RWW11/05.



P/99/456

28 May 1999

MCCARTNEY SETS SIGHTS ON HORIZON PROJECT

"A Post Office fit for the 21st Century"

A working group to forge ahead with the automation of the Post Office network was announced by Ian McCartney, DTI Minister of State today.

The group involving major players from the Postal industry will be charged with driving forward ICL's Horizon project to ensure delivery on the goal of computerisation of the national network by 2001 he said.

Speaking at the Communication Workers Union Annual Conference in Bournemouth, Mr McCartney said:

"Computerisation of the national network is central to creating a Post Office fit for the 21st Century. This Government has put the Horizon project back on track. We intend to make sure there is no slacking in achieving our goals.

"The group I am announcing today will involve major players from the Post Office, National Federation of Sub-Postmasters and Communications Workers Union. Our job will be to work closely with ICL in delivering this highly complex project.

"Our commitment to a modernised, nation-wide network of post offices is total. A state-of-the-art post office in every village and High street will bring major benefits for customers, the Post Office and Government. Offering more services - including banking and delivering major reductions in benefit fraud.

"The importance of modernisation to rural post offices is shown by the fact that almost 60% of villages have a post office while only 5% have a bank.

"This week has been a turning point for the Post Office network. The project has been given new life. I am determined its potential is fully realised."

Computerisation of the network is key to our package of reforms to enable the Post Office become a global communications player, he continued:

"The Post Office faces ever increasing competition from new forms of communication and international rivals.

"We are giving the Post Office the commercial freedom it needs to compete. Already we have slashed the dividend it pays to the Government - giving it more resources to invest in deals like the one for German Parcels.

"The White Paper we will publish shortly will build on this, giving the Post Office greater freedom to respond to the fast-changing communications market and forge big deals with partners. Becoming the world beater this country can be proud of."

Press Enquiries:	GRO	
(Out of Hours:	GRO	
Public Enqui		
Textphone for those with hearing impairments:		GRO
Internet address: http://www.dti.gov.uk		