

Forces, and the additions accruing to the staff from this source account for the increase in the total number employed as compared with the previous year. At the close of the year only 518 employees still remained in the Armed Forces.

During the year new appointments to the permanent staff numbered 950, while 393 retired on superannuation, 1,488 resigned, 60 died, and 55 were paid off or dismissed, a net loss of 1,046 employees. One hundred and fifty-one members of the Second Division were promoted to the First Division.

A total of £74,827 was paid under the Workers' Compensation Act during the year in respect of employees suffering injury in the course of their employment.

In the matter of rehabilitation, approximately 8,200 employees were released for service in the Armed Forces from 1939 onwards. Of these, 386 have died or are missing, 760 have been discharged but have failed to return to duty, and 518 have yet to be released. Of the 6,554 who returned to duty, about 440 have required special consideration in their placement owing to wounds and sickness. Under the control and direction of the Department's Rehabilitation Officer the welfare and health of all ex-servicemen who have been registered as having suffered some form of disability during their service in the Armed Forces has been inquired into from time to time, and, where necessary, changes of employment or the release of men on extended leave without pay to enable them to try other avenues of employment has been arranged. In 48 extreme instances employees have been unable to resume in Division II work and have been placed on clerical duties in Division I.

The system of accrediting of examinations for clerical members referred to in my report for last year has been continued and is proving entirely satisfactory. For members of the locomotive (running) staff, special courses of instruction, preliminary to their departmental examinations, have been provided to assist ex-servicemen who were finding difficulty in settling down to civilian conditions and passing the requisite examinations.

Leave without pay to enable ex-servicemen to try other forms of employment and to undertake study for academic degrees or in the trade training schemes has been granted on a generous scale, some 350 members having been granted leave aggregating 355 years. In addition, leave on pay for a stated number of hours in each week is granted to ex-servicemen who are attending lectures at Universities and technical colleges.

The trade training "B" scheme has been operating in this Department since October, 1944, and the first lot of men will complete their training in October of this year. At the time of this report approximately 320 men will be in training under the "B" scheme.

The greater majority of the ex-servicemen are now settled down into civilian life and continued rehabilitation efforts on their behalf are not necessary. In the case of those men whose health may not remain satisfactory under civilian conditions, the Department will continue to extend very favourable consideration and will offer every assistance. In this manner the rehabilitation of ex-servicemen employees will not cease altogether with the return of the men to their duties in the Department.

The periodic general regrading of positions and offices in the First Division, suspended by statutory regulation from 1st April, 1942, was undertaken during the past year and was completed shortly before its close. The regrading was made effective from 1st April, 1946.

The railway service organizations representing the Department's employees presented again last year a number of claims relating to rates of pay and conditions of employment to the Government Railways Industrial Tribunal. After a hearing occupying several weeks, the Tribunal promulgated its findings in the form of orders, some 36 claims out of the 70-odd presented being allowed in full or in part by the Tribunal.