Although the majority of the Department's officers who served in the Armed Forces have returned to duty, there were still over 300 in the Services at the end of the year. The privilege extended to returning servicemen who wished to try other employment before returning to the Department of taking up to twelve months' special leave without pay has been availed of by some 579 officers. Of these, 246 are still on special leave, 186 have resigned, and 147 have returned to the Department.

The Department's training-schools in Wellington have been extended during the year and now cover a wide field of activity. Tuition is available at the schools to mechanics, mechanicians, linemen and cable-jointers, and many ex-servicemen have been given the opportunity of attending refresher courses. Instruction in Morse and machine-printing telegraphy is provided at telegraph training-schools in Auckland and Wellington, at which latter place a school for typists has also been established.

APPEAL BOARD

A total of 963 appeals received from 189 officers were adjudicated upon by the Post and Telegraph Appeal Board during the year, with the following results: allowed 25; withdrawn, 279; did not lie, 28; disallowed, 631. In regard to the disallowed appeals: it was recommended by the Board in eighteen cases that the appellants be granted equal grading with the appointees, while in seven cases the Board recommended that consideration be given to according the appellants the same grading as the appointees at the first available opportunity. In eight other cases the appellants, with the Department's consent, were conceded equal grading with the appointees. The number of appeals dealt with was greater than usual, due to the fact that the regrading of the Service took place during the year.

RECLASSIFICATION OF SERVICE

The general regrading of the Service, which was due to have been carried out in 1942 but which was deferred owing to wartime difficulties, was undertaken during the year, with effect from the 1st April, 1946. The regrading, which was the most comprehensive in the history of the Service, has been received favourably by the various sections of the staff, and all officers benefited either by way of promotion or as a result of improvements in the salary schedules.

Two of the most important features of the Service reclassification, were the introduction of a grading plan for all the executive positions in the Department, which places many of these positions on a much better footing than hitherto, and the adoption of improved salary scales. The cost-of-living allowances paid during the war were incorporated in the salary schedules as part of classified salary, and this, together with other adjustments made, had the effect of bringing salaries generally to a level never previously attained.

As a result of the regrading the maximum salary for postmen, postal assistants, exchange clerks, storemen, and chauffeurs has been raised to £335 per annum, and for tradesmen and skilled linemen to £365 per annum, both rates being reached in the sixth year of service. Clerks and telegraphists now receive a maximum salary of £400 per annum in the eleventh year of service, and there is a new provision under which long-service officers who have completed eight years' service on the maximum salary and passed the Controlling Officer's Examination may proceed to a salary of £415 per annum. The basic salary rate for executive officers has been fixed at £435–£460 per annum, and the salary scale for these officers now gives a range from that point up to £1,000 per annum.

Uniform salary rates were brought into operation for male executive officers in both the First and Second Divisions, and in conjunction with the reclassification, the opportunity was taken of grading, with few exceptions, Second Division male executive