POSTAL NEWS

No. 21/2009

Formulated by UNI-Japan Post in cooperation with UNI-Apro, ASPEK Indonesia and SPPI

- 1. LEAD: Aso says he thought postal plan OK 'at the end,' corrects remark. Feb 9, 2009.
- 2. FedEx opens \$150M Chinese hub. Feb 9, 2009.
- 3. Mainland, Taiwan to start two-way postal remittance services. Feb 11, 2009.

February 09, 2009

1. LEAD: Aso says he thought postal plan OK 'at the end,' corrects remark (Japan Economic Newswire Via Acquire Media NewsEdge) TOKYO, Feb. 9_(Kyodo) _ (EDS: ADDING INFO 5TH, 10TH, 11TH GRAFS)

Prime Minister Taro Aso on Monday revised his earlier controversial remark that he was not in favor of the postal privatization plan but had agreed to it because he was a Cabinet member when the government decided on it.

Aso, who is struggling with low popularity amid a series of policy flip-flops and gaffes, stressed in parliament that while he was against the policy when he became internal affairs minister in 2003, "after studying it for two years, I found it can become profitable (if the policy is implemented appropriately)."

"It was better to privatize (the services) -- I felt that at the end," he told the House of Representatives Budget Committee.

He also said, "I'm not saying that I will put the services under state management again."

Aso told reporters later Monday that he did not correct his remark, saying, "There were many things in the process of discussions. But I agreed with postal privatization regarding with what was finally decided. Nothing has changed," adding that he has no intention to set back postal privatization even a single step.

On Thursday, Aso had said he was "not in favor of postal privatization, but eventually approved it as a member of the Cabinet" under former Prime Minister Junichiro Koizumi, who served as premier between 2001 and 2006 and initiated the plan.

Aso also said the same day he is willing to review the current four-company set up under Japan Post Holdings Co. launched in 2007 in line with postal privatization.

But his remarks stirred criticism not only from the opposition parties but also from members of the ruling coalition parties, which won an overwhelming majority in the last general election in 2005, which was mainly fought over the postal privatization issue.

Aso's revision of his remarks may put him under fire again as it could be seen as another flip-flop.

Chief Cabinet Secretary Takeo Kawamura complained about Aso's remark, saying his initial explanation may have caused the public to question "what the 2005 general election meant."

"If he had explained like that from the beginning, he did not have to face questioning" over the issue in the Diet, Kawamura said at a news conference.

During Monday's committee meeting, Aso also said he approved of the plan to split the postal services into four companies because the privatization process was to be reviewed every three years.

"I think things that should be reviewed should be reviewed," he said.

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Monday, February 9, 2009, 11:01am CST

2. FedEx opens \$150M Chinese hub

Memphis Business Journal

Operations have begun at FedEx Corp.'s new \$150 million Asia Pacific hub in China, the company's largest hub outside of the U.S.

The hub will be an access point to more than 220 countries for FedEx Express, a FedEx (NYSE: FDX) subsidiary. It will be the company's regional operations point for the next 30 years. A company release said 136 flights will leave and enter the new hub weekly.

The hub is located at Guangzhou, China's Baiyun International Airport in the heart of the Pearl River Delta. The region is an international center of production and trade in the region.

FedEx will decommission its facility at Subic Bay, Philippines. However, Manila and Cebu will remain parts of the FedEx AsiaOne network.

FedEx Corp. is Memphis' largest employer, counting about 30,000 on its payroll locally.

Royal Mail meeting unions on modernisation

By Alan Jones, Press Association

Friday, 6 February 2009

The Royal Mail is to hold a two-day summit with union leaders next month to discuss modernising the business in a move expected to lead to job cuts, it was revealed today.

The postal group is aiming to cut costs as well as pressing ahead with a huge modernisation programme in the face of increased competition.

The group has written to workers in some of its divisions setting out options including offers of voluntary redundancy or part-time work.

A spokesman for the Communication Workers Union said: "The Royal Mail needs an agreement with the union on modernisation. Making panic driven cuts that have no logic to them just reduces services."

The Royal Mail employs around 180,000 staff, mainly in its letters business, but industry sources said there was no figure for any job losses likely to happen through modernisation.

A Royal Mail spokesman said: "Royal Mail have made absolutely no announcement of job losses but we want to work with our people so that we take into account their wishes and preferences as Royal Mail continues to modernise and transform its operation to meet the challenges of falling mail volumes and intensifying competition, especially from email and the web as broadband use expands."

Around 50,000 jobs have been lost in the recent years through voluntary redundancies and retirements.

The Government is pressing ahead with controversial plans to sell a minority stake in the business to a private firm, despite fierce resistance from the unions and some backbench Labour MPs.

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3. Mainland, Taiwan to start two-way postal remittance services www.chinaview.cn 2009-02-11 13:05:49

BEIJING, Feb. 11 (Xinhua) -- The Chinese mainland and Taiwan will start two-way postal remittance services for the first time in 60 years, a mainland official said here Wednesday.

Fan Liqing, a spokeswoman of China's State Council Taiwan Affairs Office, didn't give an exact start date for the services, but Taiwan's Chunghwa Post Co. reported earlier that two-way services would begin mid-February.

"Post offices on the mainland and Taiwan are conducting technical tests and the service will start soon after the tests are done," said Fan.

Currently, due to technical reasons, Taiwan's post offices can provide services for money transfers bound for the mainland, but do not accept inward remittances from the mainland.

By early February, Taiwan's post offices had almost completed upgrades for the two-way transfer service, Fan said.

According to Taiwan media, all remittance transactions will be made in American dollars, with each transfer limited to 30,000 U.S. dollars. Citibank New York will serve as the intermediary bank at the present stage.

Fan said after the start of two-way postal remittance services, the two sides will discuss the possibility of cross-strait mail orders and online order services.

The mainland and Taiwan signed a series of landmark agreements on direct air, sea and postal services last November in Taipei. Such direct links formally started on Dec. 15, last year.

DHL To Close Dumfries Depot

11 February 2009

DHL is currently in consulation with 63 employees at its Dumfries depot which it intends to close. The consultation is expected to last 30 days.

DHL, a subsiduary of Deutsche Post, is currently losing money on inland parcels in the UK and has already shed 9,500 in the U.S.

As we reported last week, mail carriers operating in the UK are all feeling the effects of the recession and that of companies going into administration.

TNT Express, Royal Mail's largest competitor, has cut some 300 jobs after what it described as "the sharpest downturn in decades" and is cutting the use of subcontractors on the line-haul operation.

City Link has cut some 1,000 jobs over the first nine months of 2008 as part of a recovery plan, and has reduced its fleet by 10% but continues to see a 10% annual volume decline. Thirty jobs at a City Link's call centre in Cardiff are to go.

Loss-making Home Delivery Network (HDNL) is to cut almost 700 jobs, closing six depots from its delivery network at Daventry, Northants Sheffield, South Yorks Burslem, Staffs Newcastle [outbase] Basildon, Essex and Eastleigh, Hants

Steve Lawson, editor for Hellmail said:

"We are at the beginning of a recession that could take some time to resolve and for many businesses, not just mail carriers, slimming down operations is likely to become commonplace as companies look for fast solutions to reducing loss."

FedEx Freight to Cut 900 jobs Feb. 11, 2009

MEMPHIS (UPI) -- FedEx Freight said it would cut 900 U.S. jobs Tuesday to adjust to the weakening economy.

The cuts are a reaction to "greater-than-anticipated deterioration in the (less-than-truckload) market," company spokesman Maury Lane said. Since, December, when the company laid off 540 workers, "the pricing environment has become even more aggressive as the same number of carriers compete for a shrinking base of business," Lane said.

In December, FedEx Freight reported a 2 percent decline in daily shipments in 2008 compared with 2007, The (Memphis) Commercial Appeal reported.

"It's safe to assume so far through their third quarter they're experiencing volume that is down even more," said industry analyst Donald Broughton at Avondale Partners.

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