

to officers being that the deduction in respect of sick-leave is reduced from one day for each day's absence on full pay in excess of twelve to one day for every thirty days of absence. The effect of the alteration is that many officers who on the former basis would have been deprived of all annual leave in the year following their absence are now ensured of at least part of that leave.

POLITICAL DISABILITIES REMOVAL ACT, 1936.

The provisions of the Political Disabilities Removal Act, 1936, which was passed by Parliament last session, apply to officers of the Post and Telegraph Department in common with other public servants. The Act confers on officers full political rights, and provides that any officer who desires to become a candidate for a seat in the House of Representatives shall be granted special leave for the purposes of his candidature. If elected, he shall be deemed to have vacated his office in the Department.

The Act repeals section 59 of the Finance Act, 1932, which provided for the dismissal of any officer found guilty of conduct embarrassing to Government in its administration of the affairs of the State.

POST AND TELEGRAPH AMENDMENT ACT, 1936.

Prior to the passing of the Post and Telegraph Amendment Act in October every appointment to a position in the Department graded higher than the First Division was made by the Governor-General, and all other permanent appointments were made by the Public Service Commissioner on the recommendation of the Post and Telegraph Promotion Board. Appointments other than those made by the Governor-General are now made by the Director-General on the recommendation of the Post and Telegraph Promotion Board. The Act also provides for the appointment of a special Tribunal to inquire into and report to the Minister upon matters in connection with regulations made or proposed to be made. The Tribunal is to consist of representatives of the Minister and of the officers, together with an independent Chairman.

PROMOTION BOARD.

Consequent upon the appointment of Mr. H. M. Patrick to the position of Chief Postmaster, Oamaru, Mr. M. W. W. Cummins, Supervisor, Parcels Branch, Wellington, was appointed to act as Service representative on the Promotion Board for the remainder of the term covered by Mr. Patrick's period of office. The triennial election of the elective member took place in January, when Mr. Cummins was elected unopposed. Mr. Patrick had been a member of the Board since the 15th February, 1928.

APPEAL BOARD.

The Post and Telegraph Appeal Board, under the chairmanship of Mr. E. D. Mosley, Stipendiary Magistrate, Wellington, sat on one occasion during the year. Appeals totalling 116 received from seventy-seven officers were adjudicated upon, with the following results: Allowed, 1; withdrawn, 30; does not lie, 1; disallowed, 84.

On the recommendation of the Board six officers were given improved status. Mr. H. P. Donald, the departmental representative on the Board since June, 1924, resigned his office in February. He was succeeded by Mr. R. I. Allan, late Inspector, General Post Office.

SICK BENEFIT FUND.

The Sick Benefit Fund, which was established on the 1st December, 1935, is now functioning as a regular part of the organization of the Department, and during the year relief was given to approximately one hundred sick officers. It is usual for payments to be made only to those officers who are absent without departmental pay, but with the approach of the festive season in December payments for that month were increased to the equivalent of full departmental pay, officers absent sick on half departmental pay benefiting as well as those who were absent without pay.

TELEGRAPH TRAINING-SCHOOLS.

For some time past there has been a strong demand for juniors qualified in Morse telegraphy and, in order that additional operators might be available to meet the requirements of the future, training-schools were opened at Auckland and Christchurch on the 11th January. Twenty suitable juniors were drafted to the Auckland school and sixteen to the Christchurch school. The training is now well in hand and good progress is being made. It is the Department's intention to continue the schools until the staff of junior telegraph operators is sufficiently augmented.

TELEPHONE-EXCHANGES: APPOINTMENT OF MANAGERS AND CHANGE OF CONTROL AT MAIN CENTRES.

The increasing volume of work, including long-distance and overseas toll traffic, handled in the telephone-exchanges has added considerably to the complexity and the importance of the management factor at the principal centres, and early in the year it was decided to strengthen the organization at each of the main telephone-exchanges by the appointment of a Manager to exercise complete control over the traffic side of exchange operations. Towards the end of the year the reorganization was carried a step further by placing the telephone accounting and commercial sections under the control of a Telephone Manager. At the same time the Telephone Manager was made responsible to the Chief Postmaster instead of to the District Engineer. The result of this change is that all the operations of the telephone-exchanges, with the exception of the purely engineering functions, are now under unified control. The more complete co-ordination of the traffic, accounting, and commercial operations made possible by the reorganization is a forward move which has in view the object of maintaining the telephone arm of the service at the highest level of efficiency in the face of changing commercial and operating conditions. At present the arrangement is operating at Auckland, Christchurch, and Wellington, and it will shortly be extended to Dunedin.