capital works reserve fund; \$20.9 million for providing four very high frequency radio services and one enhanced medium frequency radio service for Radio Television Hongkong to improve its radio services territory-wide; and \$3,267,000 for computerised pharmaceutical supplies system of the Medical and Health Department.