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EMPLOYMENT AND UNEMPLOYMENT SERIES

**UNEMPLOYMENT-BENEFIT PLANS
IN THE UNITED STATES
AND
UNEMPLOYMENT INSURANCE
IN FOREIGN COUNTRIES**



JULY, 1931

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BULLETIN OF THE U. S. BUREAU OF LABOR STATISTICS

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UNEMPLOYMENT-BENEFIT PLANS IN THE UNITED STATES AND UNEMPLOYMENT INSURANCE IN FOREIGN COUNTRIES

Introduction

This bulletin has been prepared in response to many requests, both official and unofficial, for a brief review of the various unemployment benefit and insurance plans in the United States and foreign countries. In the United States there has been no legislation in this field. Such measures as have been devised have been solely upon private initiation and under private control. In many foreign countries, however, unemployment insurance has been made a matter of State legislation.

Part 1 deals with the unemployment-benefit plans (including guaranteed-employment plans) in the United States. The basic information was obtained by bureau agents directly from the companies and unions concerned, and copies of the agents' reports were sent to the persons furnishing the data for verification and correction of the facts and figures contained therein.

Owing to time limitations, the survey could not reach all employers and trade-unions in the country, but it is believed that it did cover practically all plans of importance. This is particularly the case as regards company, joint-agreement, and national trade-union plans. As regards local trade-union plans, visits were made to all locals where there was any information suggesting the possibility of such locals having unemployment-benefit plans, and in addition intensive inquiry was made in certain of the larger cities.

Part 2 deals with the public unemployment-insurance systems in effect in the 18 countries which, according to the bureau's information, had adopted such systems up to May, 1931. The descriptive reports for these countries were prepared by the consular representatives of the United States Department of State in the several countries concerned, in accordance with an outline and a memorandum of instructions prepared by the Bureau of Labor Statistics. Because of space restrictions, several of the original reports from the consular representatives had to be condensed, but otherwise no changes, except those incident to editing, have been made in the text of these reports.

The reports here presented, for both the United States and foreign countries, are intended to be entirely objective in character, no attempt being made to evaluate the merits or success of any plan. In the case of the reports for foreign countries, however, the opinions of competent authorities, representing various points of view, are presented in so far as such opinions could be obtained.

The Bureau of Labor Statistics wishes gratefully to acknowledge the assistance of the many organizations and persons who furnished information for the part of the study dealing with the United States, and to express its appreciation of the cooperation of the State Department in the preparation of the reports on foreign countries.

PART 1

UNEMPLOYMENT-BENEFIT PLANS
IN THE UNITED STATES

PART 1.—UNEMPLOYMENT-BENEFIT PLANS IN THE UNITED STATES

Part 1 presents the results of a survey made by the Bureau of Labor Statistics of the unemployment-benefit plans in the United States. For the purpose of this survey no very precise definition was attempted as to what constitutes an unemployment-benefit plan. Broadly speaking, the effort was to include all plans which sought to protect the worker against the evils of unemployment either by assuring him a certain steadiness of work or by guaranteeing him a certain money benefit in case he should be laid off because of lack of work. Plans concerned solely with the stabilization of production and thus of employment, but which offered no guaranty to the employee either of work or income, were not included.

The survey was made, for the most part, in April, 1931, and statements regarding existing conditions may be taken as referring to that date, although in a few cases later information was secured, and in a few cases also the latest statistical data available were for a somewhat earlier period.

There have been several previous official and unofficial reports on the subject of unemployment-benefit plans in the United States,¹ but most of the information thus made available relates to conditions existing prior to the depression in industry which began in the latter part of 1929. As a result of the depression, interest in this subject was greatly intensified and several new plans were established. The bureau's survey was undertaken primarily to find out what the later developments had been, and its objects may be briefly described as follows: (1) To complete and verify the existing information; (2) to study the plans recently established; and (3) to ascertain what effects, if any, the depressed industrial conditions may have had upon the operation of the several plans.

The bureau has no means of knowing whether its survey was entirely complete, but it believes that it included practically all plans now in existence which are established on a systematic and more or less permanent basis. No effort was made to cover what may be termed "relief" plans, set up to meet emergency conditions, and presumably of a temporary character.

The survey, as noted, was made in April, 1931, and at that time it was found that 79 unemployment-benefit or employment-guaranty plans were in existence. The number of employees potentially affected by these plans was about 226,000, but, for reasons noted

¹ Of particular value are: American Federation of Labor, Unions Provide Against Unemployment, Washington, 1929; Unemployment Benefits in the United States, by Bryce M. Stewart, New York, 1930; United States Senate, Committee on Education and Labor, Unemployment in the United States, hearings pursuant to Senate Resolution 219, a resolution providing for an analysis and appraisal of reports on unemployment and systems for prevention and relief thereof, together with Senate Report No. 2072, Washington, 1929; and various articles in the Monthly Labor Review of the U. S. Bureau of Labor Statistics.

below, the number actually eligible to benefit at the time of the survey was considerably less than this number. The plans were distributed, by type, as follows:

Fifteen company plans; i. e., those established by employers either individually or in groups. These companies employed about 116,000 employees at the time of this study, and of this number it is estimated that slightly more than 50,000 were eligible to benefits.

Sixteen joint-agreement plans,^a established by agreement between trade-unions and employers, and covering approximately 65,000 workers. In some instances union membership totals were used, as the figures representing number of persons eligible were not available.

Forty-eight trade-union plans,² maintained solely by labor organizations, either national or local, for the benefit of their own members. These covered about 45,000 persons.

The character and significance of these several plans, and their operating experience, particularly during the current period of industrial depression, are summarized in the next few pages. A detailed account of each of the plans covered is given on subsequent pages.

No general statement can be made regarding the degree of success of these plans. In this connection, however, it is of the utmost importance to note that the real success of a plan must be judged in relation to the degree of protection it offers to those covered. For instance, if all or a large portion of the unwanted workers are simply discharged, or dropped after a short period of benefit, a plan may function very successfully for the retained workers, but will have done very little toward meeting the real problem of unemployment. On the other hand, if the effort is to take care, for a considerable period, of all the workers under a given plan, the statistical showing may be unfavorable, but the plan may be fundamentally much more successful than the one cited in the previous illustration.

^aAfter this survey was made the Industrial Council of Leather Goods Manufacturers (Inc.) and the International Pocketbook Workers' Union in New York City entered an agreement on June 23, 1931, to set up an unemployment-benefit plan for union employees. This plan is to be supported by equal contributions from employers and union employees amounting to 2½ per cent of weekly pay roll and earnings, respectively. Other terms are not yet known. The joint plan takes the place of a trade-union plan established in 1930 and discontinued shortly before the joint plan was established.

²After this survey was completed, Photo-Engravers' Union, No. 32, of Los Angeles, Calif., adopted an unemployment-benefit plan, to be maintained by assessments at the rate of \$1.50 per week for journeymen and 50 cents for advanced apprentices, and providing benefits to the amount of \$10 per week for journeymen and \$5 per week for advanced apprentices.

SUMMARY

Company Plans

There are now in existence 15 company plans for guaranteeing employment or the payment of unemployment benefits. This number does not include the plan of the Delaware & Hudson Railroad which can not properly be classed as an unemployment-benefit plan but does include the plan of the United Diamond Works (Inc.), which, although it has not been given up by the firm, is at present inoperative (except for a small number of retained employees) through the closing down of the plant. Two additional plans, those of the Rockland Finishing Co. and the American Cast Iron Pipe Co., were started in 1920 and 1924, respectively, but were abandoned after a rather brief experience.

The total number of employees of the companies included in the 15 existing plans was approximately 116,000 in the first quarter of 1931. As one of these plans is at present suspended and the joint company plan in Rochester has not gone into effect, the number in the plants of those actually operating is about 90,000. The period of service required for eligibility varies in the different plans, ranging in general from three months to two years although one company requires five years' service. The number of employees covered by the plans, therefore, is considerably less than the total number of employees, the estimated number of eligible employees at the time the study was made being slightly more than 50,000.

Dennison Manufacturing Co.

The earliest plan is that of the Dennison Manufacturing Co., Framingham, Mass., which was started in 1916, and became effective for the payment of benefits in March, 1920. Various sums had been set aside by the firm between 1916 and 1919, so that at that time the fund with accrued interest amounted to approximately \$147,000. No further contributions have been made to the fund. As first formulated and up to January, 1931, the plan provided for the payment of benefits to workers who were unemployed because of lack of work or whose earnings were reduced because of transfer. But early this year the plan was changed to guarantee to those employees having at least six months' service, who were retained on the pay roll, a certain percentage of their normal weekly pay. The drain on the fund during recent months has been great. At the end of March, 1931, there was a little over \$35,000 remaining in the treasury. It has been necessary to discharge workers and in April, 1931, there were about 1,600 covered by the plan as compared with more than 2,400 in 1927.

Columbia Conserve Co.

The employment-guaranty plan of the Columbia Conserve Co., Indianapolis, Ind., covering the permanent employees of the company who are on a salary basis, was adopted in April, 1917. At the same time a works council was formed which was given considerable authority. The workers came into possession of 51.3 per cent of the common stock of the company June 30, 1930, and are now in practically full control of the business. Regular workers are considered for membership in the salaried class within three to six months after being employed, and upon being placed on a salary basis are automatically covered by the guaranty which insures full pay for the entire year. In February, 1931, 140 of the 162 employees were included in the guaranty plan. Although the plant has felt the depression to a certain extent, there have been no lay-offs or discharges on account of lack of work since the beginning of the depression.

Dutchess Bleachery (Inc.)

Unemployment benefits were provided for in the plan of the Dutchess Bleachery (Inc.), Wappingers Falls, N. Y., which was adopted in December, 1919. It was originally planned that the unemployment fund was to be maintained from the net profits of the company, and in 1922 the fund had reached the sum of \$93,000. Since that time, however, there has been no available surplus and as no further contributions to the fund have been possible it has gradually been reduced so that it now amounts to only a little more than \$10,000. It is evident that it is only a question of time when the plan will be abandoned, as there is no indication that the company will be able to resume payments.

Crocker-McElwain Co. and Chemical Paper Manufacturing Co.

The employment-guaranty plan of the Crocker-McElwain Co. and the Chemical Paper Manufacturing Co., Holyoke, Mass., first instituted in 1920, was amended in February, 1931, to cover 44 weeks of guaranteed employment only, instead of 52 weeks as in the original plan. The first plan also guaranteed full-time earnings to employees having five years' service with the company, while now the guaranty covers up to 80 per cent of the full-time earnings. The change in the plan was decided upon in January as a result of the excessive cost of the plan during the depression. The plan, as amended, is not made effective for any definite length of time. There is ordinarily little seasonal unemployment in these plants with the exception of July and August and these are the months which have been excepted in the employment guaranty.

United Diamond Works (Inc.)

Benefits to unemployed workers were first paid by the United Diamond Works (Inc.) in April, 1921. There was no formal plan and no fund was set aside, but benefits have been paid out of the

surplus earnings of the company. During shutdowns men have been paid 25 per cent and women 20 per cent of their average full-time earnings. The industry is particularly subject to the effects of business depression, as its product is purely a luxury. During the past year and a half the plant has been shut down for long periods and in March the payment of benefits ceased, as the surplus was exhausted. When the company resumes work, however, it is probable that the accumulation of a reserve fund for the payment of unemployment benefits will be begun.

John A. Manning Paper Co. (Inc.)

A modification of the unemployment-benefit plan, due to the effects of the depression, has occurred in the plants of the John A. Manning Paper Co. (Inc.), Troy, N. Y. The original plan was adopted in 1922 and tentatively amended April 1, 1931. Originally, unemployment benefits were paid entirely by the company as a part of operating expenses, but under the new plan a fund will be formed by a contribution of 1 per cent of the operating employees' wages, matched by the contribution of an equal sum by the company. In an unemployment emergency the fund will be supplemented by a 1 per cent deduction from the earnings of the salaried group, including officials. One year's service with the firm and membership in the Manning Welfare Association is required for eligibility for benefits. The emergency provision of the plan is now in effect; the mill is operating on a 3-day schedule, but an extra half day's pay is being made up from the emergency fund which is being supplemented by a contribution from the company.

Behr-Manning Corporation

The Behr-Manning Corporation, Watervliet, N. Y., whose employees are members of the same paper unions and welfare association as the Manning Co., has operated under an identical plan, but is now considering the adoption of a joint contributory plan.

S. C. Johnson & Son

Six months' service with the company and membership in its mutual benefit association is required for eligibility for unemployment benefits among employees of S. C. Johnson & Son, Racine, Wis. The plan was adopted in 1922. Benefits vary from \$1 to \$4 per day for the first 100 days of unemployment, according to the salary or wage rating of the employee, and from 50 cents to \$2 per day for the second 100 days. The cost of the plan is borne entirely by the company. During the eight years the plan has been in effect, only \$4,241 has been paid in benefits and during 1930 and the first three months of 1931 there were no lay-offs and consequently no benefits were required.

Leeds & Northrup Co.

First appropriations to an unemployment-benefit fund were made by the Leeds & Northrup Co., Philadelphia, Pa., in 1923, and the first benefits were paid in 1924. Benefits amount to 75 per cent of

the wages or salary for the normal working week of 44 hours, exclusive of the attendance bonus for employees who have dependents and 50 per cent for those without, and are graded according to length of service, ranging from 3 weeks' benefit for 3 months' service to 26 weeks' benefit for service of 5 years and over. The discharges on account of lack of work in 1930 were chiefly among young persons without dependents, many of them being high-school boys. There had been only one discharge and no lay-offs since the first of the year. The company considers the benefit fund is adequate to meet all requirements and states that when business recovery takes place it is probable that the operation of the plan will be reviewed and the terms made more generous.

Procter & Gamble Co.

Full pay for 48 weeks in the year is guaranteed by the Procter & Gamble Co., Cincinnati, Ohio, to every employee who is a member of the profit-sharing plan and has subscribed for a stated amount of stock in the company. The guaranty applies to all such employees if they have had at least six months' service with the company and the wage or salary does not exceed \$2,000 per year. The employment guaranty covers all lost time in excess of 200 hours during the year based on the 50-hour week. The depression has increased the number of employees participating in the plan. Participation is voluntary, and while about 80 per cent of the eligibles were participants prior to the depression, the number now has increased to almost 100 per cent. There have been no lay-offs for lack of work during this period, and the company states that no participant in the plan has ever been in distress on this account.

Brown & Bailey Co.

The accumulation of a fund for the payment of unemployment benefits on account of slack work was begun by the Brown & Bailey Co., Philadelphia, Pa., in November, 1927, and the first payments from the fund were made in April, 1930. All employees except salaried workers and foremen are eligible for benefits. In a period of business depression the company retains its entire force and runs on short time, supplementing the earnings of the employees with payments from the benefit fund sufficient to bring the weekly wages up to an amount which was formerly equal to 80 per cent of the normal earnings, but which was reduced the latter part of June to 75 per cent of the earnings. The original plan did not provide for contributions from employees but, through the shop council, the employees asked to be allowed to contribute 1 per cent of their weekly pay when the fund falls below \$5,000. This is now being done, and the foremen, also at their own request, are contributing \$1 per month.

Owing to the heavy demands upon the fund since April on account of lack of work, the shop council advised the lowering of the percentage basis on which the payments are made, and it was accordingly reduced to 75 per cent of normal earnings, to begin with the pay-roll week ending June 26, 1931.

Consolidated Water Power & Paper Co.

Compensation for all employees having service of one year or over for time lost from shutting down machines is provided for in the plan of the Consolidated Water Power & Paper Co., Wisconsin Rapids, Wis., which was adopted in February, 1929. The plan provides for a guaranteed monthly income amounting to approximately one-third of the average monthly wage. From February 7 to June 8, 1929, a total of \$2,931 was paid in benefits but since that time no benefits have been paid, the company having been able to provide work so that there have been no lay-offs.

General Electric Co.

The General Electric Co., Schenectady, N. Y., has during the past year put in effect two different plans covering employment conditions. The first, an unemployment-pension plan, had been adopted by all of the 12 plants manufacturing different types of electrical apparatus on August 1, 1930, and the second, a plan for guaranteed employment covering all employees having two years' service with the firm, was put in effect in the 12 lamp works of the company in January, 1931. The unemployment-pension plan provides for the establishment of a fund formed by equal contributions by the company and the employees, amounting to 2 per cent of the actual weekly or monthly earnings of employees so long as the earnings of the employees exceed 50 per cent or more of the average weekly or monthly pay. In times of abnormal unemployment, contributions are required from salaried employees, engineers and technical employees, and officials, who pay approximately 1 per cent of their earnings into the fund. The plan provided that no payments should be made from the fund until an employee had contributed for six months to the fund. On account of present conditions, however, a special emergency was declared December 1, 1930. The emergency plan contains three important modifications because of the fact that it was put into effect before a substantial fund could be accumulated. These provisions include the contributions of 1 per cent of earnings of all employees of the company except those in the lamp department, payments only to employees in need of funds, and reduction of maximum weekly payments from \$20 to \$15. From December 1, 1930, to April 30, 1931, benefits were paid to 10,253 employees amounting to a total of \$549,605.50. This amount covered payments for complete unemployment, part-time employment, loans, and the relief of distress. The company stresses the fact that the plan is experimental as yet and that it is possible it may be changed in the light of experience.

Fond du Lac Plan

A joint company unemployment plan was established September 1, 1930, by three manufacturing firms of Fond du Lac, Wis. This plan provides for cooperation between the companies in furnishing employment. The plan is financed by contributions from the employers of \$1 per month for every \$100 paid in wages and covers

all employees between the ages of 21 and 60 who have been employed continuously for two years, with the exception of salesmen and those in supervisory positions. Prior to the adoption of the plan, turnover in those companies was as high as 40 per cent per year but since the plan went into effect and up to the middle of April, 1931, the companies have succeeded in so stabilizing employment that there have been no lay-offs and consequently no benefits have been paid.

Rochester Plan

The latest plan to be adopted and perhaps the most significant, since it contemplates the stabilization of employment in an entire city, is the Rochester unemployment benefit plan which was adopted in February, 1931, by 14 manufacturing establishments whose employees represent about one-third of the industrial employees of the city. It is hoped that ultimately all employers in the city will adopt the plan. The first payments into the funds will be made during the current year, but no benefits will be paid until January 1, 1933. In normal periods, the plan will be financed entirely by the companies, each of which will contribute to the reserve fund up to 2 per cent of the pay roll, but when an emergency is declared, employees and officials will be assessed an amount equal to 1 per cent of their earnings which will be matched by the employing company. To be eligible for benefit the employee must have had one year's service with his company and must be earning less than \$50 per week. Benefits will amount to not more than 60 per cent of the average weekly earnings with a maximum of \$22.50 per week, the period during which benefits are paid ranging from 6 to 13 weeks according to length of service.

Delaware & Hudson Railroad

The plan of the Delaware & Hudson Railroad, adopted in 1922, is part of the general insurance system covering group life insurance, sickness, and accident. Coverage is dependent upon the employee having been in the service of the firm for two years and having taken out two of the three forms of contributory insurance offered. The insurance covers unemployment arising through discharge only and provides for the payment of \$10 or \$15 a week according as the average annual wages of the dismissed employee are below or above \$1,000. The dismissal wage is paid for a maximum of 6 weeks.

Firms Having Unemployment-Benefit or Guaranteed-Employment Plans

The following list of firms having unemployment-benefit funds or guaranteed-employment plans gives the date of establishment, and the average number of employees in 1931:

TABLE 1.—*Firms having unemployment-benefit or guaranteed-employment plans, date established, and average number of employees covered*

Name and address of firm and type of plan	Date of establishment of plan	Average number of employees, 1931
Dennison Manufacturing Co., Framingham, Mass.: Unemployment-benefit fund	1916	
Employment guaranty	January, 1931	1,941
Columbia Conserve Co., Indianapolis, Ind.: Employment guaranty	April, 1917	162
Dutchess Bleachery (Inc.), Wappingers Falls, N. Y.: Unemployment-benefit fund	December, 1919	425
Crocker-McElwain Co. and Chemical Paper Manufacturing Co., Holyoke, Mass.: Employment guaranty	February, 1921 ¹	511
United Diamond Works (Inc.), Newark, N. J.: Unemployment-benefit plan	April, 1921	(²)
John A. Manning Paper Co. (Inc.), Troy, N. Y.: Unemployment-benefit plan	January, 1922 ³	257
Behr-Manning Corporation, Watervliet, N. Y.: Unemployment-benefit plan	.....do.....	239
S. C. Johnson & Son, Racine, Wis.: Unemployment-benefit plan	November, 1922	346
Leeds & Northrup, Philadelphia, Pa.: Unemployment-benefit fund	February, 1923	1,064
Procter & Gamble Co., Cincinnati, Ohio: Employment guaranty	August, 1923	5,691
Brown & Bailey Co., Philadelphia, Pa.: Unemployment-benefit fund	November, 1927	115
Consolidated Water Power & Paper Co., Wisconsin Rapids, Wis.: Unemployment-benefit plan	February, 1929	900
General Electric Co.: Unemployment-benefit fund (electrical apparatus manufacturing, 12 plants)	August, 1930	70,380
Employment guaranty (lamp works, 12 plants)	January, 1931	8,000
Fond du Lac, Wis.—Three companies: Unemployment-benefit fund	September, 1930	350
Rochester, N. Y.—Fourteen companies: Unemployment-benefit plan	February, 1931	26,000

¹ Amended February, 1931.

² Plant shut down, only a few employees retained.

³ Amended Apr. 1, 1931.

Discontinued Plans

The plan established by the Rockland Finishing Co., Garnerville, N. Y., in January, 1920, for the payment of unemployment benefits was exhausted by the drain upon it during the depression in the textile industry in 1920 and 1921. The company first contributed \$100,000 to the fund, with the provision that when the fund reached \$120,000 benefits were to be paid on the basis of 48 hours' employment per week. On account of the depression, however, payments were begun on a lower basis and by the end of 1920, benefits had been paid to the amount of \$80,000. After that time, the company was able to make only very small additional payments into the fund and by the middle of 1923 the fund was entirely exhausted. No effort has been made since that time to revive the fund.

The American Cast Iron Pipe Co., Birmingham, Ala., introduced a plan for the payment of unemployment benefits in 1924 and made an initial payment into the fund of \$15,000 in December of that year. A similar sum was voted in December, 1925, for the payment of benefits in 1926; but after that, on account of change in manufacturing methods and reorganization, no further contributions were made. The plan had provided for the guaranty of a minimum of four days' pay per week during periods of slack work, the supplementary payments necessary to make up the guaranteed wage being taken from the fund. The changes in the industry resulted in a considerable reduction in the force and changes in operation, and the company felt that it was not in a position to be bound by a fixed plan for compensating for unemployment.

Joint-Agreement Plans

In April, 1931, a total of 16 plans were found to be in operation, provided by joint agreements between employers and trade-unions to ameliorate the condition of union members during periods of unemployment. Of these plans, 13 provide out-of-work benefits and the remaining 3 are guaranteed-employment plans. The majority of the plans (9 out of 16) are in industries manufacturing articles of wearing apparel. Of the other 7 joint plans, 5 are for the protection of lace and lace-curtain weavers, 1 for specified classes of workers in the wall-paper industry, and 1 for railway employees engaged in the maintenance of equipment.

Approximately 65,000 industrial workers are covered by the plans provided by joint agreement. Of this number 43,000 are operatives on men's clothes in Chicago, New York City, and Rochester.

Eight plans were discontinued between 1927 and 1930, owing either to labor disputes or to depressed business conditions. The plans which were discontinued during these years were restricted to two industries, six having been in the cloth hat and cap industry and two in the cleaning and dyeing industry. Most of these plans had a small coverage, the notable exceptions being the two agreements in the cleaning and dyeing industry.

Table 2 shows the industries covered by the plans now in operation, the cities or jurisdictions where the plans are in operation, the date of the first agreement, and the approximate number of persons now covered:

TABLE 2.—*Joint-agreement plans, providing for unemployment benefits or guaranteed employment, in operation April, 1931*

Industry and location	Date of first agreement	Approximate number of persons covered
Men's clothing industry (unemployment benefits):		
Chicago, Ill.	1923	12, 979
New York, N. Y.	1923	22, 000
Rochester, N. Y.	1923	8, 000
Women's clothing industry (guaranteed employment): Cleveland, Ohio		
Cloth hat and cap industry (unemployment benefits):		
New York, N. Y.	1924	1, 700
Philadelphia, Pa.	1924	200
Straw-hat industry (unemployment benefits):		
New York, N. Y. (Local No. 3, United Hatters)	1925	214
New York, N. Y. (Local No. 45, United Hatters)	1924	40
Hosiery industry (unemployment benefits): All jurisdictions		
	1930	1 15, 000
Lace and lace-curtain industry (unemployment benefits):		
Kingston, N. Y.	1923	16
Philadelphia, Pa. (Local No. 1 and Bromley Manufacturing Co.)	1924	68
Philadelphia, Pa. (Local No. 18 and Bromley Lace Co.)	1926	26
Scranton, Pa.	1923	87
Wilkes-Barre, Pa.	1924	84
Wall-paper industry (guaranteed employment): All jurisdictions		
Steam railroads (guaranteed employment): Seaboard Air Line R. R. and maintenance-of-equipment employees	1894	1 660
	1928	2, 022
Total		65, 096

† Union membership in 1929.

Men's Clothing Industry

Chicago.—Of the three plans providing unemployment benefits for men's clothing workers, that in force in Chicago was the first to be adopted (1923). By the terms of the Chicago agreement, the employers contribute to the unemployment fund 3 per cent of the pay roll, and the employees, members of the Amalgamated Clothing Workers of America, contribute 1½ per cent of their wages. Benefits are paid at the rate of 30 per cent of full-time weekly wages, with a maximum weekly payment of \$15. The maximum benefit period is 3¾ weeks per season, or 7½ weeks per year, but in practice benefits have never been paid for more than 3 weeks per season. Since the recent depression set in, while no changes have actually been made in the plan, expenditures per claimant have been reduced when demands have been heavy by shortening the period of benefit; thus in shops where benefits had been paid for 3 weeks per season, the board of trustees voted to pay only for 2½ weeks, etc.

New York City.—Members of the Amalgamated Clothing Workers of America in New York City are provided with an unemployment-benefit system the whole cost of which is borne by the employers. The manufacturers contribute at the rate of 1½ per cent of their direct labor pay roll, plus 1.2 per cent of the amount they pay to contractors. Benefits are authorized at the rate of \$30 per season, or \$60 per year, the payments to be made in 6 weekly installments of \$10 each. When this plan was placed in operation in 1928 it was expected that the rules regarding eligibility, amount, and duration of benefits, etc., would be modeled upon those adopted in Chicago. However, widespread unemployment followed so closely upon the establishment of the plan that it was necessary to use the funds available to give immediate relief in small amounts to union members in distress and to make the requirements less rigid than would otherwise have been the case in order that the most needy might be helped. As unemployment has become increasingly severe, there has been a tendency to pay benefits of less than the authorized maximum of \$30 per season in order that a larger proportion of the union membership might be helped. However, in exceptional cases, benefits greater than those authorized have been paid.

Rochester.—The Rochester plan covering members of the Amalgamated Clothing Workers was established in 1928. It was stipulated that the employers should contribute 1½ per cent of the pay roll to the fund and the employees a like percentage of their wages, but the employees' contribution has been waived because of the depression. In the two seasons that benefit has been paid, the payment has been at the rate of 25 per cent of the full-time weekly wages, with a maximum weekly payment of \$12.50, and the benefit period has been 2½ weeks per season. In order to keep down the costs as unemployment became increasingly severe, the waiting period was increased from 2 weeks in the first season to 2½ weeks in the second, and persons who earned \$40 in a given week in the second season (as compared with \$45 in the first season) were not given credit for time lost in that week. By revisions of this character each season it is possible

to keep the fund on a solvent basis without reducing the amount or duration of benefit, and it is likely that this policy will be pursued in the season ending June 1, 1931.

Women's Clothing Industry

Cleveland.—By the plan established in 1921, workers in women's garment manufacturing establishments in Cleveland, who are members of the International Ladies' Garment Workers' Union, are guaranteed employment for 38 weeks per year. The employers post bond, up to 10 per cent of their pay roll, to cover any liability arising out of the guaranty to inside-shop employees. In addition, they pay 2 per cent of their pay roll for pieceworkers and 1 per cent of their pay roll for timeworkers into a fund to cover peak workers and outside-shop workers who receive less than 38 weeks of employment. Contractors also pay into the fund for peak workers and outside-shop workers an amount equal to 2 per cent of their respective pay rolls. Under the plan guaranteeing employment, employees are entitled to one-half their usual earnings for the difference between the number of weeks worked and 38 weeks (the number of weeks of work guaranteed), but with the provision that the employers shall not be liable beyond the limit of the funds authorized for this purpose. Prior to January, 1931, the number of weeks of work guaranteed was 40 weeks per year. The amount of benefit has also been reduced, benefits having been paid at the rate of two-thirds of the usual earnings in the early years of operation under the plan, i. e., until December, 1923. Prior to December, 1922, employers' liability for inside-shop employees was 7½ per cent of the pay roll and up to January, 1931, their contribution for peak and outside-shop employees was one-half the present rate.

Cloth Hat and Cap Industry

New York City and Philadelphia.—Two joint agreements providing out-of-work benefits for members of the Cloth Hat, Cap and Millinery Workers' International Union, both dating back to 1924, are now in effect, one in New York City and the other in Philadelphia. Both plans provide for employers' contributions of 3 per cent of the pay roll and for benefits of \$10 per week for men and \$7 for women for a maximum of seven weeks per year. Under both plans the rates of benefit were temporarily raised during years of business activity to \$13 for men and \$10 for women in New York City, and to \$15 for men and \$10 for women in Philadelphia. However, since the onset of severe unemployment in both cities not only has the rate of benefit been reduced but it has been necessary to make further changes. Thus, in New York City it was provided early in 1931 that if a worker had as much as eight hours of work in any week, the time lost that week (32 hours) should not be counted in calculating his total number of hours unemployed (formerly, time lost amounting to 20 hours or more was credited to his unemployed time). In Philadelphia the waiting period before benefits became payable was lengthened in January, 1931, so that the worker must

now accumulate two weeks of unemployed time before he is eligible for benefit for one-half week (formerly he received benefit for one-half week after losing one week).

Straw-Hat Industry

New York City.—Two joint plans are maintained in New York City providing unemployment benefits for members of Locals No. 3 and No. 45, respectively, of the United Hatters. The plan for members of Local No. 45 was established in 1924 and that for Local No. 3 in 1925. Both plans are supported by the employers' contributions, equal to 3 per cent of the pay roll. Benefits are paid at the rate of \$10 per week for a maximum of six weeks per year. No changes have been made in the plan of Local No. 3 since the coming of the present depression, but the administrators of the Local No. 45 fund have found it necessary to pay benefits in individual cases beyond the period of six weeks for which benefit is allowed under the terms of the joint agreement.

Hosiery Industry

An out-of-work benefit fund was started for members of the American Federation of Full-Fashioned Hosiery Workers in 1930. The plan provides for contributions by the employers of 1 per cent of the pay roll (beginning August 1, 1930) and contributions by the employees of one-half of 1 per cent of wages (beginning September 1, 1931). As yet it is not known what the rate of benefit, duration of benefit, etc., will be or when benefit payments will be made.

Lace and Lace-Curtain Industry

Five unemployment-benefit plans are in operation, covering members of the Amalgamated Lace Operatives of America. Under all five plans the benefit period is indefinite.

Kingston, N. Y.—The plan in force in Kingston was established in 1923. By the terms of the agreement, the union members contribute 50 cents per week if they earn \$18 or over, and the sum so raised is matched by the employer. Benefits are authorized at the rate of \$15 per week, or a sum sufficient to bring the week's earnings up to that amount. The benefit period is indefinite, the aim being to provide each worker with a minimum wage of \$15 per week throughout the year. Because the depression has been so acute and of such long duration, it has been necessary to reduce the \$15 weekly benefit and the amount now paid is prorated according to the relation the hours the mill works bear to the normal working hours. At present, \$13.50 per week is authorized, and the lowest amount ever guaranteed was \$6.90, when the mill was on extremely short time.

Philadelphia.—In Philadelphia there are two joint plans in operation, one for members of Branch No. 1 who are employed by the Bromley Manufacturing Co., and the other for members of Branch No. 18 who are employed by the Bromley Lace Co. These plans were established in 1924 and 1926, respectively. The terms of benefit under both plans are identical with those provided in Kingston. However, both of the Philadelphia employers have temporarily dis-

continued their financial support of the plans owing to difficult business conditions. So far, the money left in the joint fund of Branch No. 1 has been sufficient to meet all demands for benefit. The members of both branches have increased their contributions to the funds; Branch No. 1 has done so in anticipation of the time when the joint funds will be exhausted, and Branch No. 18 in order to keep up benefit payments.

Scranton.—The Scranton joint plan between the union and the Scanton Lace Co. dates back to 1923. The terms of the agreement provide that any worker earning \$15 or more per week shall contribute 50 cents a week and that this amount shall be matched by the employer. The fund has always been adequate to cover the cost of the benefits of \$15 per week or enough to bring the week's earnings to that amount for an indefinite period. A considerable balance is now available for further payments.

Wilkes-Barre.—By the agreement in force in Wilkes-Barre between the union and the Wilkes-Barre Lace Co. it is stipulated that the union members covered shall contribute \$1 per week to the fund if they earn \$17 or more per week, and that this sum shall be matched by the employer. Benefits are at the rate of \$16 per week, or enough to bring the earnings for the week to that amount for an indefinite number of weeks. These terms were included in the original agreement of 1924, and are still in effect. The fund is in good condition.

Wall-Paper Industry

The United Wall Paper Crafts and employers maintain a guaranteed-employment plan for machine printers, color mixers, and print cutters. This plan dates back to 1894. Under the terms of the agreement prior to 1929, the employee was guaranteed 50 weeks of work—45 weeks of work at full pay and 5 weeks on vacation at half pay, provided the factory failed to operate. The employers bore all costs. In 1929 the guaranty is reported to have been reduced to 40 weeks at full pay. At the time this survey was made, April, 1931, a new agreement was being negotiated, and pending settlement of terms the union considered it inadvisable to furnish information regarding current developments under the plan.

Steam Railroads

Railway shop men.—The Seaboard Air Line Railway Co. has entered into agreements with the Federated Shop Crafts annually since 1928 to provide a minimum number of positions in the maintenance-of-equipment department of the railroad. In 1928, 1929, and 1930 the guaranty was made for the whole year, but in 1931 the agreement was drawn up to permit changes from month to month in the minimum number of positions guaranteed.

Discontinued Plans

Cloth hat and cap industry.—Six plans were discontinued in as many jurisdictions of the cloth hat and cap industry between 1927 and 1930. Under all of these plans contributions to cover the cost of benefit payments were made by the employers solely. In Balti-

more, Boston, Chicago, and Scranton, the employers contributed 3 per cent of the pay roll for this purpose, and benefits to the amount of \$10 per week for men and \$7 per week for women were authorized for periods of 7 or 8 weeks a year. Two of these plans were discontinued owing to bad business conditions, and the other two because of labor disputes. The plans that were maintained in Milwaukee and St. Paul guaranteed employment for 48 weeks and the employers were liable for from 1 to 5 per cent of the pay roll, the rate varying according to the period of employment (1 per cent for 47 weeks' employment to 5 per cent for 43 weeks' employment). Benefits were paid according to the same sliding scale, i. e., ranging from 1 per cent of annual earnings if the worker had 47 weeks of employment to 5 per cent if he had 43 weeks' employment or less. Bad business conditions led to the discontinuance of the St. Paul plan in 1929 and although the plan in Milwaukee has not been definitely abandoned, the employees waived their rights to benefit in 1930.

Cleaning and dyeing industry.—In 1927 a joint agreement plan for unemployment benefits was provided for members of Local No. 17742 of the Cleaners, Dyers, and Pressers' Union in Chicago, and two years later, i. e. in 1929, a plan was established for members of Local No. 17920 in St. Louis. Both plans were supported entirely by the employers and made provision for benefits on the basis of the family responsibility of the unemployed person. These two plans were abandoned in 1929 as the result of labor disputes.

Trade-Union Plans

In times of business depression practically all trade-unions render assistance to their unemployed members. As a result, many so-called unemployment benefit or relief plans spring up during periods of severe unemployment and are discontinued when conditions become more normal. If these temporary emergency measures are disregarded it appears that unemployment-benefit plans of a more or less permanent and systematic character are now (April, 1931) being maintained by 3 international unions and by 45 local unions. All three of the international union plans were in existence long before the present depression. Of the 45 local union plans, 8 have been established since the depression began.

The total membership of the 3 international unions and 45 local unions having plans at present is slightly less than 45,000, or about 1½ per cent of the total trade-union membership in the country.

The unions represented by these 48 plans were 14 in number, but the printing trades dominated, no less than 32 of the 48 plans being maintained by unions connected with some branch of the printing trade. As regards membership, the printing trades were still more dominant.

National Union Plans

The three national unions which maintain unemployment benefit plans are the Deutsch-Amerikanische Typographia, the Siderographers, and the Diamond Workers. All three are of small membership and of specialized craftsmanship.

The Deutsch-Amerikanische Typographia is composed of printers engaged on German publications. The demand for this type of work has been steadily declining and the decrease in membership from natural causes has about balanced the decline in demand. The present membership of all locals is about 541, of whom, however, 120 are pensioners. The unemployment-benefit plan is rather modest, paying only \$6 a week for a total of 16 weeks during each year. The cost is thus relatively small, and the plan has functioned very successfully, even during periods of depression.

The siderographers—in a specialized branch of engraving—are less than 100 in number. There has been very little unemployment, and the reserve of a few hundred dollars has been sufficient for the demands made upon it. The benefits are only \$5 a week, but are granted for a 26-week period.

The diamond workers are concentrated in New York City. The unemployment benefits are \$9 per week for 16 weeks in a year. The trade has been seriously affected by the depression; the former reserve fund (derived from a 50-cent weekly assessment) was exhausted in 1930, and payments have since been made from the general fund.

Discontinued plans.—Members of the United Wall Paper Crafts engaged as print cutters in jobbing shops formerly had a trade-union unemployment-benefit plan, but, according to the general secretary of the union, this was discontinued in 1929.

The only other national unions which are known to have maintained unemployment-benefit systems in the past are the cigar makers and the lithographers. The former discontinued their plan in 1920 and the latter in 1923.

Local Union Plans

Bookbinders.—Unemployment-benefit plans are maintained by three locals of bookbinders. Benefits vary from \$5.50 to \$15 per week, and the benefit periods range from 8 to 13 weeks per year. Two of the plans were established after the current business depression set in. All three unions report that a large number of members are still unemployed at the expiration of the benefit period. In none of these cases was a special reserve fund in existence. In the early part of 1931 the cost of unemployment benefits averaged from \$3 to \$4 per member per month.

Lithographers.—Unemployment-benefit plans are maintained by five locals of lithographers, all these plans having been established prior to the present depression. The weekly benefits are as low as \$5 in one plan and are only \$6 in two other plans. The longest benefit period is 20 weeks, and the shortest is 50 days in one local. In case unemployment lasts beyond the benefit period, the union, by special action, usually grants some help either by gift or loan. The New York local keeps a reserve fund of at least \$10,000, which is now equal to about one month's benefits. Another local seeks to keep a small reserve fund (\$500); the other three locals have never attempted to build up special reserve funds. The monthly cost of the benefit plan ranges from about \$1.80 to \$3.50 per month per member.

Electrotypers.—Of the two plans maintained by locals of the electrotypers' union, one is quite liberal, allowing \$20 and \$25 for the first and second weeks of unemployment, respectively, and thereafter \$30 per week for an unlimited period. The cost is heavy, averaging at present about \$9 per month per member. Under this plan, also, a minimum reserve fund of \$5,000 is provided for and the local contemplates increasing this to \$35,000 when conditions are more normal. The other local pays benefits of \$20 for 15 weeks and, during the present emergency, a supplementary benefit of \$10 for 30 additional weeks or more. This local also maintains a substantial reserve fund. The cost of the plan ranged between \$4 and \$7 per member per month during the early months of 1931.

Photo-engravers.—Twelve locals of photo-engravers have unemployment-benefit plans, but three of these were adopted as a result of the present depression and in one of these three cases discontinuance of the plan is contemplated as soon as the present emergency is over. Several of the older plans, however, are well established and have been operating for several years with substantial reserve funds. The reserve fund under one plan amounts to \$50,000.

In general these several plans provide liberal benefits and in most cases the benefit period, during the present emergency at least, has been made indefinite, either directly or through authorizing the executive board to allow indefinite payments in urgent cases. The costs have in some cases also been quite high, amounting at present in one local to about \$14 per month and in three others to \$11 per month. In the case of the San Francisco local the assessment for unemployment benefits is now 10 per cent of earnings.

Pressmen and press assistants.—Two locals of pressmen and one of press assistants now maintain unemployment-benefit plans. In addition, the Boston local, in December, 1930, instituted a purely emergency plan for 10 weeks (later extended for another 10 weeks) which is essentially a temporary relief plan.

In all of the three regular plans, the benefits are unlimited, but in one case are only \$7 per week. In none of these plans is a special reserve fund provided for. The cost has been relatively high, particularly in the case of the New York City local (No. 51), which is now assessing its members \$8 per month for three months.

Typographical union.—Of the five plans now being maintained by locals of the International Typographical Union, three were started as a result of the depression in 1930, and at least one of these will probably be discontinued when the depression passes. In one of these plans the payments are only \$6 per week and in another the payment for each of the last 8 weeks of the 16-week benefit period is only \$5. The New York local, however, pays \$20 per week. The Cleveland local has a well-organized loan system—lending to members from \$5 to \$300, to be repaid in small installments. The total loans in 1930 amounted to about \$27,000. In the Chicago local the current cost in March, 1931, was about \$9 per month per member and in April, \$7. The Chicago plan pays additional sums for married members with dependent children.

Bakery workers.—All of the nine locals of bakery workers now maintaining unemployment-benefit plans established these plans prior to the present depression, and three have been in effect more

than 20 years. The bakery trade normally has a dull period in winter, and the several plans were devised to meet this particular problem of seasonal unemployment. Usually the benefits are rather low—in one case only \$4 a week. With fairly low payments and limited benefit periods, these plans have stood up quite well during the present depression. In a number of cases, however, the pressure is now quite heavy. In only one local, that is, in Spokane, has it been the policy to establish a reserve fund. In most instances the expenses are met from the general funds of the respective unions.

Brewery, flour, cereal, and soft drink workers.—Only one local of this union—that in New York City—is now maintaining an unemployment-benefit plan. The New York plan allows only \$6 a week for 12 weeks, and because of the serious unemployment recently the cost of benefits is a serious burden. The local expects, however, to continue the plan.

Wood carvers.—The Wood Carvers' Association of Boston, an organization with about 120 members, has had a very successful unemployment-benefit plan since 1910. A substantial reserve fund was accumulated in the early days of the association, when unemployment was not so great. This reserve fund has been in the neighborhood of \$25,000 for some years. In 1930, although the number of unemployed members was large, the total payments amounted to less than one-fifth of the reserve fund. The plan provides for a \$12 a week benefit for 12 weeks in the year. At present, the assessment for the fund is 1 per cent of earnings, but has been as high as 8 per cent. If the current depression continues, the benefit period may be extended. At present, no provision is made for members whose unemployment exceeds the 12-week benefit period.

Lace operatives.—The lace operatives of Scranton, Wilkes-Barre, and Philadelphia have developed a very interesting system of unemployment-benefit systems. The policy is, wherever possible, to have a joint system established with the employers. Where this is not possible, local union plans are set up for the particular groups of employees concerned. The Scranton local plan was discontinued in 1923 when a joint-agreement plan was secured. But local plans are in effect in Wilkes-Barre and Philadelphia, three such plans being established in the latter city for special groups of members. All four of these local plans are alike in having an unlimited benefit period. The weekly benefits are \$10 in two cases, \$15 in one, and \$16 in one. These locals have been able to maintain substantial balances in past years, but severe unemployment has caused a heavy drain on resources. However, two of the systems still have balances in excess of the demand of the worst previous years. The locals are of small membership, the total number of members of the group covered by these four plans being less than 200.

Tabular Comparison

The following table shows for each of the 48 plans the date of establishment, the number of union members covered, the maximum weekly benefits, the maximum period for which benefits are paid, and the assessments made to cover costs of the plans. The statistics cited are as of April, 1931, or latest available date. In a number of plans

the benefits vary according to marital condition, length of membership, etc. Only the maximum benefits are shown in the table. This is also true as regards length of benefit periods. Details regarding these as well as other features of the plans are given in subsequent pages, where a report on each plan is presented.

TABLE 3.—Trade-union unemployment-benefit plans in operation April, 1931

Trade-union	Present plan started	Approximate union membership	Present benefits		Present maximum assessments
			Maximum weekly	Maximum duration in 1 year	
<i>National unions</i>					
Deutsch-Amerikanische Typographia.....	1884	541	\$6.....	16 wks...	\$1.85 per mo. ¹
Siderographers.....	1910	73	\$5.....	26 wks...	(?)
Diamond workers.....	1912	300	\$9.....	16 wks...	\$0.50 per wk.
<i>Local unions</i>					
<i>Bookbinders:</i>					
San Francisco (No. 31-125).....	1922	700	\$12.....	8 wks....	2 per cent of earnings.
New York City (No. 119).....	1929	900	\$15.....	10 wks....	\$0.50 per week.
Chicago (No. 8).....	1930	1,070	\$5.50.....	13 wks....	\$1 per mo., plus \$1 per wk.
<i>Electrotypers:</i>					
Chicago (No. 3).....	1920	792	\$30..... (\$20 for 15 wks. ¹)	No limit.	2 per cent of earnings.
Philadelphia (No. 72).....	1921	315	(\$10 for 30 wks. ⁴)	No limit.	\$1 per wk.
<i>Lithographers:</i>					
San Francisco (No. 17).....	1918	175	\$15.....	10 wks....	\$0.85 per wk.
Philadelphia (No. 14).....	1918	170	\$6.....	13 wks....	
Cincinnati (No. 8).....	1919	190	\$6 (\$1 per day).....	50 days...	
New York City (No. 1).....	1923	2,450	\$10.....	20 wks....	\$1 per mo., plus assessments.
Seattle (No. 45).....	1927	23	\$5.....	8 wks....	
<i>Photo-engravers:</i>					
Chicago (No. 5).....	1914	1,466	\$20..... (\$12 for first 12 wks. \$6 for next 12 wks., \$14 for 10 wks. ¹)	26 wks.... 34 wks....	According to need. \$0.50 per mo. \$2 per wk.
Cincinnati (No. 13).....	1916	195			\$14 in March. ⁴ \$1 per wk.
Philadelphia (No. 7).....	1917	630	\$20.....	No limit.	Do.
New York City (No. 1).....	1922	2,702	\$25.....	26 wks....	\$2 per wk.
Boston (No. 3).....	1922	321	\$20.....	20 wks....	\$2 per mo.
Cleveland (No. 24).....	1923	243	\$35.....	20 wks....	\$2 per wk.
Minneapolis-St. Paul (No. 6).....	1924	70	\$20.....	12 wks....	\$2 per mo.
San Francisco (No. 8).....	1929	184	\$25.....	Indefinite	10 per cent of earnings.
Baltimore (No. 2).....	1929	102	\$15.....	do.....	\$2 plus one-third of overtime earnings.
Milwaukee (No. 10).....	1930	165	\$10.....	do.....	\$2.50 per wk.
Indianapolis (No. 11).....	1930	110	\$15.....	No limit.	\$2 per mo.
St. Louis (No. 10).....	1931	218	\$15.....	26 wks....	\$0.25 per day, 5 days per wk.
<i>Printing pressmen and assistants:</i>					
<i>Printing pressmen—</i>					
New York City (No. 51).....	1927	3,500	\$15.....	(?)	\$8 per mo.
St. Louis (No. 6).....	1930 ²	348	\$7.....	No limit.	3 per cent of earnings.
Printing - press assistants—	1928	2,550	\$15 for 5 wks., \$10 thereafter.	do.....	According to need.
<i>Typographical union:</i>					
New York City (No. 6).....	1924 ³	10,620	\$20.....	Indefinite	4 per cent of earnings.
Cleveland (No. 53).....	1927	870	\$1 first wk.; \$8 for next 7 wks., and \$5 for next 8 wks.	16 wks....	

¹ Covers all benefits.

² Not reported.

³ Regular benefit.

⁴ Emergency benefit; may run for longer period in special cases.

⁵ Emergency benefit; period given is approximate, the benefit being \$14 per week with a maximum of \$138 in 1 year.

⁶ Subject to change according to need.

⁷ No limit on period, but amount to be paid is limited.

⁸ Operation irregular since 1921.

⁹ An earlier plan was in existence for many years.

TABLE 3.—Trade-union unemployment-benefit plans in operation April 1, 1931—
 Continued

Trade-union	Present plan started	Approximate union membership	Present benefits		Present maximum assessments
			Maximum weekly	Maximum duration in 1 year	
<i>Local unions—Continued</i>					
Typographical union—Contd.					
Chicago (No. 16).....	1930	5,400	\$15 ¹⁰	No limit.....	3 per cent of earnings.
Philadelphia (No. 2).....	1930	1,186	\$6.....	do.....	1 per cent of earnings.
Boston (No. 13).....	1931	1,971	\$15.....	do.....	Do.
Bakery workers:					
Buffalo (No. 16).....	1896	174	\$4.....	18 wks.....	\$0.40 per mo. ¹¹
St. Louis (No. 4).....	1902	1,200	\$7.....	15 wks..... (subject to maximum of \$70).	
New York City (No. 22, Bohemian).....	1910	152	\$10.....	12 wks.....	
Washington, D. C. (No. 118).....	1914	380	\$12.....	5 mos.....	(¹²) \$1 per mo. ¹³
Tacoma (No. 126).....	1916	125	\$10.....	7 mos.....	1 day's pay a week. ¹⁴
San Francisco (No. 24).....	1917	700	do.....	4 mos.....	\$0.50 per mo.
Seattle (No. 9).....	1920	525	\$7.50.....	7 mos.....	\$3 per mo., plus assessments.
Spokane (No. 74).....	1924	201	\$12.....	5 mos.....	6 per cent of earnings.
Madison (No. 233).....	1925	63	\$6.....	16 wks.....	\$3.25 per mo.
Brewery, flour, etc., workers:					
New York City (No. 1).....	1906	290	do.....	12 wks.....	
Wood carvers: Boston					
Lace operatives:	1910	117	\$12.....	do.....	1 per cent of earnings.
Philadelphia—					
Wilkes-Barre (No. 2).....	1924	21	\$16.....	No limit.....	\$1 per wk.
No. 1 (North American Lace Co.)					
No. 1 (Quaker Lace Co.).....	1928	40	\$10.....	do.....	Do.
No. 18 (North American Lace Co.).....	1925	86	do.....	do.....	\$2 per wk.
		24	\$15.....	do.....	\$1 per wk.
Total.....		44,648			

¹⁰ Extra allowances in case of dependent children.¹¹ Plus all fines and receipts from entertainments.¹² Costs are met from general treasury, with only occasional assessments.¹³ Summer rate.¹⁴ Winter rate.

Discontinued Trade-Union Plans

Although no attempt has been made to note all trade-union unemployment plans that have been set up in periods of business depression and later abandoned when the need for assistance has passed, a short description is here given of five trade-union plans that were recently discontinued; i. e., between 1929 and the present. These five plans provided benefits for print cutters in jobbing shops who were members of the United Wall Paper Crafts; the pocketbook workers in New York City; brewers and maltsters, members of Local No. 6 in St. Louis, Mo.; lithographers, members of Local No. 23 in Indianapolis, Ind.; and members of Columbia Typographical Union, No. 101, in Washington, D. C. Of these five plans only one, that of the pocketbook workers, appears to have been discontinued because of the depression.

Wall-paper crafts.—The plan of the United Wall Paper Crafts was in operation from 1926 to 1929 and covered print cutters in jobbing shops in New York City, Buffalo, Philadelphia, and York

(Pa.). The plan was financed by contributions of \$1 per week by print cutters. Benefits at the rate of \$24.25 per week were first paid in 1927 for a maximum of five weeks per year.

Pocketbook workers.—Pocketbook workers in New York City placed their unemployment-benefit plan in operation in 1930. It was provided that benefit payments should be financed by a 5 per cent assessment on earnings, that benefits should be paid after 10 weeks of unemployment and at the rate of \$10 per week for married men and \$6 for single members. Because of the burden brought about through the unemployment of a large number of members the assessment for maintenance of the plan was temporarily waived in the early part of 1931.

Brewers and maltsters.—Brewers and maltsters of St. Louis, Mo., had an unemployment-benefit plan from 1915 until about two years ago. The plan was financed by assessing members at the rate of 1 per cent of weekly wages. Benefits were paid at the rate of \$15 per week and the maximum benefit payment allowable for any one year was placed at \$75. This local union, which originally had 1,200 members, now has about 300. The drop in membership is attributed to changes in the products manufactured and the introduction of automatic machinery.

Lithographers.—Lithographers in Indianapolis gave up their unemployment-benefit plan in 1929 after about 16 years of operation. There is believed to be no critical need for benefit payments among these workers, but should such need arise, it is stated that a relief plan would undoubtedly be adopted. Under the plan it was provided that benefits should be paid from the general fund at the rate of \$5 per week for the period of unemployment.

Typographical workers.—Members of Columbia Typographical Union, No. 101, organized an unemployment-benefit plan on January 5, 1931. This plan was short-lived, having been abandoned on May 20, 1931, by vote of the union because there was no unemployment problem among members of the local. The plan as worked out provided for benefits of \$20 for married men and \$15 for single men. It was financed from the general fund of the local until March and thereafter by contributions of 70 cents per month from members.

DETAILED REPORTS OF PLANS

Company Plans

Dennison Manufacturing Co., Framingham, Mass.

Outline of Plan

The unemployment-benefit plan of the Dennison Manufacturing Co., manufacturers of paper novelties, was started in 1916 when a sum was set aside by the company as the nucleus of a fund for the payment of unemployment benefits. Varying amounts were added to the fund in the next three years and the plan was finally put in effect in March, 1920.

Character of plan.—The plan as first formulated and up to January, 1931, provided for the payment of benefits to employees who were unemployed because of lack of work or whose earnings were reduced because of transfer to a job paying lower wages than their own. Under this plan there was a waiting period of 1 day, and if the lay-off lasted for 14 days 2 days so lost were not compensated. In January, 1931, the plan was changed to a guaranty of 50 per cent of the normal weekly pay to employees without dependents and 70 per cent to those having dependents, who had at least six months' service with the company and who were retained on the pay roll.

Eligibility for benefits.—The employees eligible for unemployment benefit are permanent employees who, to avoid unemployment, are transferred to jobs paying less than 85 per cent of the normal pay, and those who are laid off for lack of work to such an extent that the total pay for any pay-roll week falls below 70 or 50 per cent, according to whether they have or have not dependents.

Employees, to be rated as permanent employees, are required to have had at least six months' service with the company immediately preceding the transfer or lay-off. It is one of the duties of the unemployment committee to decide who may be rated as permanent employees.

During a period of slack work employees are not required to report regularly at the factory, but they are expected to hold themselves subject to recall upon reasonable notice. If they can be reached personally, "reasonable notice" constitutes an hour or two; if not, notice any time during the day to report the following day is considered sufficient. Failure to report puts an employee automatically on the same status as any employee who is absent for personal reasons.

Ordinarily, an employee who obtained outside work while laid off on account of lack of work would receive a benefit sufficient to bring his earnings up to an amount equal to his regular earnings. It is practically impossible at present, however, to get outside work, and

no long lay-offs are being given. If there is only 50 per cent work in a department, half of the employees work half the week and half the other. The usual lay-off at present is half a week and it is never longer than one week without calling back the worker for at least one day.

Benefits.—Unemployment relief for employees classed as without dependents amounts to 50 per cent of the normal weekly pay for a 48-hour week, but may not be more than \$18 nor less than \$8 for the week, and for an employee classed as with dependents, 70 per cent of the normal weekly pay, but not more than \$24 nor less than \$8 for the week. Holidays are paid for if the pay for the week would otherwise be below 50 per cent of the normal earnings. There is no waiting period before an employee is eligible for unemployment benefits, since the guaranty covers the stated percentage of the normal earnings of the different classes of employees.

Administration.—The plan is administered by the unemployment relief committee, consisting of voting members divided equally between management appointees and works-committee appointees. The number of members, the time and manner of appointment, and the tenure of office are subject to rules adopted from time to time by mutual agreement between the management and the works committee. If at any time there is failure to come to an agreement between the works committee and the management on any question relative to unemployment relief, the question, after the lapse of one week, is submitted to the board of directors, whose decision is final.

The duties of the unemployment relief committee are as follows:

To decide who are permanent employees, except that no person shall be so classified who has had less than 6 months' continuous service with the company immediately preceding the transfer or lay-off.

To define the normal weekly wage and to make rules, not inconsistent with the above classification, regarding adjustments of pay or charges for unemployment relief on account of transfers or lay-offs for lack of work.

To decide who shall be classed as having dependents.

To reduce or suspend temporarily (but not increase) the amount of payments whenever the rate of expenditure threatens prematurely to exhaust the available money.

To make such other rules, not inconsistent with the above, as is considered reasonable and proper and to study the entire subject of unemployment and make such suggestions and recommendations as it can.

The committee is required to report its actions and decisions to the management and the works committee periodically.

Method of financing plan.—The fund, after the appropriations made between 1916 and 1919, amounted to approximately \$147,000. No appropriations have been made since that time. The plan, as first adopted, provided that when the amount in the fund dropped below \$50,000 unemployment benefits should cease or new provisions should be put in effect. It is now far below that figure, and the present plan provides that from any reserve the company may have set up, money will be provided to an amount not exceeding \$35,000

during any 12 consecutive months, or \$50,000 during any 36 consecutive months. After the reserve is used up further sums will, if conditions permit, be made available by the directors of the company.

Statistics of Operation

Table 4 gives statistics on operation of the plan from 1927 to 1930 and from January to March, 1931:

TABLE 4.—*Operation of the unemployment-benefit plan of the Dennison Manufacturing Co., 1927 to 1930, and January to March, 1931*

Year or month	Average number of employees	Total pay roll	Average number of employees covered by plan	Total benefits paid	Balance in fund at end of period
1927.....	2,938	\$3,875,170.05	2,422	\$15,465.27	\$111,755.28
1928.....	2,790	3,766,061.35	2,308	7,725.16	109,629.72
1929.....	2,793	3,780,679.65	2,272	10,646.26	104,980.06
1930.....	2,377	3,308,911.10	1,905	58,325.61	46,654.45
1931:					
January.....	2,191	196,000.00	1,790	8,721.88	40,546.51
February.....	1,958	197,000.00	1,608	4,060.63	36,484.88
March.....	1,941	188,000.00	1,600	1,394.01	35,132.47

Table 5 shows the labor turnover of the company for the same period:

TABLE 5.—*Labor turnover of Dennison Manufacturing Co., 1927 to 1930, and January to March, 1931*

Year and month	Quits	Discharges		Accessions
		Lack of work	Other causes	
1927.....	376	23	182	.....
1928.....	298	61	167	.....
1929.....	644	60	75	516
1930.....	286	274	120	802
1931:				
January.....	16	175	10	1
February.....	19	30	3	2
March.....	11	5	1	12

General Experience

The normal working week in the plant is 48 hours, but it is running now on a 44-hour week basis, though with about 40 per cent of the workers on somewhat shorter time. It has been the custom of the company during normal times to work overtime in busy periods rather than to take on many temporary workers. During the present depression, however, and especially in the last six months, it has been necessary to discharge many workers. Among those dismissed have been many lower grade clerks and supervisors, it having been found necessary to curtail the keeping of records wherever possible.

The company very definitely does not guarantee permanent employment to any of the workers, but it does guarantee a certain minimum to those retained on the pay roll. It is the policy of the company when, as a result of changes in machinery or business depression, it is impossible to foresee any work for a group of employees for a period of a year to transfer as many as possible, and when that can not be carried any further, it is necessary to discharge. In discharging workers, those having less than six months' service are dropped first, and then the less satisfactory workers among those having longer service. Workers who are discharged are given sufficient notice and two weeks' pay.

As no extra payments have been made to the fund, it is rapidly being exhausted as a result of the demands upon it during the present depression, and it has been necessary to make every effort to make the available money go as far as possible. The directors have agreed, however, that at the earliest possible moment they will begin to build up the fund.

Columbia Conserve Co., Indianapolis, Ind.

Outline of Plan

The employment-guaranty and profit-sharing plan of the Columbia Conserve Co. was started in April, 1917, and at the same time a works council having considerable authority in the management of the business was organized. Since June, 1930, this council has assumed full control of the business, as the workers have acquired more than 50 per cent of the common stock.

Character of plan.—Regular employees of the company are on a salary basis, and all office and factory workers are guaranteed full salary for 52 weeks, including vacations. Employees who are not placed on a salary basis but remain wage earners are guaranteed employment for 45 hours a week at a fixed hourly rate during the period they are employed. These workers belong to two classes; namely, those who are employed at the peak of a season, being usually employed for not more than three consecutive months, and those who have not proved themselves sufficiently satisfactory to the rest of the organization, regardless of their length of service, to be placed on the regular salary roll of the company. At times, however, satisfactory wage workers are not placed on salary if business prospects do not justify increasing the permanent responsibilities of the company.

Eligibility for benefits.—Regular workers are automatically considered for membership in the salaried class in a period varying from three to six months after employment. The guaranty for salaried workers covers the entire year regardless of any stoppages or sickness which may occur, and wage earners who for any reason beyond their control can not be furnished with a full day's work are nevertheless paid a full day's wage. Workers are transferred according to departmental needs without change in compensation. There are 140 salaried workers (increased to 144 in June). The number of wage workers varies from none to 75.

Benefits.—The minimum weekly salary for a single worker is \$22, and for a married man or woman whose wife or husband is not employed and who has no dependent children the wage is \$33. A form of family-wage payment is maintained, \$2 per week being paid for each child under 16 up to a total income of \$39. Salaried employees do not receive payment for overtime. Wage workers are on an hourly basis, single men and women receiving 40 cents an hour. An additional 10 cents an hour is paid to each married wage worker whose wife or husband is not gainfully employed, and 2 cents per hour for each child is paid up to a maximum of 56 cents. Married women whose husbands are gainfully employed receive 30 cents an hour if wage workers.

Discharges.—If a salaried worker leaves the company for any reason whatever, he is paid a discharge bonus of two weeks' salary, unless the case is an aggravated one, when the dismissal wage may be paid only after special authorization by the works council. The council handles all questions relating to discharge, and a salaried employee may not be dismissed without a vote of this body. A wage worker dismissed by his foreman has the right of appeal to this body.

Administration.—The works council, which has charge of the administration of the employment-guaranty and profit-sharing plans, was formed in 1917, it being the purpose of the owners, as announced at that time, to give the workers full control and eventually ownership of the firm. The workers came into possession of 51.3 per cent of the common stock of the company June 30, 1930, so that they now control all the policies of the company. The council, which is made up of all the salaried and wage workers, meets every Monday morning for two hours on company time and Friday night after working hours. The attendance is usually about 110 at the Friday meeting and 150 at the Monday meeting. The council has complete authority in the operation of the business and in the formation of policies.

Method of financing plan.—The plan is financed by the earnings of the company. The employment guaranty is maintained through the policy of hiring temporary workers on a wage basis for the periods when the pressure of work is greatest—approximately four months in the year—and maintaining the regular salaried force at a number which will take care of the work throughout the remainder of the year.

Statistics of Operation

As the plan is one of guaranteed employment and the company does not keep an account of the amount paid for slack time, it is impossible to state just how much the guaranty costs. During the first three and one-half months of 1931 production was about 15 per cent below the normal figure for that period of the year, but no one had actually been laid off on account of lack of work.

Table 6 shows the average number of employees, total pay roll, the average number covered by the plan, and the total amount paid the guaranteed workers, by years, 1926 to 1930, and January to March, 1931:

TABLE 6.—Operation of guaranteed-employment plan of Columbia Conserve Co., 1926 to 1930, and January to March, 1931

Year or month	Average number of employees	Total pay roll	Average number of salaried workers covered by plan	Total wages paid to salaried workers under employment guaranty
1926.....	133	\$150,603.38	99	\$123,742.64
1927.....	113	152,883.24	98	140,001.97
1928.....	125	162,761.13	101	145,364.07
1929.....	168	230,572.31	118	178,377.76
1930.....	159	240,887.95	134	215,415.15
1931:				
January.....	162	55,643.42	140	51,121.90
February.....				
March.....				

Table 7 shows the labor turnover of the company for September to December, 1927, 1928 to 1930, and January to March, 1931:

TABLE 7.—Labor turnover of Columbia Conserve Co., September to December, 1927, 1928 to 1930, and first quarter, 1931

Year or period	Average number of employees	Quits	Lay-offs of seasonal workers for lack of work	Discharges ¹	Accessions
September to December, 1927.....	112	19	-----	4	25
1928.....	125	33	61	10	133
1929.....	168	69	170	43	268
1930.....	159	18	99	29	182
January to March, 1931.....	162	1	-----	2	1

¹ Includes wage workers.

General Experience

The regular hours are 9 per day for 5 days a week. During rush periods hours may be lengthened when the council so decides, 60 hours being the maximum in 1924, which was a year of exceptionally heavy output. Salaried workers receive vacations, with pay, of from 3 to 4 weeks, and the plant is closed on 5 holidays.

The company has endeavored to stabilize this highly seasonal industry, and additional products have been introduced from time to time in order to extend the period of active work. Only 7 per cent of the total output was handled during the first six months of 1918, but since that time new lines have been added and the output during normally slack periods has increased so that in 1928, 33 per cent of the total output was handled in the first half of the year.

The company has in general been successful in providing work for the salaried employees, it being the practice to employ salaried workers on cleaning, repairing, and maintenance work when there is no productive work.

In the years for which figures are available (1926 to 1931) the variation in the number of regular employees has been relatively small, running from 93 in April, 1926, to 99 in June, from 90 in

May and June, 1927, to 102 in July and August; from 96 in November, 1928, to 105 in May and June; from 108 in January, 1929, to 129 in September; from 128 in February, 1930, to 141 in October, which was approximately the number during the first quarter of 1931. In the five years 1926 to 1930 the fluctuation among the salaried force was greatest in 1927 and among the wage workers in 1926. The present tendency is to keep the number of wage workers as small as possible.

Since the workers have assumed control of the company 500 man-hours per week, or full time for 11 workers, are devoted to educational work, economics, sociology, and industrial history being studied. These classes were started in October, 1930, and are taught by qualified members of the working force.

The business of the company has fallen off about 15 per cent since the first of the year, but there has been no unemployment, as the educational work has absorbed the slack time. An attempt is being made to eliminate temporary workers as far as possible, and the employees plan not to release anyone on account of technological unemployment. In order to do this it is necessary to avoid taking on new people unless they can feel certain of a real increase in the business.

No salaried workers have been discharged on account of the depression. During the past 14 years, however, a few have been discharged for reasons which would justify dismissal. This year it is expected that fewer than 12 people will be added during the peak season.

No changes are contemplated in the plan.

Dutchess Bleachery (Inc.), Wappingers Falls, N. Y.

This establishment is one of the plants of Deering, Miliken & Co. Since it sells service and is not a manufacturing enterprise, it is dependent mainly upon business conditions in the textile industry for regularity of work, so that little can be done toward the stabilization of employment.

Outline of Plan

The unemployment-insurance fund of the Dutchess Bleachery (Inc.) was started in 1919 as part of the profit-sharing and partnership plan which had been instituted in 1918.

Character of plan.—The plan provides for the payment of benefits when the plant or any department of the plant is closed temporarily on account of business depression or other cause not within the control of the operatives, and for payment for short time based on a maximum of 35 hours per week.

Eligibility for benefits.—A worker who has been 12 months with the company is eligible for unemployment benefits when he is out of work through no fault of his own. This includes the closing of the plant or any department of the plant on account of business depression, or for any other reason not within the control of the operatives. No benefit is paid to persons laid off permanently or transferred to a job paying a lower rate, if the transfer is considered permanent.

In order to participate in any of the benefits of the employees' sinking fund, an operative must have been in the employ of the company at least 12 consecutive months. A worker is not bound by this rule, however, if he has been laid off through no fault of his own, and later returns to work. If an operative is discharged for crime or continued neglect of duty, or if he leaves without due notice of one week, or in lieu of that a satisfactory agreement with his foreman, the full amount of such an operative's share of the sinking fund is forfeited.

During periods of unemployment a worker who secures work elsewhere does not forfeit any part of his benefit, but if he refuses to accept any job assigned to him in the plant he loses both the unemployment benefit and his own job.

Benefits.—Workers who are unemployed on account of lack of work receive half pay for a minimum of 24 hours per week when working from no hours up to 13 hours per week. If they are employed more than 13 hours, they receive half the difference between the time worked and 35 hours. The unemployment benefit is based on the average weekly wage for hour workers and the average of the preceding month for pieceworkers. Originally, employees received benefits from the beginning of unemployment, but the plan provided that when the balance in the fund dropped below \$50,000 the first 13 hours of lost time should not be compensated. Overtime is not counted in computing the hours worked per week. In any week which includes a holiday the 48-hour limit is reduced by the number of hours lost by such holiday, but the 35-hour limit in effect at present is not affected by such holidays. If a worker is transferred temporarily to a job paying a lower rate, his regular rate is paid.

There is no limit to the benefit period as long as there is any money in the fund.

Administration.—The paymaster handles the payment of out-of-work benefits. Originally persons receiving benefits were paid in cash in their regular pay envelopes, but since 1926 payments have been made by check. In case of dispute in regard to the benefits, appeal may be made to the board of management, which is made up of seven members elected annually by the board of directors of the company and seven members elected by the board of operatives.

Method of financing plan.—The unemployment fund, as originally planned, was to be maintained from the net profits of the company. The plan provided that a sum should be set aside at the end of each year, which should be sufficient to raise the capital sinking fund to an amount equal to 6 per cent on the invested capital, after which a further sum should be set aside to raise the sinking fund, to be drawn upon by labor in times of unemployment, to \$85,000. Both of these funds were to be so raised before the division of any profits. The unemployment fund was to bear interest at 6 per cent, and this interest was to be paid into a fund for the payment of sick benefits so long as the fund was in excess of \$50,000. The payments into the unemployment fund between the years 1920 and 1922 amounted to more than \$93,000. Since that time there has been no surplus after deducting the amount for the capital sinking fund, so that no further payments have been made, and the fund has gradually been reduced so that now it amounts to only a little more than \$10,000, with no apparent prospect that the company will be able to add to it.

Statistics of Operation

Table 8 shows the average number of employees, total pay roll, the number of weekly benefit payments, and total amount paid, by years, 1920 to 1930, and January to March, 1931. The turnover records for 1930 and the first quarter of 1931 show that there were 203 quits and 130 accessions during the 15-month period. In 1930 there were 39 transfers, and in 1931 from January 1 to April 7 there had been 11 transfers to other jobs. The turnover records do not show the cause of leaving.

TABLE 8.—*Operation of unemployment-benefit plan of Dutchess Bleachery (Inc.), 1920 to 1930, and January to March, 1931*

Year or period	Average number of employees	Total pay roll	Number of employees covered by plan	Number of weekly benefit payments	Total amount paid	Average weekly benefit paid	Balance in fund at end of period
1920.....	517	\$549,957.76	(1)	(1)	\$13,477.17	-----	(1)
1921.....	546	578,748.67	(1)	8,388	12,337.27	\$1.47	(1)
1922.....	543	539,611.62	(1)	8,797	14,128.66	1.61	(1)
1923.....	547	633,968.13	(1)	2,316	5,325.51	2.30	(1)
1924.....	578	666,632.22	(1)	3,447	6,236.49	1.81	(1)
1925.....	536	615,141.04	(1)	3,327	9,278.57	2.79	(1)
1926.....	466	540,372.37	(1)	1,777	3,495.44	1.97	(1)
1927.....	485	591,843.23	(1)	542	1,467.85	2.71	(1)
1928.....	490	559,049.37	(1)	1,132	2,175.81	1.84	(1)
1929.....	470	501,392.48	353	(1)	3,088.30	-----	\$13,452.20
1930.....	472	460,454.13	354	1,408	2,951.91	2.10	10,504.61
1931: January to March....	425	(1)	319	191	367.79	1.93	2 10,136.82

¹ Not reported.

² Balance Apr. 7, 1931.

General Experience

The time is apparently approaching when the plan will be non-existent, as it has been nine years since there have been any contributions made to the fund, and it was stated that there are no indications at present that the company will be able to add to it. The plant, however, was working full time at the time it was visited, and it was stated that the business had not been greatly affected by the present depression. The number of employees has been somewhat reduced through some department reorganization. No benefits are being paid from the health fund, which became inoperative after the unemployment fund fell below \$25,000. In special cases of distress, however, some help has been given.

The normal working week is 48 hours, and when the plant is busy, a good deal of overtime is worked. Formerly, time and one-quarter was paid for overtime, but now the regular rate is paid.

Crocker-McElwain Co. and Chemical Paper Manufacturing Co., Holyoke, Mass.

Outline of Plan

The employment-guaranty plan of the Crocker-McElwain Co. and the Chemical Paper Manufacturing Co. was instituted following a strike in 1920 and at first consisted of a 52-week employment guaranty. It was amended February, 1931, to cover only 44 weeks of

guaranteed employment. These companies are manufacturers of fine writing papers, manifolds, index bristols, covers, and box boards.

Character of plan.—The plan guarantees employment for workers having five years' service. Employees who are eligible and who accept the terms of the agreement are given a contract for full-time work in which the employee pledges "noninterference" in case of a labor dispute. An employee who has completed the required five years is notified of the fact by the firm. He must then secure the signatures of two workers who are already enrolled in the plan, after which the request for enrollment must be signed by the foreman and department manager. After receiving the approval of his immediate superiors the employee is required to secure the signature of the vice president of the company, which gives the final stamp of approval to his application. Instead of guaranteeing full-time earnings for 52 weeks to eligible employees, as was the case during the 10 years the plan was in effect, the employment guaranty now covers 44 weeks' employment and up to 80 per cent of the earnings instead of full-time earnings.

Eligibility for benefits.—Employees covered by the guaranty are considered unemployed only when there is no work of any kind available which the company considers them able to do. Full-time workers, unless specifically excused, are expected to report each day at the plant in case of a shutdown. If possible, work is provided, it being the policy to employ as many as possible in cleaning and repairing, but if no work is available the men are excused. The nature of the work in a paper mill is such that if it operates at all it must be manned for continuous operation, so that it is not possible to provide part-time work or to readjust operations during slack periods. Men working under the guaranty are not allowed to take outside jobs. If they leave to take other jobs under present conditions they would be reemployed if possible if they return, but each case would be settled on its merits.

No worker who has had five years' continuous service with the company may be discharged until the case has been submitted to the general superintendent or manager, and workers with less than five years' service if discharged may appeal either personally to the person in charge of industrial relations or through the representative of the worker in the works council.

Benefits.—The pay roll of the companies is divided into 13 periods of four weeks each and the unemployment benefit is adjusted on the basis of these pay periods. If an eligible employee is completely unemployed during any pay period except the periods falling in July and August he is paid 80 per cent of his regular wage rate. Any extra earnings for overtime during any pay period are balanced against short time in the same period. During the seventh and eighth pay periods, which fall in July and August, employees will be paid only for the time actually worked.

Unemployment payments cover 80 per cent of unemployment within the specified pay periods. Each benefit period is four weeks and the guaranty covers the working time within that period.

Administration.—The employment-guaranty plan is administered by the company through the department in charge of industrial relations.

Method of financing plan.—There is no fund, but the costs of the plan are paid as part of operating expenses.

Statistics of Operation

It is difficult to determine exactly the cost of the guaranty plan and it was found impossible to secure detailed data as to the costs of operation. Expenditures have been considerably greater during the present depression, however, than in any preceding period.

The average number of factory employees in the Crocker-McElwain Co. ranged from 236 in 1927 to 220 in 1930, 132 of whom in the latter year were covered by the plan. The average number on the pay roll was 202 in March, 1931. The total labor turnover from all causes varied from 19.06 per cent in 1927 to 12.72 per cent in 1930. In January, 1931, it amounted to 1.47 per cent, in February there was no change in the force, and in March it was 0.49 per cent. The average number of mill employees in the Chemical Paper Manufacturing Co. was 354 in 1927, 349 in 1928 and 1930, and 337 in 1929, while in March, 1931, the average number of employees had fallen to 309. In 1930, 181 employees were covered by the plan. The labor turnover in this plant was 17.2 per cent in 1927, 12.03 per cent in 1928, and rose to 28.65 per cent in 1930. In January, February, and March, 1931, it was 1.57 per cent, 1.20 per cent, and 2.26 per cent, respectively. The number of office employees and foremen ranges between 80 and 90 in the two plants.

General Experience

The normal working hours in the mills are 48—6 days of 8 hours—for men on the 3-shift plan. Male day workers work 50 hours per week and women and minors 48 hours. At the time the plants were visited different departments were working from 60 to 75 per cent of their normal time. When the mills are working regularly the operation is continuous—three shifts—with a minimum shutdown of 24 hours over Sunday, and in normal times overtime may be worked.

Ordinarily there is relatively little seasonal unemployment, with the exception of July and August, when the water is likely to be low. The company has worked toward stabilization through the attempt to coordinate sales and production, the provision of storage facilities, etc. It is the practice to take on temporary workers for construction and repairs.

The change in the guaranty for employees with five years' service or over was decided upon in January, 1931, as a result of the excessive cost of the plan during the depression. The amended plan was made effective February 1, and the company stated that it is probable that the present plan will remain in effect for the remainder of the year, although it could not state positively that the plan would be continued any definite length of time.

The company had drawn up a tentative plan which would provide for employees having less than five years' service through the formation of a fund which the company would maintain for the payment of unemployment benefits. As the plan had not yet been put in effect the details are not reported.

United Diamond Works (Inc.), Newark, N. J.

The United Diamond Works (Inc.), established in 1914, is one of the largest diamond-cutting establishments in the United States. The firm cuts and polishes only gem stones, and as it is purely a luxury industry, its business very soon reflects any marked change in business conditions. During the past two years the plant has been shut down for long periods. In 1930, after a shutdown of several months, the plant resumed work in October and continued operating until about the middle of February, 1931. By the third week of that month all workers were laid off with the exception of the few necessary to keep the office running. Although the surplus from which unemployment benefits have been paid in the past is exhausted so that no further payments to unemployed workers are possible, the plan is not abandoned, and it was stated by a member of the firm that when the plant resumes operations it is probable that the accumulation of a reserve fund for the payment of unemployment benefits will be begun.

Outline of Plan

Unemployment benefits were first paid by the firm in April, 1921, the plan originating as a result of the depression of that year. There are two motives which influenced the firm to institute the plan: First, the feeling that employees who had been with the company for some years were entitled to some return for their services, and second, the desire to keep the force, as nearly as possible, intact.

Character of plan.—There was no formal plan, and no fund was set aside, unemployment benefits having always been paid out of the surplus funds of the company.

Eligibility for benefits.—The plan provides for six months' service for eligibility for benefits, but this is not rigidly adhered to, and in reality practically all the employees are covered. During a period of unemployment the firm does not require employees to report regularly, as the force is comparatively small and they are in close touch with their employees. If a worker who is out on account of lack of work secures another job and is earning as much as formerly, no benefit is paid, nor is it paid if the firm has reason to believe an employee does not intend to return. In other cases acceptance of temporary work does not disqualify an employee for compensation.

Benefits.—The men are usually paid 25 per cent of their average full-time earnings during any shutdown, although those in supervisory positions may be paid from 50 to 100 per cent, according to the responsibility of the position. Women are paid 20 per cent of their average weekly pay. The few female office workers are paid 50 per cent.

The benefits are paid for the period of the shutdown or so much of that time as the finances of the company will permit.

Administration.—There is no special administrative procedure required, as employees who are laid off on account of lack of work receive their unemployment benefits at their regular pay periods, the men receiving checks sent to their homes every two weeks, and the women receiving the benefit in 10 equal weekly payments after returning to work. The reason for the delayed payment to women is

found in the fact that they are more uncertain about returning to work after a period of unemployment than are the men.

Method of financing plan.—Up to the present the plan has been financed from the surplus funds of the company, but as a result of its experience it is convinced of the desirability of setting aside a certain percentage of the pay roll regularly for the formation of a fund.

Statistics of Operation

Table 9 shows the total pay roll, the number covered by the plan, and the number and amount of benefits for the years 1921 to 1930 and up to April 16, 1931. The firm does not keep turnover records, but it was stated that the turnover is small, and after a shutdown practically all of the employees return. In the few cases in which they do not, it is usually because of either marriage or illness.

TABLE 9.—*Operation of the unemployment-benefit plan of United Diamond Works (Inc.), 1921 to 1930, and January to April 16, 1931*

Year or month	Total pay roll	Number of employees covered by plan	Number of employees receiving benefits	Total benefits paid	Average benefit paid
1921			(¹)	¹ \$31, 148. 60	
1922	\$106, 468. 08	75-80			
1923	127, 160. 75	75-80	(²)	691. 00	
1924	118, 752. 71	75-80		³ 4, 625. 00	
1925	133, 788. 15	75-80		2, 100. 00	
1926	156, 147. 97	75-80			
1927	169, 722. 30	75-80			
1928	212, 054. 74	80-100			
1929	140, 343. 80	80-100	11	3, 843. 67	\$349. 88
1930	63, 242. 16	70-80	78	13, 325. 25	170. 84
1931:					
January	12, 983. 90	79	37	731. 10	19. 76
February	10, 194. 35	73	4	412. 00	103. 00
March	3, 545. 05	21	1	200. 00	200. 00
April 1 to 16	1, 219. 25	9			

¹ Entire plant shut down Apr. 8, 1921, to Apr. 10, 1922.

² Not reported.

³ Dec. 18, 1923, to Feb. 29, 1924, and Aug. 15 to Sept. 22, 1924.

General Experience

The conditions in this plant are somewhat different from those in most industries. A comparatively large amount of working capital is required, as the firm buys the diamonds for cash in the foreign markets, usually purchasing a consignment costing \$500,000 or more, which requires several months to work up. The jewels are then sold by the firm, which frequently finds it necessary to extend credit, so that part of this capital may be tied up for as much as two years. Ordinarily there is little seasonal fluctuation in the industry, and from April, 1922, to September, 1929, there was practically continuous operation of the plant, with the exception of short periods when they were unable to get the raw materials.

Many of the men are highly skilled and receive high wages. Most of the women, who are trained in the plant, work on a diamond-polishing machine for which the company controls the rights to its use. These workers are considered only semiskilled, although it takes

some months before they reach their maximum output. This fact and the highly specialized nature of the work makes it important to maintain a stable working force. In general, the wages are high, many of the operators making as much as \$50 per week, while the foremen are paid from \$150 to \$200 per week.

The nature of the work is such that shutdowns are complete, although to finish a job one department might be kept running for a few days after the others are dismissed. It has been the policy of the company to give two weeks' vacation with one week's pay to all employees, the wages or salary being paid in advance. In the case of pieceworkers the vacation pay is based on the weekly average earned during the preceding six months of employment. In times of normal employment workers on a weekly basis are paid for holidays and are also paid in case of sickness, but pieceworkers do not receive this pay. The reason for the apparent discrimination against pieceworkers is based on the idea that pieceworkers have the opportunity to increase their earnings while workers on a weekly basis have not. In addition, all employees receive a present of cash at Christmas, which varies according to the importance of the position. No overtime is worked, as the work requires good light, and the working hours are adjusted accordingly. The normal working hours are from 7.45 a. m. to 4.45 p. m. and from 7.45 to 11.45 a. m. on Saturday. During daylight saving a half hour longer is worked on five days and the plant is closed on Saturday.

In times of depression the firm has made loans without interest and without security to the more pressing cases. In other cases it gets a demand note. The manager of the plant stated that not a penny has ever been lost on loans.

John A. Manning Paper Co. (Inc.), Troy, N. Y.

The unemployment-benefit plan of this company is associated with a definite stabilization policy. The company at one time guaranteed 52 weeks' employment for each man in its employ for more than one year, but owing to misunderstandings arising from its application, the guaranty was discontinued at the end of a year. The stabilization of employment has been so effective in the past that only rarely, until the present crisis, has the payment of unemployment benefits been necessary. Two plants, the Green Island Mill and the Mt. Ida Mill, are included in the plan. The plants are completely unionized, with the exception of men who are taken on for extra construction work involving temporary employment, and who are not required to join the union.

Outline of Plan

The plan was adopted in 1922 and amended April 1, 1931.

Character of plan.—The original plan provided for the payment of an unemployment benefit when the company was unable to furnish work of some kind which would yield wages at least equal to the amount of the benefit, the cost being borne entirely by the company. The amended plan of April 1, 1931, which has not as yet been put into full effect, contemplates a system of joint contributions by the company and the employees.

Eligibility for benefits.—Any unemployment occurring as a result of a temporary falling off of orders, or as a result of a disaster such as a fire, when the men can not be employed upon salvage work or new construction, is compensable. If the company decides to discontinue all or part of its productive capacity permanently, however, the case would be one of discharge and not of unemployment. In such a case every effort would be made to place the employees involved in other departments or factories of the companies.

Membership in the Manning Welfare Association, which is open to all employees in the production department after one year's service with the firm, is required for eligibility to unemployment benefits.

If workers who are receiving unemployment benefits secure a steady job elsewhere payment of benefits is stopped, but if they get a temporary job lasting a few days no account is taken of it. Employees are required to accept any work, other than their regular jobs, which the company may offer them. When the transfer is permanent, the employee is required to accept the regular rate of pay for the new job.

Benefits.—Under the former plan benefits up to \$9 per week were paid, with the maximum which an employee could receive in a calendar year fixed at \$72. When the weekly wages of any employee fell below \$9, either because of lay-off or short time, or through temporary transfer to a job at lower wages, he was entitled to the difference between his earnings and the \$9, up to the maximum of \$72 in any calendar year. The benefit payments began as soon as an eligible employee was out of work. Under the new plan the object of the fund will be to guarantee a minimum of four days' pay per week to each operating employee for a period determined by the amount the individual has contributed to the fund, plus interest at 4 per cent, or, in other words, he will be paid until his portion in the total fund has been exhausted.

Administration.—All matters of administration connected with the unemployment insurance are handled by a standing committee composed of a chairman, a secretary, and three others elected by the executive committee of the Manning Welfare Association. This committee has full power to determine the amounts payable to any member, and to make such rules and regulations as may be necessary. The executive committee is composed of 5 members appointed by the company, who have no vote, and 12 elected by the members of the association.

Method of financing plan.—Prior to April, 1931, there was no specific reserve fund, the company paying unemployment benefits as a part of the operating expenses. A tentative unemployment-insurance plan was partially put into effect on that date, however, providing for deductions of 1 per cent of each operating employee's wages at all times, to be matched by the contribution of an equal sum by the company. This fund is to be placed in a separate account and presumably invested to earn a minimum of 4 per cent. When the management declares that an unemployment emergency exists, it will institute a pay-roll or salary deduction of 1 per cent from the salary payments to the salaried group, including all the officers of the company. This emergency contribution will be used to supplement the regular contributions of the wage pay-roll group. If an employee is dropped from the company pay roll for any cause other than

temporary lack of work, he or his heirs will receive his contributions to the fund, plus any interest on his contributions, figured at 4 per cent, less any previous unemployment payments made to him. A like sum is repaid to the company.

Statistics of Operation

The turnover figures of the firm for 1930 and the first three and one-half months of 1931 show that there were 11 quits, 53 discharges for lack of work, 34 discharges for other causes, and no persons were hired. All but 10 of the discharges for lack of work occurred in 1931.

The reduction in the average number of employees in 1930 and 1931 was attributed by the company in large measure to the following causes:

1. In 1929, the personnel of the slitting department was largely increased to take care of the projected requirements of a large customer, but about the time the depression set in he decided to do his own slitting. The problem of taking care of the men displaced was then most urgent, but was taken care of for a number of months by putting the men to work on painting and general upkeep work.

2. During 1929 almost all the beaters in the paper mill were replaced, utilizing for this purpose, as much as possible, men displaced in the slitting department and also temporary employees.

3. A part of the shrinkage in personnel can be accounted for by the change-over of part of the paper production from a manila-fiber basis to a wood-pulp basis, the latter requiring less processing steps and therefore fewer employees per pound of paper.

The 355 employees reported for 1929, therefore, represent an abnormally high employment peak.

Table 10 shows the average number of employees, the total pay roll, the average number covered by the plan, number receiving benefits and amount of benefits in 1929, 1930, and the first quarter of 1931:

TABLE 10.—*Operation of unemployment-benefit plan of John A. Manning Paper Co. (Inc.), Green Island and Mount Ida plants, 1929, 1930, and January to March, 1931*

Year or month	Average number of employees	Total pay roll	Number of employees covered by plan	Number of employees receiving benefits	Total benefits paid	Average benefit paid
1929.....	355	\$605,497.00	335	(¹)	(¹)	-----
1930.....	325	541,360.00	305	11	\$741.00	\$67.36
1931:						
January.....	280	31,531	280	(¹)	(¹)	-----
February.....	275	28,798	275	26	954.00	36.69
March.....	267	30,126	267	26	918.00	35.31
April.....	257	(²)	257	(²)	-----	-----

¹ No payments made.

² Not reported.

General Experience

The stabilization policies followed by the company, which until the present depression were successful in reducing unemployment to a minimum, included the effort to sell the company products in

industries having a minimum seasonal fluctuation, and the attempt to secure forecasts of consumption from the customers of the firm, and to get whatever guidance was possible from standard indexes. Manufacturing for stock is practical only on a very small scale, as a paper mill can turn out enough products in a few days to fill all of its available warehouse space. However, the speed of paper machines is flexible within certain limits, and when orders are not quite sufficient to maintain the normal speed to which all of the processes of the mill are adapted, it is practicable to reduce the speed. This procedure is usually preferable to a complete shutdown, as it maintains the skill of the operatives and keeps the mill routine unbroken. During such periods experiments are carried on in the development of new lines, which can not be done satisfactorily when the mill is pushed to get out regular orders. Periodic overhauling of machinery is necessary in a paper mill, and as normally the mill runs 24 hours a day and the process must be carried out in complete freedom from dust, paint, or any other foreign material, painting and repairs are postponed until dull times. The entire working force is used for such overhauling. After exhausting these expedients, in a period of slack business, the company resorts to a shorter work week, and the unemployed time is thus distributed over the entire working force.

It has been the policy, in case it became necessary to discharge any employees, to let those go who have the least seniority rights. In putting new machinery into operation which will displace labor, it has also been the practice to let the normal turnover, which is about 10 per cent yearly, take care of such displacement. That is, if any men leave the organization and new machinery is to be put in operation, their places are not filled, even though the mill has to get along short handed for a while. When it becomes necessary to discharge men, a bonus of two weeks' wages is paid.

The stabilization and employment policies of the firm had been so successful in the past that up to July, 1930, only \$471.96 had been paid in unemployment benefits, but the plan failed to meet the needs caused by the present depression, the situation being greatly aggravated by certain large customers taking over part of the firm's operations to help their own unemployment problem.

The Green Island Mill was running only three days a week in April, but the men were being paid for three and one-half days, the extra half day's pay being met by a deduction from the pay of salaried employees and a contribution from the company sufficient to make up the difference between the amount secured through the salary deductions and the total wage bill for the half day. This deduction was started April 1, 1931, and is expected to be renewed from month to month. No other special benefits have been paid, but every effort has been made to give employees temporary jobs around the homes of the salaried men, as well as to find other work for them. A mill extension plan was instituted some time ago to create work for 15 men.

In commenting on the experience of the company in dealing with the problem of unemployment, the general manager stated that the plan followed in the past has been found to be entirely adequate in handling seasonal fluctuations but has proved to be inadequate in

taking care of a major business depression. However, it has served greatly to modify the hardship occasioned by business depression and it is believed has been most favorably received by the employees.

Behr-Manning Corporation, Watervliet, N. Y.

Outline of Plan

The plan of this company has been identical with that of the John A. Manning Paper Co., as described in a preceding section. Although these are two separate companies, the employees of both companies belong to the Manning Welfare Association and to the same paper unions and the unemployment benefits of both companies have been administered under the same rules. The Behr-Manning Corporation is engaged in the manufacture of coated abrasives.

Statistics of Operation

Turnover figures prior to 1931 could not be secured, but since January 20 men had been laid off or discharged for lack of work and 5 had been hired. Eleven of the lay-offs occurred in April.

Table 11 shows the average number of employees, pay-roll totals, number receiving benefits, and total amount paid in 1929, 1930, and January to April 15, 1931:

TABLE 11.—*Operation of unemployment-benefit plan of Behr-Manning Corporation, 1929, 1930, and January to April 15, 1931*

Year or month	Average number of employees	Total pay roll	Number covered by plan	Number receiving benefits	Total benefits paid	Average benefit paid
1929.....	294	\$481,686	274	(¹)	(¹)	-----
1930.....	260	454,385	240	(¹)	(¹)	-----
1931:						
January.....	252	35,762	252	(¹)	(¹)	-----
February.....	256	31,077	253	2	² \$18	\$9
March.....	259	33,906	254	7	² 455	65
Apr. 1 to 15.....	239	-----	234	11	³ 400	-----

¹ No benefits paid.

² Includes discharge bonus.

³ Approximate for month.

General Experience

The Behr-Manning Corporation has only begun to feel the depression during the past few months. It has been the policy of this company and the John A. Manning Paper Co. to pay a discharge bonus equal to two weeks' salary or wages since early in 1930. In a few cases in which unemployment benefits were paid in March, 1931, the men in this company chose to be paid the discharge bonus instead of the eight weeks' unemployment benefit when the latter would have been less than the bonus.

The company is considering the adoption of the tentative plan of the John A. Manning Co., and will form an unemployment fund with pay-roll deductions of 1 per cent, to be matched by an equal contribution by the company. The hours of work in this plant are 48 per week and one shift per day is worked.

S. C. Johnson & Son, Racine, Wis.

In November, 1922, S. C. Johnson & Son, Racine, Wis., set up an unemployment-benefit plan for office workers, salesmen, and shop employees. The company manufactures prepared wax for finishing floors, woodwork, and furniture; varnishes; enamel; and fillers. While the company has other plants outside the United States, the unemployment-benefit plan applies only to the workers connected with the Racine, Wis., branch. There has been no change in working hours. Since the plan went into effect 44 hours have constituted one week's work.

Outline of Plan

The plan was put into operation in November, 1922.

Character of plan.—By the terms set forth a system of unemployment benefits is provided for. Membership in the plan is not compulsory, but is automatic for all members of the mutual benefit association of the company. The right to unemployment benefits is only one of the benefits a member of the mutual benefit association enjoys, the others being life insurance and disability benefits. Six months' service is required for membership in the association.

Eligibility for benefits.—A person is regarded as unemployed if he is involuntarily out of work. To draw benefits, the employee must be a member of the mutual benefit association, the requirement for such membership being six months of satisfactory service with the company. An employee on lay-off is not required to report for work unless called. Eligibility for benefits is not affected if an employee on lay-off takes outside work. No waiting period is required before benefits are paid, but the smallest unit of lost time for which benefits are paid is half a day. Overtime work does not offset time lost for lack of work.

Benefits.—The scale of benefits is \$1 per day for the first 100 days and 50 cents per day for the second 100 days for members who earn \$75 a month or less; for employees who earn \$75 to \$200 the benefit allowances are \$2 and \$1 for these respective periods; and for employees earning \$200 or more, \$4 and \$2 for these respective periods. The benefit period begins as soon as a person is laid off, but only units of one-half day or more are paid for. Benefits are authorized for a total of 200 days in a working year (exclusive of any time taken off for vacation and public holidays).

Administration.—Administration of the unemployment-benefit plan is in the hands of a board of governors composed of 6 members, 4 of whom are elected by the employees and 2 by the management. No special unemployment fund is maintained, the money for the payment of claims being taken from the treasury of the mutual benefit association. The amount withdrawn is returned to the treasury by the management.

Method of financing plan.—The cost of the plan is borne entirely by the company. No reserve fund has been set up to provide funds, and the company uses funds in the treasury for this purpose. Although employees pay dues into the mutual benefit association, none of the money paid in by them is used to pay unemployment benefits.

Statistics of Operation

Table 12 shows the average number of employees, the total pay roll, the number receiving benefits, and the amounts paid, by years, 1923 to 1930, and January to March, 1931. There has been no lay-off since taking of inventory in January, 1929.

TABLE 12.—*Operation of unemployment-benefit plan of S. C. Johnson & Son, 1923 to 1930, and January to March, 1931*

Year or month	Average number of employees	Total pay roll	Number of employees receiving benefits	Total benefits paid	Average benefit paid
1923.....	(¹)	(¹)	51	\$1,874.00	\$36.75
1924.....	(¹)	(¹)	52	702.50	13.51
1925.....	(¹)	(¹)	35	111.00	3.17
1926.....	(¹)	(¹)	93	354.00	3.81
1927.....	363	\$534,781.19	21	902.00	42.95
1928.....	361	565,192.88	30	71.00	2.37
1929.....	346	564,324.57	30	227.00	7.57
1930.....	364	588,482.29	(²)	-----	-----
1931:					
January.....	345	47,720.34	(²)	-----	-----
February.....	346	49,140.30	(²)	-----	-----
March.....	347	47,816.34	(²)	-----	-----

¹ Not reported.

² No lay-offs.

General Experience

During the present depression the plan has remained in force, but it has been possible to regularize employment for the members covered by the unemployment-benefit plan so that there has been no lay-off and consequently no demand for benefits.

In 1923 such unemployment as existed was due to inventory and a lay-off in the wax room; in 1924 the unemployment was due to these two causes and to two Saturday morning lay-offs after holidays; in 1925 and 1926 benefits were paid for time lost owing to inventory; in 1927 inventory and the 5-day week in the wax room were both contributing causes; and in 1928 and 1929 the lay-off for which benefit was paid was made necessary by inventory taking. Since then there has been no lay-off of one-half day or more and no benefit payments have been made.

Leeds & Northrup Co., Philadelphia, Pa.

There is ordinarily little seasonal unemployment in this plant, and the increasing use of the type of electrical appliances manufactured by the company, which were formerly used almost entirely in laboratories, has developed the market and as a result made for stability of employment. The company also has had a definite program for the building up of stable employment conditions and for many years has endeavored to establish sound industrial relations and to maintain a healthy and prosperous working force. It is particularly important to provide stability of employment as the business requires an especially skilled force.

Outline of Plan

The first appropriations to the unemployment-benefit fund were made by the company in 1923 when an initial sum of \$5,000 was set aside and the payment of 2 per cent of the total weekly pay roll into the fund was begun. The first benefits were paid in October, 1924.

Character of plan.—The plan provides for the payment of benefits in case of lay-offs or part-time employment on account of lack of work.

Eligibility for benefits.—Unemployment benefits are paid for lay-offs and part time due to lack of work, and for any loss of earnings through transfer, up to the maximum number of weeks to which employees are entitled by length of service.

Employees who are earning less than \$2,600 per year are eligible for unemployment benefits if they have been in the employ of the company for at least three months and have not signed a written statement that the employment is temporary. The status of temporary employees is reviewed each quarter, and if the end of the temporary work is not in sight, they are put on the regular roll. If a worker who is transferred to another job which the committee considers suitable refuses to accept it, he forfeits his right to benefit. A false statement as to the number of dependents also disqualifies him for benefit.

Employees receiving benefits are required to report three times a week to a person designated by the committee, as to the efforts which have been made to secure work. If the committee believes that a person is not making any effort to secure work, or if he makes a false statement in regard to his efforts, or as to any outside employment he may have secured, or as to his dependents, he forfeits all right to benefits and to reemployment.

If, during a slack period, a worker secures an outside job which pays as much as, or more, than he would be entitled to as unemployment benefit, the payment of benefit is stopped, but if it pays less he is paid from the unemployment fund the difference between his earnings and the amount he would be entitled to under the benefit plan. If an outside job accepted by an employee proves to be unsatisfactory, he may have the matter reviewed, and if the decision is favorable he will be paid the benefits he would have received if he had remained unemployed.

Benefits.—Employees laid off on account of lack of work are paid 75 per cent of the wages or salary for the normal working week of 44 hours, exclusive of the attendance bonus, if they have dependents, and 50 per cent if they are without dependents. If the hours are reduced below the normal working week, the benefits follow the same percentage basis as for lay-offs, and reduction of earnings through transfer on account of lack of work is also compensated on the same percentage basis.

There is no waiting period and the right to benefits dates from the time of lay-off, reduction in hours, or transfer. Payments are made by check on the regular weekly pay day, but as the committee requires five days for approving applications for benefit, the first payment is not actually paid until the first pay day after this 5-day period.

The number of weeks per year for which benefits may be paid depends upon the length of service as shown in the following table. In computing length of service lay-offs are not deducted.

Length of service:	Number of weeks of benefit
3 months-----	3
1 year-----	5
2 years-----	10
3 years-----	15
4 years-----	20
5 years and over-----	26

Special benefits have been paid in some instances to married men with dependents after their right to benefits expired.

Administration.—The money contributed to the fund is placed with the Germantown Trust Co., which acts as trustee for the fund and invests the contributions upon the written approval of the company. The fund is administered by the unemployment fund committee, made up of three members representing the board of councilors and two members representing the company's executive committee, appointed annually. Rules governing the fund must be approved by the councilors, and all decisions of the committee must be approved, and all orders of the committee must be signed by three members of the committee, of whom at least two must be the employee representatives. If the fund is being used for the payment of benefits, a monthly report of the state of the fund must be made to the board of councilors and the executive committee, but if the fund is inactive, only a yearly report is required, which is made at the annual meeting of the cooperative association.

The unemployment fund committee considers all registrations for benefits, decides on cases relative to dependents, and if necessary reviews any cases in which benefits are being paid. Special cases not covered by the rules are also decided upon by the committee.

The trustee makes payment from the fund upon orders issued by the company upon written instructions from the unemployment fund committee, signed by three representatives, of whom at least two must be employee representatives.

Method of financing plan.—The fund was started with an initial payment of \$5,000, followed by deposits of 2 per cent of the pay roll, starting January 1, 1923, which were continued until the deposits and accumulated interest brought the fund to an amount equivalent to twice the maximum weekly pay roll in the preceding 12 months. The plan provides that the fund shall be maintained at this level and that payments shall cease whenever this amount is reached, but shall be resumed as soon as, at the end of any weekly period, the fund has fallen below the maximum weekly pay roll in the preceding 12 months. At the present time the firm is not making the 2 per cent payments into the fund, as it is considered that it will meet the present needs, and it is thought wiser to build up the fund in good times rather than in a depression such as the present.

Statistics of Operation

Table 13 shows the average number of employees, total pay roll, the average number covered by the plan, the number receiving benefits, and amount of benefits, 1923 to 1930, and January to March, 1931.

In 1930, \$3,564.99 was paid to 102 employees on account of lay-off, while \$17,675.82 was paid to 580 employees on account of reduction in hours. During the first three months of 1931, 20 employees had received \$1,796.91 on account of lay-off, and 288 had been paid \$8,385.60 because of the reduction of hours.

TABLE 13.—Operation of unemployment-benefit plan of Leeds & Northrup Co., 1923 to 1930, and January to March, 1931

Year or month	Average number of employees	Total pay roll	Average number of employees covered by plan	Number of employees receiving benefits	Total benefits paid	Average benefit paid	Balance in fund at end of period
1923.....	374	(¹)	291				(¹)
1924.....	402	(¹)	337	(¹)	\$163.82		(¹)
1925.....	438	(¹)	346	(¹)	56.31		(¹)
1926.....	536	(¹)	411				(¹)
1927.....	587	\$1,063,946	479	2	267.30	\$133.65	\$46,030
1928.....	644	1,258,312	499				56,241
1929.....	986	1,795,490	850				81,402
1930.....	1,113	1,888,355	920	682	21,240.81	31.14	62,313
1931:							
January.....	1,057	148,499	991	308	10,182.51	33.06	(¹)
February.....	1,054	140,964					
March.....	1,064	164,457					

¹ Not reported.

Table 14 shows the labor turnover for the years 1927 to 1930 and the first quarter of 1931. It is reported that among those laid off for lack of work during the latter part of 1930, nearly all were young persons without dependents, many of them being high-school boys. Approximately 60 per cent of these workers secured other jobs, and about 25 per cent were able to secure work before the expiration of the benefit period.

TABLE 14.—Labor turnover of Leeds & Northrup Co., 1927 to 1930, and January to March, 1931

Year or period	Average number of employees	Labor turnover				Accessions
		Quits	Lay-offs	Discharges		
				Lack of work	Other causes	
1927.....	587	88		2	15	124
1928.....	644	73	1 39		9	283
1929.....	986	181	1 20		40	635
1930.....	1,113	97	1 16	139	34	212
1931: January to March.....	1,058	11		1	3	29

¹ Temporary summer workers.

General Experience

The company considers the benefit fund adequate to meet all requirements, even during the present depression. When business recovery takes place, it is expected that the whole operation of the plan will be reviewed, and that the terms will probably be made more

generous. In general, the benefits have been adequate to meet the problem of unemployment. Special benefits have been allowed in several instances to married men with dependents after their right to benefit expires. Loans may be made from the unemployment fund on the basis of 4 days' pay per week, 3 days' work being furnished and 1 day's pay loaned. Repayment is arranged for on a 52-week basis. Only about \$400 has been borrowed, however, on this basis.

It is not the practice of the firm to hire temporary workers. The plant has the 5-day week, and this does away with the necessity for having temporary workers and assists in keeping down labor turnover, as overtime, for which time and one-half is paid, is worked Saturday mornings. The plant normally has little seasonal unemployment and it has not suffered as much from the depression as have many industries. At present the plant is running four and one-half days, and it was considered probable that through the summer it would be on a 4-day schedule. The reduction in hours varies in different departments. Quite a number of transfers have been made to avoid lay-offs.

Procter & Gamble Co., Cincinnati, Ohio

The employment-guaranty plan of the Procter & Gamble Co. covers employees in the factories³ at Ivorydale and St. Bernard, Ohio; Port Ivory, Staten Island, N. Y.; Kansas City, Kans.; St. Louis, Mo.; Hamilton, Ontario; and certain office employees. The company has shared profits with the employees since 1886, but in 1903 the profit-sharing plan was changed to cover only employees who subscribed for stock. When the employment-guaranty plan was put into effect it was made effective for the employees included in the profit-sharing plan.

Outline of Plan

The employment-guaranty plan was adopted August 1, 1923.

Character of plan.—The plan guarantees employment for all eligible employees at full pay for 48 weeks in each year, or such part of the year as remains after an employee's eligibility is established. The guaranty, however, does not cover the periods in the summer and in December when the plants shut down for cleaning and repairs, nor does it cover payment for holidays. The company reserves the right, under the plan, to transfer an employee to work other than that at which he is regularly employed, provided he receives his regular hourly rate of wages. If an employee refuses to accept such work, he is not paid for the time he is unemployed. The company also reserves the right to discharge any employee at any time for any cause.

Eligibility for benefits.—Any profit-sharing employee, who has had at least six months' service with the company and whose wage or salary does not exceed \$2,000 a year, is eligible for the employment guaranty.

Benefits.—The guaranty covers all lost time in excess of 200 hours during the year, based on the 50-hour week. Hours worked in excess of 50 in any one week are not charged against the 200 hours not

³The new factory in Baltimore, Md., will be included after July 1, 1931.

covered by the guaranty. In order to receive payment for unemployed time, men must report for work and must clear through the employment office. If the employment department is unable to place the men, the lost time is recorded; when it exceeds 200 hours the payment is made at the regular rate of pay.

Administration.—The employees' service department is in charge of all matters relating to transfers, lay-offs, discharges, or any other matters affecting the employment guaranty. This department has charge of payment of unemployment benefits and of any complaints. Benefits are distributed on regular pay days. Any matters of dispute between the employees and the company are handled by a joint conference committee, made up of one representative for every 50 workers and the supervisor of personnel. If this committee fails to settle the question in dispute, it is taken to the committee on appeals, composed of the plant superintendent, general superintendent, and president of the company. The ruling of this committee is binding.

Method of financing plan.—The cost of maintaining the employment guaranty is financed by the company, and charged as a direct cost against manufacture.

Statistics of Operation

Since 1927 there has been a decided increase in the average number of eligible employees and in the proportionate number of employees covered by the plan. During this period the company has been able to furnish steady employment to the profit-sharing employees so that no benefits have been paid. There have been no discharges for lack of work among this group.

Table 15 shows the average number of employees in the plants in which there is guaranteed employment, index of pay-roll totals, average number of eligible employees, and the number covered by the plan, by years, 1927 to 1930, and for January to March, 1931:

TABLE 15.—Operation of guaranteed-employment plan of Procter & Gamble Co., 1927 to 1930, and January to March, 1931

Year or month	Average number of employees	Index of pay-roll totals (average, 1926=100)	Average number of eligible employees	Number of employees covered by plan
1927.....	5,186	114.3	3,987	3,591
1928.....	5,894	124.2	4,242	3,884
1929.....	5,749	127.1	4,350	3,960
1930.....	5,660	125.4	4,892	4,633
1931:				
January.....	5,854	122.9	4,857	4,718
February.....	5,751	115.7	4,835	4,696
March.....	5,691	125.8	4,788	4,670

Table 16 shows the average number of employees and the labor turnover, by years, 1927 to 1930, and for January to March, 1931:

TABLE 16.—Labor turnover rates of Procter & Gamble Co., 1927 to 1930, and January to March, 1931

Year or month	Average number of employees	Separation rates			Accession rate
		Quit	Lay-off ¹	Discharge	
1927.....	5, 186	25.8	9.6	9.0	61.2
1928.....	5, 894	20.3	7.3	8.6	41.6
1929.....	5, 749	26.3	4.8	9.2	52.5
1930.....	5, 660	13.2	7.1	5.7	18.2
1931:					
January.....	5, 854	.7	1.0	.5	.4
February.....	5, 751	.7	.6	.2	.6
March.....	5, 691	.7	.4	.3	.5

¹ Includes only nonprofit-sharing employees.

General Experience

The company states that no participant in the plan has ever been in distress through lack of work. The depression has increased the number of employees participating in the plan. Participation is voluntary; prior to the depression about 80 per cent of the eligibles were participating in the profit-sharing plan which gave them the protection of the employment guaranty, and since the depression the number of eligibles participating has increased to almost 100 per cent. Since there have been practically no lay-offs of profits sharers, the cost of operating the plan from this standpoint has been insignificant. While overtime work is sometimes necessary, as a rule it is rigidly discouraged. The standard working week is 50 hours, and the maximum that any employee is permitted to work is 65 hours.

Brown & Bailey Co., Philadelphia, Pa.

Outline of Plan

The unemployment-benefit plan of the Brown & Bailey Co., manufacturers of paper boxes, was established in November, 1927, and the accumulation of the fund which consisted of a first payment by the company of \$2,500 was begun at that time. In December, 1929, the fund had reached the amount considered necessary for its operation, but no payments from the fund were made until April 2, 1930. As a result of the depression a reduction in the amount of benefits from 80 per cent of normal earnings to 75 per cent was put into effect beginning with the pay-roll week ending June 26, 1931.

Character of plan.—The plan provides for the payment of unemployment benefits due to slack business. Unemployment resulting from strikes, fires, or similar causes, or lost time resulting from illness or any cause other than slack business, is not compensated for and in computing the normal wage such lost time is deducted from the time of the full working week.

Eligibility for benefits.—All employees, except salaried workers and foremen, are eligible for unemployment benefits, without regard

to length of service. As the company is small and is in close touch with its employees, they are not required to report regularly in case of unemployment except at the regular weekly pay period. If an employee should secure an outside job he would not be entitled to any part of the benefit, and under present circumstances there would be little chance of his getting his job back.

Benefits.—Instead of discharging employees in times of business depression, the company retains its full working force and runs the factory on short time. When the weekly earnings of any employee fall below 75 per cent of the normal earnings, a supplementary payment from the benefit fund is made which brings the wages up to that amount. The company has a group bonus system in effect in some departments, a bonus being paid to foremen and operatives if more than a standard amount is produced. In computing the normal earnings for the payment of unemployment benefits, this bonus is not included because the company considers that it was earned by extra skill and effort, and since the purpose of the unemployment insurance is to try to stabilize the basic wage the bonus can not properly be included. Therefore, the normal earnings, upon which unemployment benefits are based are the regular rate for workers on an hourly basis, and for workers on a piece-rate basis the average earnings for the last four weeks of full-time employment. The guaranty of 75 per cent of normal earnings covers each weekly period unless the fund becomes exhausted.

Administration.—The fund is administered by the Provident Trust Co., of Philadelphia. The actual operation of the plan is as follows: Each week the wages of each employee are computed in the usual way. Those employees whose wages do not come up to 75 per cent of the normal have added to their wages such amounts as will bring them up to that level. These supplementary amounts are recorded in an extra column in the pay-roll books and totaled for each week. At the end of each calendar month the trust company reimburses the Brown & Bailey Co., by check, for the total expenditures for unemployment insurance during that month; and at the same time the Brown & Bailey Co. sends to the trust company two checks covering the contributions for the company and for the employees to the unemployment fund for that month. The plan is simple and effective and causes a minimum of clerical work.

Method of financing plan.—Up to the time the fund began to function the company contributed about \$7,500, which was approximately twice the maximum weekly pay roll in normal periods. As soon as the fund is drawn upon the company agrees to pay into the fund 2 per cent of each weekly pay roll until the fund is restored to the total of \$7,500. When the scheme was established there was no provision for employees to contribute to the unemployment fund, but as a result of the security afforded by the plan the employees requested, through their elected representatives on the shop council, to be allowed to contribute 1 per cent of their weekly pay when the fund falls below \$5,000. The foremen, although on a salary basis and not benefiting by the plan, also asked to be allowed to contribute, and each foreman now pays \$1 per month into the fund. The contributions of employees and foremen are

being added to those of the company in an effort to maintain the fund in a healthy condition as long as possible and eventually to restore it to its maximum.

Statistics of Operation

Data on cost of operation of the plan in 1930 and the first quarter of 1931 are given in Table 17:

TABLE 17.—*Operation of unemployment-benefit plan of Brown & Bailey Co., 1930, and first quarter of 1931*

Year or month	Average number of employees	Total pay roll	Number of employees—		Total benefits paid	Average benefit paid	Balance in fund at end of period
			Covered by plan	Receiving benefit			
1930.....	121	\$171, 443. 73	107	81	¹ \$7, 975. 28	\$98. 46	\$2, 531. 14
1931:							
January.....	116	12, 634. 03	102	² 52	352. 22	6. 77	-----
February.....	115	13, 416. 13	101	² 36	239. 74	6. 66	-----
March.....	115	16, 711. 36	101	² 41	382. 27	9. 32	-----
April.....							² 2, 412. 00

¹ April to December.

² Estimated.

³ On the company's books, but the trust company reported approximately \$2,900 as some securities had been sold at a profit.

Figures showing the average number of employees and the number of separations and accessions in 1930 and for January to March, 1931, are given in Table 18:

TABLE 18.—*Labor turnover of Brown & Bailey Co., 1930, and January to March, 1931*

Year or month	Average number of employees	Quits	Lay-offs	Discharges	Accessions
1930.....	121	18	1	2	4
1931:					
January.....	116				
February.....	115		1		
March.....	115	1			1

¹ Including 1 death.

General Experience

In general the company has been able to meet the present crisis through its unemployment fund. During the first four months of 1931 the unemployment benefits had not reduced the fund appreciably, and at the end of April the fund was larger than at the close of 1930, owing to the sale of some securities at a profit by the trust company. However, since the latter part of April the employment situation has changed for the firm, and because of lack of work the fund has been heavily drawn upon and very substantially depleted. As a result of the heavy demands upon the fund the shop council,

composed of representatives elected by the workers, suggested the lowering of the basis of the guaranty from 80 per cent of normal wages to 75 or even 70 per cent. The firm, however, after going very carefully into the matter, decided to fix the benefits at 75 per cent of the normal wages beginning with the pay-roll week ending June 26, 1931.

The policy of the firm for a number of years has been to maintain a stable working force in both slack and busy times, and it has been the practice when business is good to work overtime rather than to hire temporary workers. The turnover rate is very low, being 9.2 per cent in 1930, and the number of discharges has averaged about $5\frac{1}{2}$ for the past few years. An employee has the right to appeal in case of discharge to the works committee, which reviews the case.

The normal working week is 48 hours, but most of the departments of the plant have been on short time during the depression. It has varied, however, for different departments, and the rotary-press crew of five men, for example, has been on practically full time throughout the year. The plant at present is not running more than 50 per cent of its normal time.

The firm has attempted for several years to stabilize the industry through developing a steady demand for their product through advance orders from customers covered by long-term contracts. Also, the reduction to a minimum of the hiring of temporary workers has been a measure making for stability as have also the various types of group insurance operated independently of the unemployment-benefit plan.

Special assistance has been given by the company to employees in distress but none has been necessary during the present crisis on account of unemployment. It has been the practice of the company to pay workers who have been laid off on account of the installation of new machinery or more efficient methods 75 per cent of their pay until jobs were found, although this does not come under the unemployment benefit plan. In 1929 16 employees were discharged for this reason. Of this number 14 were paid until jobs were secured, the longest period of payment being about three months. One man, it was discovered, was not trying to get another job and payments to him were, therefore, discontinued; and one girl, who had a husband in the employ of the company who was receiving good wages, did not receive the discharge bonus. Altogether, through the various policies carried out by the company, it appears that the firm has succeeded in reducing to a minimum among its employees the hardships accompanying the present crisis.

Consolidated Water Power & Paper Co., Wisconsin Rapids, Wis.

Outline of Plan

The plan was instituted in February, 1929.

Character of plan.—The plan provides for compensating all permanent employees for time lost from shutting down machines for an indefinite period.

Eligibility for plan.—Employees who are on an hourly rate of pay are included in the plan, if they have been employed by the company one year or longer. This includes all factory workers.

Benefits.—The plan provides a guaranteed monthly income, the following scale which is approximately one-third of the average monthly wage being in effect:

Class, and amount of guaranteed income per month

Machine tenders.....	\$75
Back tenders.....	65
Third hands.....	50
Fourth hands.....	40
Fifth hands.....	30
Other employees whose hourly rate is over 50 cents.....	40
Employees with more than 3 years' service earning less than 50 cents per hour.....	30
Employees with 1 to 3 years' service earning less than 50 cents per hour....	20

On March 1, a sliding scale of benefits on a percentage basis was put into effect. This was done to encourage men to take what work was available. The percentages for earnings falling below the guaranteed income for each class range from 100 per cent for no days worked to no benefit payments for 16 days worked. The percentages are based on a limit of \$100 per month so that benefits cease when the total earnings reach that figure. There is no limit on the number or amount of benefits in a year.

Administration.—The plan is administered by the personnel manager and representatives of the three unions through their regular grievance committee.

Statistics of Operation

From February 7 to June 8, 1929, a total of \$2,931 was paid in benefits to 43 employees.

Since that time, no benefits have been paid.

In 1929 approximately 700 employees were covered by the plan.

General Experience

During the present depression the company has been able to provide work so that there have been no lay-offs.

General Electric Co.

The General Electric Co. has adopted two different plans covering employment conditions in its different plants during the past year. The first—the unemployment-pension plan—was proposed to the 12 plants in which various types of electrical apparatus are manufactured early in 1930, and was accepted by the various plants within a few months. The second—an unemployment-guaranty plan—was put into effect in the 12 lamp works of the company, January 1, 1931, after having been voted upon favorably by the employees in these plants.

Unemployment pension plan, Schenectady, N. Y., and other plants manufacturing electrical apparatus

Outline of Plan

The unemployment-pension plan of the General Electric Co. was proposed to the employees in 1930. It was voted upon by each apparatus works as a unit and was accepted by all the plants, the votes of the employees in favor of the plan in some cases being as high as 100 per cent, and averaging 77 per cent for the 12 apparatus works covered by the plan. Deductions from the employees' pay for the formation of the fund began August 1, 1930.

Character of plan.—The plan provides for payment for total or partial unemployment, for loans to unemployed workers not to exceed \$200, and for relief to any employee or former employee of the company who has been retired on old-age or disability pension or disability relief, after investigation by the administrators, and for such a period as they may decide. Participation in the plan is voluntary on the part of the employees. As soon as an employee signifies his desire to become a member of the plan, 1 per cent is deducted from his pay if he is receiving 50 per cent or more of his normal earnings.

Three per cent of the normal contributions paid into the trust by contributing employees and by the company is to be available for payment to employees or former employees who are in need, and loans may be made to an amount not to exceed 27 per cent of the normal contributions.

Eligibility for benefits.—Any employee with continuous service with the company of one year or more is eligible for participation in the plan.

In general, unemployment consists of temporary lay-off for lack of work, but the regulations provide that the administrators of the plan shall define unemployment.

There is no requirement that an unemployed worker shall report regularly or telephone to his place of work, but he is required to report in person for his pay check. If any doubt arises in connection with a case, the case is checked up. Interviews covering the status of an unemployed worker are conducted by a member of the personnel department, and with him sits one of the administrators elected by the employees. Work at a regular job elsewhere bars an employee from unemployment payments, but if he secures work for a day or two no account is taken of it.

Benefits.—When a contributing employee receives notice of a temporary lay-off a notice is also sent to the administrators of the fund, but no payment is made from the fund to a contributing employee for the first two weeks of unemployment. At the expiration of this period, and subject to the approval of the administrators, payment to a contributing employee will be made. Such payment will continue to the extent approved by the administrators, but in no case may payments be for longer than 10 weeks in 12 consecutive months. Payments to a contributing employee amount to 50 per cent of his average weekly or monthly earnings for full time, but may in no case exceed \$20 per week.

If a contributing employee is working part time and receiving less than 50 per cent of his average full-time weekly or monthly earn-

ings, he may be eligible for payments from the unemployment fund, amounting to the difference between the amount he is receiving as wages from the company and the maximum payment he might receive if entirely unemployed.

Administration.—The plan is administered in units of each works. The administration is in the hands of a board of not less than 4 nor more than 16 members, half of whom are elected by the contributing employees and the other half appointed by the president of the General Electric Co., headed by a chairman elected by the administrators from among themselves. At the larger works a number of committees may be appointed by the administrators, the number of such committees depending on the size of the works. The company guarantees interest at the rate of 5 per cent per annum on all funds and for two years after the inauguration of the plan will pay the expense of administration.

Method of financing plan.—The plan provides for the establishment of the "Unemployment-pension plan trust" formed from equal contributions by the company and the contributing employees. The employees' contributions amount to approximately 1 per cent of the actual weekly or monthly earnings of the contributing employees to the plan for three years after beginning participation, but only for so long, in the case of each employee, as his earnings are 50 per cent or more of his average weekly or monthly earnings, or for a shorter or longer period as may be determined from time to time by the administrators of the plan. The company contributes to the trust an amount equal to that paid in by the contributing employees.

In times of abnormal unemployment, when contributing employees are temporarily laid off or are working part time and payments made from the trust for unemployment amount to 2 per cent or more of the average weekly earnings of contributing employees, the administrators will notify the company of this fact and normal collections from contributing employees will cease. Upon such notification the company agrees to announce that an unemployment emergency has arisen; the following system of emergency payments to the trust will be made, and will continue as long as payments from the trust fund amount to 2 per cent or more of the average weekly earnings of contributing employees and until the total of the trust is not less than 75 per cent of the previously attained maximum. All those employed by the company at the particular works, and receiving 50 per cent and over of their average weekly or monthly full-time earnings, will be required to pay approximately 1 per cent of such earnings into the fund. This includes all the clerical and supervisory staff, as well as the highest officers of the company connected with the particular works. All the general and district commercial, general manufacturing, engineering, and administrative employees of the company at all offices in the United States not on a particular pay roll shall contribute their proportion of the 1 per cent, determined by the ratio of the average earnings of the contributing employees of the particular works to the total pay roll of the eligible employees of all works of the company. For example, if the average earnings of the contributing employees in a particular plant should be 20 per cent of the total pay roll of the eligible employees of all works of the company, then 20 per cent of 1 per cent would be

deducted from the pay of the general administrative and engineering forces of the company. The company's contribution will be equal to the total of the emergency contributions from all employees. After an emergency is over, the administrators will decide upon the renewal of normal payments into the trust and the length of time they shall continue.

Emergency plan.—The plan adopted August 1, 1930, provided that no payments would be made to an employee until he had made normal contributions for at least six months. In the fall of 1930 it became evident that employees would need assistance before these preliminary payments were completed. A special emergency was therefore declared December 1, 1930. In general, this plan is being operated as described above, except for three important modifications adopted because payments were started before a substantial fund could be accumulated:

1. All employees of the company (except those in the lamp department) to contribute 1 per cent;
2. Payments to be made only after the administrators are convinced the employee is in need of funds; and
3. The maximum weekly payment to be \$15 instead of \$20.

At most of the plants, the collections from employees plus the company's equal contributions has been adequate for the disbursements authorized by the administrators. At four of the plants, the local collections have been inadequate, and the deficit has been made up by drawing upon the amounts collected from the general administrative and district sales group.

Statistics of Operation

The following statement shows the average number of employees and the total pay roll for 1930, and the number of employees receiving payments, the amount of such payments, and additional data for the first five months (December 1, 1930, to April 30, 1931), during which the emergency plan has been in operation:

*Operation of unemployment emergency plan of the General Electric Co.,
December 1, 1930, to April 30, 1931*

1930:	
Average number of employees.....	4 78, 380
Total pay roll.....	\$140, 905, 000
<hr/>	
December 1, 1930, to April 30, 1930:	
Number of employees receiving payments—	
Complete unemployment.....	2, 775
Part-time unemployment.....	6, 172
Loans.....	776
Employees in need.....	530
Total.....	<hr/> 10, 253 <hr/>
Total amount of payments—	
Complete unemployment.....	\$253, 633. 42
Part-time unemployment.....	209, 524. 66
Loans.....	65, 741. 82
Employees in need.....	20, 705. 60
Total.....	<hr/> 549, 605. 50 <hr/>

* Includes about 8,000 employees in the incandescent plants.

December 1, 1930, to April 30, 1930—Continued.

Payments to 9,721 contributing employees.....	\$516, 251. 80
Payments to 532 noncontributing employees.....	33, 353. 70
Average payment, amount of.....	53. 60
Balance in fund, April 30, 1931.....	288, 313. 61

Sex and conjugal condition of employees receiving payments—

Married men.....	5, 928
Single men.....	2, 718
Married women.....	569
Single women.....	1, 038

Total.....	10, 253
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General Experience

In the present emergency even workers who had not subscribed to the unemployment-pension plan, although they had one year of service with the company, have received assistance in the form of loans. Loans have also been made to contributing employees who had received unemployment payments for the maximum period (10 weeks). Application for a loan is in the form of a note, but no security is required. Loans up to \$300 are made, generally in the form of small weekly payments, with the understanding that such loans will be repaid in installments when the employee returns to work with the company or obtains work elsewhere.

The General Electric Co. has a very definite and elaborate stabilization policy which includes overtime at rush periods; shortening the hours in dull periods; manufacturing for stock in those departments in which it is possible; increasing the force as slowly as possible; transferring workers to especially busy departments; and, when it becomes necessary to dismiss workers, dropping new employees, single persons with no dependents, and those who are most easily spared, first—always with at least one week's notice. The normal working week is five and one-half days, but at the present time practically all the factories are on a 5-day schedule, with many departments working much less.

The other welfare plans of the company affect the economic situation of the employees. Thus, approximately 36,500 employees hold bonds of the General Electric Employees Securities Corporation, paid for in whole or in part, to a value of \$40,430,080 and yielding 8 per cent return. At the end of 1930 approximately 67,000 carried life insurance obtained through the company, totaling \$177,000,000, \$75,000,000 of which is free insurance. In the past two and one-half years 44,855 employees set aside for additional pensions \$2,646,299 through payments of 1½ per cent of earnings.

During the present emergency, the company states, the unemployment payments have been of material assistance in helping the employees meet the employment situation. Among the 10,253 employees who have been aided while laid off or on short time during the present emergency, many hold the bonds previously described, or are buying their own homes with company assistance, and help from the

unemployment fund has made it possible for many to get along without sacrificing these assets.

The General Electric Co. wishes to emphasize the fact that the plan is experimental as yet, and that it may be changed in the light of experience, although no change is contemplated at the present time.

Guaranteed-employment plan covering plants of 12 lamp works

A study of the possibilities of stabilization of work and guaranty of employment in the incandescent-lamp department was made by the company in 1930. As a result a plan guaranteeing 50 weeks' work of not less than 30 hours each was put into effect for the year 1931.

All employees on an hourly or piecework basis, with two or more years of service, are eligible. Participation is optional, and the individual application of the employee requests the company to withhold 1 per cent of his or her weekly earnings and to credit the amount so deducted to the employee. The company guarantees 5 per cent interest, and the savings, including interest, always belong to the employees; the accumulated principal and interest is paid to them upon leaving the employ of the company, to their beneficiaries upon death, or in the form of additional pensions upon retiring.

Many of the factories adopted the plan unanimously, and 97.3 per cent of the eligible employees of all factories accepted it.

No expenditures have been made under the plan to this date.

There are about 8,000 employees in all the incandescent-lamp plants, and approximately 4,500 are covered by the plan.

Joint Company Plan, Fond du Lac, Wis.

A cooperative plan for guaranteeing employment and paying unemployment benefits was put into effect September 1, 1930, by three manufacturing firms of Fond du Lac, Wis. The employing organizations concluding this agreement are the Sanitary Refrigerator Co., the Northern Casket Co., and the Demountable Typewriter Co., including two subsidiary enterprises of the latter company—the Standard Refrigerator Co. and the American Lock & Hinge Co. Since the inauguration of the plan the companies have succeeded in so stabilizing employment that there have been no lay-offs; consequently, no benefits have been paid.

Outline of Plan

The plan was placed in effect on September 1, 1930.

Character of plan.—The rules laid down make provision for a guaranty of steady employment, and if employment can not be furnished benefit payments are authorized up to a fixed limit. Steady employment is construed under the plan to mean employment for all regular working-days throughout the year, with the exception of holidays or vacations allowed by the company or when all or any part of the factory is shut down on account of breakdown or for repairs.

All employees meeting certain requirements as to age, etc., are automatically covered.

Eligibility for benefits.—The plan covers all factory and office employees of the five companies, between the ages of 21 and 60, who have been employed continuously for two years, with the exception of managers, assistant managers, superintendents, and salesmen. At present about 70 per cent of the employees have the required length of service, and within a year about 85 per cent will become eligible for unemployment benefits. Employees, who quit work for any reason or are discharged for causes which are generally considered as justifying dismissal, are not entitled to the benefits under the plan; nor will such benefits be paid to employees receiving benefits under the workmen's compensation act.

Benefits.—Eligible employees will be entitled to receive steady employment by any one or more of the companies included in the agreement or elsewhere when it can be secured, or, when employment can not be provided, to participate in the cash unemployment benefits for the period of unemployment, but not to exceed 100 working-days in the aggregate in any one year. Cash unemployment benefits are paid at the rate of 65 per cent of the average earnings during the year preceding the beginning of unemployment, but no unemployment payments will be made for the first 15 days of unemployment. Unemployment payments will be discontinued from the time the employee is offered employment by one of the companies which are parties to the agreement or by any other company, or when he declines to accept some other worth-while employment. While employees temporarily or permanently laid off are not guaranteed the same work or the same amount of wages they formerly received, an effort will always be made to furnish employment at least as good as the previous employment.

Administration.—The plan is administered by each of the subscribing companies for their respective employees. It is stipulated in the contracts, which all companies hold, that any company has the right to withdraw from the plan at the end of any year if there are indications that the plan does not operate in the interest of steady and permanent employment; that is, if the employing companies are called upon to pay out so large an amount of cash benefits that its continuation may cause the company to become financially embarrassed or to sustain a loss of financial credit or may lead to a possible trade crisis or failure. As drawn up, however, the contracts provide for the operation of the plan for five years.

The State industrial commission will act as referee, and will have the final decision in any dispute between the employees and the employer arising from the operation of the plan, the costs to be paid by the employing company or by the employee, whichever made application for a referee's decision.

Method of financing plan.—The plan is financed by employer contributions equal to \$1 for every \$100 paid in wages each month. The sum so set up is administered as a special fund out of which benefit payments may be made when due.

Statistics of Operation

Table 19 shows statistics of operation under the plan since its adoption by the participating companies:

TABLE 19.—*Operation of Joint Company Plan, Fond du Lac, Wis., September 1, 1930, to March 31, 1931*

Month or period	Average number of employees	Total amount of pay roll	Number of employees covered	Balance in fund at end of period
Sanitary Refrigerator Co.: Sept. 1 to Dec. 30, 1930 1931—	110	\$57,000	65	\$570
January.....	115	15,000	75	720
February.....	115	15,000	76	870
March.....	115	15,000	77	1,020
Northern Casket Co.: Sept. 1 to Dec. 30, 1930 1931—	120	56,000	72	560
January.....	125	15,000	79	710
February.....	130	16,000	83	870
March.....	130	16,000	85	1,030
Demountable Typewriter Co.: Sept. 1 to Dec. 30, 1930 1931—	100	50,000	65	500
January.....	105	14,700	71	647
February.....	105	14,700	72	794
March.....	105	14,700	74	941

General Experience

The firms are considering liberalizing the plan by reducing the required length of service from two years to one year. It is customary for the companies subscribing to the plan to employ extra workers in rush times and to discourage overtime. Each new employee taken on for extra work is apprised of the steady-work plan and the rules governing eligibility.

The working week has been and still is 54 hours, but the possibility of lowering it to 44 hours is under consideration.

It is reported that prior to the adoption of this plan turnover ran as high as 40 per cent per year. Since the plan went into effect, no lay-offs have been made.

Investigation has shown that the financing of the plan can be handled through an insurance company. By requiring that employees undergo a two weeks' waiting period after unemployment starts, and with the company held responsible for the payment of benefits for the following two weeks of unemployment, it is thought that unemployment insurance could be secured at a low rate. Commercial insurance against unemployment is therefore considered as a possibility in Fond du Lac.

Rochester (N. Y.) Unemployment-Benefit Plan

The plan known as the Rochester Unemployment-Benefit Plan was adopted in February, 1931, by 14 manufacturing establishments in Rochester, N. Y., which employ a total of 26,000 persons, approximately one-third of the industrial employees of that city. Since that time two additional employers have signified their intention of

joining in the movement to protect their employees by an out-of-work benefit system. It is likely that additional employers will join the movement and it is hoped by the interested parties that ultimately practically all employers in Rochester will set up machinery such as is provided under the plan to protect workers in times of unemployment.

As worked out, the terms of the plan allow considerable latitude to individual employers, as to the amount to be set aside, method of administration, etc., the aim in having a city-wide plan being to give to employers subscribing to it a working basis upon which they may build systems suited to the peculiar conditions of their respective establishments and to the degree of stabilization they have achieved. The companies vary in size from one of 45 employees to the Eastman Kodak Co., which has 13,000 employees in Rochester. The companies represented are: Eastman Kodak Co.; Bausch & Lomb Optical Co.; Stromberg Carlson Telephone Manufacturing Co.; Rochester Telephone Corporation; the Gleason Works; Taylor Instrument Cos.; Consolidated Machine Tool Corporation; the Todd Co.; the Pfaudler Co.; Vogt Manufacturing Co.; Yawman & Erbe Manufacturing Co.; Sargent & Greenleaf (Inc.); Davenport Machine Tool Co.; and Cochrane Bly Co.

Of the companies coming under the plan one is a public utility and the others are manufacturing concerns, their principal products being photographic goods, optical goods and instruments, telephones, radios, thermometers and other recording instruments, machinery, check protectors and signers, gear-cutting machines, auto trimmings, office furniture and filing systems, and locks.

Outline of Plan

In February, 1931, a total of 14 firms agreed to set up separate unemployment-benefit plans and adopted identical rules for the operation of these plans. The first payments into the unemployment funds will be made in the current year. Benefit payments will not be made until January 1, 1933.

Character of plan.—The plan makes provision for the payment of unemployment benefits. Employees in the concerns covered by the plan are automatically covered by the terms set forth.

Eligibility for benefits.—Unemployment for the purposes of this plan is involuntary unemployment. A person employed for temporary work and so notified when taken on does not fall in the class of unemployed persons, nor is a person covered who is laid off on account of force majeure, who is on strike or lockout, who fails to take the required steps to secure work, who fails to accept transfer, or who is receiving or is entitled to receive sick benefits, accident compensation, etc.

To be eligible for benefits an employee must have been in the continuous service of the company for at least one year and must be earning less than \$50 a week.

Provision is made that an unemployed person shall report to the company as frequently as the company may require when on lay-off. He must fill in a blank showing what steps he has taken to find employment and must register at the Public Employment Center of Rochester.

If a person who is receiving benefits secures permanent work with another organization, benefits shall cease. If he secures temporary work outside, he is entitled to receive benefits with the proviso that in no instance shall the amount of benefit paid to him exceed the difference between his earnings on the temporary work and his weekly earnings prior to lay-off. It is further provided that, if his earnings equal or exceed his earnings prior to lay-off, benefit shall cease. If an employee is receiving reduced pay with the company, either because of short time or because of transfer caused by slack work, he is entitled to an amount equal to the difference between his actual earnings and the amount to which he would be entitled in benefits if wholly unemployed.

Benefits.—Under the plan an amount of benefit is authorized equal to 60 per cent of the average weekly earnings, with a maximum benefit payment of \$22.50 per week. The average weekly earnings figure used as a basis of calculation is the average for the last three months of normal employment, exclusive of overtime.

As has been mentioned, an employee is barred from receiving benefits if he secures permanent work with another organization. If he has part-time work with his regular employer, he only receives that part of the benefit allowable which will bring his total weekly earnings to the amount of the benefit allowed; if he has part-time work with an outside concern, he receives that part of the benefit allowable which will bring his total earnings to the amount of his earnings prior to the lay-off.

No payment will be made under the plan before January 1, 1933. After that time, an eligible unemployed person will receive benefits after two weeks of continuous unemployment.

The period during which benefits shall be paid varies with length of service, as follows:

<i>Length of service and period of benefit</i>		Weeks
1 year to 1½ years.....		6
1½ to 2 years.....		8
2 to 3 years.....		10
3 to 4 years.....		11
4 to 5 years.....		12
5 years and over.....		13

The benefit periods provided are the maximum number for which an eligible person may receive benefits in any 12 consecutive months or for any continuous period of lay-off.

Administration.—Each of the concerns which subscribe to the plan will set up its own administrative machinery. It is provided that a committee shall be appointed by the management in each establishment to administer the plan. Decisions made by such committee will be subject only to the general control and direction of the board of directors of the respective companies.

In at least several of the largest establishments, and probably in all, both the management and employees will have representation on the committee set up to administer the plan. The handling of reserve funds will be done by the management in some instances and by trustees appointed for the purpose in others.

Method of financing plan.—During normal periods the plan will be financed entirely by the employers. It is provided that each employer who subscribes to the plan shall contribute to a reserve fund annually a sum up to 2 per cent of his pay roll, the amount contributed depending upon how much it is estimated will be needed to meet the requirements of the particular establishment, taking into account experience in that establishment and the degree of stabilization which has been attained. Payments into the reserve fund will be continued until the amount in the fund is equal to five annual appropriations at the rate of payment decided upon. Any payment made from the fund after the maximum is reached will be replaced by additional appropriations at the regular annual rate.

In addition to the payments made to the reserve fund, each company reserves the right, after January 1, 1933, and when a prolonged period of unemployment sets in, to declare that an emergency exists and to assess all officials and employees of the company an amount equal to 1 per cent of their earnings. The sums so raised will be matched by the company and paid into the reserve fund. These extra payments will be continued until the management declares that the emergency is over.

Statistics of Operation

As yet there is no statistical information relative to this plan.

General Experience

It is not yet known what percentage of total pay roll the various signatory concerns will lay aside in reserve funds to cover any liability for unemployment benefits arising under the plan. The concerns covered are now engaged in an examination of their records for previous years to form a basis for estimate as to what percentage of pay roll will be sufficient. Since the first allotments into the respective reserve funds may be made any time within the current year, decisions as to the amount to be set aside will not necessarily be made soon. However, in this connection the Eastman Kodak Co. finds, on the basis of examination of its records for the past 30 years, that annual payments into the reserve fund of not more than 1 per cent of the pay roll should be adequate to cover the cost of the plan for this company.

Delaware & Hudson Railroad

The plan of the Delaware & Hudson Railroad differs from the unemployment-benefit plans of other companies in that the insurance covers unemployment arising through discharge only and it is, therefore, in some measure analogous to the so-called dismissal wage. However, it goes somewhat farther than the ordinary dismissal wage, since the payment of unemployment benefits for the specified period is a matter of right to which the employee is definitely entitled as shown by the unemployment insurance policy issued to employees so insured.

Outline of Plan

The unemployment-insurance plan of the Delaware & Hudson Railroad was started in 1922 as part of the general insurance plan covering group life insurance, sickness, and accident.

Character of plan.—The plan provides for the payment of insurance in case of dismissal from any cause. It is closely linked with a definite stabilization policy whereby maintenance and repair work are increased in dull periods. It is also the policy of the company to shorten hours and keep the force intact in times of depression rather than to dismiss employees. Insurance is voluntary on the part of employees who are eligible.

Eligibility for benefits.—Employees are not eligible for unemployment insurance unless they have had at least two years' service with the firm and have subscribed for and contributed to at least two of the four forms of insurance covered in the group-insurance plan. An unemployment-insurance policy is issued to each employee fulfilling these requirements. If other work is secured before the expiration of the benefit period, a dismissed employee is not entitled to further payment.

Benefits.—The plan provides for a payment of \$10 a week to employees whose average annual wages during the preceding two years did not exceed \$1,000 and \$15 for those whose wages were in excess of that amount. The unemployment benefit is paid for six weeks or so much of that time as the employee is unable to find employment.

Administration.—There is no machinery for administering the insurance as payments are made automatically to employees who are dismissed.

Method of financing plan.—No special fund is maintained, but employees who are dismissed are paid from the general operating fund of the company.

Statistics of Operation

In Table 20 are shown the average number of employees and total pay roll in addition to data giving operations under the unemployment-benefit plan of the Delaware & Hudson Railroad:

TABLE 20.—Operations under unemployment-benefit plan of the Delaware & Hudson Railroad, 1927 to 1930, and January to March, 1931

Year or month	Average number of employees	Total amount of pay roll	Number of employees covered by plan	Number of employees receiving benefits	Total benefits paid	Average benefit paid
1927.....	13, 107	\$23, 249, 757. 00	9, 031	33	\$2, 586. 00	\$78. 36
1928.....	11, 752	21, 094, 320. 00	9, 084	57	4, 646. 00	81. 52
1929.....	11, 274	21, 150, 379. 00	8, 940	60	4, 765. 00	79. 42
1930.....	11, 105	20, 353, 084. 00	8, 922	39	3, 124. 00	80. 11
1931:						
January.....	10, 964	1, 646, 949. 00	8, 916	1	90. 00	90. 00
February.....	10, 871	1, 555, 088. 00	8, 924	2	135. 00	67. 50
March.....	10, 850	1, 619, 997. 00	8, 938	4	225. 00	56. 25

Labor turnover figures are given in Table 21 for the years 1927 to 1930 and for the months of January to March, 1931:

TABLE 21.—Labor turnover of Delaware & Hudson Railroad, 1927 to 1930, and January to March, 1931

Year or month	Number of employees leaving service					Total	Number of employees hired ¹	Number of employees furloughed ²		
	Died	Pensioned	Re-signed	Dismissed				Engine-men and train-men	All others	Total
				Lack of work	For cause					
1927.....	190	36	1,200	5	150	1,581	1,022	353	302	655
1928.....	176	48	952	15	96	1,287	885	621	451	1,072
1929.....	193	29	960	26	97	1,305	847	265	96	361
1930.....	183	34	484	24	75	800	525	411	82	493
1931:										
January.....	12	1	25		4	42	80	86	6	92
February.....	19		22	1	6	48	77	59	14	73
March.....	13	1	21	1	10	46	4	62	8	70

¹ Does not include furloughed employees returning to active service.

² Furloughed employees represent employees laid off due to lack of work, etc., but whose seniority and continuity of service is maintained and are returned to active service as conditions warrant. Furloughs in engine and train service are required by labor organizations and provided for in labor agreements.

General Experience

The purpose of the company in maintaining the unemployment insurance for its employees is to make employment conditions attractive so that it can maintain a stable force. There are approximately 7,000 employees who are eligible for unemployment insurance.

So closely is the unemployment insurance connected with the stabilization policies and group-insurance plan that it can hardly be considered apart from these. One of the principal policies of the company is to lengthen or shorten hours in accordance with requirements instead of taking on extra employees or discharging them. It was said that there have been few dismissals and that payments under the plan in 1930 amounted to only a little over \$3,000. The company has not suffered greatly from the depression but has undertaken a considerable amount of repair and maintenance work which is not charged against the costs of the plan as it improves the value of the company's property and equipment.

Joint-Agreement Plans

Men's Clothing Industry, Chicago, Ill.

A joint agreement between employers and the Amalgamated Clothing Workers' Union in the Chicago market provides an unemployment-insurance plan for union employees engaged in the production of men's clothing in union shops. The number covered by the provisions of the plan was 19,000 in December, 1926, but by April, 1931, employment having fallen off and a number of the firms which had formerly employed union labor having gone out of busi-

ness, the number under the plan had dropped to 12,979. Extensive introduction of machinery was also a factor leading to reduction in number of employees. Since the introduction of the unemployment-insurance plan, greater stability has been apparent in the men's clothing trade of Chicago. This is due in part to the operation of the plan, and in part to the operation of the union employment office.

Outline of Plan

The plan was started in 1923, when the agreement providing for unemployment insurance was signed. Payments into the fund were first made in that year.

Character of plan.—Under the provisions of the plan unemployment benefits are paid to union members who meet specific requirements. For members of the union who are employed in shops covered by the agreement, participation in the plan is compulsory; that is, they are required to pay certain sums into the fund, and in turn are entitled to receive benefits.

Eligibility for benefits.—In order to be eligible to receive benefits a union member covered by the plan must be unemployed involuntarily, he must not have refused suitable employment, must not have exhausted his right to benefit, and must not be on strike nor involved in a lockout. Membership in the union in good standing, registration in the union employment office, and regular contributions up to 10 payments for each week to each week and a half of benefit payable (depending upon the number of weeks of benefit granted in the particular shop where the person is employed) are also required.

Eligibility for benefit of a worker leaving one shop to go to another is provided for from the fund of the shop to which the person goes, and all rights to benefits from the fund of the shop the worker leaves are renounced.

A person laid off from his regular work is not disqualified from drawing benefits if he takes an outside job, provided he does not fail to report for work when called. If a person leaves his job voluntarily in the middle of a season only that part of the benefit earned before quitting is payable.

If a person is temporarily laid off, proof of unemployment is furnished by the employer on his weekly pay-roll record, or if this record is not sent in, it is secured by the central office. The employee on lay-off is notified by the employer when to report for duty. The procedure is different for the union member who is permanently laid off, it being provided that such a worker must register at the union employment office and bring his union book with him.

Benefits.—From May 1, 1925, to date, the benefits paid have been 30 per cent of full-time wages, with a maximum payment of \$15 per week. Full-time wages are defined as the earnings in a full 44-hour week, computed from the actual earnings in the four busiest weeks in the previous season. Prior to May 1, 1925, benefits equal to 40 per cent of full-time wages were paid, and the maximum allowable was placed at \$20 per week.

A waiting period of 44 hours is required before persons can receive benefits. This applies to persons on lay-off as well as those on short time. In calculating time lost every hour lost in a given

week is counted unless the worker earns \$50 or more, or unless he is out of work voluntarily. Overtime hours cancel the same number of hours lost, the calculation being made for the whole season.

The first agreement provided that the first 4 hours lost by a part-time worker in any week should not be counted in calculating the hours lost. For the year May, 1925, to May, 1926, the number of hours of lost time not to be counted was raised to 8. Beginning in May, 1926, it was provided that every hour of lay-off should be counted in the total number of hours lost.

Since May 1, 1928, the maximum benefit period allowable in any season has been $3\frac{3}{4}$ weeks (before that time the benefit period was $2\frac{1}{2}$ weeks, except in one season when it was 2 weeks). In practice, benefit has never been paid for more than 3 weeks in any one season. The duration of the benefit period is fixed by the respective boards of trustees and the impartial chairman, and at present benefits are paid approximately as follows: For 3 weeks in the smaller inside shops, for 2 to $2\frac{1}{2}$ weeks in the majority of shops, and for 1 to $1\frac{1}{2}$ weeks in a small number of shops. A person may receive benefits for only 1 week for every 10 contributions to the fund in a given season if he works in a shop where benefits are granted for 2 to $2\frac{1}{2}$ weeks, and for 1 and $1\frac{1}{2}$ weeks for every 10 contributions if he works for a firm which grants 3 weeks of benefit.

In all cases eligibility to receive benefits is restored with the coming of a new season, and the benefit is paid for a given number of weeks according to the decisions of the various boards of trustees and the impartial chairman, and on the basis of the number of contributions made by the union member.

Administration.—Contributions of contractors and their employees are pooled and administered for the benefit of the employees of all the contractors, or as a single contractor's fund. The contributions of each inside-shop employer and his employees are handled as a separate fund for the benefit of the employees of that particular shop, or as a separate shop fund.

There are six funds, all handled by trustees. The same union representatives and the same chairman (the impartial chairman of the industry) sit on all the boards of trustees.

The clerical work and accounting incident to the collection and disbursement of the funds are carried on in a central office, under the direction of an office manager. In this office a complete record of the work history of each union member covered by the plan is kept, based on the weekly pay-roll reports of the respective employers. When the time arrives for distribution of the benefit payment (on April 30 and October 30 of each year) the office manager estimates for how many weeks benefits can be paid out of each fund, and the respective boards of trustees and the impartial chairman of the industry make final decisions as to the period, in weeks, for which benefits shall be paid. Checks are then made out in the central office. Persons receiving benefits are paid in the shop by the union business agent. If they are unemployed at the time of distribution of benefits, they may call at the office of the business agent for their checks. If a person does not have steady employment during the season but works in various shops for short periods, he may enter his claim for benefits with the employment office. His claim is then sent to the central office where it is handled in the same way

as other claims, and the benefit check is turned over to the employment office for payment.

If a person is dissatisfied with the settlement of his claim for benefits or believes he is entitled to benefits, he may make a complaint to the business agent. After the matter is adjusted, the business agent either makes the necessary payment to the worker or explains why no such payment should be made.

Method of financing plan.—Since May 1, 1928, contributions of the employer to the unemployment fund have been authorized at the rate of 3 per cent of the pay roll and those of union members at the rate of 1½ per cent of their earnings. Prior to that time the employers' contributions were placed at 1½ per cent of the pay roll, or a sum equal to that paid in by the employees. In fixing the amount of the contribution it is stipulated that if, and when, the balance in favor of any firm rises to an amount equal to the maximum benefits which it is estimated will be needed during a 2-year period, payments into the fund shall cease until the fund falls below the equivalent of one year's maximum benefit payment, at which time contribution shall be resumed at the regular rate.

The original agreement providing for unemployment insurance also provided that although payments into the fund should begin at once, no benefit payments should be made for eight months. The time limit was later extended to one year. In this way it was possible to build up a reserve fund which has subsequently been used in part and has been added to only from interest payments. As matters stand, there is no provision for maintenance of a reserve in each fund, but it is the practice to keep an amount equal to one season's benefit payment in each fund after paying benefits in any current season.

Statistics of Operation

Table 22 gives data regarding operations under the system from May, 1924, to May, 1931:

TABLE 22.—*Operation of unemployment-benefit plan of Amalgamated Clothing Workers' Union, Chicago, Ill., May, 1924, to May, 1931*

Season	Number of firms covered	Number of union members covered	Number of claims paid	Total benefits paid	Average benefit paid	Balance in fund at end of period	
May, 1924, to November, 1924.....	-----	-----	26, 426	\$942, 501. 52	\$35. 67	\$666, 284. 47	
November, 1924, to May, 1925.....	-----	-----	23, 165	665, 538. 17	28. 73	398, 476. 57	
May, 1925, to November, 1925.....	-----	-----	16, 791	381, 127. 70	20. 28	367, 804. 50	
November, 1925, to May, 1926.....	-----	-----	16, 197	330, 940. 34	20. 43	404, 882. 88	
May, 1926, to November, 1926.....	-----	-----	16, 270	372, 537. 02	22. 90	370, 454. 79	
November, 1926, to May, 1927.....	-----	-----	15, 747	358, 490. 80	22. 77	375, 788. 67	
May, 1927, to November, 1927.....	-----	¹ 206	15, 383	352, 021. 58	22. 89	387, 218. 78	
November, 1927, to May, 1928.....	-----	-----	15, 412	359, 560. 67	23. 33	378, 858. 31	
May, 1928, to November, 1928.....	-----	-----	14, 998	377, 086. 99	25. 14	495, 431. 05	
November, 1928, to May, 1929.....	-----	-----	14, 444	369, 438. 45	25. 58	630, 660. 23	
May, 1929, to November, 1929.....	-----	² 168	13, 980	470, 143. 93	33. 63	638, 704. 43	
November, 1929, to May, 1930.....	-----	-----	13, 803	464, 529. 01	33. 65	579, 147. 66	
May, 1930, to November, 1930.....	-----	-----	13, 441	378, 529. 51	28. 16	554, 857. 79	
November, 1930, to May, 1931.....	-----	⁴ 142	⁴ 12, 979	⁴ 14, 000	⁴ 335, 000. 00	23. 93	⁴ 832, 709. 75

¹ Reserve before benefits were paid amounted to \$1,167,753.67.

² December, 1926.

³ May, 1929.

⁴ April, 1931.

⁵ Estimated.

⁶ Not all contributions are included, and benefits for payment have not been deducted.

General Experience

Distress among union members who had exhausted their rights to benefit and were still without employment led to the payment of special benefits in 1930 from funds to the credit of shops that had gone out of business. Benefits were paid for a maximum of four weeks at the rate of \$10 per week, the persons to receive benefits being designated by the secretary-treasurer of the union.

Again, late in 1930 and in 1931 special benefits were authorized to be paid out of funds raised by assessing union members who were working a total of \$8 per person, to be paid in 16 weekly installments. The employers have made the pay-roll deductions for the assessment and forwarded the total amounts raised to the union office weekly. The funds so raised have been handled as a special fund and distributed to unemployed union members out of work for three months or longer, at the rate of \$5 for single persons and \$7.50 for married men. The last of these payments is to be made at the end of April. At that time the balance in the fund will be used for special cases. The union has designated the persons to receive benefit, and the money has been handled at union headquarters. When the benefit period ends, some persons will have received special benefits each week between December 1, 1930, and April 30, 1931.

While it is obvious from the fact that extra benefits have been paid in both 1930 and 1931 that the unemployment fund has not been adequate to take care of unemployed union members for the whole period of unemployment, it has been and will be possible, by paying benefits for a shorter period per season than has been the practice in better seasons, to aid a greater number of members than would otherwise have been possible. Because of the elasticity of the provisions which allow the various boards of trustees, in agreement with the impartial chairman, to pay benefits for any number of days or weeks up to three and three-fourths weeks in a season, it has been feasible to use the funds on hand to help the greatest possible number of persons without making any change in the agreement set up to provide benefits (i. e., payments for $2\frac{1}{2}$ weeks instead of 3, etc.).

In spite of the slackness of business, a number of small-shop employers and their employees have been able to suspend payments into the insurance funds under the provision that when the reserve of any shop reaches a total equal to the maximum sum needed to meet benefits in two years, further payments shall be temporarily suspended. Perhaps 40 persons are employed in the shops exempted from payments. In one of these shops contributions stopped in 1926 and will be resumed in May, 1931. In the other shops, contributions in one stopped in 1928, in two in 1929, and in eight in 1930, and in none has it been necessary to resume the payment of contributions.

It is stated that nearly a quarter of a million dollars has been distributed in the form of dismissal wages in the Chicago industry during the last few years. Most of this money has been taken from the unemployment funds of the particular firms and a portion from special contributions made for the purpose by employers.

Throughout the period during which the plan here described has been in operation there has been a 44-hour week in the industry.

Men's Clothing Industry, New York City

In 1928, by joint agreement, employers manufacturing men's clothing in New York City and the Amalgamated Clothing Workers of America adopted a system of unemployment benefits. Membership in the union is at present about 22,000 persons; it was 25,000 in 1929. The New York market is characterized by a large number of small clothing shops, 400 being covered by the unemployment-benefit plan the first quarter of 1931.

Outline of Plan

The unemployment-benefit plan was provided for by agreement on June 30, 1928, and the first contributions to the fund were made on September 1, 1928.

Character of plan.—In the plan provision is made for the payment of unemployment benefits to union members. Participation is automatic for union members provided they are on the pay rolls of employers who are parties to the agreement.

Eligibility for benefits.—For the purposes of this plan a person is eligible for benefits if he is involuntarily unemployed owing either to lay-off or to short time, and provided he is a member of the union in good standing at the time he claims benefits. Owing to the severity of unemployment since the plan came into operation, members have been considered in good standing even though far in arrears in their dues to the union.

When a person applies for unemployment benefits the local union and then the unemployment office investigates as to whether he is a bona fide unemployed person. On the basis of the knowledge so obtained, the committees dealing with unemployment matters in the various locals decide which of the unemployed members are neediest, and payments are authorized accordingly.

A member is not disqualified from receiving benefits if he picks up a little work during his benefit period, but if he gets a regular job outside his trade, he is disqualified for further benefits, his action being construed as meaning that he has left the men's clothing industry.

Benefits.—The maximum benefit allowable under the plan is \$30 each benefit period (payable in April and November), or a total of \$60 a year for the two benefit periods in the year. Payments of \$10 are made weekly, and are continued for three weeks per season or six weeks per year if the member receives the maximum benefit allowable in any one year. There is no provision in the plan stating how soon benefits may begin after unemployment starts, nor is anything said as to how many successive seasons a member may receive benefits.

Administration.—Administration is in the hands of a board of trustees composed of three representatives of the union, three of the employers, and the impartial chairman acting as chairman of the board, and also in part by a director, associate director, manager, and counsel of the fund.

All contributions paid into the unemployment-benefit fund are used as one fund for the union membership as a whole. Some employers send their contributions to the unemployment office, while collectors are sent to others for their contributions. The board of trustees decides on the amount of each appropriation for unemployment benefits. A committee of three members appointed from the two administrative groups mentioned above arranges for the payment of the benefits. The amount thereof is allotted to the various local unions on the basis of their respective memberships, and special committees appointed by the executive boards of the locals then decide which applicants within the respective locals shall receive benefits.

All payments of benefits are made at the unemployment office, and the applicant must appear in person to receive the benefits to which he is entitled.

Method of financing plan.—The plan is financed entirely by inside-shop employers' contributions equal to 1½ per cent of the total union pay roll in their particular establishments. As it was deemed advisable that manufacturers (i. e., inside shops) should be made responsible for payments to the fund on all union labor employed in the manufacture of their garments, both in their own shops and in outside contract shops, it was provided that in addition to the 1½ per cent of their direct weekly pay rolls, the manufacturers should make a contribution equal to 1.2 per cent of the amounts paid to contractors. The figure of 1.2 was agreed upon after considerable study, the theory being that 1.2 per cent of the amount that the manufacturers pay to the contractors is (for the purposes of this fund) equal to 1½ per cent of the contractors' union labor cost.

As the unemployment-benefit plan was started so shortly before the depression set in, there was little time to build up a reserve, and no reserve fund has been set aside as such, although a balance has been maintained in the unemployment-benefit fund.

Statistics of Operation

Table 23 shows statistics of operation of the unemployment-benefit fund for men's clothing workers in New York between 1928 and 1931:

TABLE 23.—*Operation of unemployment-benefit plan of the Amalgamated Clothing Workers of America, New York City, 1928 to 1931*

Year or month	Average number of firms covered	Number of union members covered	Number receiving benefits	Total benefits paid	Average benefit paid	Balance in fund at end of period ¹
1928	400	25,000	0			\$49,737.09
1929:						
April	430	25,000	2,300	\$75,000.00	\$32.61	
November	430	25,000	6,400	130,000.00	20.31	187,468.16
1930:						
April	420	22,000	8,700	150,000.00	17.24	
November	420	22,000	9,000	125,000.00	13.89	136,266.78
1931: April (special Easter benefit)	400	22,000	1,000	15,000.00	15.00	158,010.17

¹ Available for distribution in benefits. Administrative expense is about 10 per cent and the funds for this purpose are in a separate account.

General Experience

When the unemployment-benefit plan was established in the New York market it was expected that the rules governing eligibility, amount, and duration of benefit, etc., would be worked out in this market much as has been done under the Amalgamated Clothing Workers' Union plans in Chicago and Rochester. However, severe unemployment came so soon after the machinery for the fund was set up that it was impossible to build up a reserve fund before beginning to pay benefits. The fund had to be used to give immediate relief, and accordingly requirements of applicants for benefit were made less rigid than would otherwise have been the case, and a good deal of flexibility was permitted in granting relief, in order that aid might be given where most needed. Since a large number of union members have been unemployed for long periods, the amount of money in the fund has been insufficient to pay the maximum benefit to all, and the tendency has been toward giving a smaller payment than the maximum amount authorized so that a larger number of persons might be helped. This does not mean that there are not some persons who have received the maximum benefit. In fact, there have been persons in great distress who have received benefits in amounts larger than the \$60 maximum allowable in a year.

No other money than the authorized contribution by employers has been paid into the fund, nor have any formal changes been made in the provisions covering amount and duration of benefit, etc.

The agreement providing unemployment benefits expires June 30, 1931, at which time both parties may offer suggestions for changes, but the agreement will probably be renewed at that time.

Throughout the period the unemployment benefit plan has been in operation, the working time has been 44 hours per week. It is the policy in the organized clothing shops to reduce the use of overtime to a minimum and to divide work, as far as possible, among union workers.

Men's Clothing Industry, Rochester, N. Y.

By joint agreement, signed in 1928, a group of men's clothing manufacturers, members of the Clothiers' Exchange of Rochester, N. Y., and the Amalgamated Clothing Workers of America, provided for an unemployment-benefit plan.

Outline of Plan

The agreement providing unemployment benefits was signed May 1, 1928, contributions were first made July 1, 1928, and the first regular benefits under the plan were paid May 1, 1930. Special benefits were paid early in 1929 by mutual consent of both parties to the agreement.

Character of plan.—Under this plan a system of unemployment benefits is provided for. Inasmuch as up to the present time all contributions have been made by employers, the union members on

the pay rolls of the participating employers have been automatically covered. When, in the future, the provision requiring employees to contribute to the fund is enforced, participation of union members will become compulsory.

Eligibility for benefits.—To be eligible for benefits a person must be involuntarily unemployed, must be registered for employment at the union's employment office, must not have declined suitable employment, must not have exhausted his right to benefits, and, in case of complaint, must have submitted his claim not less than one month after the end of the season. (The seasons are November 1 to April 30, and May 1 to October 31.) He must also have been a member of the union in good standing for one year immediately prior to applying for benefits. If a union member leaves one establishment for another, he becomes eligible for benefits from the funds of the second employer, and his name is stricken from the list of his former employer.

It is not necessary for unemployed union workers to give proof of unemployment, because every firm sends to the unemployment insurance office weekly a copy of the pay roll, showing hours and pay and whether time lost was involuntarily lost. When persons are needed for work they are sent for, and there is no provision for having unemployed workers report at their place of employment in person at regular intervals when out of work.

If an unemployed member finds outside work during periods of unemployment, he does not lose his right to benefit.

Benefits.—The benefit rate and period are subject to revision each season, depending on the amount of money available in the fund. At the end of the past season (December 1, 1930) an employed person received benefits in an amount equal to 25 per cent of average full-time weekly wages in the four weeks when full-time earnings were the highest, but not to exceed \$12.50 per week. As the benefit period was placed at two and one-half weeks, the maximum amount of benefits a person might receive was \$31.25.

For that season also the board of trustees ruled that the waiting period should be two and one-half weeks, or 110 hours, and that hours lost during the weeks when a worker earned \$40 or more should not be credited to the accumulated hours of time lost.

In computing the time lost for any given week one hour of overtime cancels one hour of unemployment for that particular week.

Administration.—A board of trustees, consisting of one representative of the employers and one of the union, has been charged with setting up and maintaining machinery for administering the plan.

This board of trustees has final authority in all matters pertaining to the plan, but may not use the funds paid in for any purpose other than the payment of benefits and the cost of administration. Neither the employers nor the union may interfere in the management of the funds collected. All complaints and grievances must be submitted to the board of trustees.

An office is maintained where a secretary and a group of clerical assistants carry on the necessary secretarial and clerical work. In

this office records are made from the copies of pay rolls submitted by the employers weekly. Benefit checks are turned over to the union for distribution, which sees that the checks are placed in the hands of the proper persons; receipts are supplied by stamping the union-dues books of the persons receiving benefit.

The fund of each manufacturer is administered separately for the benefit of the union members employed by him. If a person leaves one employer to accept employment with another, his name is immediately removed from the roll of the first employer and placed on that of the second.

The benefit paid, the waiting period, etc., are subject to revision in any season by the board of trustees.

Method of financing plan.—Employers' contributions of 1½ per cent of the weekly earnings of each of their union employees have been the only source of funds up to the present. The agreement provides that employees shall contribute 1½ per cent of their weekly earnings as well. This payment by employees was to have started one year after the agreement went into effect, i. e., May 1, 1929, but by mutual consent of the employers and the union the employees' contributions have been waived up to the present, and deductions from employees' wages will not be made until further notice. However, whenever economic conditions warrant it, this part of the agreement will be put into effect.

As has been stated, in the two seasons for which benefits have been paid, the benefit period has been 2½ weeks per season. A permanent ruling provides that a union member may not receive more than one week of benefit for every 20 weeks on the pay roll. Rights to benefit are restored with the coming of each new season.

Statistics of Operation

Table 24 shows the available statistics of operation for 1929 and 1930:

TABLE 24.—Operation of unemployment-benefit plan of the Amalgamated Clothing Workers Union, Rochester, N. Y., 1929 and 1930

Date	Number of firms covered	Number of union members covered	Number receiving benefits	Amount paid in benefits	Average benefit paid	Balance in fund at end of period
1929-30 (special benefits)-----				\$15,000.00		
Apr. 30, 1930.....						\$250,000.00
June 1, 1930.....	12	9,000	7,500	125,000.00	\$16.67	(1)
Dec. 1, 1930.....	10	8,000	7,000	115,000.00	16.43	(1)

¹ Not available.

General Experience

In both seasons that benefits have been paid it has been necessary to make payments to a very large proportion of the union membership covered by this plan. In order to do this, and at the same time

keep the fund on a solvent basis, the waiting period was lengthened in the second season from two to two and one-half weeks, and persons were barred from receiving credit for hours lost in a week when earnings reached \$40 instead of \$45. It is intimated that the basic benefit payment may be kept unchanged at the end of the present season, June 1, 1931, and that the duration of the benefit period may also be kept the same as in earlier seasons, by ruling that a person who earns \$30 or \$35 in a given week shall not receive credit for time lost in that week.

On the occasions when special benefits have been paid, information concerning the payment has been kept confidential. As illustrative of the cases in which special benefits are paid, in the case of an aged clothing worker who was unfit to find or hold a job because of failing health, it was decided to set him up in a small store so that he might be independent and cease to be a liability to the union and employers.

During the period of operation of the plan the working week has remained at 44 hours.

Women's Garment Industry, Cleveland, Ohio

By joint agreement, employers (both proprietors of inside and contract (outside) shops) and the International Ladies' Garment Workers' Union in Cleveland, Ohio, maintain a system under which a certain amount of employment is guaranteed and unemployment benefits are paid if the guaranteed amount of employment can not be furnished. More than two-thirds of the union members are said to be employed in inside shops in Cleveland.

Outline of Plan

This plan was placed in operation in 1921, and the first benefits paid covered the second half of that year.

Character of plan.—Under the provisions of the plan employment is guaranteed for a fixed number of weeks per year, and if the employee is not employed for the number of weeks guaranteed he is entitled to unemployment benefits up to the limit of the funds available. A union member is automatically covered by the terms of agreement if he works in a shop the owner of which is a subscriber to the plan.

Eligibility for benefits.—Under the terms originally adopted, it was not specifically stated what kind of unemployment was compensable, except that a worker would not be compensated if he left his job voluntarily or was discharged for good reasons. Decisions in controversial cases have brought out certain basic principles. For example, decisions have authorized the granting of claims for benefit: (1) When a fire took place in a dull season when the worker would in any case be unemployed, and therefore on benefit; (2) when a firm was liquidated in the middle of the year, the worker being granted a pro rata share of benefit; that is, for the number of weeks he had

earned; and (3) when a man was asked to do work outside his regular occupation and refused.

It is not necessary for union members to give any special proof of unemployment other than the presentation of lay-off slips, which are furnished to them by their employers when they are laid off. When workers are needed in the shop the employer notifies them of that fact. A union member who takes outside work while on lay-off is not disqualified for benefit; he is obligated only to be ready for work when called.

Benefits.—Benefits to inside-shop employees amount to one-half of the guaranteed minimum scale in each craft, for a number of weeks equal to the difference between 1,600 hours, or approximately 38 weeks (the number of weeks of work guaranteed), and the number of weeks worked, provided the total benefits paid do not exceed the amount paid in by the employer.

In theory, payments to peak workers and workers in outside shops are authorized on the same basis, but the funds have never been sufficient to make this possible. Hence, a peak or outside-shop worker may receive the full amount due him in benefits when the first distribution in a given year is made, and only 15 per cent of the authorized amount when the second distribution is made, and even less when the third and last payment of the year is made. No worker is entitled to benefits until he has been unemployed for 14 weeks, the guaranteed employment being for 38 weeks.

Overtime hours cancel the same number of unemployed hours.

For a union member who has not been in the industry during the whole year, the benefit period is prorated according to the number of weeks he has been on the pay roll of the shop where he is employed.

Benefits are paid to regular inside-shop employees weekly when due, the first payment being made for the week following the fourteenth week of unemployment. Peak workers and outside-shop workers receive benefits three times a year, i. e., the first week in July, the first week in October, and the last week in December.

Administration.—Administration of the plan is intrusted to a board of referees as a part of its work under the general agreement in the industry in Cleveland. An impartial chairman, who represents the board of referees, is responsible for carrying out the details of the plan. The impartial chairman's office holds the bonds of employers given in lieu of money to cover the amount of the inside-shop employers' liability to regular inside-shop employees, and also the cash which inside and outside-shop employers are required to deposit to cover the benefit payments authorized for temporary workers (known as peak workers) and employees of outside shops.

The account of an inside-shop owner is administered for the benefit of the workers regularly employed by him, and such owner makes the disbursements when due. The contributions made to cover the cost of benefits to peak workers and employees in outside shops are administered as a single fund and distributed pro rata to those persons entitled to benefit. The impartial chairman's office fixes the amount of payments and turns the money over to the union for distribution.

Lay-off slips are furnished to workers by employers in inside shops each time they are laid off. The impartial chairman's agent visits the outside shops each week to obtain employment and pay-roll records. The inside shops keep their own records, and in case of dispute these records are sometimes checked by the impartial chairman's office.

Any unexpended balance in the fund for the protection of inside-shop workers is returned to the employers at the end of the year. It is provided that any unexpended balance remaining in the fund for peak workers and employees in outside shops shall be returned to the employers in proportion to the amounts they paid in, but so far there has been no balance. None of the money paid into the fund is used for administrative expense, the union and the employers dividing the cost of administration.

Grievances between employers and the union are settled by the impartial chairman. A grievance of a union member goes first to the shop steward and management, then to a representative of the union and employer, and then to the impartial chairman whose decision is binding unless appeal is made to the board of referees.

Method of financing plan.—All money used to pay unemployment benefits is supplied by employers. To cover the cost of benefits to inside-shop employees, the employers are liable for a sum equal to 10 per cent of their direct labor pay roll. Theoretically, this contribution was also required in the case of outside shops, but this requirement was difficult to enforce, and employees in contract (outside) shops did not share in the benefits very extensively. Therefore, in 1928, a separate fund was set up to take care of employees in contract (outside) shops and peak workers whom the employers had been authorized to employ in busy seasons. For this purpose, inside-shop employers were assessed 1 per cent of the pay roll for pieceworkers and one-half of 1 per cent for week workers, and the contractors (outside-shop employers) were assessed 1 per cent of their total pay rolls. In January, 1931, when the agreement came up before the board of referees and the union asked for more liberal provisions covering peak and contract (outside shop) employees, the rate of contribution of inside-shop employers was raised from 1 to 2 per cent of the pay roll of pieceworkers and from one-half of 1, to 1 per cent of the pay roll of week workers, and the rate of contribution of contractors (outside-shop employers) was raised from 1 to 2 per cent.

All inside workers, union and nonunion, are entitled to unemployment pay from the "10 per cent funds" of their respective employers; the "2 per cent fund" is used only for union peak and outside-shop workers.

No reserve fund has been built up, as unused contributions of inside-shop employers for the protection of regular workers in inside shops (10 per cent fund) are returned to the employers if not required in a given year, and the fund built up to pay benefits to peak workers and employees in contract (outside) shops has

never shown a balance after disbursements for the year have been made, and in fact has never been sufficient to pay for all the unemployed time of the workers involved.

Statistics of Operation

Table 25 shows the financial position of the funds between 1921 and 1930, and information relative to employers contributing and number of persons receiving benefit.

TABLE 25.—*Operation of guaranty funds of the Women's Garment Industry, Cleveland, Ohio, 1921 to 1930*

Fund for inside-shop employees¹

Year	Number of employers making contributions	Total contributions to fund	Total benefits paid	Per cent of total contributions paid in benefits	Amount credited to employers at end of period
1921 ²	34	\$86,574.18	\$28,181.91	32.6	\$58,392.27
1922.....	36	277,174.72	34,611.10	12.5	242,563.62
1923.....	34	190,863.27	28,347.77	14.9	162,515.50
1924.....	25	157,878.62	17,039.28	10.8	140,839.34
1925.....	26	157,885.37	24,510.60	15.5	133,374.77
1926.....	23	167,908.38	14,557.01	8.7	153,351.37
1927.....	14	133,917.27	14,705.02	11.0	119,212.25
1928.....	14	119,100.58	19,395.92	16.3	99,704.66
1929.....	11	102,741.17	5,698.13	5.5	97,043.04
1930.....	12	94,893.29	7,752.05	8.2	87,141.24

Fund for peak workers and contract-shop employees

Year	Number of employers making contributions	Number of persons receiving benefits	Total benefits paid	Balance in fund at end of period
1928.....	31	³ 200	\$9,234.65	Nothing.
1929.....	26	³ 241	9,753.41	Do.
1930.....	31	282	8,477.10	Do.

¹ Prior to 1928 contract-shop employees were theoretically paid out of this fund, but in practice it was difficult to collect from contractors, and their employees were therefore not provided for.

² Six months.

³ Approximate number.

General Experience

It is thought by persons affected by the plan that the operation of the plan for guaranteed employment has served to aid in stabilization of the industry. But since the guaranty of employment is for only 38 weeks during the year, a need has been felt for supplying extra help to union members who have been unemployed for especially long periods. In order to give help where most needed, in 1930 special benefits were paid for a time from a fund raised by employed union members (men only). The fund was made up from contributions by members at the rate of 25 cents a day on the

days they were employed, and the money was paid out to those persons whom the union felt were most deserving of extra assistance.

Prior to December, 1923, the amount of benefit payable was two-thirds of the usual earnings. That certain of the employers have felt the financial strain of the system is indicated by the fact that the period for which employment is guaranteed is now 38 weeks a year instead of the 40 weeks formerly guaranteed, while the waiting period has been increased from 12 to 14 weeks. This change was made by a decision of the board of referees, when the employers expressed their desire to have the guaranty waived in inside shops, at least for the duration of the present depression. The need for greater protection of peak and contract-shop workers was recognized when the board of referees increased the employers' contribution to provide benefits for this class of workers. It is stated that the fund to provide benefits for peak and contract-shop employees has been so inadequate that beneficiaries have sometimes received as little as 15 per cent of what was due them when the second payment of the year was made and even less when the third payment was due, the payment of the amounts due in the first pay period of the year having absorbed a large part of the money contributed.

The working time in the industry was reduced from 44 to 42 hours a week, in January, 1930.

Cloth Hat and Cap Industry, New York City

In 1924 a joint agreement was signed by employers and the Cloth Hat, Cap, and Millinery Workers' International Union to provide unemployment benefits for the union members engaged in the hat and cap industry in New York City. Millinery workers have never been covered by the plan.

Outline of Plan

The agreement was signed in July, 1924, and the first contributions into the fund were made in September, 1924.

Character of plan.—Under the terms agreed upon, an unemployment-benefit fund is provided for. Union members working in shops of employers who are parties to the agreement are automatically covered by the plan.

Eligibility for benefits.—In order to be considered unemployed, a worker must be involuntarily out of work, i. e., he must be willing to work but unable to find employment. He must also have been a member of a local union affiliated with the joint council for six months immediately before he applies for benefits and must not be more than four weeks in arrears in his dues (the latter provision has not been enforced). A man on strike or lockout or who leaves a job voluntarily is not considered as unemployed.

The administrative office obtains proof of unemployment of members by checking the lists submitted by shop chairmen, showing time worked and wages earned by union members, and by visiting shops and making inquiry as to these matters.

If an unemployed hat or cap worker gets regular work in his own trade or another trade, he loses his right to benefit. If he gets

part-time work, the difference between the hours he works and the full-time working week is credited to his hours of unemployment.

Benefits.—The benefit payment provided for is \$10 per week for men and \$7 for women. These amounts have been paid from the inception of the plan, with the exception of the period from December, 1926, to early 1930, when the benefit payment was \$13 for men and \$10 for women.

Benefits begin at the end of the second full week of unemployment and cover the second week.

At the beginning of 1931, in order that the benefits might be paid to the most needy, it was ruled that only if a man worked one day or less in a given week would he receive credit for the number of hours lost, i. e., 32 hours or more. In other words, any time lost in a week when a person works more than 8 hours is not credited toward the number of hours of unemployment. After accumulating 80 hours of lost time the member receives benefits for 40 hours, or one week.

A union member is required to serve only one waiting period of 80 hours in a given year (July 1 to June 30). The benefit period has always been limited to seven weeks in any one year. Payment for seven weeks in 1931, however, is contingent upon whether or not there is enough money available in the fund.

Administration.—Contributions authorized under the plan are deposited as an unemployment fund of the New York joint council of the union and are administered solely for the purpose of granting unemployment benefits. A committee of five members of the union, who are elected annually by a majority vote of the membership, administers the fund. The agreement of 1924 provided that an advisory board, composed of the president and secretary of the employers' association, the general secretary of the union, and the impartial chairman of the industry, should have access to the records at any time so that they might keep themselves informed as to the exact purposes for which funds were being used, but that the funds deposited in the unemployment fund should be the property of the union.

Either the shop chairman in a given shop or the employer himself sends the employers' contributions to the administrative office. The shop chairman also sends a weekly statement showing the pay drawn by the members of the union, time worked, etc.

Grievances of members are heard by the joint council. Any grievances which may arise between employers and the union come before the board of adjustment provided for in the general agreement affecting wages, hours, etc.

The fund is administered as a general fund, all contributions going into a single account.

Method of financing plan.—The unemployment-benefit system is supported entirely by the employers, who contribute 3 per cent of their union pay roll for this purpose.

The reserve fund which had been built up was used in 1928 and there has been no reserve fund since then.

Statistics of Operation

Statistics of operation of the unemployment-benefit fund are shown in Table 26 for 1926 to 1930 and January 1 to April 15, 1931:

TABLE 26.—*Operation of unemployment-benefit fund of Cloth Hat and Cap Workers, New York, N. Y., 1926 to April 15, 1931*

Year ending June 30—	Average number of firms covered	Average number of union members covered	Number receiving benefits	Total benefits paid	Average benefit paid	Balance in fund at end of year ¹
1926.....	200	2,300	1,495	\$65,383	\$43.73	\$96,825.43
1927.....	200	2,300	1,628	101,575	62.39	84,217.42
1928.....	175	2,000	1,609	110,424	68.63	19,800.41
1929.....	150	1,800	970	37,253	38.41	12,280.34
1930.....	150	1,700	825	31,295	37.93	12,241.71
1931.....	² 150	³ 1,700	³ 600	³ 26,000	³ 43.33	³ 5,000.00

¹ Reserve for benefits plus surplus. No surplus after 1927.

² To April 15, 1931.

³ Estimated figure.

General Experience

Working hours for the persons covered by the plan were reduced from 44 to 40 hours per week in 1928. Originally, and under the 44-hour week, a union member became eligible for benefits as follows: In any week when he lost 22 hours or more of employment the number of hours lost was credited to his unemployed time. When the hours so accumulated reached a total of 88, he received benefits for the second 44 hours or the second week. In 1928, when the 40-hour week replaced the 44-hour week, the requirements were changed so that a man who lost 20 hours or more in a week was credited with the time and was paid benefits for 40 hours, or one week after he had accumulated 80 hours of lost time.

The rate of weekly benefits was reduced to the original level of \$10 for men and \$7 for women in 1930, after having been \$13 for men and \$10 for women for a period of some three years. It was provided early in 1931 that a person should receive credit for time lost in a given week only if he worked one day or less. By this means it has been possible to help the most needy members and at the same time to keep the unemployment-benefit plan on a solvent basis thus far, but it is possible that it will be necessary to make further changes in the provisions before the end of the current year.

Up to the middle of April, 1931, payments of benefits had been made for a total of six weeks. The fiscal year ends June 30, 1931, and whether there will be a sufficient sum paid into the fund before that date to make benefit payments for seven weeks to union members entitled to payments is uncertain. It is stated that the general shutdown of plants has resulted in curtailed pay rolls and lowered contributions to the fund by employers. In calling attention to the small balance in the fund the administrators of the plan stated that it was felt to be wiser to pay benefits up to the limit possible rather than to maintain a reserve.

At the present time many members of the union are left unemployed after their rights to benefit expire. The union has paid special benefits to some needy persons. The money used for this purpose has not been taken from the unemployment-benefit fund, but has been raised from some kind of benefit entertainment or has been taken from the union treasury. During the Easter holidays of 1931 about \$1,000 was distributed in special benefits.

The union makes a practice of seeing that available work is prorated among its members if there is room for extra machines or if there are idle machines in the shops which are operating under joint agreement.

Cloth Hat and Cap Industry, Philadelphia, Pa.

Local Union No. 6, Cloth Hat, Cap, and Millinery Workers' International Union, of Philadelphia, has for some time made provision for unemployment benefits in agreements with manufacturers employing union members.

Outline of Plan

The plan was started in 1924.

Character of plan.—The plan provides for an unemployment benefit, guaranteeing a minimum wage for a limited number of weeks.

All members who are employed by manufacturers who have entered the agreement with Local No. 6 are covered by the plan.

Eligibility for benefits.—Any member of Local No. 6 employed by a manufacturer with whom an agreement providing for unemployment benefits has been made is eligible for unemployment benefits, provided he has been a member of the union for one year and has been employed in the factory under agreement for at least six months. A member is not eligible if he is more than four weeks in arrears in his union dues.

In order to receive benefits a member must have lost at least 20 hours of work in a week.

The chairman of the shop committee must attach his signature to the member's application for payment before unemployment benefits can be paid. If there is any doubt, an investigation is made.

In periods of much unemployment, members are not required to report every day, but are notified if there is work. If a man does not report when there is work he is not eligible, nor is he if he refuses to take the work offered. In such cases he must start again to accumulate his 20 hours for the week.

Benefits.—The weekly benefits are \$10 to men and \$7 to women. The number of women employed is small—about 5 per cent.

When the plan was started it was necessary for a member to have accumulated 40 hours' loss of work before being paid for the first 20 hours. Since January, 1931, this waiting period has been extended, a member now being obligated to accumulate 80 hours' loss of work before he is paid for his first 20 hours.

Benefit payments are limited to seven weeks in the fiscal year.

Administration.—The plan is administered by a special board of four members of the union, chosen annually by the executive board. Manufacturers who are parties to the agreement send in their checks weekly to the secretary-treasurer of the fund who deposits all money in the bank. The union supplies all employers with printed forms on which they make out a list of all members of the union who have been employed during the week and the amount of wages each has earned. These forms are sent to the secretary of the unemployment board. Payment of unemployment benefits is made by check on Wednesday or Saturday, as convenient. New agreements are made each year.

Method of financing plan.—By the agreement each manufacturer sends to the secretary-treasurer of the unemployment fund each week a sum equal to 3 per cent of the pay roll for union members employed in his shop for that week.

Rules of the fund provide that if at any time the amount in the fund falls below \$1,000, payment of benefits shall be stopped until the fund reaches \$2,000.

Statistics of Operation

The unemployment-benefit plan of Local No. 6, Cloth Hat and Cap Workers, of Philadelphia, was started in 1924. Figures are not available at present for the years 1924, 1925, and 1926, as the records are scattered, and due to the depression in the trade some former secretaries have left the trade and can not easily be reached.

Table 27 gives the statistics of operation of the plan from the beginning of 1927 to April 30, 1931:

TABLE 27.—Operation of unemployment-benefit plan of Cloth Hat and Cap Workers, Philadelphia, 1927 to 1930, and January to April, 1931

Year or month	Number of firms covered	Number of union members covered	Number receiving benefits	Total benefits paid	Average benefits paid	Balance in fund at end of period
1927.....	15	325	176	\$4,564.00	\$25.93	\$10,892.90
1928.....	13	275	205	6,402.00	31.23	7,964.50
1929.....	12	250	195	3,752.00	19.24	7,759.23
1930.....	10	210	180	5,695.00	31.64	6,940.85
1931:						
January.....	8	200	125	1,175.00	9.40	-----
February.....	8	200	50	500.00	10.00	-----
March.....	8	200	40	400.00	10.00	-----
April.....	8	200	60	585.00	9.75	1,300.00

¹ Approximate.

General Experience

The cloth hat and cap industry has been passing through an unusually depressed period. Not only has it felt the general depression along with all other industries but it has to a large extent been the victim of fashion, and unemployment has been extended over a longer period than in some other industries.

The unemployment-benefit plan has proved of great assistance during the past few years. The number of firms contributing has

dropped from 15 in 1927 to 8 at the present time. Many of these have been the smaller shops, however, so that the drop in the number of members covered by the plan has not been quite so great as the drop in the number of firms. With so few manufacturers contributing, and the pay rolls so small, there is not much coming into the fund. There has been a steady decrease in the balance each year since 1927. At the present time there is approximately \$3,000 in the fund. By the rules of the fund, benefits can not be paid when the fund drops below \$1,000. Payments must then be suspended until the fund accumulates \$2,000. Conditions apparently have improved since the beginning of this year. While more persons received benefits in April than in March or February, the number was only half as large in April as in January.

At the beginning of 1927 there was a good balance in the fund and times were good, and union members voted to raise the amount of benefits to \$15 for men and \$10 for women, and it was also decided to establish a 20-hour waiting period in place of the 40-hour waiting period. Before six months had passed the fund was nearly exhausted, and payments had to be suspended. By the beginning of 1928 the fund had again reached \$2,000 and payments were resumed, but the union had learned that in apparent prosperity a conservative use must be made of the funds, and the benefits, as noted above, were again set at the original amounts of \$10 and \$7.

Attempts are made to distribute work as evenly as possible throughout the firms. A 40-hour week is provided by agreement but owing to the depression there is much short time. Whenever there is rush work the employment of new workers is favored rather than overtime.

There has been much unemployment among the members after they have exhausted the amount of unemployment benefits allowed, but conditions would have been much worse had there been no benefits, and the intention is to carry on the plan. No change in the plan is contemplated.

Straw Hat Industry, New York City

Two locals of the United Hatters of North America, i. e., Local No. 3 and Local No. 45, made up of straw and Panama hat operatives of New York City, maintain joint agreements with their respective employers providing unemployment-benefit systems. Descriptions of the plans of both Local No. 3 and Local No. 45 are given below.

Local No. 3 and certain manufacturers

Outline of Plan

The agreement providing for benefit payments was signed in November, 1925, the first payments being made about six months later.

Character of plan.—Under the plan, a system of unemployment benefits is provided for. Every union member employed in a shop which is under agreement to provide benefits is covered by the plan. Members of the union working in shops that are not parties to the agreement have the privilege of contributing to the fund, but partici-

pation is not compulsory for them and they have not availed themselves of this privilege.

Eligibility for benefits.—For the purpose of this fund, unemployment signifies involuntary unemployment only.

Every member of the union employed in a union shop under agreement who has been in continuous good standing for six months immediately prior to his application for benefits is eligible. A union member who is not employed in a union shop but has contributed \$1.50 a week for 40 weeks prior to making claim is entitled to unemployment benefits.

Any member violating any of the by-laws is subject to a fine at the discretion of the executive board.

Members who are out of work must report Monday and Friday of each week between 10 and 12 a. m.

A person is not considered unemployed if working at all, and does not draw benefits if employed outside his regular occupation. It is expected that union members will find outside work if possible when on lay-off.

Benefits.—The plan provides for benefit payments of \$10 a week. If a person secures any work in a given week, he becomes ineligible for benefit covering that week.

Any member claiming unemployment benefit must have been out of work two weeks before he is entitled to one week's benefit. One waiting period is sufficient for a year. No member may receive more than six weeks' benefit in any one calendar year.

Administration.—A special unemployment committee, consisting of six members, is appointed each year, by vote of the executive council of the union, to administer the fund. Contributions to the fund are collected each pay day by the shop steward in each factory and turned over to the treasurer of the fund. The fund can be used only for unemployment benefits, and such expenses as are necessary to carry on the work.

Applicants for unemployment benefits must apply at the local union office on Monday or Thursday. Benefits are paid on the following Monday or Thursday. Unemployment benefits are paid by check to members in person only.

No right or interest of any member in this unemployment fund can be assigned, transferred, or bartered away directly or indirectly, nor is it subject to attachment, execution, seizure, or other process. The committee may pay any benefit to which a deceased member would have been entitled, at its discretion. No heir, next of kin, legal representative, creditor, or claimant of any such descendant, shall have any right or claim to any such benefit.

Appeals from the decision of the unemployment-fund committee may be taken to the executive board. In such case a special hearing is held. At least a majority of all members of the executive board must be present in such cases, and a two-thirds vote of all members present is necessary to overrule the decision of the unemployment-fund committee. No member of the unemployment-fund committee shall act on the executive board when an appeal is made. A full report of the income and expenditures, together with recommendations, is submitted every year by the unemployment-fund committee to the executive board.

Means of financing.—Every employer having an agreement with Local No. 3 pays 3 per cent of his pay roll each week to the local union as an unemployment-benefit fund. No employer making payments to the fund through an agreement shall acquire any right, property, or interest in the fund.

Any member of the union not working in a union shop under agreement may contribute \$1.50 per week for 40 weeks a year and draw benefits from the fund. (No member has ever taken advantage of this.)

Before beginning payments a fund of about \$10,000 was accumulated. There is no requirement providing for maintenance of a reserve fund at a certain amount.

Statistics of Operation

Table 28 shows statistics of operation under the plan from 1926 through the first quarter of 1931:

TABLE 28.—*Operation of unemployment-benefit plan of United Hatters, Local No. 3, New York City, 1926 to 1930 and first quarter of 1931*

Year	Number of firms covered	Number of union members covered	Number receiving benefits	Total benefits paid	Average benefit paid	Balance in fund at end of period
1926.....	10	250	¹ 163	\$5,525.00	\$33.90	\$10,328.06
1927.....	12	275	275	16,380.00	59.56	9,170.37
1928.....	12	291	195	10,580.00	54.26	9,412.57
1929.....	10	216	171	8,580.00	50.18	(?)
1930.....	9	214	210	12,120.00	57.71	(?)
1931 (first quarter).....	9	214	0	0	0	(?)

¹ Last half of year.

² Not reported.

General Experience

The fund has been sufficient to meet all benefit claims throughout the period that this plan has been in operation. It is stated that the fund of \$10,000 built up before benefit payments were made has been an influential factor in making this possible. However, demands upon the fund have become so heavy that of late expenditures from the fund have been exceeding contributions to the fund, with the result that the balance in the fund has dwindled. Even in the face of the depletion of the fund, the union feels that it will be possible to continue the plan without interruption if industrial conditions do not grow worse.

Unemployment beyond the six weeks for which benefits are allowed exists among a considerable number of the members of the union covered by the unemployment-benefit plan. Nevertheless, there has been no move to use the fund to give special relief, and such relief as is furnished is given by the union from union funds.

It is felt that the plan has been very helpful. No changes have been made in the terms of the agreement to furnish benefits, and no changes are contemplated at this time.

Local No. 45 and certain manufacturers

Outline of Plan

The first agreement was signed in August, 1924, with benefits beginning July 15, 1925.

Character of plan.—The plan provides an unemployment benefit, guaranteeing a minimum wage for a limited period.

All union members employed by manufacturers who enter into an agreement are covered by the plan. The plan is open to members in nonunion shops if they so desire and contribute to the fund. A new agreement is made each year.

Eligibility for benefits.—Every member of Local No. 45 who has been in continuous good standing for six months immediately prior to his application for benefits, either by working in a shop that is contributing under agreement or by contributing 3 per cent of his wages to the fund, is eligible for unemployment benefits. His union dues must be kept up to date in order to be in good standing.

For the purposes of the fund, unemployment means involuntary unemployment. If a man is ready and willing to work and there is no work for him, he is considered unemployed. No payments are made while on strike or lockout.

Any member claiming unemployment benefits while out of town is not deprived of his benefits, but receives whatever is due him when he returns.

No right or interest of any member in the unemployment fund can be assigned, transferred, or bartered away directly or indirectly, or be subject to attachment, execution, seizure, or other process. The committee may, at its discretion, pay any benefit to which a deceased member might have been entitled to such person or persons as it determines, but no one has any right to such a claim.

Any member who violates the rules of the unemployment fund is deprived of the benefits of the fund. There are no rules as to outside work.

Any member claiming benefits must report by mail to the secretary with return address on the envelope. No proof of unemployment is required, this being a small local where members are well known. Members do not have to report regularly.

Benefits.—Benefits are paid at the rate of \$10 a week, or an amount sufficient to bring a member's wages up to that amount.

A member must be out of work at least two weeks before he is entitled to benefits.

The fund provides for payment of benefits for six weeks per year, but at present, benefit may be drawn for an unlimited time in the discretion of the board.

Administration.—The fund is administered by an unemployment-fund committee composed of one member from each factory, chosen by majority vote of the executive board of the union. They serve one year.

Each manufacturer under the agreement makes his contribution to the shop steward in his factory each week. This money is turned over to the financial secretary of the fund. At the same time a list is submitted showing the workers covered and the amount of wages each received. Contributions of members in nonunion shops where

there is no agreement are made direct to the union office and are then turned over to the treasurer of the fund.

Every claim for benefit is considered by the committee and payment of benefits is made by check at the union office each week.

Any appeals from the decisions of the unemployment-fund committee may be taken to the executive board. A special hearing is held in such cases, at which at least a majority of members must be present. A two-thirds vote is necessary to overrule the decision of the committee.

Every year the committee submits to the executive board a full report of the fund, together with recommendations as to increasing or decreasing the amount of benefit, or any other changes in connection with the plan. In case the board shall find it advisable to make any changes, such changes shall be subject to the approval of the membership at a regular or special meeting.

No employer, by making payments to the fund, acquires any right, property, or interest whatever in the fund. His responsibility ceases when he has made his contribution.

Method of financing plan.—Every manufacturer who has an agreement with Local No. 45, providing for an unemployment benefit, contributes to the fund each week a sum equal to 3 per cent of the pay roll paid to the union members of Local No. 45 in his factory. Any members not employed in a factory with which there is an agreement may be covered by the plan by contributing 3 per cent of their wages into the fund.

Statistics of Operation

The following table shows statistics of operation under the plan from 1925 through the first quarter of 1931:

TABLE 29.—*Operation of unemployment-benefit plan of United Hatters, Local No. 45, New York City, 1925 to 1930 and first quarter of 1931*

Year	Number of firms covered	Number of members in union	Number of union members covered	Number receiving benefits	Total benefits paid	Average benefit payment	Balance in fund at end of period
1925.....	5	130	106	37	\$1,558.00	\$42.11	\$4,533.83
1926.....	5	130	106	72	2,898.50	40.26	8,887.47
1927.....	5	130	108	84	5,000.00	59.52	9,879.93
1928.....	5	110	102	62	4,130.25	66.62	9,635.39
1929.....	4	75	70	37	5,086.50	137.47	7,359.92
1930.....	3	45	40	29	4,374.70	150.85	4,723.97
1931 (first quarter).....	3	45	40	-----	-----	-----	4,870.02

General Experience

The straw-hat industry is a seasonal one, and there is always a great deal of unemployment at certain times during the year. During the last few years the industry has been at a very low ebb, and many members have been forced to leave the trade. In 1925, when benefits under the agreement providing for unemployment benefits were first paid, there were 130 members in Local No. 45. The membership has constantly decreased until at present there are but 45

members. There has always been a small number of members employed in open shops, but few of these members have contributed to the unemployment fund. At present there are no members covered by the plan who are not employed in factories with which there is an agreement.

The unemployment-benefit plan has always been able to provide for the benefits claimed under the rules of the fund, and, as already noted, from time to time the number of weeks during which members could draw benefits has been increased. Thus when the plan was first started a member could draw but four weeks' unemployment benefits in one year. Soon afterwards this time was extended to six weeks. Since 1928 the benefit period has been extended at the discretion of the executive board, due to the depressed conditions of business and the need for unemployment benefits. There is no limit to the period at present. During the last half of 1930, 12 members received benefits for a period of 10 weeks and 15 members for a period of 6 weeks.

The ratio of members to whom benefits have been paid to the total membership has steadily grown, and the average benefits paid have also increased. The balance in the fund at the end of each year has grown smaller every year. At the present time (April, 1931) there is a balance of \$4,870.02 in the fund, which is somewhat more than there was in the fund at the beginning of the year, but this is due to the fact that so far this year, this being the busy season, there has been no unemployment sufficient to make any benefit payments necessary. The season ends in July and for the last two years has not started until the latter part of October, and the union looks forward to heavy demands upon the fund later in the season.

The plan has been successfully carried on and has been a great help in meeting the unemployment problem. In recent seasons there have been many members unemployed after their right to benefit has been exhausted. In cases of necessity the period has been extended, but even then there have been members in need for want of work. The fund is used for no other purpose than unemployment benefits. Any distress in the union is taken care of by a separate fund or individual assistance from the members through the union.

The union members feel that an unemployment plan is necessary and hope to be able to continue their present plan. There are no changes contemplated. There are sufficient funds at present to carry on for some time to come, and the hatters are hopeful that conditions will improve.

Full-Fashioned Hosiery Industry

On August 1, 1930, an agreement was made between the Full Fashioned Hosiery Manufacturers of America (Inc.) and the American Federation of Full Fashioned Hosiery Workers, providing for the creation of an unemployment fund, but no benefits have as yet been paid.

Outline of Plan

The agreement provided that beginning August 1, 1930, each member of the association should contribute to an unemployment

fund a sum equal to 1 per cent of the weekly wages paid to such workers in the member's factory as are covered by the agreement. These contributions are made coincident with the wage payments.

Administration.—By the agreement the fund is to be placed in the hands of a committee or board for administration, use, and disposition such as will be provided in a supplementary agreement to be made between the association and the union. Until such a committee was appointed payments were to be made to the impartial chairman, as trustee.

The board of administration (consisting of 7 members, 3 representing the members of the association and 3 representing the union, and the impartial chairman as chairman of the board) has been appointed and on January 5, 1931, held its initial meeting in Philadelphia for the purpose of formulating a definite plan for the administration of the fund.

Method of financing plan.—By the agreement, beginning September 1, 1931, the union is to contribute to the fund an amount equal to one-half the sum contributed each and every week by all the members of the association, by permitting each member of the association to deduct from the wage of each employee who is subject to this agreement one-half of the amount which was contributed to the fund by the member of the association in respect to the wage of the employee.

The committee or board of administration is to study the question during the year and make recommendations as to what the assessments should be for the ensuing year to provide adequate protection for the workers against unemployment, but such recommendations are to be subject to adoption or rejection in whole or in part.

No definite method of carrying on the plan has been made. This will not be done until a much more complete study of the problem and methods has been made. It is generally agreed that both employers and employees should contribute to the fund, but in what proportion each is to contribute is in no way settled. It is also generally agreed that at least 3 per cent of the workers' wages will be necessary, but whether the proportion will be $1\frac{1}{2}$ per cent and $1\frac{1}{2}$ per cent or 2 per cent and 1 per cent has not been decided.

Members of the association will not have any right, property, or interest in the funds accumulated under this agreement and will incur no other responsibility in connection with the disbursement of the fund beyond the obligation to make the contributions. Neither shall any employee or the union in any way acquire specific rights, property, or interest in the fund.

General Experience

Employers have been contributing to the fund, though in some cases difficulty had been met in collecting the contributions. It was decided at a recent meeting of the board of administration that for the term of the present contract this fund will be used for the purchase of United States Government bonds and deposited with the Harriman National Bank and Trust Co. of New York City as custodian of such securities. Contributions are to be made, as

formerly, to the impartial chairman, who is now chairman of the board.

Thirty-one firms, about 25 per cent of the industry, are contributing to the fund at the present time. When the agreement was made it was estimated that with these members contributing 1 per cent of the wages paid to workers covered by the agreement it would be possible in a year to build up a reserve fund of \$250,000. With business conditions as they have been during the past year, the amount actually collected has fallen far short of the estimate, so far short that officials are not willing to make any statement as to the amount collected. They have said that if 20 per cent of the amount estimated, or \$50,000, is collected during the year, they will be doing well.

The board of administration contemplates favorably the desirability of consulting expert economists in the formulation of an unemployment-benefit plan.

Recommendations will be influenced greatly by conditions which prevail. It may not be possible to carry out such a plan as was originally proposed, the reserve fund falling so far below the estimate. It will probably be necessary to provide for a higher rate of contributions than first established, in order to make the plan effective. However, there is felt to be a very great need for such a plan as unemployment has been extremely serious among the hosiery workers during the past year.

The membership of the union was reported as 15,000 in 1929.

Lace-Curtain Industry, Kingston, N. Y.

Joint agreement between the United States Lace Curtain Mills, of Kingston, N. Y., and the Amalgamated Lace Operatives of America, Branch No. 8, has provided the unemployment-benefit system here described. Normally this company employs 100 to 110 persons but at present about 80 are employed. The unemployment-benefit plan covers only the weavers employed in the mill who are also members of Branch No. 8. The membership of the local is at present, and has been since the agreement was signed, 16 persons, all of whom are employed in this one mill. The normal working week is 48½ hours.

Outline of Plan

An agreement was signed in 1923 to provide for this plan, contributions were first made on April 1, 1923, and the first benefits were paid in November, 1923.

Character of plan.—Provision is made for an unemployment benefit which is the difference between earnings and the minimum wage guaranteed. Since the plan is subscribed to by the union for its membership, support of the plan by union members is obligatory.

Eligibility for benefits.—The plan provides for payment of the unemployment benefit when a member, because of waiting for orders or machine repairs, loses so much time that his earnings are reduced to less than \$15 a week. Complete shutdown of the factory is not paid for, nor are vacations or time lost on strike or lockout.

Every member of the local union, in good standing, who is employed by the United States Lace Curtain Mills is eligible.

Members who are unemployed must report at the mill every day up to Friday noon of each week. A man who has had some work during the week must report when notified.

If a member is unemployed at the mill and secures outside work, he is not eligible for compensation during the time he is employed outside.

Benefits.—According to the agreement, each weaver in the mill who is a member of the local union (and all are) is to receive a minimum wage of not less than \$15 a week. If a weaver has not had sufficient work to bring his pay up to this amount, the difference is paid him from the unemployment fund.

If there are orders for the men and they do not work their full scheduled hours, the difference for the time lost will be deducted from their benefit, if any is due, at the rate of 30 cents per hour or fraction thereof.

In June, 1930, because of continued short-time operation, the guaranteed minimum wage of \$15 a week was given up and there was introduced a system of prorating the guaranteed minimum according to the actual time the mill worked. This resulted in a decrease of the guaranteed minimum to \$8.25 a week. Since then the lowest guaranteed minimum has been \$6.90 per week and the minimum in April, 1931, was \$13.50.

There is no waiting period. The eligible member is paid his minimum wage every week.

There is no limit to the amount of benefit a member shall receive nor to the time during which he shall receive it. The object of the plan is to provide every member with the minimum wage every week throughout the year.

Administration.—The fund is administered by a board of four managers, two of whom represent the local union and two represent the mill. This board of managers is elected annually.

One of the mill representatives acts as treasurer of the fund. Each week the secretary of the local union collects the members' contributions and turns them over to the treasurer of the fund. The treasurer of the fund collects the contributions of the employer weekly. The funds must be deposited in a bank each week, and no funds can be paid out without the signature of two members of the board of managers, one representing the union and one the mill. The funds may be placed in a savings bank at the discretion of the board of managers. Each year a statement is presented showing the exact condition of the fund.

Every Wednesday the secretary of the local union and the treasurer of the fund go over the pay roll for the previous week and ascertain who is entitled to benefits. The names and amounts due are given to the board of managers, who order payment to be made. Benefits are paid by check on Friday, the regular pay day.

Any disputes are referred to the board of managers, and in case they can not come to an agreement the shop foreman makes the final decision.

The plan may be discontinued at the option of either party to the agreement on a six months' written notice. If the plan should be discontinued, the funds would be equally divided between the union and the company.

Method of financing plan.—The fund was started with a contribution of \$50 by the company and \$50 by the local union. Subsequently every union member whose earnings for a week have been \$18 or more has contributed 50 cents to the fund, and an amount equal to that paid by the union members in a week has also been paid by the company. In all contributions of any nature the union and the mill share equally. No reserve fund has been set up.

Statistics of Operation

Table 30 shows statistics of operation under the unemployment-benefit plan provided for weavers in the United States Lace Curtain Mills between 1923 and 1931:

TABLE 30.—*Operation of unemployment-benefit plan of Branch No. 8, Amalgamated Lace Operatives of America, and United States Lace Curtain Mills, Kingston, N. Y., 1923 to March, 1931*

Year and month	Number of union members covered	Number receiving benefits	Average benefit paid	Balance in fund at end of month or year	Loans to fund at end of year	Actual balance at end of period	Total benefits paid	Cash received in dues
November, 1923, to November, 1924..	16	16	\$34.58	\$248.30	---	+\$248.30	\$553.29	\$801.59
November, 1924, to November, 1925..	16	16	85.80	78.47	\$500	-421.53	1,372.83	703.00
November, 1925, to November, 1926..	16	16	59.16	202.89	400	-697.11	946.58	671.01
November, 1926, to November, 1927..	16	16	28.51	291.19	700	-408.81	456.09	744.39
November, 1927, to November, 1928..	16	16	31.92	194.46	200	-5.54	510.73	714.00
November, 1928, to November, 1929..	16	16	11.54	613.87	---	+613.87	184.59	804.00
November, 1929, to December, 1930..	16	16	107.91	125.33	700	-574.67	1,726.52	535.00
1931:								
January.....	16	()	()	()	()	()	63.75	()
February.....	16	()	()	()	()	()	33.64	()
March.....	16	()	()	()	()	()	71.70	()

¹ Not yet available.

General Experience

Operation of the plan has served to keep the members of Local No. 8 in Kingston and has thus afforded the United States Lace Curtain Mills a labor supply of skilled weavers which might not otherwise have been available.

At present some workers have only part-time employment, and a year ago all workers were on part time because the mill shut down daily at noon. The amount of short time worked has resulted in such heavy demands being made on the fund that it has been necessary to make loans to the fund and to lower the benefit payments from time to time.

During 1925 and 1926 many loans were made to the fund by the mill employers and the union. Then in 1927, 1928, and 1929 conditions improved and the fund showed a balance of \$613.87 in November, 1929. Since that time benefit payments have been exceedingly heavy and a substantial loan to the fund is now outstanding. The union has worked out a plan whereby funds are raised from the membership which may be used to increase unemployment benefits to members at times when the regular benefits are reduced because members are working shorter hours per day than normal. Under this plan every weaver who earns \$18 to \$20 in a week contributes

50 cents; those earning \$20 to \$25 contribute \$1; those earning \$25 to \$30 contribute \$1.50, etc.

In order to keep the benefit system actively in force it has been necessary, as already explained, to reduce the amount of the weekly guaranty at times.

No further changes in the terms of the agreement are contemplated at this time, and both the mill employers and the union are desirous of having the unemployment provisions continued as long as possible. Should it become necessary to abandon the plan, which is not contemplated, it would probably be brought back into active operation as soon as conditions made it possible.

Lace Industry, Philadelphia, Pa.

In the lace industry of Philadelphia five separate unemployment-benefit plans are maintained. Three of these are maintained solely by trade-union members and are described in the section on trade-union plans. The other two plans are established by joint agreements—one between the Bromley Manufacturing Co. and its lace weavers who are members of Branch No. 1 of the Amalgamated Lace Operatives, and the other between the Bromley Lace Co. and its Levers machine weavers who are members of Branch No. 18 of the union. These two joint-agreement plans are described below.

Lace curtain weavers and the Bromley Manufacturing Co.

Outline of Plan

The agreement providing a benefit system was signed in January, 1924.

Character of plan.—The plan provides for an unemployment fund jointly supported by the Bromley Manufacturing Co. and the members of Branch No. 1 who are employed by that company. All members are lace-curtain weavers. The plan guarantees a minimum wage to eligible members. The plan is compulsory for all weavers employed at this mill.

Eligibility for benefits.—All members of Branch No. 1 employed by the Bromley Manufacturing Co. are eligible for benefits.

Unemployment covers involuntary unemployment such as waiting for orders, repairs on machines, etc. Benefits were not to be paid for shutdowns or stock taking, although if the funds permit stock-taking vacation is paid for.

By the rules of the agreement members must report for work daily and must begin work at once if there is work. In periods of depression this rule is not strictly adhered to but left to the discretion of the foreman. Members usually report twice a week.

If there is work and the member does not report, or if he refuses to do the work offered, he is not eligible for benefit payments.

Members drawing sick benefits are not eligible for the unemployment benefits.

There are no rules as to outside work.

Benefits.—The benefits paid are \$15 a week, or an amount sufficient to bring each member's wage in a given week up to that amount.

There is no waiting period and no limit to the amount a member may draw. The object of the plan is to provide an income of at least \$15 every week.

Administration.—The fund is administered by a board of managers, 4 in number, 2 of whom represent the company and 2 the shop. This board of managers is elected annually.

The shop collector collects all dues and turns them over to the board of managers. The company contributes a sum equal to that contributed each week by the members of Branch No. 1 employed at that mill, and the money is deposited in a bank or in reliable investments at the discretion of the board.

The board of managers decides by Wednesday of each week the amount of benefits due each member. Money for this is drawn from the bank by check, which requires the signature of one representative of the company and one of the union. Payment of benefits is made in cash on regular pay days.

A statement of the condition of the fund is rendered annually to the company and to the operatives.

Amendments may be made to the rules of the fund at any time if mutually satisfactory to the union and to the company. The fund may be discontinued altogether at the option of either the company or the operatives, on six months' written notice of such intention. In such case, the money would be equally divided between the company and the union.

Method of financing plan.—When the fund was started every weaver of Branch No. 1 who was employed by the Bromley Manufacturing Co. and earned \$18 or more contributed 50 cents each week. Members earning less than \$18 per week were exempt. The company contributed an amount equal to that contributed by the employees each week. At the end of 1929, owing to bad business conditions, the company suspended further payments to the fund. The shop members also suspended payments for the first six months of 1930, so that nothing was coming into the fund during that period.

In 1927 there was a donation of \$500 from the president of the Bromley Manufacturing Co. and another of \$200 from the same source in 1929. These donations were not made because the balance in the fund was low, but because similar donations were being made to the unemployment-benefit funds supported by the employees alone in other plants of the company. In 1929 the fund received \$1,626.36 from Branch No. 1, as its pro rata share of \$5,000 which Branch No. 1 distributed among its three shops.

In July, 1930, the members of Branch No. 1 again began to make payments into the fund at the same rate as formerly. At the beginning of 1931 a change was made in the system of contributions to the unemployment-benefit fund, these being placed on a sliding scale basis, ranging from no payment by workers receiving less than \$16 per week to \$2 per week for those receiving \$76 or over per week.

Statistics of Operation

Table 31 gives statistics of operation under the plan for the years 1925 to 1930 and for the first quarter of 1931:

TABLE 31.—*Operation of unemployment-benefit plan of Amalgamated Lace Operatives, Branch No. 1 and Bromley Manufacturing Co., Philadelphia, January 31, 1925, to March, 1931*

Year ending January 31—	Number of union members covered	Number receiving benefits	Total benefits paid	Average benefit paid	Balance in fund at end of period
1925.....	66	10	\$38. 79	\$3. 88	\$2, 963. 29
1926.....	65	47	686. 26	14. 60	5, 407. 02
1927.....	60	42	610. 13	14. 53	8, 599. 63
1928.....	65	65	980. 50	15. 08	11, 268. 93
1929.....	67	67	3, 014. 38	44. 99	13, 755. 84
1930.....	70	70	2, 959. 66	42. 28	¹ 12, 885. 72
1931.....	68	68	7, 991. 20	117. 52	¹ 5, 406. 49
February and March, 1931.....	68	² 7	148. 96	21. 28	¹ 5, 257. 53

¹ This does not include the contributions made by the union members alone since July, 1930. On Apr. 1, 1931, these contributions amounted to \$2,000. No payments have been made from this separate fund.

² Claims, not persons.

General Experience

The unemployment-benefit plan carried on jointly by Branch No. 1 and the Bromley Manufacturing Co. has been very successful. At all times benefits have been taken care of and at times the funds have been sufficient to allow for the payment of a vacation period to all members during stock taking.

In December, 1929, the company suspended payments to the fund due to the condition of business. There has been no official withdrawal from the agreement, however, so that the plan is still considered a joint plan, and the company has stated that if business regains its normal condition it will resume payments to the fund. The company also indicated that in case it does resume payments it will contribute to the fund an amount equal to the amount the union members have put into the fund since the company suspended payments.

Since the company ceased its payments all benefits have been paid from the joint fund but no income has been paid into it; this procedure will be followed until the fund is wiped out. At present there is a balance of \$5,257.53 in this joint fund. No payments have been made from the fund to which the employees alone are contributing; this fund now amounts to \$2,000.

The two funds are kept separately but are still administered under the joint plan by a board of managers representing the company and the union. Members of the union who are employed by the company feel that it is a wise policy to continue in the same manner as when the company was contributing, feeling that the members will fare better in the matter of employment if the company still has an interest in the plan.

At the beginning of this year members increased their contributions and hope to be able to carry the plan through at all times. No changes are contemplated.

Levers Machine Operators and Bromley Lace Co.

Outline of Plan

The Levers section unemployment fund was started on January 15, 1926, the first benefits to be paid, if needed, on July 16, 1926.

Character of plan.—The plan provides for an unemployment benefit, guaranteeing a minimum wage.

Eligibility for benefits.—Any members of Branch No. 18 employed by the Bromley Lace Co. who desire to contribute to the fund are eligible for benefits after contributing for six months.

Unemployment covers involuntary unemployment such as waiting for orders, repairs on machines, etc. Benefits are not to be paid for shutdowns or stock taking, although if the funds permit stock-taking vacation is paid for.

By the rules of the agreement members must report for work daily, but this rule is not adhered to in periods when there is a great deal of unemployment. Members are notified if needed. If a man is notified and does not report, or if he refuses to do the work offered, he is not eligible. There are no rules as to outside work.

Benefits.—Benefits paid are \$15 a week or an amount sufficient to bring each member's wage for the week up to that amount. There is no waiting period and no limit to the amount a member may draw. The object of the plan is to provide a wage of at least \$15 every week.

Administration.—The fund is administered by a board of managers, four in number, two representing the company and two the union. The funds are collected by the secretary of the board of managers and deposited in a bank within 24 hours.

The board of managers decides on or before Wednesday of each week what members are entitled to benefits and payment is made in cash on Friday. The check drawing the amount needed from the bank must be signed by two members of the board of managers, one representing the company and the other the union. The board of managers renders a statement annually showing the exact state of the fund.

The rules as to the unemployment fund may be amended if mutually satisfactory to both the company and the union. The plan may be discontinued entirely at the option of either side on six months' written notice.

Method of financing plan.—Originally the unemployment fund was maintained by equal contributions of the union employees and the company, but at the end of 1929 the company suspended its contributions and the employees now maintain the fund by their own contributions, which in January were fixed at \$1 for all members earning over \$20 a week.

Statistics of Operation

Complete statistics are not available for the joint unemployment-benefit plan of Branch No. 18, Amalgamated Lace Operatives of America and the Bromley Lace Co., as part of the records covering the fund were destroyed by fire.

The available figures are for the years 1926 to April 15, 1931, which are given in Table 32:

TABLE 32.—*Operation of unemployment-benefit plan of Levers machine operators and Bromley Lace Co., 1926 to April 15, 1931*

Year	Number of union members	Number of employees covered	Number of employees receiving benefits	Total benefits paid	Average benefits paid	Balance in fund at end of period
1926.....	20	9	9	(1)	(1)	(1)
1927.....	(1)	(1)	(1)	(1)	(1)	\$652.42
1928.....	(1)	(1)	(1)	\$89.25	(1)	1,507.77
1929.....	27	16	16	2 183.80	(3)	2,112.29
1930.....	41	26	26	1,442.56	\$55.48	1,363.38
1931, to Apr. 15.....	41	26	26	4 40.00	1.54	1,587.00

¹ Not available.

² Last six months only.

³ Since the amount in benefits is not available for the first six months of the year an average can not be given.

⁴ Approximate.

General Experience

The joint plan of Branch No. 18 and the Bromley Lace Co. has been a successful one. It has been possible to pay benefits at all times.

Benefit contributions were made from January 15 to July 15, 1926, before any benefits were paid. The rate of contribution was placed at 50 cents per week for all members covered by the plan who earned \$18 or more and the company contributed a like amount each week. At the end of 1929 the company suspended payments to the fund until business conditions should improve. Shop members continued payments as usual and have carried on the plan alone since the beginning of 1930. In January, 1931, the union agreed to raise the contributions to \$1 a week for all members earning over \$20.

In 1930 funds were seriously depleted. At the present time, however, the fund amounts to \$1,587, a larger amount than there has been since 1927, with the exception of 1929 when the fund reached \$2,112.29.

The fund is still administered as it was when the Bromley Lace Co. was contributing. The employer has stated that when business conditions allow he will resume payments, and has indicated that in such case he will donate a sum equal to what the members of the union have contributed since the company suspended payments.

The benefit has been of great assistance to members and to the company as well. The employees covered have been assured of jobs and a steady, if small, income. The employer has been sure of the services of skilled workers.

No changes in the plan are contemplated.

Lace Industry, Scranton, Pa.

In 1923 the Amalgamated Lace Operatives of America, Branch No. 3, entered a joint agreement with the Scranton Lace Co. to provide unemployment benefits for the members of the union, all of

whom are in the service of this company. This plan superseded a trade-union plan maintained by Branch No. 3.

The Scranton Lace Co. manufactures curtains, colored draperies, and bedspreads. Normally, about 1,200 persons are employed by the company. On September 30, 1930, there were 876 persons in the employ of the company.

Outline of Plan

The agreement providing the unemployment-benefit plan was signed in July, 1923.

Character of plan.—The plan provides for an unemployment-benefit payment sufficient to bring the earnings of a person eligible to benefits up to the guaranteed minimum weekly wage. Participation in the plan is compulsory for members of the union employed by the Scranton Lace Co.

Eligibility for benefits.—Benefit is paid for time lost waiting for orders and waiting for repair of machines. No benefits are paid for shutdown or vacations, under the agreement. In cases when the mill has closed down for a day or two benefit has been paid. No long period of shutdown has ever occurred. All members of Branch No. 3 who are employed by the company are eligible for benefits.

The original agreement provided that in case two operatives were working as a team, and either person was placed on another machine, their joint earnings totaling \$29 for one week, neither could claim benefits. It was recommended that all work and earnings be divided. In July, 1927, this article was amended to read that in case two operatives were working as a team and one person was placed on another machine, the other person left without work should receive the unemployment benefit of \$15 for the week and the work should be divided equally, the members alternating.

Members can not draw unemployment and sick benefits at the same time.

Members do not have to report every day when out of work; if unemployed, they are notified if needed for work. Unemployed members are not required to report outside employment, and unless they do so they are paid their benefits. If a man asks for leave of absence to perform outside work for some time, he is not paid the benefit. Men are always on call if needed, and outside work is not objected to unless it interferes with their regular work.

Benefits.—A minimum wage of \$15 is guaranteed. If a member does not earn that amount in a week, the difference between \$15 and the amount earned is made up from the unemployment fund. There is no waiting period and no limit to the amount a member may draw. The plan provides for the minimum wage every week.

Administration.—The fund is administered by a board of managers, four in number, two of whom represent the local union and two the company. The representatives are chosen annually. The company submits the names of its representatives to the union before they are appointed to make sure the men chosen will be satisfactory to the union.

The secretary collects the contributions from the union members weekly and pays them monthly to the unemployment fund. The amount of the employees' contributions, with an equal contribution from the company, is deposited by the treasurer of the fund in a checking account on which 3 per cent interest is earned. The fund can be invested in short-term certificates at the option of the board of managers, but this has never been done.

The shop committee decides, on or before Tuesday of each week, the amount of benefit due each member. The names and amounts are filed with the board of managers on a printed form and checks signed by a representative of the union and of the company are paid on the regular pay day by the secretary-treasurer or superintendent. In case of a dispute between the shop committee and any member of the fund the matter is referred to the board of managers, whose decision is final.

Amendments to the by-laws of the unemployment fund may be adopted at any time if mutually satisfactory. The fund may be discontinued at the option of either party to the agreement on six months' notice. In such a case the fund is to be evenly divided between the company and the local union. Statements are rendered annually by the board of managers showing the exact condition of the fund.

Method of financing plan.—Funds for the maintenance of the plan are raised by assessing every union weaver employed by the company who earns \$15 or more in a week 50 cents for that week. The sum so raised is matched by a contribution from the company.

Statistics of Operation

Table 33 shows statistics of operation under the plan from July 1, 1923, to April 10, 1931:

TABLE 33.—*Operation of unemployment-benefit plan of Branch No. 3, Amalgamated Lace Operatives of America, and the Scranton Lace Co., 1923 to 1930, and January 1 to April 10, 1931*

Year	Number of union members covered	Total benefits paid	Number of claims paid	Average benefit per claim	Number of members receiving benefits	Average benefit paid	Balance in fund at end of period
1923 (last 6 months).....	67	\$164.25	13	\$12.63	12	\$13.69	\$5,757.69
1924.....	67	854.75	65	13.15	16	53.42	8,489.02
1925.....	72						12,416.35
1926.....	78	1,328.20	107	12.41	38	34.95	14,947.96
1927.....	83						19,311.53
1928.....	85						23,910.26
1929.....	87	2,296.81	166	13.84	53	43.34	23,361.13
1930.....	87	10,528.74	1,071	9.83	87	121.02	13,488.59
1931:							
Jan.....	87	972.72	75	12.97	39	24.94	
Feb.....	87	1,016.42	83	12.25	55	18.48	
Mar.....	87	712.86	57	12.51	35	20.37	
April 1 to 10.....	87	298.45	23	10.66	18	16.58	14,552.00

¹ 1 union member ill and receiving sick benefits, so not eligible for unemployment benefit.

General Experience

At the time the unemployment-benefit plan of Local No. 3 was discontinued in order to enter the joint agreement with the Scranton Lace Co. there was left in the unemployment fund of the local the sum of \$2,050.23. This was matched by the company, making a fund of \$4,100.46. This sum was not set aside as a reserve fund, but it has been possible to keep an amount greater than the original contribution in the fund at all times.

Great satisfaction with the plan is expressed both by the employer and members of the union. The provision for a guaranteed weekly wage of \$15 incorporated in the original joint agreement providing unemployment benefits is still in force. The fund has always been adequate to meet the demands made upon it for benefit payment and has shown a considerable balance as well. No changes in the terms are contemplated.

Such special benefits as are paid are taken from the union treasury, as, for example, when a \$30 weekly benefit is paid to members of the union who have been discharged. This payment is made if it is felt a person has been unjustly dismissed and until his case can be investigated. The payment may be made for a period not to exceed 12 weeks.

For three years—1925, 1927, and 1928—it was unnecessary to make any unemployment-benefit payments.

The union rules forbid the use of overtime in busy seasons. The regular working week is 50 hours, and two shifts are worked. At present the hours are 40 per week.

Lace Industry, Wilkes-Barre, Pa.

In 1924 the Wilkes-Barre Lace Co. and Branch No. 2 of the Amalgamated Lace Operatives of America entered a joint agreement providing unemployment benefits for union employees of the company. This plan replaced a trade-union benefit plan that had been maintained by the local union since 1910.

Outline of Plan

The plan was started in May, 1924.

Character of plan.—The plan provides for an unemployment benefit, guaranteeing a minimum wage throughout the year.

Eligibility for benefits.—Members of the union in good standing employed by the Wilkes-Barre Lace Co. are eligible for unemployment benefits.

By unemployment is meant waiting for orders and machine repairing. No benefits are paid for general shutdown or for strikes and lockouts.

The foreman's clerk goes around each morning and checks every machine to see who is at work. In this way any unemployment is ascertained. It is not necessary for members waiting for orders to report every day. The company notifies them when they are needed. Notice must be given the night before if a man is wanted for the next day and by 12 o'clock at noon if a man is to report for the night

shift. If a man has work and does not report he is not eligible for benefits.

There are no rules to prohibit a man from working outside when he is unemployed. As long as he reports for work when called he is eligible for the benefits. If he earns over \$17 in an outside job he is supposed to contribute \$1 to the unemployment fund. This provision is not enforceable and payment depends upon the personal integrity of the individual.

There are no rules covering apprentices. At present there are no apprentices employed, and as long as business conditions remain as at present there is no likelihood that any will be needed.

The plan is compulsory; all members working at the Wilkes-Barre Lace Co. are covered.

Benefits.—Benefits are paid at the rate of \$16 a week or a sum sufficient to make each member's wage equal that amount every week. There is no waiting period and no limit to the amount of money a member may draw.

If a man is called for work and does not report, 75 cents an hour for eight hours is deducted from his unemployment benefit. If he does not report for the second shift and there is work, he loses the entire benefit.

Administration.—The fund is administered by a board of managers, 4 in number, 2 representing the company and 2 the local branch of the union, elected annually about May 1.

The contributions of union members are collected by the shop collector and turned over to the board of managers. For his services the shop collector receives \$10 a year from the union treasury, plus 1 per cent of the total amount he collects from the union members. The company makes its contributions direct to the board of managers. The funds are deposited in a national bank and checks paid out must be signed by two members of the board, one representing the company and the other the union.

On or before Wednesday the shop committee decides who is entitled to benefits and the amount thereof, and a report on a printed form is given to the board of managers. Payment is made by check on Thursday.

Any disputes between the shop committee and any member of the fund are settled by the board of managers, whose decision is final.

The rules of the fund may be amended if mutually satisfactory, and the fund may be discontinued entirely at the option of either the company or the union on six months' notice. In such a case the fund is to be divided equally between the company and the union.

Method of financing plan.—The fund was started with a contribution of \$5,000 each from the company and the union. Since then each member earning at least \$17 a week has paid \$1 a week into the fund, and the company contributes an amount equal to that collected from the union members each week.

Statistics of Operation

Data on the operation of the plan from 1924 to March, 1931, are given in Table 34:

TABLE 34.—*Operation of unemployment-benefit plan of Branch No. 2, Amalgamated Lace Operatives of America and Wilkes-Barre Lace Co., 1924 to 1930, and January to March, 1931*

Year	Number of union members	Number receiving benefits	Total benefits paid	Average benefit paid	Balance in fund at end of period
1924.....	96	93	\$2,260.00	\$23.54	\$12,577.90
1925.....	96	93	5,594.00	59.31	16,140.65
1926.....	96	96	11,954.00	124.33	11,161.29
1927.....	96	96	5,405.00	56.30	13,887.70
1928.....	89	89	6,436.58	72.32	15,362.74
1929.....	84	84	2,387.30	28.42	21,199.66
1930.....	84	83	8,574.00	103.30	20,277.92
1931:					
January.....	84	44	646.31	14.69	20,191.48
February.....					20,711.34
March.....					21,039.03

¹ Per claim, not per member.

General Experience

The joint unemployment fund of Branch No. 2, Amalgamated Lace Operatives of America, and the Wilkes-Barre Lace Co. has been carried on successfully for seven years and is to-day in very good financial condition, having a fund of over \$20,000 on hand. The plan has been carried through as originally planned, with no changes whatever. The company has willingly paid its contribution and has done all in its power to stabilize the industry and to distribute the work equally among the employees. The company has made the statement that it is willing and glad to carry on the work as it is started, but that it could not consider another contribution such as was originally made. There is no present prospect that the fund will be insufficient to meet demands, however. The workers have been tided over a period of depression with assurance of some wage and permanent work. No overtime is allowable, there are no discharges without sufficient cause, and the man who works the lowest number of hours is the first man recalled.

The depression has, of course, had its effects on the industry. In 1928, 154,179 hours were worked; in 1929, 151,956 hours were worked; and in 1930 only 116,396 hours were worked. The shifts were originally 9 hours, but an 8-hour day has been in force for nearly five years. Time worked at present is very irregular, some persons working full time and some part time or not at all, according to the kind of orders at hand.

The unemployment fund is not used for any other purpose than unemployment benefits, according to the rules of the fund.

Trade-Union Plans

Deutsch-Amerikanische Typographia

The Deutsch-Amerikanische Typographia, an organization of German text printers, was the first trade-union in this country to pay unemployment benefits on an international scale. In addition, its plan provides benefits for sickness, old age,¹ invalidity, strikes, death, and

¹ Now paid by International Typographical Union.

funeral of member, and death of wife of member. The unemployment-benefit plan was adopted in 1884.

At the present time the Typographia has 15 locals located in the following cities: Philadelphia, Cincinnati, St. Louis, Buffalo, Detroit, Cleveland, New York, Newark, Chicago, Milwaukee, Baltimore, Rochester, Louisville, St. Paul, and Pittsburgh.

Eligibility for benefits.—To be eligible a member must have been a member of the union, in good standing, for two years prior to unemployment.

An unemployed member must sign the out-of-work register each day to receive benefit payment. Any day that he fails to do so he is deemed to have had employment, and he will not be paid benefit for that day. Benefits are not payable for any day that work is performed either as a printer or on any other job. Three days' work in any week at any kind of a job bars a member from receiving benefit for that week.

Benefits.—Benefit begins at once and is payable at the rate of \$6 per week, subject to a maximum of 4 weeks (\$24) per quarter. The maximum amount of benefit in any year is \$96.

Though the beneficiaries are frequently still out of work at the expiration of the regular benefit period, there is no provision for special benefits after the right to regular benefit has been exhausted.

Administration.—The local-union officers administer the funds. For administrative purposes the general secretary of the Typographia has supervisory control of the fund.

Method of financing plan.—The benefit plan, of which the unemployment benefit is only a small part, is financed by regular dues of \$1.85 per month (members not eligible for sick benefit pay only 80 cents.) Members also pay an assessment of 25 cents for each death and such local taxes as may be required. These dues and assessments are in addition to their regular dues to the International Typographical Union, with which organization the Typographia amalgamated in 1894. Once each year the funds of all locals are equalized by payments from one local to another so that all funds are equal in amount per capita. If the fund falls below an amount equal to \$20 per member, the general executive council may levy an assessment until the amount is restored. Thus far funds have been adequate to meet the cost of benefits and maintain this required reserve.

Statistics of operation.—Table 35 shows the total number of members of the Deutsch-Amerikanische Typographia and the total amount paid in unemployment benefits for the years 1920 to 1930. The number receiving benefits during this period was not reported.

TABLE 35.—Operation of unemployment-benefit plan of Deutsch-Amerikanische Typographia, 1920 to 1930

Year	Member-ship of union	Amount paid in benefits	Year	Member-ship of union	Amount paid in benefits
1920.....	700	\$1,959.00	1926.....	652	\$923.00
1921.....	688	1,781.00	1927.....	638	1,082.00
1922.....	660	1,598.00	1928.....	636	727.00
1923.....	655	715.00	1929.....	553	659.00
1924.....	694	635.00	1930.....	541	604.00
1925.....	682	1,380.45			

¹ 120 of these are pensioners of the International Typographical Union and are not eligible to receive the Typographia unemployment benefit.

Statistics of operation of Typographical Union, Local No. 7 (the largest local of the Deutsch-Amerikanische Typographia), from 1927 through April, 1931, are shown in Table 36:

TABLE 36.—Operation of unemployment-benefit plan of Typographical Union No. 7 (German-American) by months, January, 1927, to April, 1931

Year and month	Member-ship of union	Number receiving benefits	Total amount paid	Average payment	Year and month	Member-ship of union	Number receiving benefits	Total amount paid	Average payment
<i>1927</i>					<i>1928—Continued</i>				
January.....	150	9	\$153.00	\$17.00	March.....	143	9	\$80.00	\$8.89
February.....	151	8	105.00	13.13	April.....	141	7	26.00	3.71
March.....	153	9	75.00	8.33	May.....	142	7	52.00	7.43
April.....	152	6	25.00	4.17	June.....	142	5	54.00	10.80
May.....	149	8	81.00	10.13	July.....	141	6	22.00	3.67
June.....	148	9	51.00	5.67	August.....	141			
July.....	148				September.....	141	2	8.00	4.00
August.....	148	1	4.00	4.00	October.....	142	1	6.00	6.00
September.....	149	1	5.00	5.00	November.....	140	8	43.00	5.38
October.....	151	5	33.00	6.60	December.....	139	12	71.00	5.92
November.....	150				<i>1930</i>				
December.....	150	4	31.00	7.75	January.....	140	12	122.00	10.17
<i>1928</i>					February.....	137	4	16.00	4.00
January.....	150	6	41.00	6.83	March.....	137	1	9.00	9.00
February.....	151	7	81.00	11.57	April.....	137	2	8.00	4.00
March.....	151	7	58.00	8.29	May.....	136	9	65.00	7.22
April.....	150	3	14.00	4.67	June.....	139	5	27.00	5.40
May.....	152	1	4.00	4.00	July.....	139	6	44.00	7.33
June.....	152	3	20.00	6.67	August.....	139	6	38.00	6.33
July.....	152	6	39.00	6.50	September.....	137	8	41.00	5.13
August.....	149	7	47.00	6.71	October.....	138	5	26.00	5.20
September.....	148	7	40.00	5.71	November.....	139	8	54.00	6.75
October.....	145	1	7.00	7.00	December.....	138	8	52.00	6.50
November.....	142	1	4.00	4.00	<i>1931</i>				
December.....	141	4	30.00	7.50	January.....	138	10	137.00	13.70
<i>1929</i>					February.....	137	11	132.00	12.00
January.....	141	4	18.00	4.50	March.....	137	14	82.00	5.86
February.....	144	5	22.00	4.40	April.....	137	12	71.00	5.92

General experience.—The regular benefits are too small to meet the problem of unemployment, being little more than sufficient to pay the members' dues during the period of unemployment. However, no changes in amount or duration of benefit payments have been made since 1908, and no changes are contemplated.

There has been very little overtime work in the trade, and where it does occur extra men are used whenever possible. The usual hours of work range from 37½ to 48 hours per week.

International Association of Siderographers

The unemployment-benefit plan of the International Association of Siderographers was adopted in 1910.

Eligibility for benefits.—Any member in good standing is eligible to benefits.

The union, being small, has a record of each member and where employed. When a member reports he is out of employment this is checked and is considered sufficient proof of unemployment.

A member who secures work of any kind thereby forfeits his right to the union benefit.

Benefits.—Benefits are paid at the rate of \$5 per week, beginning with the third week of unemployment and continuing for 26 weeks in any 12-month period.

No provision is made for special benefits after the expiration of the regular benefit period, but special subscriptions are sometimes taken up for deserving members in distress.

Administration.—The plan is administered by the international executive board of five members elected at the biennial convention of the union.

Method of financing plan.—The fund is financed by a per capita tax on the local associations, which has thus far been sufficient to meet all the costs.

When the funds in the reserve reach the sum of \$800 the per capita tax is dropped until the fund falls below this amount.

Statistics of operation.—Table 37 shows the operation of fund since 1924:

TABLE 37.—Operation of unemployment-benefit plan of International Association of Siderographers, 1927 to 1930 and January to March, 1931

Year	Member-ship of union	Number receiving benefits	Total amount paid	Average payment	Balance in fund at end of period
1927.....	69	0	-----	-----	\$394.38
1928.....	68	0	-----	-----	515.73
1929.....	76	0	-----	-----	652.53
1930.....	73	1	\$130.00	\$130.00	635.18
1931 (January to March).....	173	3	115.00	38.33	-----

¹ Estimated.

General experience.—The unemployment benefit is considered helpful, but the payments are too small to meet the problem of unemployment. However, thus far, none of the members have remained unemployed at the expiration of the benefit period.

No changes have been made or are contemplated either in the amount or duration of payments.

Some effort has been made to do away with overtime work when members are out of work and some progress in that direction has been made. Generally the working week is 44 hours. One establishment employing a few members works a 48-hour week. As a result of the present depression, some members have been working only 8 days a month.

Diamond Workers' Protective Union of America

The Diamond Workers' Protective Union is composed of men and women who cut and polish diamonds from the rough. Their work is highly skilled, and training in this industry is of no use to them in any other. The industry itself is concentrated in and around New York City, and while the union is national in its jurisdiction, it maintains no locals. In 1929, 360 out of 375 members were employed in the New York market.

The unemployment-benefit fund of the union was started August 24, 1912.

Eligibility for benefits.—A member, to be eligible to the plan, must have been a member of the union for six months.

Unemployed members, in order to receive unemployment benefits, must register at the union office every Tuesday and Friday.

If an unemployed member secures work at some other trade he does not forfeit his right to benefit as long as he signs the register twice a week.

Benefits.—Benefits are payable at the rate of \$9 per week and begin with the fourth week of unemployment. Originally, benefit payments were made for 13 weeks in any year. In 1929, the 13-week limit was abolished when the so-called emergency benefit was started. Each member then received 10 weeks' benefit at \$9 per week. This was increased by 6 weeks in 1930 and members who had not received 10 weeks' benefits in 1929 were entitled to 16 weeks in 1930. This same regulation is still in force.

Additional benefits are sometimes paid to members in great distress.

Administration.—The fund is administered by a committee of three, consisting of the president, secretary, and treasurer of the union.

Method of financing plan.—The plan is financed by the setting aside of 50 cents per week from the regular union dues. At the present time, however, the fund is depleted and payments are being made from the general fund of the union.

Statistics of operation.—The working of the plan is shown in Table 38:

TABLE 38.—Operation of unemployment-benefit plan of Diamond Workers' Protective Union, 1927 to 1930, and January to March, 1931

Year and month	Member-ship of union	Number of employees receiving benefits	Total benefits paid	Average benefit paid	Balance in fund at end of period
1927.....	400	48	\$1,742.00	\$36.29	\$4,052.00
1928.....	400	39	2,038.00	52.26	3,357.70
1929.....	350	108	9,717.00	89.97	5,266.75
1930.....	300	115	16,531.50	143.75	¹ 8,387.75
1931 (January to March).....	300	35	1,794.00	51.26	¹ 1,383.00

¹ Deficit.

General experience.—Benefits were originally fixed in 1912 at \$6 per week, but were increased to \$7.50 per week in 1913. In 1924 the amount was again increased to \$12 per week, but in 1929 the benefit was decreased to \$9 per week. The extent to which an unemployed member is helped by the unemployment-benefit payments depends largely on the individual member. At present conditions are such that nearly all unemployed members are still unemployed at the expiration of the benefit period.

Prior to 1919 the working week in the trade was 48 hours. Since that time the regular working week has been one of 44 hours. No overtime work is allowed.

Bookbinders' Local No. 31-125, San Francisco, Calif.

The unemployment-benefit plan of the San Francisco Bookbinders' Local No. 31-125 was started in January, 1922.

Eligibility for benefits.—In order to continue to receive benefits the member must report to the office of the union at stated intervals; if he secures work at another trade, he forfeits his right to unemployment benefits.

Benefits.—Benefits begin with the third week of unemployment and are limited to eight weeks in a period of six months.

Prior to February 1, 1931, men with dependents were paid \$15 per week; those without dependents, \$10 per week. Women with dependents were paid \$12 per week; those without dependents, \$8 per week. For the period February 1, 1931 to June 30, 1931, the benefits have been set at \$12 per week for men and women with dependents and \$6 for those without dependents.

No special benefits are paid to members in distress after they have exhausted their rights under the plan. Any relief after that must come from donations or from the general treasury.

Administration.—The fund is administered by the executive committee of the union.

Method of financing plan.—The plan is financed by assessments of 2 per cent of the members' weekly earnings. There is no special reserve fund.

Statistics of operation.—Table 39 shows the operation of the plan of this local since 1927:

TABLE 39.—Operation of unemployment-benefit plan of Bookbinders, Local No. 31-125, San Francisco, 1927 to 1931

Year	Member-ship of union	Number of members receiving benefits	Total benefits paid	Average benefit paid
1927.....	700	355	\$4,396.00	\$12.95
1928.....	700	350	4,698.00	13.42
1929.....	700	275	3,195.00	11.62
1930.....	700	476	5,526.00	11.60
1931.....	(1)	(1)	(1)	(1)

¹ Complete data not available. Benefits in excess of \$600 a week were paid during February, March, and April.

General experience.—The funds derived from the dues of 2 per cent of weekly earnings have not been adequate for the payment of benefits. In the first four months of 1931 approximately \$4,000 was drawn from the general treasury to meet the deficit. To offset this heavy withdrawal of funds and make the plan self-supporting the decrease in benefits, already noted, was resorted to, but this change in the amount of benefit is only temporary; it was thought that by July 1 the fund would be sufficiently replenished to make possible the restoration of the regular rate of benefit.

The year 1931 showed a great number of unemployed and a large amount of benefits paid. The unemployed periods were of short duration, but two out of every three members drew unemployment benefits.

These workers have a regular working week of 44 hours and there has been no permanent change in this. With so many members continually unemployed it is not necessary to employ temporary workers, even in busy seasons. This would be the policy, though, if conditions warranted, as overtime work is discouraged by the union.

Bookbinders' Local No. 119, New York City

There are four locals of bookbinders in New York City, but only Local No. 119, made up of paper cutters, has an unemployment-benefit plan. Previous to 1928 this local had a relief fund for the purpose of loaning money, without interest, to members who were unemployed or in distress. In 1928 the local made an effort to pay unemployment benefits to members out of work during the months from March to August. The benefit fund was financed by voluntary contributions. During this period \$20,360 was paid out in unemployment benefits, which was \$2,915 more than the contributions to the fund. This experience with the voluntary contribution benefit plan led the local to establish unemployment and retirement benefits as a permanent feature of the organization, and the plan described below was adopted.

Dues for support of the plan began January 1, 1929. The first payment of benefits was made in June, 1929.

Eligibility for benefits.—Any member in good standing for at least one year, with all obligations met at least 30 days before application, is eligible for benefits.

An unemployed member must report daily at local headquarters and sign the roll book each day, except Saturday, between 10.30 a. m. and 1 p. m. during the period he is unemployed and claiming benefit. A member who fails to sign the roll one day out of the five days forfeits one-fifth of his weekly benefit; in case of two lapses, he forfeits the full amount of the benefit.

A member may secure a part-time job without forfeiture of his unemployment benefit. The benefit is not large and even when combined with the amount earned on a part-time job would probably not equal the amount the member could earn if regularly employed at his own trade. If employed at his own trade for one day a week, the member is paid a benefit of \$5 a week.

Benefits.—The amount of benefit depends upon the length of continuous good-standing membership in the union, it being held that the older men in the craft, because of increased responsibilities, are entitled to a larger amount of benefit. The benefits are as follows: For membership of 1 to 5 years, \$10 per week; for membership of 5 to 10 years, \$12; and for membership of more than 10 years, \$15.

Benefits begin with the third week of unemployment, and are limited to 10 weeks in one year. After 2 weeks' unemployment the member may receive benefits for 4 consecutive weeks; if still unemployed at the end of that time, he must wait 2 weeks before drawing benefit again.

Administration.—The fund is administered by a benefit board of five members—the secretary-treasurer, business agent, and three members elected by the union. All applications for benefits are made to the benefit board, which investigates each case. The board's de-

decisions are final, unless reversed by a two-thirds vote of the members present at any regular meeting.

Method of financing plan.—The unemployment-benefit fund is supported by special dues of 50 cents weekly for journeymen and for third and fourth year apprentices, and 25 cents weekly for the first and second year apprentices.

Statistics of operation.—Table 40 shows the number of members, the number of claims paid, the amounts paid, and the condition of the fund of this local each year since 1927:

TABLE 40.—Operation of unemployment-benefit plan of Bookbinders' Local No. 119, New York City, 1928 to 1930 and January 1 to May 29, 1931

Year or period	Members- hip of union	Number of claims paid	Total benefits paid	Average benefit paid	Balance in fund at end of period
1927.....	982				
1928 ¹	927	832	\$20,460.00	\$24.59	² \$2,915.00
1929.....	917	200	8,792.00	43.96	8,828.00
1930.....	904	1,499	16,062.00	10.72	10,005.00
1931:					
7-week period ending Mar. 13.....	900	(³)	6,405.00	-----	1,499.00
Mar. 13 to May 29.....	882	579	6,496.00	11.22	-----

¹ In 1928 the benefit period was 30 weeks.

² Deficit.

³ Not reported.

General experience.—The benefits do not meet the problem of unemployment, but are of assistance to members who would otherwise be in serious need. Many members are unemployed beyond the benefit period. In emergencies, special assessments may be made, and members in distress may borrow from the benefit fund.

The present depression has created such distress through unemployment that larger assessments, or special assessments, are contemplated to meet the emergency.

No general changes are contemplated for the present in the amount or duration of benefit.

The number of working hours per week has not been changed for several years. The present agreement, effective to 1932, provides for the 44-hour week. In the past it has been the custom to call on regular employees to work overtime during rush periods, but at present the union has an agreement with the employers to discontinue overtime work and employ additional workers.

Bookbinders' Local No. 8, Chicago, Ill.

The Chicago Bookbinders' Local No. 8 had no permanent unemployment plan prior to September, 1930. Worthy unemployed members who were in distress were given relief by voluntary contributions. A benefit plan was started after the strike for the 44-hour week in 1921, and benefits were paid to a large number of members in 1921 and 1922 for long periods, usually 12 weeks. After 1922 the plan was terminated. In September, 1930, a new plan was set in motion, but due to unusually severe unemployment the fund had to suspend operation late in the spring of 1931.

Eligibility for benefits.—Only those members are eligible to benefits who have been members of the local for one year prior to unemployment.

A member who is out of work and claiming benefit is required to report for roll call three times weekly—on Monday, Wednesday, and Friday.

If he secures employment outside the trade his benefit is forfeited and he is required to pay the assessment and the unemployment portion of the dues. If a member under the job system works two days or over, he is paid no benefit for that week.

Benefits.—The rate of benefit is \$5.50 per week, beginning four weeks after the date of loss of employment.

The length of the benefit period is 13 weeks.

Administration.—The fund is administered by a special unemployment committee appointed by the president and approved by the membership of the local.

Method of financing plan.—Five thousand dollars was voted from the general treasury of the local at the time the plan was started, as a nucleus for the unemployment-benefit fund, and the regular dues were increased \$1 per month to meet current costs of benefits. In addition, an assessment of 50 cents per week was levied for 20 weeks in order to build up a permanent fund. At the end of 20 weeks the 50-cent assessment was increased to \$1 per week, until such time as the special fund is considered large enough to care for present needs.

Statistics of operation.—During the period while the local was paying benefits—September, 1930, to April 18, 1931—the average membership of the local was 1,070. Of these, 400 received benefits during the period, about \$26,000 being so paid, making an average payment per beneficiary of \$65.

General experience.—The benefits met the problem of unemployment very meagerly. Especially needy cases were heard by the committee and donations were asked of the working members. An unemployed member can borrow \$50 from the general fund.

There has been quite a large percentage of members unemployed at the end of the benefit period, but many found employment during the busy season from April to September.

In 1921–22 benefits were paid to all unemployed at any time during the period, many having received benefits for a year or more. This was a temporary measure and the cost was met from weekly assessments on the members.

The duration of benefits when the present scheme was started was 10 weeks, but the time was extended to 13 weeks, and the union has contemplated action to extend the benefit period. However, this action did not materialize, for while, ordinarily, a seasonal improvement occurs in the spring, this year there was a recession in employment, with the result that it has become necessary to suspend the payment of benefits altogether.

Electrotypers' Local No. 3, Chicago, Ill.

The unemployment-benefit plan of the Chicago Electrotypers' Local No. 3 has been functioning since 1920, and has remained essentially the same, with but few changes made as a result of the current depression.

Eligibility for benefits.—To be eligible to the plan a man must have been a member of the union for one year prior to date of unemployment; and if he is a member coming into the Chicago jurisdiction on a traveling card, he must have been a member of the Chicago local for two years. Apprentices, upon becoming journeymen, immediately become eligible for benefits if unemployed.

The unemployed member must report to the union daily, either in person or by telephone. Work at another occupation does not necessarily cause forfeiture of the unemployment benefits; the remuneration received from the other work and the member's needs are taken into consideration before discontinuance of benefits.

Benefits.—The rate of benefit is as follows: \$20 for the first week of unemployment, \$25 for the second week, and \$30 a week thereafter for as long as the member is unemployed. Apprentices are paid benefits at the rate of \$15 per week.

Benefit begins with the first day of unemployment, but the first payment is not made until the end of the first week of unemployment.

Members who are habitually out of work are not paid benefits under this plan but are taken care of under the head of welfare. Such members must be unemployed one month before receiving aid and are then paid \$15 weekly.

Administration.—The fund is administered by the executive board of the local union.

Method of financing plan.—Since February, 1931, the fund has been financed by a 5 per cent assessment on earnings.

Statistics of operation.—Table 41 shows the benefits paid by the local each year since 1926:

TABLE 41.—Operation of unemployment-benefit plan of *Electrotypers' Local No. 3, Chicago, 1926 to 1930, and January to March, 1931*

Year or month	Total members of union	Number of members receiving benefits	Total benefits paid	Average benefit paid
1926.....	680	60	\$3,367.50	\$56.12
1927.....	703	80	5,366.25	67.08
1928.....	730	53	3,417.00	64.47
1929.....	745	55	3,520.00	64.00
1930.....	765	88	15,512.50	176.28
1931:				
January.....	790	65	4,062.50	62.50
February.....	792	70	3,022.50	114.61
March.....	792	68	6,997.50	102.90

General experience.—The benefit plan has been a great help to the unemployed members. Even under the plan, however, the beneficiaries have had to curtail expenses considerably, as the benefit amounts to less than half of the usual weekly wage.

When the fund was started, an assessment of 25 cents per week was levied against each member and this was kept in force until the fund reached \$10,000. The assessment was then discontinued until the fund had fallen to \$5,000, when the assessment automatically came into force again. In October, 1930, it was found that 25 cents per week was insufficient to maintain the fund at its proper size

and the assessment was changed to 2 per cent of each member's weekly earnings. This produced sufficient revenue at first, but as unemployment increased it was found necessary, in February, 1931, to increase the assessment to 5 per cent of the earnings.

It is contemplated, when conditions have approached normal again, to increase the reserve fund to between \$35,000 and \$75,000, and it is hoped that an assessment of 75 cents per week will be sufficient to maintain the fund at this level.

The regular working hours are 44 per week; there has been no change since the onset of the depression. The local agreement limits the amount of overtime to six hours per week per man, and if more overtime work is necessary additional workers are employed.

Electrotypers' Local No. 72, Philadelphia, Pa.

The unemployment-benefit plan of Philadelphia Electrotypers' Local No. 72 is combined with relief for sickness and disability. It was started in 1921.

Eligibility for benefits.—All members must have belonged to the union for one year and be in good standing, to be eligible to the out-of-work benefits. If a member comes into the local on a traveling card, he must wait one year before becoming eligible to benefits. A member leaving the local on a traveling card and later returning on a traveling card becomes eligible to benefit immediately, provided he has not been absent for a period exceeding six months.

An unemployed member claiming benefits must notify the secretary and chairman of the relief committee in writing when unemployment begins.

Originally, if a member secured work in some other than his own trade at \$20 or more per week, or worked two days at his trade, his unemployment benefit ceased. Now, a member securing work outside does not forfeit his benefit unless what he earns, plus the benefit, amounts to more than \$35 per week, in which case he receives in benefit only the difference between the amount earned and \$35 per week.

Benefits.—Benefits begin after two weeks' unemployment, payment being made for the second week. The regular benefits are \$20 per week, and ordinarily run for 15 weeks in any 52 weeks. During the present emergency, however, payments of \$10 a week are made for an additional 30 weeks or more. In several cases, also, old members have been paid what amounts to an old-age pension.

Administration.—The fund is administered by a committee of six, appointed by the president, and at present consists of the financial secretary, treasurer, secretary of committee, and three members appointed annually. The committee elects its own secretary.

Method of financing plan.—Funds are raised by assessments on the members. The present rate is as follows: \$2 per week for members earning \$50 or more per week; \$1.50 for those earning \$40 to \$50; and \$1 for those earning less than \$40. Members working any overtime are assessed an additional 50 cents for the week. All sums so raised are matched from the union's "defense fund."

Statistics of operation.—The operations under the plan since 1926 are shown in Table 42:

TABLE 42.—Operation of unemployment-benefit plan of *Electrotypers' Local No. 72, Philadelphia, 1926 to 1930, and January to June, 1931*

Year or month	Member-ship of union	Number of mem-bers re-ceiving benefits	Total benefits paid	Average benefit paid	Balance in fund at end of period
1926.....	305	33	\$5,720.00	\$170.30	\$692.76
1927.....	307	45	5,182.00	115.16	845.46
1928.....	311	41	4,024.55	98.16	1,925.96
1929.....	299	52	7,453.71	143.34	3,520.45
1930.....	310	58	8,724.75	150.43	3,694.20
1931:					
January.....	315	28	1,240.00	44.29	3,042.20
February.....	315	36	1,688.50	46.90	1,802.20
March.....	315	34	1,591.90	46.82	1,213.70
April.....	313	36	1,524.75	42.35	388.95
May.....	313	38	2,104.00	55.37	684.95
June.....	315	55	2,450.00	44.55	-----

¹ Estimated.

General experience.—An assessment of 50 cents a week was levied from 1921 till September, 1930, when the assessment was increased to \$1 a week as an emergency measure. As already explained, the assessment was still further increased early in June, 1931.

The fund was formerly kept between a maximum of \$2,000 and a minimum of \$500. In September, 1930, it was decided to place the maximum at \$10,000 and the minimum at \$2,000. When the maximum of the fund was reached the assessments were to cease until the fund decreased to the minimum of \$2,000.

No further changes are contemplated.

Since the depression many members have found themselves still unemployed at the end of the benefit period.

Lithographers' Local No. 17, San Francisco, Calif.

The unemployment-benefit plan of the San Francisco Lithographers' Local, No. 17, was started about 1918.

Eligibility for benefits.—To be eligible to the plan a member must have been a member of the local for two years. When a member loses his job the fact is reported to the union by the shop steward of the plant where he has been working. A member who secures work at other jobs during the benefit period is entitled only to a benefit equal to the difference between the regular benefit and his earnings.

Benefits.—Benefits are now being paid at the rate of \$12 a week for single men and \$15 a week for married men and others with dependents. Benefits begin with the second week of unemployment and continue for 10 weeks in any 12 months; in no case, however, may the total amount of benefits exceed \$150.

Administration.—The fund is administered by the president, recording secretary, financial secretary, and finance committee of the local.

Method of financing plan.—The plan is financed from the regular dues, and payments are made from the general fund, there being no special reserve fund.

Statistics of operation.—As Table 43 shows, from 1927 to 1930, the average of unemployed members has ranged from 33 in 1927 to 43 in 1930. During the first four months of 1931 the average was 11, with total benefits of \$610 paid.

TABLE 43.—*Operation of unemployment-benefit plan of Lithographers' Local No. 17, San Francisco, 1927 to 1930 and January to April, 1931*

Year	Member-ship of union	Number of members receiving benefits	Total benefits paid	Average benefit paid
1927.....	175	33	\$1,027.00	\$31.12
1928.....	175	40	1,291.00	32.27
1929.....	175	42	1,638.00	37.57
1930.....	175	43	1,685.00	39.19
1931: January to April.....	175	11	610.00	55.45

¹ Average.

General experience.—The depression has made necessary several changes in the plan. Until the depression the plan was financed from the regular dues of 65 cents per week. Conditions made it necessary to raise the dues to 85 cents for members regularly employed, while for those working part time or wholly unemployed they were lowered to 40 cents a week. At the same time the amount of benefit was raised from \$9 to \$12 a week for single men and from \$12 to \$15 a week for married men and others having dependents. Since these adjustments were made the fund has been adequate to meet the cost of benefits. No other changes are contemplated at present.

Comparatively few members have been left unemployed at the expiration of the benefit period. Members who have been in need after exhausting their rights under the plan may have their case brought before the local body, and if found worthy, further assistance is given them.

Temporary workers are taken on in busy seasons. The policy of the union is to discourage overtime work. The depression has made no change in the normal number of hours of the working week.

Lithographers' Local No. 14, Philadelphia, Pa.

The unemployment-benefit plan of the Philadelphia Lithographers' Union, Local No. 14, was started in 1918.

Eligibility for benefits.—To be eligible for benefit a member must have been a member in good standing for at least six months prior to the claim for benefit.

As soon as unemployment begins this fact is reported to the president of the local by the shop steward of the plant where the member was last employed or by the unemployed member himself.

Work at other than the member's trade previously caused forfeiture of the unemployment benefit, but during the depression this provision has been set aside and the benefit paid.

Benefits.—The present rate of benefit is \$6 per week.

Benefit begins after one week's unemployment, the first payment being made at the end of the second week of unemployment, and may

be paid only for 13 weeks in any one year. However, special benefits have been paid in a few cases by action of the local in extending the benefit period to members who were in distress.

Administration.—The fund is administered by the executive committee of the local, which consists of the president, treasurer, and an appointed member.

Method of financing plan.—Benefits are paid from the general fund of the local, and there have been no special assessments for the unemployment fund. The local endeavors to maintain a reserve of \$500.

Statistics of operation.—The working of the plan since 1927 is shown in Table 44:

TABLE 44.—*Operation of unemployment-benefit plan of Lithographers' Local No. 14, Philadelphia, 1927 to 1930 and January to April, 1931*

Year or month	Mem- bership of union	Num- ber re- ceiving benefits	Total amount paid	Average payment	Balance in fund at end of period
1927.....	165	22	\$316.00	\$14.36	\$554.28
1928.....	170	37	625.00	16.89	238.28
1929.....	171	30	659.00	21.97	216.81
1930.....	170	35	725.00	20.71	593.01
1931:					
January.....	170	4	66.00	16.50	527.01
February.....	169	5	48.00	9.60	479.01
March.....	169	17	306.00	18.00	173.01
April.....	170	20			

General experience.—The plan was started to help members who were out of employment in ordinary times, and has not been developed to meet the present emergency in an adequate way, although in March, 1931, the rate of benefits was increased from \$3 to \$6 per week. On Christmas, 1930, 24 members out of work were given \$10 each.

Many members are unemployed for a longer time than the benefit period.

The usual custom in the trade has been to give overtime work to regular members rather than to employ temporary workers, but this policy was changed to some extent with the beginning of the depression. There is very little overtime work at present, but a few shops still prefer overtime work to employing temporary workers. There has been no change in the basic working hours, although many shops are working short time due to lack of work.

Lithographers' Local No. 8, Cincinnati, Ohio

The Cincinnati Lithographers' Local No. 8 has had an unemployment-benefit plan for about 12 years. The plan was established in 1919, but until 1930 unemployment was so slight that few, if any, benefit payments had been made.

Eligibility for benefits.—To be eligible for benefits a member must have been a member in good standing for at least six months. The shop delegate reports members who are out of work, and the idle members must themselves report to the president of the local. An unemployed member is required to attend the meetings of the local.

An unemployed lithographer who secures work at another trade and earns less than \$15 per week is entitled to the unemployment benefit.

Benefits.—Unemployed members are paid \$1 per day or \$6 per week, but the maximum amount allowed in any year is \$50. Benefit begins after one week of unemployment, the first payment being made at the end of the second week of unemployment. Benefits are paid only for 50 days in any year.

Administration.—The benefit fund is administered by the financial secretary, the recording secretary, and the treasurer of the local.

Method of financing plan.—Payments are made from the general treasury of the local and there have been no special assessments for the benefit fund.

Statistics of operation.—The record of payments made to unemployed members is not available, but the president of the local reports that no unemployment benefits were paid from 1919 until September, 1930. Since then 30 to 35 members have received benefit, and from 20 to 25 of these have received the full amount of \$50.

The membership of the local at the present time is 190. In 1927 the membership was 275.

General experience.—The benefits are small and do not meet the problem of unemployment. Since September, 1930, from 20 to 25 members have received the maximum benefit of \$50 and are now without relief. Special benefits have been paid to a few responsible members in the way of loans, but this is not often done.

No extra assessments have been made. With such a large percentage of members unemployed, it is doubtful if the benefits can be continued. No changes in the amount or duration of the benefits have been made or are contemplated.

Regular working hours remain the same as before the depression began. Some shops work 45 hours in 5 days; others work 48 hours in 5½ days. There is not much overtime work in the trade, and the regular members usually work the necessary overtime. There is a greater tendency now to allow the unemployed members to fill the places of regular men whenever it is possible.

Lithographers' Local No. 1, New York City

Lithographers' Local Union No. 1, New York City, having been a beneficial and protective organization since its formation in 1882, has always provided some sort of relief for its members. In 1895 a plan was set forth in the constitution which provided that a member in good standing for six months, who did not lose his job because of intoxication and was not out of work because of illness, might, after a waiting period of three weeks, receive a benefit of \$3 per week. A maximum benefit of \$75 was allowed in any one year. During the depression of 1920 and 1921, while there was no definite plan for unemployment benefits, the local assisted the members, levying assessments upon the working members to finance the payments. The present plan was started July 1, 1923.

Eligibility for benefits.—Both journeymen and apprentices are entitled to unemployment benefits if they have been members of the local for one year and in good standing for the previous 30 days.

An unemployed member must report at least twice a week to the employment official of the local and at such other periods as may be decided by the president of the local. Outside employment does not bar a member from receiving benefit, but no benefit is paid to a member who obtains work for part of a week at his own trade, unless the amount earned by him is less than one week's benefit.

Benefits.—Benefits are payable at the rate of \$10 per week for journeymen and \$5 per week for apprentices. Payment is not made until after two weeks' unemployment, but the second week of unemployment is paid for.

After one year's membership the unemployed member receives benefits for 3 weeks; after two years' membership, for 5 weeks; after three years' membership, for 8 weeks; and after four years' membership, for 10 weeks. For the year 1931, however, the benefit period has been doubled.

Administration.—The fund is administered by the president and financial secretary of the local.

Method of financing plan.—At the time the plan was adopted the local had in its treasury an \$18,000 surplus from its earlier assessments, and this was used as the nucleus for its relief fund. Provision was made that the fund should be maintained by setting aside for the purpose \$1 a month from the regular dues of journeymen and 25 cents from those of apprentices, and by special assessments of 1 per cent per week on weekly earnings of both journeymen and apprentices, when the fund fell below \$10,000, until it reached \$20,000. In 1929 the same limits of solvency were retained and provision was made for assessments, but the amounts were not specified.

Statistics of operation.—Table 45 shows the benefits paid each year since 1927:

TABLE 45.—Operation of unemployment-benefit plan of Lithographers' Local No. 1, New York City, 1927 to 1930 and January to April, 1931

Year	Member-ship of union	Number of claims paid	Total benefits paid	Average benefit paid
1927.....	2,429	433	\$30,450.00	\$70.82
1928.....	2,383	518	30,045.00	68.00
1929.....	2,434	570	28,135.00	49.86
1930.....	2,461	716	47,810.00	66.77
1931: January to April.....	2,450	879	29,000.00	32.99

General experience.—The extent to which benefits meet the problem of unemployment is speculative. Where the member's responsibilities are not heavy the amount paid may be considered sufficient, but where there are responsibilities the amount is wholly inadequate.

The number of members who are still unemployed at the end of the benefit period is quite large, but the local is making every effort to assist these.

In 1930 there were 300 unemployed; in the middle of April, 1931, there were 399 unemployed. While the demands on the unemployment fund have been heavy the union has managed, up to this time, to keep up the benefits. In addition to the regular benefits, special and deserving cases have been taken care of.

No changes are contemplated in the amount of benefit, but should the present emergency continue there may be an extension of the benefit period.

The working hours since 1927 have been 46 per week. Attempts have been made to bring employers over to the 40-hour week basis, but thus far without success. No arrangement has been made to abolish overtime work.

Lithographers' Local No. 45, Seattle, Wash.

The unemployment-benefit plan of the Seattle Lithographers' Local No. 45 was started October 1, 1927.

Eligibility for benefits.—Journeyman who have been members of the local in good standing for one year are eligible to benefits. A member is considered unemployed when he has no work at his trade, regardless of the cause. The shop stewards report the unemployment of members. A member who secures work outside the trade does not sacrifice his benefit thereby.

Benefits.—Benefits are paid at the rate of \$5 per week; they begin after two weeks of unemployment and were originally limited to 8 weeks in any one year, but the benefit period has very recently been increased from 8 to 16 weeks, for 1931 only.

Loans up to \$60 are made to worthy members in distress. These loans are paid back in easy installments without interest.

Administration.—The fund is administered by a committee of the union and the local treasurer.

Methods of financing plan.—The plan is financed from the general fund, with special assessments when needed.

Statistics of operation.—Table 46 shows the operation of the plan since 1928. There is no special reserve fund.

TABLE 46.—Operation of unemployment-benefit plan of Lithographers' Local No. 45, Seattle, 1928 to 1930

Year	Member-ship of union	Number receiving benefits	Total amount paid	Average payment
1928.....	23	4	\$160.00	\$40.00
1929.....	23	5	200.00	40.00
1930.....	23	6	240.00	40.00

General experience.—During 1927–28 approximately one member in every six was unemployed and received benefits; in 1929 one member in every five; in 1930 one member in every four; and for the first three months of 1931 one member in every four. The number of members left unemployed after the expiration of the benefit period was not reported.

No extra assessments have thus far been made to finance the plan but such a move is contemplated in the near future.

The weekly working hours have been reduced from 48 to 44, and wages have been cut, on an average, 8 per cent. Temporary workers are employed in busy seasons. There has been no change in this respect.

Photo-Engravers' Local No. 5, Chicago, Ill.

The unemployment-benefit plan of the Chicago Photo-Engravers' Local No. 5 includes benefits to members who are sick.

Eligibility for benefits.—One year's membership and payment of out-of-work assessments are required for eligibility to benefits under the plan.

To be eligible to benefits the unemployed member must report to the secretary of the local in person on Tuesday between 9 a. m. and 4 p. m., and on Saturday before noon. If a member secures work at a job outside the trade, the unemployment committee is required to investigate and determine whether he shall be entitled to the unemployment benefit; in no case may the combined salary and benefits exceed the minimum scale. If a member works at his trade for four days in a week he forfeits his benefits for that week; if for less than that time, one-fourth of the week's benefit is deducted for each day he works at his trade.

Benefits.—Under the original plan benefits were fixed at \$30 per week for all members complying with the rules governing the fund, but the benefit was reduced to \$25 recently. However, conditions have permitted the payment of only \$20 per week.

Benefits begin at the end of second week of unemployment, the second week being paid for. The normal period of benefit is 26 weeks in any 52 consecutive weeks for two successive years; a member who has received the maximum benefit is not again eligible unless he has worked at photo-engraving for a period of six months thereafter. Due to the present emergency, however, the benefit period has been extended indefinitely.

Administration.—The fund is administered by a committee of five members appointed annually by the president and including in their number the business agent of the local.

Method of financing plan.—The fund is financed by assessments made on the basis of need, as recommended by the unemployment committee. The fund has always had a surplus, with no particular amount stipulated.

Statistics of operation.—Statistics of operation under the plan are shown for 1922 to 1930 and January to May, 1931, in Table 47:

TABLE 47.—Operation of unemployment and sick benefit plan of Photo-Engravers' Union No. 5, Chicago, 1922 to 1930 and January to May, 1931

Year	Number of payments	Total benefits paid	Average benefits paid	Year	Number of payments	Total benefits paid	Average benefits paid
1922 ¹	2, 698	\$36, 766. 50	\$13. 63	1930.....	9, 742	\$276, 450. 67	\$28. 38
1923 ¹	2, 126	19, 012. 00	8. 94	1931:			
1924 ¹	2, 911	29, 260. 35	10. 05	January.....	1, 393	40, 570. 00	29. 12
1925 ¹	3, 360	52, 716. 11	15. 69	February.....	1, 346	36, 170. 50	26. 87
1926 ¹	2, 945	47, 348. 80	16. 08	March.....	1, 416	26, 248. 80	18. 54
1927 ¹	2, 803	39, 013. 50	13. 92	April.....	1, 363	24, 862. 55	18. 24
1928.....	2, 447	63, 849. 00	26. 09	May.....	1, 630	27, 847. 85	17. 08
1929.....	4, 014	107, 624. 40	26. 81				

¹ Data from American Federation of Labor, Unions Provide Against Unemployment, Washington, 1929, p. 60.

General experience.—The benefit plan is believed by union officials to have had a good moral effect upon the membership, in that it has strengthened its resistance to the tendency to upset existing wage standards.

When the fund was first established it was financed by assessment of 50 cents per week per member, but this was found insufficient and extra assessments have been levied from time to time.

The union feels that the amount of the benefit has been too large and action has been taken toward a permanent reduction in amount of benefit to \$25 weekly.

Ordinarily there are very few members unemployed at the end of benefit period, but during the present depression the list of unemployed members has remained fairly constant.

The standard hours of the industry are 40 per week for the remainder of the period during which the agreement will remain in force, i. e., until 1934. The 40-hour week has only recently been adopted⁸ as an aid in absorbing into the industry the unemployed members.

Under normal conditions there is no limit to overtime, but at present no overtime is being worked. About 60 per cent of the members are working short time, some working as few as 30 hours per week.

Photo-Engravers' Local No. 13, Cincinnati, Ohio

The permanent unemployment-benefit plan of the Cincinnati Photo-Engravers' Local Union, started in 1916, was supplemented by an emergency plan in November, 1930, for the purpose of meeting the increasing demands of unemployed members.

Permanent Unemployment Fund

Eligibility for benefits.—To be eligible to the plan a journeyman member must have been a member of the local for six months and in good standing for that period.

The unemployed member must report to the corresponding secretary, through whom all vacancies are filled, and as the secretary has charge of employment, no regular reporting is necessary. If a member works at a trade other than his own, he does not ordinarily forfeit his unemployment benefits; however, this provision is subject to some modification if a member obtains regular and remunerative work in some other line.

Benefits.—Benefits are payable at the rate of \$12 per week for the first 12 weeks and \$6 per week for the next 12 weeks. Benefit payments begin at the end of the second week of unemployment, at which time payment is made for the two weeks. After having received benefit for the maximum of 24 weeks, 12 months must elapse before a member again becomes eligible for benefit. The member must also have worked six months between the last benefit payment and time of application for benefit.

⁸ Reduced from 44 hours.

Administration.—The fund is administered by the secretary-treasurer of the local under the supervision of the executive board.

Method of financing plan.—The fund is financed by an assessment of 50 cents per month on the employed members. For the purpose of levying this assessment a member is considered employed if he works two days per week. If a member works less than six days a month, he is relieved from paying local dues and assessment for that month and remains in good standing.

Statistics of operation.—Table 48 shows the operation of the plan since 1923:

TABLE 48.—Operation of unemployment-benefit plan of Photo-Engravers' Local No. 13, Cincinnati, 1923 to 1930, and January to March, 1931

Year	Member-ship of union	Number of members receiving benefits	Total benefits paid	Average benefit paid	Balance in fund at end of period
1923 ¹		18	\$54.00	\$47.44	-----
1924 ¹		16	1,145.00	71.56	-----
1925 ¹		8	635.00	79.38	-----
1926 ¹		12	724.00	60.33	-----
1927.....		15	1,400.00	93.33	-----
1928.....	160	8	559.00	69.88	\$3,891.00
1929.....	161	6	309.00	51.50	4,651.00
1930.....	180	36	3,693.00	102.58	1,909.00
1931 (January to March).....	192	17	1,372.00	80.71	312.00

¹ Data from the American Federation of Labor, Unions Provide Against Unemployment, Washington, 1929.

² Approximate.

General experience.—Until the past year few members were still unemployed at the end of the benefit period, even though until November, 1930, benefits were payable for only 12 weeks in any year. At that time the benefit period was extended 12 weeks, and an emergency plan (described in the section following) was adopted. Notwithstanding this, some of the members are still unemployed at the end of the benefit period.

In 1916, when the plan started, each journeyman member was assessed \$1 per week until the fund reached \$5,000, when the assessment was reduced to \$1 per month. After a few years the assessment was reduced to 50 cents per month. The depression has placed quite a burden on the fund. The assessment has been increased, and also the sum of \$1,000 was added to the fund instead of using it for the customary annual banquet.

No further changes are contemplated in amount or duration of benefits.

No change has been made in the normal full-time week, as this is fixed in the international union's agreement which is effective until the end of 1934. Not much change has been made in respect to overtime work. When necessary the regular men work overtime. However, there is a tendency to call in extra men whenever possible rather than work overtime.

Emergency Benefit Plan

In addition to the permanent unemployment-benefit plan of the local, a temporary emergency plan was adopted in November, 1930,

for the purpose of meeting the increasing demands of unemployed members.

Eligibility for benefits.—A member eligible for benefits under the permanent plan is also entitled to benefits under the emergency plan.

Benefits.—The benefits are paid at the rate of \$14 per week, subject to a maximum of \$138 during a 12-month period. These payments are in addition to benefit payments under the permanent plan and unemployed members may draw benefits from both plans to the amount and for the period established.

Administration.—This emergency fund is administered by the Welfare Association of the Cincinnati photo-engravers' local through its treasurer.

Method of financing plan.—The plan is financed by a voluntary contribution of \$2 per week from each employed member. During November and up to December 13, 1930, the contribution was 50 cents per week per member. The \$2 per week contribution began December 13, 1930. Any member working 32 hours or less per week contributes \$1 per week.

Statistics of operation.—In December, 1930, 21 members received \$398 in benefits. In January, 1931, 18 members received \$1,274; in February, 25 members received \$896; and in March, 12 members received \$610.

There was a balance of \$900 in the fund at the end of March, 1931.

Photo-Engravers' Local No. 7, Philadelphia, Pa.

The Philadelphia Photo-Engravers' Local No. 7 pays a sick and an unemployment benefit from the same fund.

The unemployment plan was established in 1917.

Eligibility for benefits.—To be eligible for unemployment benefits a member must be in good standing in the local and must have worked under its jurisdiction for a period of not less than six months. Any unemployed member making application for benefit must appear in person at the first regular executive board meeting following the loss of employment.

A check is kept on unemployment, as all jobs are given out through the employment bureau of the union. If a member secures work outside his own trade, it does not affect his unemployment benefit. If he gets one day's work at his trade, he loses one-fourth of his benefit; if two days' work, he loses one-half the amount of benefit; if three days' work, he loses three-fourths of the benefit; and if he works four days at his trade, he receives no unemployment benefit.

Benefits.—Benefits are paid at the rate of \$20 per week after a waiting period of one week. The first benefit payment is made at the end of the second week of unemployment. The normal maximum period of benefit is 20 weeks, and a member who has received benefits for that period is ineligible for further benefits until he has been employed for 26 weeks. The executive board, however, has authority to extend the benefit period indefinitely.

Administration.—The benefit fund is administered by the executive board of the local.

Method of financing plan.—The fund is derived from special assessments, the amount depending upon the amount expended in

benefits. The assessment for March, 1931, was \$14 for members working full time.

Statistics of operation.—Table 49 shows the operation of this local's plan since 1923:

TABLE 49.—*Operation of unemployment-benefit plan of Photo-Engravers' Local No. 7, Philadelphia, 1923 to 1930, and January to March, 1931*

Year or month	Members- hip of union	Number of members receiving benefits	Total benefits paid	Average benefit paid	Balance in fund at end of period
1923.....	469	61	\$3,000.00	\$49.18	\$2,563.71
1924.....	484	92	4,385.00	47.66	2,367.88
1925.....	518	140	6,502.50	46.45	3,955.29
1926.....	565	130	5,840.00	44.92	5,338.73
1927.....	600	206	10,082.00	48.94	5,461.17
1928.....	613	208	8,657.50	41.62	5,767.11
1929.....	617	367	19,520.00	53.02	8,241.91
1930.....	633	¹ 55	41,804.40	¹ 63.15	8,232.19
1931:					
January (5 weeks).....	632	87	7,767.50	89.20	6,890.19
February (4 weeks).....	634	82	5,895.00	71.89	7,834.69
March (3 weeks).....	630	82	4,487.50	54.73	9,376.44

¹ Monthly average. Figures are kept on monthly basis and would not agree with figures on yearly basis.

General experience.—Many members are still unemployed at the end of the 20-week period.

The effect of the depression on the benefit plan has been to increase the assessments upon the employed members. Up to and including the year 1924, it was the policy of the local to maintain a reserve fund of \$2,500. In 1925, the amount to be maintained in the reserve fund was raised to \$3,500. No changes in the plan are contemplated at the present time.

Forty-four hours is generally considered a regular week, but through a graduated plan all commercial plants are changing from the 44-hour week to the 40-hour week. Many plants are working fewer than the regular hours due to lack of work. The custom has been to employ the regular workers on overtime work unless a large amount of overtime was required when temporary workers would be employed. There has been no change in this custom since the beginning of the depression period.

Photo-Engravers' Local No. 1, New York City

The Photo-Engravers' Union, Local No. 1, of New York City, amended its constitution in 1922 to provide unemployment benefits, but unemployment benefits had been paid before this date by special action of the union. The benefit plan was adopted in August, 1922.

Eligibility for benefits.—The provision that a member was entitled to unemployment benefits after one year's membership in the local was amended October 31, 1930, to provide that a member having continuous membership in the local for two years is entitled to unemployment benefits. This, however, does not apply to apprentices who may receive benefits in the first year of their apprentice-

ship. The amendment affects only those who may come into the New York jurisdiction after October 31, 1930. Unemployed members are required to report to the union at least three times during the week between the hours of 10 a. m. and 1 p. m. Employment at another occupation does not disqualify a member for receipt of benefits.

Benefits.—Unemployment benefits of \$15 per week are paid to members of two and less than three years' membership; \$20 per week to those having three and less than five years' membership; and \$25 per week for members of five years' standing. Advanced apprentices receive benefits of \$18 per week; fourth-year apprentices, \$12 per week; third-year apprentices, \$10 per week; second-year apprentices, \$8 per week; and first-year apprentices, \$6 per week.

Benefits begin after two week's unemployment, the member being paid for the second week. The benefit plan provides that unemployment benefits shall be paid for a period not to exceed 16 weeks in any continuous 12 months. An emergency measure was adopted, effective the first pay day in November, 1930, extending the benefit to not more than 26 weeks in any continuous 12 months. The extension of or additional unemployment benefits, however, are to be paid to members only upon recommendation of the executive board and approval by the members at a regular meeting of the union.

Administration.—The benefit fund is administered by three officers of the local—treasurer, secretary, and business agent.

Method of financing plan.—The unemployment fund is maintained by assessments levied for that purpose. The plan calls for a reserve fund of \$50,000. Should the fund fall below \$35,000, a general assessment of \$1 per member per week is to become immediately effective and is to remain in effect until the reserve fund reaches \$50,000. Members are now assessing themselves \$6 per week to make possible the payments of benefits at the rate of \$25 per week.

Statistics of operation.—Statistics as to the number of members of the union and the number receiving benefits, the total and average benefits paid, and the balance in the fund at the end of the year or month from 1927 to March, 1931, are shown in Table 50:

TABLE 50.—Operation of unemployment-benefit plan of Photo-Engravers' Local No. 1, New York City, 1927 to 1930, and January to March, 1931

Year or month	Total number of members in union	Number of members receiving benefits ¹	Total benefits paid	Average benefit paid	Balance in fund at end of period
1927.....	2,427	272	\$54,614.50	\$200.79	\$36,583.44
1928.....	2,520	298	44,069.25	147.88	33,499.69
1929.....	2,614	241	36,934.50	153.26	30,200.44
1930.....	2,687	398	176,008.25	442.23	33,265.05
1931:					
January.....	2,693	402	40,644.25	101.11	.....
February.....	2,698	528	35,803.25	67.81	.....
March.....	2,702	462	36,914.00	79.90	85,239.21

¹ During 1927, 1928, and 1929 unemployed members received benefits from 1 to 16 weeks each; during 1930 and the first four months of 1931, they received benefits from 1 to 40 weeks each.

General experience.—It is generally admitted that the unemployment benefits are a great help, although they are not sufficient to take the place of earnings through regular employment. In cases of serious need the local extends its relief, paying even larger amounts than the regular weekly benefit. Extra assessments have been necessary to maintain the fund during the period of increasing unemployment. A total of 521 members are reported to have been unemployed on June 1, 1931.

No method so far has been devised for the elimination of overtime, because of the nature of the work. Up to 1930 the working hours per week were 44; in that year an agreement was reached whereby the hours were reduced to 40 for three months in the year, and in 1931 for four months in the year.

Photo-Engravers' Local No. 3, Boston, Mass.

The unemployment-benefit plan of the Photo-Engravers' Union, Local No. 3, of Boston, Mass., was started in the year 1922.

Eligibility for benefits.—To be eligible for the benefits of the plan an applicant must have been a member in good standing for six months preceding date of unemployment, and unemployment must not be due to the fault of the member. An unemployed member must report at the office of the local and sign the roll twice a week, but not on two consecutive days. If he works at a job other than his own trade, his case is brought before the executive committee and the committee decides if a member shall lose his unemployment benefit. If he gets extra work at his trade, he loses one-fourth of his benefit for each day he works.

Benefits.—Unemployed journeyman members receive an unemployment benefit of \$20 per week. The benefit begins after two weeks of unemployment, but the member is paid for the second and succeeding weeks. Benefits are paid for 26 weeks in any year. In some cases this period has been extended by vote of the members. Unemployed apprentices are sometimes paid benefits, the length of apprenticeship and conditions governing.

Administration.—The fund is administered by the executive of the local. The committee passes upon the applications and payments are made by the business manager.

Method of financing plan.—Under the agreed plan an assessment of \$1 a week was levied upon each member. This was temporarily increased to \$2 per week in January, 1931. The plan is to have a minimum of \$5,000 in the relief fund, with a maximum of \$10,000. If the fund reaches the maximum, assessments are to cease until the fund drops to the minimum of \$5,000.

Statistics of operation.—Data as to membership of the union, beneficiaries under the unemployment-benefit plan, total and average benefits paid, and balance in fund each year from 1927 to 1930 and the first three months of 1931 are shown in Table 51:

TABLE 51.—*Operation of unemployment-benefit plan of Photo-Engravers' Local No. 3, Boston, Mass., 1927 to 1930, and January to March, 1931*

Year or month	Total number of members in union	Number of members receiving benefits	Total benefits paid	Average benefit paid	Balance in fund at end of period
1927.....	292	12	\$1,105.00	\$92.83	\$8,219.43
1928.....	302	13	1,287.00	99.00	7,156.55
1929.....	321	15	2,080.00	138.67	5,374.94
1930.....	325	47	11,024.00	234.55	6,653.06
1931:					
January (5 weeks).....	320	40	3,712.00	92.80	(¹)
February (4 weeks).....	322	43	3,280.00	76.28	(¹)
March (5 weeks).....	321	43	3,519.00	61.84	(¹)

¹ Not available.

General experience.—The benefit plan formerly met the unemployment situation fairly well. Since the beginning of the depression, however, many members are unemployed at the expiration of the benefit period, and the benefit period has been extended in some instances. Each case is taken up at the meeting of the local and passed upon by the members.

The depression caused an increase in the weekly assessment, but the plan will be continued. There has been no change in the amount or period of benefits paid except for the extension of the period in special cases, as noted above, and no changes in the plan are contemplated at present.

The handling of overtime work depends on the individual shop. Due to the character of the work, some shops prefer having regular employees perform any necessary overtime work, while other shops put on extra help rather than have the regular crew work overtime, and have made no change since the depression. The hours of labor are now 44 hours a week, with a 40-hour week during July, 1931, June, July, and August, 1932, May to October, 1933, and January to December, 1934. Thus the 40-hour week is to be gradually extended until in 1934 it will cover the whole year.

Photo-Engravers' Local No. 24, Cleveland, Ohio

The unemployment-benefit plan of Photo-Engravers' Union, Local No. 24, of Cleveland, Ohio, was started in January, 1923.

Eligibility for benefits.—To be eligible to receive unemployment benefits a member must have been affiliated with the local for one year. His unemployment must be due to business depression or reasonable causes not due to incompetency or misconduct. A member who leaves the jurisdiction of the local for more than three months and returns within six months from the time of leaving is not entitled to unemployment benefits until three months after he deposits his traveling card and is employed for at least five weeks. If a member returns after 6 months and in less than 12 months, he is not entitled to benefits until he has been a member again for 6 months and has been employed for at least 13 weeks.

An unemployed member must file an application with the unemployment committee for investigation and recommendation. If the

application is refused by the committee, the member may appeal to the general membership at a regular or special meeting. While unemployed the member must report to or keep in communication with the special secretary. There is no specific provision about a member receiving benefits if working at other than his own trade, but if the member had a substantial job outside the trade the special secretary would withhold benefits. If a member works on a "help-out job," one-fourth of the week's benefits are deducted for each day so working.

Benefits.—At the present time journeymen are paid \$35 per week unemployment benefits and apprentices are paid \$10 per week. The benefit payment begins at the end of the second week of unemployment, but the member is paid for the second week, no benefit being paid for the first week out of work. Benefits are paid for 16 weeks, and upon application a member may receive payments for an additional 4 weeks, or a total of 20 weeks during a 12-month period. The 20 weeks' maximum benefit need not be consecutive weeks.

Administration.—The fund is administered by a special secretary appointed for that purpose.

Method of financing plan.—At present each member working 32 hours or more a week is assessed \$2 per week.

Statistics of operation.—Table 52 shows the total membership of the union, the number of beneficiaries under the plan, the total and average benefits, and the balance in the fund, 1927 to 1930, and January to April, 1931:

TABLE 52.—Operation of unemployment-benefit plan of Photo-Engravers' Local No. 24, Cleveland, Ohio, 1927 to 1930, and January to April, 1931

Year or month	Total number of members	Number of members receiving benefits	Total benefits paid	Average benefit paid	Balance in fund at end period
1927-----	227	5	\$216.00	\$43.20	\$4,525.26
1928-----	243	7	360.00	51.43	4,405.26
1929-----	240	11	852.00	77.45	3,639.92
1930-----	243	30	11,761.00	392.03	3,868.33
1931:					
January-----	243	13	1,424.50	109.58	9,054.03
February-----	243	17	1,486.25	87.43	9,416.31
March-----	243	14	950.00	67.86	10,302.64
April (2 payments)-----	243	8	417.50	52.19	11,086.64

General experience.—When the plan was started, each member of the local was assessed \$1 per month until a fund of \$5,000 was created. This was accomplished in about three years, when the assessments ceased. The plan of financing provided that when the fund dropped to \$2,000 the assessments would be renewed and continued until the fund again reached \$5,000. This plan operated successfully until the beginning of 1930, when there was considerably more unemployment and an increase in benefits paid, and to meet this emergency \$5,000 was taken from the "defense fund" of the union. This amount was soon exhausted, and the local levied an assessment of \$2 per week on each member working 32 hours or more a week. For a short time the assessment was increased to

\$3 per week, but later was reduced to \$2 per week, which amount is still being assessed and will be continued to meet any emergency, although the fund is now double the required amount of \$5,000.

While members of the local have not remained unemployed beyond the benefit period, some such cases are anticipated soon and arrangements are now being made to provide additional relief if needed. So far, no special benefits have been paid, but should they be needed it would be met by voluntary contributions.

The depression has made the calls for relief more numerous, and this has been met by increasing the amount of the benefit and extending the benefit period. Benefits were increased from \$12 to \$20 per week in November, 1930, and as an emergency measure the benefits were increased from \$20 to \$35 per week on March 16, 1931. It is contemplated extending the benefit period with the same rate of benefit or perhaps a lower rate.

Overtime is worked when necessary by the regular men and no change has been made in this respect. The nature of the work is such that an extra man for overtime work would not be feasible. There has been no recent change in working hours per week except as provided in a 5-year agreement in job offices, that the number of months when no Saturday work will be required shall be gradually increased until 1934, when no Saturday work will be required and the working week will be 40 hours during all 12 months of the year instead of 44. In newspaper offices, the working hours are $7\frac{1}{3}$ per day or 44 hours per week, which includes 30 minutes for lunch each day.

Photo-Engravers' Local No. 6, Minneapolis-St. Paul, Minn.

The unemployment-benefit plan of Local No. 6, Photo-Engravers' Union, was started in 1924, not so much on account of unemployment at that time, but to establish a definite plan of relief for members who might become unemployed.

Eligibility for benefits.—To be eligible for unemployment benefits the member must have been a member of the local, in good standing, for one year and must have worked at his trade continuously for six months preceding his application for benefit. A member must make application immediately upon becoming unemployed. Such application and acceptance, in person, of check each week is considered sufficient proof of unemployment. If members work at other jobs during the benefit period, the question as to whether they will lose their rights to benefits is left to the executive board.

Benefits.—Unemployment benefits are \$20 per week. The benefit payments begin two weeks after date of application and are limited to 12 weeks in any one year. Special benefits have been paid to members in distress after having exhausted their right under the regular benefit plan, but only after the matter was passed upon by a vote of the local body.

Administration.—The fund is administered by an executive board elected by a vote of the members of the local.

Method of financing plan.—The plan is financed by an assessment of \$2 per month per member of the local.

Statistics of operation.—Table 53 gives statistical data as to the operation of the unemployment benefit plan from 1925-26 to 1929-30:

TABLE 53.—*Operation of unemployment-benefit plan of Photo-Engravers' Local No. 6, Minneapolis-St. Paul, 1925-26 to 1929-30.*

Year	Total number of members of union	Number of members receiving benefits	Total benefits paid	Average benefit paid
1925-26.....	58	3	\$564.00	\$188.00
1926-27.....	70	9	634.00	70.44
1927-28.....	75	(1)	(1)	-----
1928-29.....	86	(1)	(1)	-----
1929-30 ¹	70	10	1,415	14.50

¹ Not reported.

² Data are from Proceedings of Thirty-first Annual Convention of the International Photo-Engravers' Union.

General experience.—The average number of members still unemployed after the expiration of the benefit period has been 15 during the period of depression.

Until about November 1, 1930, the fund created under the existing plan was adequate to meet the demands upon it without serious consideration of an extra assessment. Owing to the drain upon the fund brought about by the depression the executive board contemplates making an extra assessment at an early date, but the amount thereof has not been determined.

Temporary workers are employed during the busy season. No change in this respect has been made since the depression. The weekly working hours are the same as before the depression—44 per week.

Photo-Engravers' Local No. 8, San Francisco, Calif.

The San Francisco Photo-Engravers' Union, Local No. 8, adopted a temporary unemployment-benefit plan in May, 1929. Measures are being formulated whereby it is hoped to make the plan permanent.

Eligibility for benefits.—All members who held membership in the local prior to May 1, 1929, are eligible for benefits. Unemployed members must report to union office three times a week. If a member secures work at other than his own trade and earns less than the amount of the unemployment benefit he receives the difference between the amount of his weekly earnings and the benefit.

Benefits.—From May 1, 1929 to June 17, 1930, the amount of the unemployment benefit was \$35 a week, but since the latter date it has been \$25 a week. Benefit payments begin after two weeks of unemployment.

Administration.—The plan is administered by the executive committee of the local.

Method of financing plan.—The plan is financed by an assessment of 10 per cent of the earnings of all employed members.

Statistics of operation.—The large benefit payments shown in Table 54 were reported as being due to the fact that after the

strike many of the older members were not only unable to get work at their trade but could not find employment of any kind.

TABLE 54.—*Operation of unemployment-benefit plan of Photo-Engravers' Local No. 8, San Francisco, 1929 and 1930, and January to March, 1931*

Year or month	Total number of members in union	Number of members receiving benefits	Total benefits paid	Average benefit paid
1929.....	184	50	\$35,155.70	\$703.11
1930.....	184	40	31,274.85	781.87
1931:				
January.....	184	(1)	2,217.65	-----
February.....		(1)	2,178.95	-----
March.....		(1)	1,864.50	-----

¹ Not available.

General experience.—This temporary plan was adopted because of conditions brought about by a strike. Measures are being formulated to make a permanent plan, and changes are contemplated with respect to financing, eligibility of members to participate in benefits, and the benefit period.

The working week remains the same as for some years past—44 hours—but many shops furnish work for much shorter periods, some shops now working as few as 30 hours a week.

Photo-Engravers' Local No. 2, Baltimore, Md.

The Baltimore Photo-Engravers' Union, Local No. 2, had no definite plan for the payment of unemployment benefits in operation before the present depression. The one now in effect is being operated as an emergency measure to give relief where most needed. The first payment for unemployment benefits was made in 1929.

Eligibility for benefits.—All members in good standing are eligible for benefits. Members out of work must report to the executive board of the local once a week in person, and continue to report once a week as long as unemployed. An unemployed member does not forfeit unemployment benefits if he works at other than his own trade. If he obtains work at his trade for one day a week he loses one-fourth of the benefit; if he gets two days' work he forfeits one-half of the benefit; if he gets three days' work he forfeits three-fourths of the benefit; and if he has four days' work he forfeits the full benefit for that week.

Benefits.—Unemployed members receive \$15 a week benefit. The executive board determines when benefit payments begin, each case being considered on its merits. In some cases the benefit begins as soon as unemployment is reported, but those most able to stand unemployment are required to wait a longer time. It was originally intended that benefits would be paid for a period of 10 weeks, but this plan has not been strictly followed. Each individual case is considered at the meetings of the local, and decided on its merits.

Administration.—The fund is administered by the local executive committee. This committee passes on all cases and payments are made by the financial secretary.

Method of financing plan.—The fund is financed by general assessment on working members, varying according to the needs of the members out of work. At present the assessment averages about \$2 per week plus one-third of all overtime. No effort has been made to establish a reserve fund.

Statistics of operation.—Data as to the operation of the plan during the time it has been in effect are shown in Table 55.

TABLE 55.—Operation of unemployment-benefit plan of Photo-Engravers' Local No. 2, Baltimore, Md., 1929 and 1930, and January to April, 1931

Year	Total number of members of union	Number of members receiving benefits	Total benefits paid	Average benefit paid
1929.....	104	17	\$1,490.00	\$87.65
1930 ¹	102	14	1,510.00	107.86
1931 ²	102	17	2,231.00	131.24

¹ Plan was not in operation full year.

² January, February, March, and 2 weeks in April, figures by months not being available.

General experience.—The effect of the depression has been increased assessments to meet benefit payments to the unemployed members. No definite changes are contemplated, and the local will if possible, continue the present plan.

The custom in regard to overtime has been to work the regular crew rather than put on temporary workers. This is due chiefly to the character of the work and the familiarity of the regular employees with the type of work required. No marked change in this respect has occurred since the depression, nor has there been any change in the regular working hours, which are 44 per week.

Photo-Engravers, Local No. 19, Milwaukee, Wis.

The unemployment-benefit plan of Milwaukee Photo-Engravers' Union Local No. 19, has been in effect less than a year. The plan was started on April 1, 1930, when the first contribution was made. Payment of benefits began on October 1, 1930.

Eligibility for benefits.—The plan provides that a member of the union shall have contributed to the fund for six months before becoming eligible for benefits. The executive board was given the power to waive this requirement, and on November 15, 1930, did waive it in order to take care of a larger number of unemployed members. In one instance a member who had paid into the fund for five and one-half months became unemployed and was paid benefits, while in another case a member who had just finished his apprenticeship, and had not paid anything into the fund, was paid benefits when he became unemployed. Thus in practice all members are eligible except the employer-worker members who have their own

cooperative shops and neither pay into the fund nor expect benefits from the fund.

Any member in good standing for one year who leaves the jurisdiction and returns within six months is eligible for benefit. Members unemployed through sickness or accident are covered as well as those unemployed by reason of lack of work. Members unemployed through negligence or personal fault are not eligible for benefit.

An unemployed member reports to the business agent of the local as soon as he is laid off. The shop chairman in the shop from which the member was laid off also reports to the business agent. Each case, where an employed member gets other work during the benefit period, is decided on its own merits, but if the member goes to work in an open shop he is barred from receiving benefit payments. If a member receives substitute jobs in his own trade, he loses one-fourth of his weekly benefit for each day or night he works during a given week.

Benefits.—The benefit paid is \$10 a week; advanced apprentices are paid \$5 a week. Benefit payments begin at the end of the second week of unemployment, the second week being paid for. If a member is employed on a regular, permanent job, he must observe this waiting period each time he becomes unemployed; if he has a temporary job, the one waiting period suffices. An unemployed member is entitled to benefits for 15 weeks each year. Because of the seriousness of unemployment and by virtue of the discretionary power given the executive board, payments to some unemployed members have been continued beyond the 15 weeks provided for in the plan.

Administration.—The fund is administered by the executive board of Local No. 19, which board is elected annually. Any member who is refused benefit by the executive board may appeal to the union at the next regular meeting. Members seeking benefits must make application to the business agent immediately and deposit dues books. Payments are made weekly by the treasurer of the local—by mail if member is out of town, and to the unemployed member direct if he is in town. In all cases a voucher must be signed and given to the treasurer by recipient of benefit. This voucher must be signed also by the business agent.

Method of financing plan.—The plan is financed by assessments on the members; those working 35 hours or more are assessed \$2.50 per week, while those working less than 35 hours a week are assessed \$1 per week. Unemployed members and members who are employers and workers operating their own cooperative shops are not assessed.

The plan provides for a reserve fund of \$5,000, which it has not been possible to build up in the short time that the plan has been in operation.

Statistics of operation.—The number of members receiving benefits under the unemployment-benefit plan, the total and average benefits paid, and the balance in the fund each month from October, 1930, to May, 1931, are shown in Table 56:

TABLE 56.—Operation of the unemployment-benefit plan of Photo-Engravers' Local No. 19, Milwaukee

Year and month	Total number of members of union	Number of members receiving benefits	Total benefits paid	Average benefits paid	Balance in fund at end of period
1930:					
October.....	1 165	5	\$225.00	\$45.00	\$1,436.00
November.....	1 165	19	601.00	31.63	1,967.00
December.....	1 165	25	810.00	32.40	2,430.00
1931:					
January.....	1 165	26	905.00	32.50	2,075.00
February.....	1 165	20	677.00	33.85	2,607.00
March.....	1 165	18	610.00	33.88	3,558.00
April.....	165	18	455.00	25.28	
May.....	165	18	455.00	25.28	5,248.51

¹ Of this number about 28 are employer-workers owning and operating their own shops and neither contributing to nor receiving benefits.

General experience.—During the first three weeks that unemployment benefits were paid the payment was \$20 a week; it was then reduced to \$10 a week as a temporary measure in order that more members might be helped and has remained at \$10 since then. Some members have been unemployed for the whole period since the benefit plan was put into operation, and some have been paid benefits for as long as seven months instead of the 15 weeks provided for in the plan.

Originally the plan called for an assessment on all employed members of \$1 a week and an assessment of 50 cents a week upon advanced apprentices until the fund on hand amounted to \$5,000, at which time assessments would be discontinued until the fund fell below \$2,500, when the assessments would be renewed. In November, 1930, because of the heavy demands made upon the fund, the union voted to assess employed members an additional \$1.50 a week, thus making a total assessment of \$2.50 a week. In April, 1931, the plan was again revised to provide that only those members who were working 35 hours or more a week should be required to pay the extra assessment of \$1.50 weekly. At the present time 20 members are working less than 35 hours a week and therefore pay only \$1 per week into the fund; 17 are unemployed and not assessed; 100 are working 35 hours or more a week and pay \$2.50 per week; and the remaining 28 fall in the class of employers and workers operating their own cooperative shops and neither pay into the fund nor receive benefits when unemployed. Since the increase in the assessment the fund has been sufficiently large to meet demands.

There are no changes contemplated in the benefit amount or period.

In some shops regular employees perform the overtime work, while in others temporary workers are employed on overtime work. The union favors the employment of temporary workers so that such workers may have employment. The employers do not favor taking on extra help as they are inexperienced in the particular work at hand and regular employees are more efficient.

The working week has remained 44 hours in commercial shops since the plan has been in operation. Under a 6-year agreement now

in force it has been provided that there shall be a 40-hour (5-day) week for 3 months in the summer of the second year, 4 months in the third year, 5 months in the fourth year, 6 months in the fifth year, and for all 12 months in the sixth year. There is a possibility that the 40-hour (5-day) week all the year round will be adopted before the expiration of the agreed-on period, the union taking a proportionate wage loss and thereby securing work for a larger part of the membership. In newspaper shops the working week has remained at 44 hours for day workers and 40 hours for night workers.

Photo-Engravers' Local No. 11, Indianapolis, Ind.

The Indianapolis Photo-Engravers' Union, Local No. 11, established an unemployment-benefit plan about September or October, 1930, but it is still in a formative state.

Eligibility for benefits.—To be eligible for unemployment benefits a member must have been a dues-paying member for at least six months. An unemployed member must report his unemployment to the officers of the local. The officers investigate, and if they approve, benefits are paid. If the member works at another job during the benefit period and earns more than \$15 per week, he is barred from receiving benefits for such week.

Benefits.—From the adoption of the plan to March 1, 1931, unemployment benefits were \$10 per week. Since March 1 payments have been at the rate of \$15 per week. The benefit begins after four weeks of unemployment. When the plan was adopted benefits were limited to 20 weeks, but they are now made for an indefinite period.

Administration.—The fund is administered by the two secretaries and the president of the local.

Method of financing plan.—The plan is financed by assessments levied on all employed members. The amount of the assessment has not been definitely decided upon, but has been fixed to meet the immediate needs of the plan. To date the amount of the assessment has averaged about \$2 per month per employed member. No reserve fund has been built up.

Statistics of operation.—No statistics are available, the plan being still in a formative state. The local has a membership of 110, with 8 members out of work and receiving regular benefits.

General experience.—Previous to the depression no serious unemployment had been felt by the local. Although the plan does not fully meet the needs of the unemployed members, it is considered the maximum of which the local is capable at the present time. Several members were unemployed at the expiration of the contemplated 20-week period and are receiving benefits beyond that period. In addition to the unemployed, many of the employed members are working on short-time work, and an increase in assessments would be very burdensome to many of them.

No change in the amount of the benefit is contemplated, but some definite action will probably be taken soon regarding the period benefits may be paid.

The custom as to overtime work has not been changed since the depression. When much overtime work is necessary extra men are

used if available; otherwise the regular men do the overtime work. There has been no change in the number of hours of the regular working week, but some shops are not working full time.

Photo-Engravers' Local No. 10, St. Louis, Mo.

The St. Louis Photo-Engravers' Union, Local No. 10, established an unemployment-benefit plan in March, 1931.

Eligibility for benefits.—To be eligible for benefits a member must have been in good standing for at least one year. An unemployed member must apply to the committee or to the secretary. The committee after investigation recommends or disapproves payment of benefits, such payments being made at the discretion of the committee. It is the policy of the committee that if a member works at small outside jobs his unemployment benefits are not jeopardized. If, however, he earned a substantial amount during a week, he would lose the benefit for that week.

Benefits.—Benefit paid is \$15 a week. An unemployed member applies at the end of two weeks' unemployment and receives payment for the third week and thereafter during the unemployment period. Benefits may be paid for 26 weeks in any 12-month period.

Administration.—The plan is administered by a committee of three members of the local, one of whom shall be the secretary.

Method of financing plan.—As a nucleus for the unemployment fund, \$1,000 was transferred to it from the local's defense fund. The fund is to be maintained by an assessment of 25 cents per day (not exceeding five days per week) on all employed members. The defense fund may be called upon to provide further funds in an emergency.

Statistics of operation.—The total membership of the Photo-Engravers' Local No. 10 is 218, with about 17 members out of work, which is the largest number of unemployed members the local has experienced so far. Of the members of the local, 49 are employed in newspapers offices and the balance in job offices. Since the adoption of the unemployment-benefit fund, about \$420 has been paid to about eight unemployed members, but not all the members entitled to benefits have applied for relief.

General experience.—Because of the newness of the plan the experience has been slight, but it is expected that the present unemployment-benefit plan will be made permanent.

No changes have been made in overtime work since the depression. When a shop is rushed extra men are used, if it is possible to secure them; otherwise the regular men must work overtime. Very little overtime is worked, however, as the shops are not working full time, many of them losing from one and a half to two days a week.

Printing Pressmen's Local No. 51, New York City

The unemployment-benefit plan of the New York Printing Pressmen's Union, Local No. 51, was started in 1927.

Eligibility for benefits.—To be eligible for benefits a member must have been in good standing for one year. To be in good standing a member can not be in arrears for dues for more than two months. An unemployed member must report for roll call at 9 a. m., and must

sign an unemployment card before noon daily. If a member works at any job for two days or more in a week he is not entitled to receive the benefit for that week.

Benefits.—Beginning May 7, 1931, \$5,500 will be paid out each week in benefits, distributed equally among the unemployed members, the maximum to be paid to any one member for one week, however, being \$15. At present regular unemployed members receive \$7 per week, sick unemployed members \$5 per week, and pensioned members \$3 per week.

Benefits begin as soon as unemployment occurs. Originally the benefit period was for the months of June, July, and August, during which period an unemployed member was entitled to benefits for seven weeks. After being paid benefits for four weeks there was a waiting period of two weeks, and a member was then eligible to benefit payments for three weeks. Beginning with December 11, 1930, the benefit period was made continuous.

Administration.—The fund is administered by a committee of five members appointed by the president of the union.

Method of financing plan.—The plan is financed by assessments. In April, 1931, unemployment conditions showing no signs of improving, the union voted to assess each member \$24, payable \$8 per month for three months.

Statistics of operation.—Statistics of operation, as far as available, are given in Table 57:

TABLE 57.—Operation of unemployment-benefit plan of Printing Pressmen's Local No. 51, New York City, 1927 to 1930, and January to May 6, 1931

Year or month	Total members of union	Number of benefits paid	Total amount paid	Balance in fund at end of period ¹
1927.....	3,400	72	\$864	\$2,000.00
1928.....	3,400	2,058	24,696	5,800.00
1929.....	3,500	1,451	17,412	11,500.00
1930.....	3,500	8,366	91,804	² 6,162.00
1931:				
January.....	3,500	1,767	11,955	-----
February.....	3,500	1,762	11,818	-----
March.....	3,500	1,727	11,505	² 4,545.04
April.....	3,500	2,250	15,042	-----
May 1-6.....	3,500	488	3,254	-----

¹ Balance in fund after the beginning of 1930 does not always represent the exact amount in the unemployment fund. When necessary, money has been taken from other relief funds.

² Nothing has been paid on the \$30,000 borrowed from the defense fund with the exception of about \$100 paid by families of deceased members.

General experience.—When the plan was started in 1927, 50 cents each month was set aside from the union dues of every member for the maintenance of the fund. This created a fund sufficient to pay benefits for the years 1927, 1928, and 1929.

In February, 1930, unemployment conditions became more serious and an assessment of \$10 per member was voted by the union, to be paid at the rate of \$1 per week for 10 weeks. This assessment created a fund of \$30,000, which was exhausted by August 6, and \$30,000 was borrowed from the defense fund. Benefits were paid

for the balance of August and for September, 1930, when the fund was depleted.

Benefits of \$12 per week were paid during June, July, and August of 1927, 1928, 1929, and through September, 1930, with the exception of two weeks in March, 1930, and the last week in September, 1930 (when the benefit was decreased to \$10 per week).

In August, 1930, the membership of the local voted that members who were receiving old-age pensions, being over 60 years of age and having been members of the international union for 20 years, should participate to some extent in the unemployment-benefit plan. It was voted to pay these members the difference between the \$4 per week old-age pension and the \$12 per week unemployment benefit. As a result of this vote 66 payments of \$8 each were made during August, 1930. For the first three weeks in September 714 benefit payments of \$12 each were made to unemployed members and 49 payments of \$8 each to members on old-age pension list. For the last week of September 277 benefit payments of \$10 each were made to unemployed members and 24 payments of \$7 each to members on old-age pension list. No benefit payments were made from October 1 to December 11, 1930, as the fund was depleted.

In October a referendum vote further to assess the members was defeated. Conditions became more acute and, on November 13, 1930, a vote to assess each member at the rate of \$4 per month for five months was carried. Benefit payments were resumed on December 11, 1930, with the stipulation that not more than \$3,000 would be paid in benefits each week, this amount to be distributed equally among the unemployed members, provided that no member should receive more than \$15 in any one week.

When benefit payments were resumed on December 11, 1930, it was decided to add another group to those eligible for unemployment benefits. Sick members had been receiving \$12 per week for 10 weeks and \$7 per week for the following 10 weeks. It was decided that at the end of the 20-week period the sick member should be considered unemployed and be paid a benefit of \$5 every week. During December, 1930, 24 payments of \$5 each were made to sick members, 1,419 payments of \$8 each to regular unemployed members, and 92 payments of \$4 a week to pensioned members.

Beginning January, 1931, the benefits paid have been \$7 each to the regular unemployed members, \$3 each to pensioned members, and \$5 each to sick unemployed members. The number of payments to beneficiaries of each class has been as follows:

Regu'ar unemployed members:	Payments
January, 1931.....	1, 651
February, 1931.....	1, 617
March, 1931.....	1, 553
April, 1931.....	2, 062
May 1-6, 1931.....	452
Pensioned members:	
January, 1931.....	91
February, 1931.....	113
March, 1931.....	118
April, 1931.....	151
May 1-6, 1931.....	30

Sick unemployed members :	Payments
January, 1931-----	25
February, 1931-----	32
March, 1931-----	56
April, 1931-----	37
May 1-6, 1931-----	6

Overtime is not worked by regular men where it is practical to employ unemployed members, but this is not always possible. The hours of work have remained the same since 1921—44 per week. There are a few shops where the 40-hour week, with a corresponding reduction in wages, has been adopted.

Printing Pressmen's Local No. 6, St. Louis, Mo.

The St. Louis Printing Pressmen's Union, Local No. 6, started an unemployment-benefit plan in 1921. The plan was originally created to meet the emergency needs resulting from an industrial dispute, but was continued as an unemployment plan. In 1926 the plan was discontinued by a vote of the local. During a dull period in 1927 it was revived to afford relief. Unemployment benefits were paid from November 5 to December 31, 1927, when the plan was again discontinued until July, 1930, since which time benefit payments have been continuously made.

Eligibility for benefits.—All members in good standing are eligible for benefits. No definite rule has been made regarding period of membership.

The unemployed member must sign the unemployed list, and if he obtains work he must report it immediately. The local does not require regular reporting, but the member must keep in touch with the local office in order that he may be placed at work when possible.

If a member secures regular work at other than his own trade he loses his unemployment benefit, but if he works at odd jobs irregularly he does not jeopardize his benefit. If an unemployed member gets one day's work at the trade and does not earn the amount of the weekly benefit, he will be paid the difference between the amount earned and the weekly benefit. If a member works two days at his trade he does not receive benefits for that week.

Benefits.—Originally, the plan provided for \$5 a week as an unemployment benefit, but beginning with February 16, 1931, the benefit was increased to \$7 a week. Benefits begin when a member becomes unemployed, and continue as long as he is unemployed. The plan is used during periods of depression, and suspended when work is available for all members.

Administration.—The fund is administered by the secretary-treasurer, subject to the approval of the executive council.

Method of financing plan.—The method of financing the fund has been by assessments, the amount depending upon the needs of the local. Beginning in April, 1931, an assessment of 3 per cent of the earnings has been levied on all members earning over \$10 per week.

Statistics of operation.—Statistics of operation prior to November, 1927, are not available. During the nine weeks, from November 1 to December 31, 1927, 136 weekly benefit payments were made totaling \$680, or \$5 a week to each of the unemployed members. No benefits

were paid from January 1, 1928, to July, 1930. There is no special reserve fund.

Table 58 shows the number of members receiving benefits and the total amount paid, by weeks, from July 26, 1930, to April 18, 1931:

TABLE 58.—Operation of unemployment-benefit plan of Printing Pressmen's Local No. 6, St. Louis, July 26, 1930, to April 18, 1931

Year, month, and week	Total number of members in union	Number of members receiving benefits	Total benefits paid	Year, month, and week	Total number of members in union	Number of members receiving benefits	Total benefits paid
1930				1930			
July 26.....	348	15	\$75	Dec. 20.....	348	30	\$150
Aug. 2.....	348	19	95	Dec. 27.....	348	27	135
Aug. 9.....	348	17	85	1931			
Aug. 16.....	348	21	105	Jan. 3.....	348	33	165
Aug. 23.....	348	19	95	Jan. 10.....	348	33	165
Aug. 30.....	348	19	95	Jan. 17.....	348	31	155
Sept. 6.....	348	20	100	Jan. 24.....	348	34	170
Sept. 13.....	348	20	100	Jan. 31.....	348	36	180
Sept. 20.....	348	19	95	Feb. 7.....	348	41	205
Sept. 27.....	348	21	105	Feb. 14.....	348	39	195
Oct. 4.....	348	20	100	Feb. 21.....	348	39	307
Oct. 11.....	348	20	100	Feb. 28.....	348	39	297
Oct. 18.....	348	18	90	Mar. 7.....	348	43	322
Oct. 25.....	348	20	100	Mar. 14.....	348	46	365
Nov. 1.....	348	15	75	Mar. 21.....	348	45	315
Nov. 8.....	348	28	140	Mar. 28.....	348	40	280
Nov. 15.....	348	24	120	Apr. 4.....	348	36	252
Nov. 22.....	348	30	150	Apr. 11.....	348	41	287
Nov. 29.....	348	36	180	Apr. 18.....	348	43	301
Dec. 6.....	348	30	150				
Dec. 13.....	348	27	135				

General experience.—The plan is used only during emergencies. When additional funds are required an assessment is levied to care for the needs. At the plan's inception an assessment of 25 per cent of the earnings of all employed members was levied. After 11 months the assessment was decreased to 20 per cent of the earnings and after 6 months to 15 per cent for a 6-month period. The assessment was then decreased to 3 per cent of the earnings and continued at that rate until 1926, when the plan and assessments were discontinued. During the depression of November and December, 1927, and from July to November, 1930, the plan was financed from the general treasury. From November, 1930, to February, 1931, an assessment of 50 cents a week was levied on each employed member. For February and March, 1931, the assessment was increased to \$1 a week per member. The assessment of 3 per cent of the earnings of all employed members being levied since April, 1931, is sufficient to take care of all unemployed members of the local. The rate of benefit paid is so moderate as to discourage any abuse of the plan. No change in benefit payments is contemplated.

No change has taken place regarding overtime work. During the busy season when night forces are needed, extra men are employed. The regular working week is 44 hours, but the shops average four to four and a half days per week at present.

Printing Press Assistants' Local No. 23, New York City

The unemployment-benefit plan of the New York Printing Press Assistants' Union, Local No. 23, was started in 1928.

Eligibility for benefits.—Members are eligible for unemployment benefits after a membership of six months. An unemployed member must report to the unemployment headquarters, answer the roll call at 9 a. m., and sign a card between the hours of 9.30 a. m. and 11 a. m. on four days of the week. Members may work at such small jobs as might not be construed as steady employment, or work that would not interfere with their registration on four days of the week as out of work, without loss of benefits.

Benefits.—Since July, 1930, the benefit paid has been \$15 for five weeks, followed by \$10 a week for the term of unemployment.

Benefits begin immediately upon proof of unemployment, and the period for which they may be paid is unlimited.

Administration.—The plan is administered by the executive board of the union.

Method of financing plan.—The fund is financed by assessments, the amount being determined by a referendum vote of the local. Since April 27, 1931, the assessment has been \$2.50 a week for senior branch members and \$2 a week for junior branch members.

Statistics of operation.—Table 59 gives the statistics of operation for 1928 and 1929 and for six months of 1930:

TABLE 59.—Operation of unemployment-benefit plan of Printing Press Assistants' Local No. 23, New York City, 1928, 1929, and six months of 1930

Year	Total number of members in union	Number of members receiving benefits	Total benefits paid	Average benefit paid	Balance in fund at end of period
1928.....	2,700	443	\$11,592	\$26.17	\$4,000.00
1929.....	2,600	351	10,792	30.75	2,200.00
1930 (6 months).....	2,550	968	134,475	128.92	996.70

General experience.—Unemployed members received benefits of \$8 a week during 1928 and 1929. The situation became so acute in 1930 that the benefit paid was increased to \$15 a week for 13 weeks and \$10 for the fourteenth week.

The benefit period was for 9 weeks in 1928 and 1929, in 1930 it was changed to 14 weeks, and in July was made unlimited.

As a result of the depression the assessments proved inadequate and in 1930 a loan of \$30,000 was made from the general union fund to meet unemployment benefit payments. On April 27, 1931, a meeting was called for the purpose of increasing the assessment from \$1.50 to \$2.50 a week for senior branch members and from \$1 to \$2 per week for junior branch members.

No change is contemplated at present in the rate of benefits paid.

There is not much overtime work done at present. The working hours are 44 per week for daywork, and 40 for nightwork. There has been no change since 1921.

Typographical Union, Local No. 6, New York City

Typographical Union, Local No. 6, of New York City, has for many years carried on some sort of an unemployment-benefit fund. Usually this fund was financed by a vote of the union, and the necessary provision was made for administration of the plan. The present plan was started in 1924.

Eligibility for benefits.—Any unemployed member in good standing in the union previous to unemployment is eligible for benefit payments. The unemployed member must register at the employment bureau of the union for five consecutive days between the hours of 9 a. m. and 12 noon. The member is exempt from signing on Saturday. Substitutes must apply to the chairman, who shall certify that they have not worked more than two days during the fiscal week, beginning on Thursday and ending on Wednesday.

There is no provision in the original plan as to the effect on unemployment benefits if a member works at other than his own trade. A rule adopted March 13, 1931, provides that any member earning one or two days' pay during the fiscal week established by the benefit board shall be entitled to benefit payments according to his length of membership, as follows:

TABLE 60.—*Benefits in case of only 1 day's or 2 days' work*

Membership of—	Benefit if earning —	
	1 day's pay in week	2 day's pay in week
4 years and over.....	\$14	\$7
3 years and under 4 years.....	12	5
2 years and under 3 years.....	10	3
1 year and under 2 years.....	8	1

Benefits.—On March 13, 1931, a rule was adopted fixing the amount of benefits for members with 1 and under 2 years' standing at \$14 per week; for members with 2 and under 3 years' standing, at \$16 per week; with 3 and under 4 years' standing, at \$18 per week; and members with 4 years' standing or more, at \$20 per week. The benefit begins immediately. Originally benefits were paid for not more than 7 weeks out of the 13 within the compensable period, June 15 to September 15, and for not more than 4 weeks consecutively, after which there was an interval of 2 weeks before additional payments were made. The benefit period has been extended to meet unemployment conditions.

Administration.—The fund is administered by a benefit board of five members appointed by the president of the union for a term of two years.

Method of financing plan.—The plan is financed by a regular assessment of one-half of 1 per cent of the weekly earnings of each member for 26 weeks, during April, May, June, July, August, and September, and special assessments when necessary. During February, 1931, a special assessment of 3 per cent of the earnings of the

members was levied, which at the beginning of March was increased to 4 per cent for a period of 12 weeks. From June, 1930, to April, 1931, it was necessary to take \$148,105.20 from the reserve fund.

Statistics of operation.—Table 61 gives the statistics of operation from the beginning of the present plan in June, 1924, through April, 1931:

TABLE 61.—*Operation of unemployment-benefit plan of Typographical Union, Local No. 6, New York City, June 1, 1924, to April, 1931*

Fiscal year or month	Total number of members in union	Number of members receiving benefits	Total benefits paid	Average benefit paid	Balance in fund at end of period ¹
1924-25.....	9,265	(?)	\$29,790	(?)	\$18,093.52
1925-26.....	(?)	(?)	21,154	(?)	29,345.08
1926-27.....	(?)	(?)	21,140	(?)	20,630.18
1927-28.....	(?)	(?)	28,644	(?)	21,132.49
1928-29.....	(?)	(?)	41,400	(?)	22,734.33
1929-30.....	10,825	(?)	25,644	(?)	21,981.41
1930, June to December.....	(?)	(?)	155,506	(?)	(?)
1931:					
January.....	(?)	(?)	33,672	(?)	(?)
February.....	(?)	(?)	32,452	(?)	(?)
March.....	10,631	(?)	61,335	(?)	4,427.19
April.....	10,620	4,639	72,264	\$15.58	10.76

¹ Figures are those shown by monthly statement in June of each year. Funds have been interchanged from various relief funds to some degree, due to acuteness of industrial conditions. According to the rules, all money in fund at the end of the 6 months' period of unemployment benefits should be returned to the general fund, leaving no balance whatever.

Not reported.

General experience.—When this plan was started in 1924 there were 9,265 members in the local. There was a gradual increase in membership through 1929. Beginning with 1930, due to business conditions, a ban was placed on the acceptance of traveling cards, and the increase in membership was halted, an exception being made in accepting traveling cards from members returning who had a record of 5 years' membership in Local No. 6 in the past 10 years.

In June, 1930, approximately 200 members a week were being paid unemployment benefits. At present (May, 1931) there are about 1,000 members drawing benefits each week.

In June, 1925, the benefit paid was \$12 per week. In July, 1927, the amount was increased to \$14 per week. On October 21, 1928, a rule was adopted whereby weekly benefits were graded on the basis of length of membership as follows: Membership of one year, \$8; two years, \$10; three years, \$12; and four years and over, \$14 per week. The present rates of benefits were adopted March 13, 1931.

While the present depression has been a severe test of the plan there has been no thought of abandoning it. Special assessments have been made in addition to the regular assessment of one-half of 1 per cent of the weekly earnings of each member for 26 weeks of the year. No further changes in amount or period of benefit is contemplated at the present time.

The custom of overtime work has been curtailed as much as possible, but in cases where it still prevails the union urges the employment of temporary or substitute members wherever possible.

There has been no change in the number of hours per week for a number of years. In job offices, 44 hours daywork and 40 hours nightwork, and in newspaper offices 45 hours constitute a week's work.

Typographical Union, Local No. 53, Cleveland, Ohio

The unemployment-benefit plan of the Typographical Union, Local No. 53, Cleveland, has been in operation since May, 1927. The local has also established a loan fund which is of additional help to members during periods of unemployment.

Eligibility for benefits.—Any member who has been a contributing member of the local for a period of six months continuously and who is otherwise in good standing is eligible for unemployment benefits. The member must fill out and file an application for benefits on Monday following a full week of unemployment. The member is required to report at headquarters of the local on Monday and Wednesday of each week and must conscientiously look for work. If a member secures work for any portion of the week, he does not receive an unemployment benefit for that week.

Benefits.—Unemployment benefits are paid as follows: \$1 for the first week, \$8 a week for the next 7 weeks, and \$5 a week for the next 8 weeks of unemployment. The benefit begins at once, the first payment being made for the first week of unemployment. Benefits may be paid for a total of 16 weeks in any 12-month period. The 12-month period begins with the member's first week of unemployment. If the member is unemployed at the end of the 12-month period, a new 12-month period is open to him. No special benefits are paid members beyond the period provided for in the unemployment-benefit plan. Responsible members may borrow from the loan fund.

Administration.—The benefit fund is administered by the sick and benefit committee and under direct supervision of the chairman of the loan and relief fund.

Method of financing plan.—No special assessment is made for the benefit fund. Payments are made from the general treasury and no provision has been made for a reserve fund.

Statistics of operation.—Table 62 gives the statistics of operation for 1927 to 1930 and for January to April, 1931:

TABLE 62.—Operation of unemployment-benefit plan of Typographical Union, Local No. 53, Cleveland, Ohio, 1927 to 1930 and January to April 4, 1931

Year or month	Total number of members in union	Number of members receiving benefits	Total benefits paid	Average benefit paid
1927.....	860	21	\$983.00	\$42.05
1928.....	860	29	888.00	30.62
1929.....	860	10	368.00	36.80
1930.....	870	26	794.00	30.54
1931:				
January.....	873	14	256.00	18.29
February.....	871	10	129.00	8.06
March.....	870	15	277.00	18.47
Apr. 1-4.....	870	8	47.00	5.83

General experience.—The experience with the plan indicates that although the heaviest season of unemployment is in the summer months, quite a number of the members are out of work in the winter months, and that therefore the benefit system is needed the year round. The benefit payments are small and would not take care of the members during an extended period of unemployment. However, members are seldom unemployed during the entire benefit period. The union conducts an employment bureau and in this way secures occasional work for members.

The depression has had no serious effect on the benefit plan, which is functioning fully and with no serious drain on the treasury. Although the members working in newspaper offices and in the book and job offices are alike eligible for unemployment benefits, practically none of the members in newspaper offices apply for these benefits. Regular newspaper men, by voluntary agreement, are laying off one day each week, thereby allowing substitutes to work for one or more days a week.

There has been no extra assessment made as the fund has been adequate to take care of the unemployed members. No changes have been made in the benefit amount or period and none are contemplated.

There has been no change in regard to overtime work—extras are employed in busy seasons, and in newspaper offices extra work is given to the substitutes. Neither has there been any change in the regular working hours.

Supplementary aid through loan fund.—The loan fund of the Cleveland Typographical Union No. 53 was established about August 1, 1925, for the purpose of accommodating members with loans and to create a fund for the payment of sick, mortuary, and old-age pension benefits from the interest charged on loans made to the members. Loans are not restricted to any specified purposes, although loans are made in many instances as extra relief during unemployment periods. The fund is administered by the executive committee of the union and the chairman of the sick and benefit committee. The general treasury of the union advanced the sum of \$7,500 with which to operate the loan fund.

Loans are made only to members who have held continuous membership in Local No. 53 for six months or more. Members wishing to borrow money must secure the signature of two bona fide members of Local No. 53, who will sign a note jointly with the borrower and be equally responsible with the latter for repayment of the loan. No member may sign a note either as a borrower or a guarantor who is not clear on the books of the union, either for union dues or for money borrowed. No loan may be granted for less than \$5 nor for more than \$300. Loans of less than \$50 are to be repaid in 25 weeks or less. Loans of \$50 or more are to be repaid in 50 weeks.

The financial report of the sick and benefit fund from August 1, 1925, to March 31, 1931, shows a net profit of \$10,066.65 from the operation of the loan fund.

TABLE 63.—Operation of the loan fund of Typographical Union, Local No. 53, Cleveland, Ohio, 1926 to 1930, and January to April 13, 1931

Year or month	Number of loans made	Total amount loaned	Average loan
1926.....	209	\$20,257.50	\$96.93
1927.....	172	20,825.00	121.08
1928.....	186	24,010.00	129.09
1929.....	199	25,985.00	130.53
1930.....	211	27,224.00	129.02
1931:			
January.....	24	2,516.00	104.83
February.....	14	1,685.00	120.36
March.....	15	2,555.00	170.33
Apr. 1-13.....	9	915.00	101.78

Typographical Union, Local No. 16, Chicago, Ill.

The Chicago Typographical Union, Local No. 16, adopted an unemployment-benefit plan during the summer of 1930 to meet the problem of unemployment, which had become serious among its members. The first unemployment-benefit payments under this plan were made for August, 1930.

Eligibility for benefits.—One year's membership prior to the date of unemployment is required of a member to be eligible for benefits. Unemployed members must register at the employment bureau five days each week during the period of unemployment. If a member obtains employment outside the trade, or if he works two days or more at his trade, he automatically forfeits his right to unemployment benefits for the week in which the work was performed.

Benefits.—The unemployment benefit paid single men is \$10 a week and that paid married men is \$15 a week. Higher benefits are paid to married men with dependent children. Benefits are paid for the first week of unemployment if the member registers immediately upon dismissal. There is no limit to the benefit period, the assessment being continued as long as the emergency lasts, if approved by referendum vote.

Administration.—A special full-time chairman was appointed to sit with two members of the executive committee as administrators of the fund.

Method of financing plan.—The plan is financed by assessments on the employed members. The present assessment, which by referendum vote was continued until August 29, is 3 per cent of the weekly earnings.

Statistics of operation.—The statistics of operation for August, 1930, to April, 1931, are given in Table 64:

TABLE 64.—Operation of unemployment-benefit plan of Typographical Union, Local No. 16, Chicago, Ill., August, 1930, to April, 1931

Year and month	Total number of members in union	Number of members receiving benefits	Total benefits paid	Average benefit paid
1930:				
August.....	5,500	300	\$6,189.00	\$20.63
September.....	5,500	425	3,853.00	9.07
October.....	5,500	500	11,184.00	22.37
November.....	5,575	550	16,406.00	29.94
December.....	5,575	575	30,572.00	53.17
1931:				
January.....	5,400	675	32,786.00	48.57
February.....	5,400	625	38,450.00	61.52
March.....	5,400	650	47,151.00	72.54
April.....	5,400	560	35,950.00	64.20

General experience.—An assessment of 1 per cent of the weekly earnings of employed members was levied in August, 1930. This amount did not prove adequate and the assessment was increased from 1 to 3 per cent in November. In January, 1931, the assessment was again increased from 3 to 5 per cent of the weekly earnings. The 5 per cent assessment continued until April 4, 1931, when it was decreased to 3 per cent, the present assessment which was by referendum vote continued until August 29.

When unemployment benefits were first paid, single men were paid \$6 per week and married men \$12 per week. In November, 1930, the amount for single men was increased to \$8. In January, 1931, benefits were increased to the present rates.

The benefit plan does not adequately meet the problem of unemployment, as there are usually from 150 to 200 members of this local unemployed at all times. The peak was reached in January, 1931, when 675 members were out of work.

During the busy season there is some overtime worked but not to any great extent. The by-laws of the local provide that when a member has worked overtime equivalent to one day in a month he shall lay off one day and allow an extra man to work in his place.

The hours in the job offices have remained at 44 per week, but beginning June 1, 1931, the 40-hour week will prevail for three months during the summer. The hours in the newspaper offices remain the same.

Typographical Union, Local No. 2, Philadelphia, Pa.

The unemployment-benefit plan of the Philadelphia Typographical Union, Local No. 2, was adopted in 1930 to meet the emergency caused by the depression and is an experiment as yet. It was adopted for a period of three months and was later extended to the end of June, 1931. It is not known at present whether it will be renewed in the present form, or whether some other method may be adopted. It is stated by the officials of the local that it does not give adequate relief and is being carried on solely as an emergency measure. Assessments began December 1, 1930, and the first payment was made for the week ending December 25, 1930.

Eligibility for benefits.—To be eligible for the benefits of the plan the applicant must have been a member of the local prior to December 1, 1930. Members who are out of work must report to the secretary-treasurer of the local on Tuesday and Thursday of each week. Benefits are paid on Friday of each week. If a member does work outside the trade, his unemployment benefit ceases. If he works one day a week at the trade, his benefit continues; but if he works two days at the trade during the week, he forfeits benefits for that week.

Benefits.—An unemployed married member receives \$6 a week unemployment benefit; a single unemployed member receives \$4 a week. The benefit begins with the first week of unemployment and there is no limit as to the benefit period. Benefits are paid as long as the member is out of work and funds are available for such payments.

Administration.—The benefit fund is administered by the president, vice president, secretary-treasurer, and the chairmen of the five largest chapels.

Method of financing plan.—The fund is financed by assessments; for April, May, and June, 1931, the assessment is 1 per cent of the earnings of members. Nonactive members are assessed \$1 per month.

Statistics of operation.—The statistics of operation are shown in Table 65 for December, 1930, to March, 1931:

TABLE 65.—Operation of unemployment-benefit plan of Typographical Union, Local No. 2, Philadelphia, December, 1930, to March, 1931

Year and month	Total number of members in union	Number of members receiving benefits	Total benefits paid	Average benefit paid	Balance in fund at end of period
1930: December (2 weeks).....	1,214	60	\$548.00	\$9.13	\$970.13
1931:					
January.....	1,205	103	2,116.00	20.54	505.19
February.....	1,198	98	1,778.00	18.14	300.54
March.....	1,186	81	1,306.00	16.12	542.97

General experience.—The benefit payments are too small to meet, in any adequate way, the problem of unemployment.

For the first three months (December, 1930, and January and February, 1931) the plan was financed by an assessment of 1 per cent of weekly earnings; for the month of March it was financed by voluntary contributions of 1 per cent of earnings; and for the 3-month period of April, May, and June it will be financed by an assessment of the same amount. The assessment of 1 per cent of the earnings has been adequate to meet the payments to date. No changes have been made in the plan and none are contemplated at present.

The custom of overtime work depends to some degree on the individual shops. The majority of the shops having a small amount of overtime work prefer that it be done by the regular employees who are familiar with the work. If there is much overtime work to be done, it is the practice in most cases to take on extra workers. The same practice has been followed since the depression. There has

been no change in the hours of the regular working week. Some commercial shops work 44 hours and other 48 hours. Newspaper offices work 48 hours a week, with the lunch time included.

Typographical Union, Local No. 13, Boston, Mass.

The Boston Typographical Union, Local No. 13, started the following plan for payment of unemployment benefits in 1931 as an emergency measure to meet the conditions caused by the depression. If conditions improve enough to warrant its discontinuance, it will likely be dropped. The first payment of benefits was for the week ending February 4, 1931.

Eligibility for benefits.—A member to be eligible for benefits must have continuous membership in the Boston Typographical Local No. 13 for six months prior to unemployment and must be unemployed through no fault of his own. If he refuses a position, he receives no benefit. At first, one year's membership was required for eligibility, but this was changed to six months by vote of the membership.

Unemployed members must report for work six days a week in newspaper chapel or sign the roll at union headquarters the first five days of the week. If outside work is performed, no unemployment benefit is paid. If a married member gets one day's work at the trade, he receives \$8 benefit that week; if he works two days, no benefit is paid for that week. If a single man works one day at the trade, he receives no benefits for that week.

Benefits.—Married men unemployed a full week receive \$15 a week. Single men unemployed a full week receive \$8 a week. The benefit is paid for the first financial week of unemployment, which begins Thursday and ends Wednesday. Payment is made on Friday following the end of the financial week. No limit has been set on the benefit period. Fourteen members have been paid benefits ever since the plan started.

Administration.—The fund is administered by the executive committee of Local No. 13.

Method of financing plan.—The fund is financed by an assessment of 1 per cent of the earnings of employed members. The assessments began on the first pay day after January 19, 1931.

Statistics of operation.—The statistics of operation are shown in Table 66:

TABLE 66.—Operation of unemployment-benefit plan of Typographical Union, Local No. 13, Boston, Mass., February to April, 1931

Month	Total number of members in union	Number of members receiving benefits	Total benefits paid	Average benefit paid	Balance in fund at end of period
1931:					
Jan. 30.....					\$1,089.99
February (5 weeks).....	1,974	84	\$3,575.00	\$42.56	1,615.57
March (4 weeks).....	1,971	87	3,170.00	36.44	992.79
April (2 weeks).....	1,971	78	1,554.00		

General experience.—The plan has been in effect such a short time that no definite conclusions can be drawn as to its success. The depression caused the present plan to be adopted. It is the purpose of the membership to discontinue the plan as soon as working conditions warrant its discontinuance.

As no limit has been set on benefit periods, no special benefits have been paid. The fund created by the assessment of 1 per cent of the total earnings has been sufficient to meet benefit payments to date. No loans or extra assessments have been necessary. No change has been made in amount of benefit and no changes are contemplated under the present conditions.

In job offices the usual custom has been for regular employees to perform necessary overtime rather than to take on other employees. There is not much overtime work needed since the depression. In newspaper offices there is not much overtime work. If a member works overtime to the amount of one day he must lay off and give a substitute a day's work if a substitute is available. There has been no change in weekly hours—44 hours per week. Some shops are working short time due to the depression.

Bakery and Confectionery Workers' Local No. 16, Buffalo, N. Y.

The unemployment-benefit plan of the Buffalo Bakery and Confectionery Workers' Local No. 16 was established in 1896.

Eligibility for benefits.—To be eligible for benefits under this plan the unemployed member must have been a member for six months prior to date of unemployment. Such member is required to report for roll call at least three times each week. If he accepts work at some other trade, his unemployment benefits cease.

Benefits.—Each unemployed member receives \$4 per week. He is subject to call for work under the job system, and for each day so worked \$1 is deducted from the weekly benefit. Benefits are paid after two full weeks of unemployment, for a maximum of 18 weeks during the period beginning the first Saturday in December and ending the first Saturday in April.

Administration.—The benefit fund is administered by the president, treasurer, or either secretary of the union.

Method of financing plan.—The benefits are paid from the general treasury. There is no special reserve fund.

Statistics of operation.—The statistics of operation of the fund are given in Table 67:

TABLE 67.—Operation of unemployment-benefit plan of Bakery and Confectionery Workers' Local No. 16, Buffalo, November, 1922, to March, 1931

Year ¹ or month	Total number of members in union	Number of members receiving benefits	Total benefits paid	Average benefit paid
1922-23.....		22	\$800. 70	\$36. 40
1923-24.....		27	1, 200. 00	44. 44
1924-25.....		36	1, 800. 00	50. 00
1925-26.....		32	1, 700. 00	53. 13
1926-27.....		28	1, 400. 90	50. 03
1927-28.....	182	25	1, 038. 00	41. 52
1928-29.....	189	28	1, 101. 00	39. 32
1929-30.....	184	25	913. 00	36. 52
December, 1930 (month).....	176	27	259. 60	9. 59
1931:				
January.....	175	25	365. 00	14. 60
February.....	174	27	279. 00	10. 33
March.....	174	28	343. 00	12. 25

¹ The fiscal year ends November 30.

General experience.—From 1924 to 1927 the benefits paid averaged over \$50 per unemployed member. While a large number are unemployed after the end of the benefit period, no special benefits are paid. After April work in the trade usually increases and the majority of the unemployed find work.

The depression has had no appreciable effect on the existing benefit plan. Bakery work remains fairly steady over the years with the usual lay-offs in the winter months. The fund has at all times been adequate to meet the needs and it has not been necessary to call for special assessments. There has been no change in the benefit amount or period and no change is contemplated during the next year.

Regular workers are forbidden to contract with the employing bakers to work more than two hours' overtime per week, if more overtime work is necessary it must be given to an extra man. There has been no change in the regular working hours, which are 8 per day or 48 per week.

Bakery and Confectionery Workers' Local No. 4, St. Louis, Mo.

The Bakery and Confectionery Workers' Local No. 4 of St. Louis has had an unemployment-benefit plan for almost 30 years, the plan being started in 1902.

Eligibility for benefits.—Three years' membership in the local is required for eligibility for benefits. Should a member withdraw from the local for more than three months, he would have to reestablish membership for three years before being eligible. An unemployed member must report to the office of the local and answer roll call every Monday and Thursday to receive benefit. A member forfeits unemployment benefit if employed at a trade other than his own. If he works at the bakery trade one day a week he receives the full benefit; if two days are worked during the week he is paid \$3.50 for that week; and if he works three days in the week he receives no benefit for that week.

Benefits.—The benefit paid is \$7 per week. A member can draw only \$70 in one year. Benefits are paid after two full weeks of unemployment, when payment is made for the second week of unem-

ployment. In computing the time of unemployment the calendar week is used—the weeks are counted from the first Monday unemployed. Benefits are payable only during the period from the Monday before Christmas to the last Monday in March, or 15 weeks, and to receive benefits the members must be out of work during this period.

Administration.—The fund is administered by the treasurer of the local under the supervision of the executive board.

Method of financing plan.—The fund is financed by special dues of 40 cents per member per month and all fines collected are placed in this fund. All profits from entertainments given by the local are also placed in the unemployment fund. If the fund is low a special assessment of \$1 to \$2 per year is levied.

Statistics of operation.—The records of operation prior to 1911 are not available. The statistics of operation since 1911 are shown in Table 68:

TABLE 68.—Operation of unemployment-benefit plan of Bakery and Confectionery Workers' Local No. 4, St. Louis, 1911 to 1930 and January to March, 1931

Year ¹	Total number of members in union	Number of members receiving benefits	Total benefits paid	Average benefit paid	Balance in fund at end of period
1911 ¹	300	37	\$362.50	\$9.78	-----
1912.....	350	21	175.00	8.33	-----
1913.....	350	29	232.00	8.00	-----
1914.....	375	25	251.00	10.04	-----
1915.....	400	49	651.00	13.29	-----
1916.....	750	43	543.00	12.63	-----
1917.....	800	34	393.00	11.56	-----
1918.....	900	13	210.00	16.15	-----
1919.....	850	43	595.00	13.84	-----
1920.....	1,000	27	402.00	14.89	-----
1921.....	1,100	60	2,938.00	49.72	-----
1922.....	1,100	110	5,942.00	54.02	-----
1923.....	1,150	125	5,270.00	42.16	-----
1924.....	1,150	122	5,631.50	46.16	-----
1925.....	1,150	114	5,124.00	44.95	-----
1926.....	1,150	156	7,567.00	48.51	\$604.44
1927.....	1,190	149	8,459.50	56.78	805.44
1928.....	1,190	136	7,423.50	54.59	1,087.93
1929.....	1,190	140	7,000.00	50.00	1,119.56
1930.....	1,190	154	9,121.00	59.23	1,959.20
1931 (1st quarter).....	1,200	184	11,144.00	60.57	1,547.33

¹ Data from the American Federation of Labor, Unions Provide Against Unemployment, Washington, 1929.

General experience.—Since 1911 the benefit payments have been increased from \$3 to \$7 per week, and the benefit period has been extended from 12 to 15 weeks.

The benefits paid are restricted to the seasonal dull period during the year. For the past dull period more calls were made for relief than at any time since the plan was started. Many of the members were unemployed at the expiration of the benefit period. No special benefits are provided for such members, although in a few instances of extreme distress they have been aided by voluntary contributions of the members.

The depression has made it necessary to pay benefits to a larger number of members. The fund has been adequate, although it was found necessary to levy a special assessment of \$1 on all employed

members in December, 1930, and January, 1931. The special assessment is provided for in the plan but has rarely been called for.

No changes in benefit amount or period are contemplated.

This local has always discouraged overtime work and insists on employment of extra men, except in emergencies. This policy is continued. No change has been made in the full-time working week. In machine shops 48 hours are worked per week; in hand shops, 54 hours per week.

Bakery and Confectionery Workers' Local No. 22, New York City

The New York Local No. 22 of the Bakery and Confectionery Workers' Union is composed of Bohemian workers, who are employed in small shops throughout the city. The unemployment-benefit plan was started in 1910 and embodies both work and cash benefits.

Eligibility for benefits.—To be eligible for benefits the applicant must have been a member in good standing for six months prior to unemployment and he must report at a meeting of the local that he is unemployed. There are no rigid rules in regard to reporting at regular times. A member who works at any other trade forfeits his right to benefit. If he works at his trade and earns less than \$15 a week, he is paid as an unemployment benefit the difference between what he earns and \$15 a week.

Benefits.—The amount of benefit to be paid is set each year by the local. Benefits were paid at the rate of \$15 a week until 1930, when, due to the increased demand, the rate per week was set at \$10, which is still the rate. Benefit begins with the second week of unemployment. Formerly benefits were paid from November 1 to May 1, if a member was in need, but during the past winter benefits were limited to 12 weeks. Eligibility is restored at the beginning of the next benefit season.

The plan has no rigid rules for administration, being adjusted from year to year to meet the existing conditions. The amount to be paid per week is determined at regular meetings of the local and is based upon conditions of the trade and the prospects for the winter season.

Administration.—The fund is administered by the executive board of the local.

Method of financing plan.—The plan is financed by the general treasury fund, which is maintained by the regular dues. There is no special reserve fund.

Statistics of operation.—Table 69 gives statistics of operation of the plan from 1927 to 1930. No benefit was paid for January, February, or March, 1931, as steady-working members divided the work with unemployed members.

TABLE 69.—Operation of unemployment-benefit plan of Bakery and Confectionery Workers' Local No. 22, New York City, 1927 to 1930

Year	Total number of members in union	Number of members receiving benefits	Total benefits paid	Average benefit paid
1927.....	165	51	\$543	\$10.65
1928.....	167	57	748	13.12
1929.....	158	45	950	21.11
1930.....	152	48	330	6.88

General experience.—The benefit system meets the unemployment problem satisfactorily when conditions are normal, but during the present depression it has not been entirely satisfactory. The local has a system of regular men laying off one day in two weeks in order to give work to unemployed members, and in this way, the number of members without any work is decreased. Employed members are now laying off one day per week instead of one day every two weeks in order to give more work to the unemployed members. From 20 to 25 per cent of the members remain unemployed at the expiration of the benefit period.

No change is contemplated at present in the benefit amount or period. The conditions at the beginning of the next season may necessitate changes in the plan.

Bakery and Confectionery Workers' Local 118, Washington, D. C.

The unemployment cash-benefit plan of the Washington (D. C.) Bakery Workers' Union, Local No. 118, is supplementary to an arrangement which requires members to lay off in rotation during the winter months, or to work only five days a week. In this way the demand for cash benefits is reduced to a minimum. The benefit fund was started in 1914.

Eligibility for benefits.—In order to be eligible for benefit payments the unemployed member must have been a member of the local for two years. He must sign roll at the office of local six days a week. If he works at other than his own trade he loses his unemployment benefit. If he works one day per week at his trade, he is paid \$4 benefit for that week.

Benefits.—The benefit is \$12 a week if no work is performed during the week, and is paid after two weeks of unemployment. Prior to 1931 the benefit period was from the last Saturday in November to the first Saturday in April; beginning in 1931 the period was extended to the last Saturday of April. Special benefits have been paid to members in distress. These cases are taken up by the local and each case is decided upon its merits.

Administration.—The plan is administered by the financial secretary of the local, with supervision of the executive board.

Method of financing plan.—The benefit fund is financed from the general fund by regular dues, with occasional assessments if needed to meet payments of benefit. No reserve fund is kept for this purpose.

Statistics of operation.—Table 70 gives statistical data as to the operation of the plan from 1923 to 1930 and from January to April, 1931:

TABLE 70.—*Operation of unemployment-benefit plan of Bakery Workers' Local No. 118, Washington, D. C., 1923 to 1930, and January to April, 1931*

Year or month	Total number of members in union	Number of members receiving benefits	Total benefits paid	Average benefit paid
1923.....	395	23	\$375	\$16.30
1924.....	396	22	1,761	80.05
1925.....	395	19	1,926	101.37
1926.....	380	10	1,224	122.40
1927.....	390	11	666	60.55
1928.....	388	25	1,308	52.32
1929.....	385	28	2,054	73.36
1930.....	380	26	1,658	63.77
1931:				
January.....	380	19	464	24.42
February.....	380	21	372	17.71
March.....	380	24	444	18.50
April.....	380	17	264	15.53

General experience.—The unemployment-benefit plan meets the problem of unemployment to some extent. A member can not very well live on \$12 a week during the unemployed period, but the benefit is a help toward meeting expenses. The system of regular men laying off one day a week is in practice during the dull season to help take care of unemployed members. Not a great many members are left without at least some work at the end of the benefit period.

The depression has had little effect upon the benefit plan of this local, and the fund has been adequate to meet all payments to date. There may be some minor changes made as occasion demands, but no radical changes are contemplated.

It has been the custom to put on temporary workers in the busy season rather than work the regular crew overtime. There has been no change in this custom since the depression. There has been no change in the hours per full-time week, the hours remaining at 48 per week. A large number of members work only 40 hours per week at this time.

Bakery and Confectionery Workers' Local No. 126, Tacoma, Wash.

The unemployment-benefit plan of the Tacoma Bakery and Confectionery Workers' Local No. 126 was started in 1916.

Eligibility for benefits.—Members become eligible to the plan when they have been members of the local in good standing for six months. A member who is unable to secure work at his craft is considered unemployed, whether on account of shutdown, breakdown, or stoppage of machinery for repair. All men are hired through the union office, and this serves as proof of unemployment. A member steadily employed outside the trade during the period of unemployment is not entitled to benefits.

Benefits.—The amount of benefit varies from \$6 to \$10 a week according to the merits of the case. Members receiving benefits do

not pay dues. Benefits begin after 30 days of unemployment, provided the member is not working over two days per week. The benefit period is usually from December to April, but during the past two years it has started October 1 and continued through April. Members who have regular positions are encouraged to take a vacation during this period in order to make a place temporarily for those without regular positions. Special benefits are seldom paid. Loans in amounts up to \$25 per month are made to deserving members.

Administration.—The plan is administered by a special committee in conjunction with the business agent.

Method of financing plan.—The plan is financed by contributions varying from 50 cents to \$1 per month during the summer and one day's pay a week for as long as is necessary during the winter. There is no fixed reserve fund.

Statistics of operation.—Table 71 gives statistics of operations of the plan from 1916 to 1930 and for the first three months of 1931:

TABLE 71.—Operation of unemployment-benefit plan of the Bakery and Confectionery Workers' Local No. 126, Tacoma, Wash.,¹ 1916 to 1930 and January to March, 1931

Year or month	Number of members receiving benefits	Total benefits paid	Average benefit paid	Year or month	Number of members receiving benefits	Total benefits paid	Average benefit paid
1916.....	10	\$300.00	\$30.00	1926.....	10	\$600.00	\$60.00
1917.....	10	800.00	30.00	1927.....	14	800.00	37.14
1918.....	2	40.00	20.00	1928.....	30	980.00	32.67
1919.....	2	40.00	20.00	1929.....	25	1,675.75	67.03
1920.....	8	320.00	40.00	1930.....	30	2,160.45	72.02
1921.....	12	680.00	56.67	1931:			
1922.....	12	700.00	58.33	January.....	30	221.00	7.37
1923.....	10	580.00	58.00	February.....	30	481.50	16.05
1924.....	12	660.00	55.00	March.....	30	411.00	13.70
1925.....	8	475.00	59.38				

¹ The approximate membership of the union at present is 125.

² \$100 of this amount represents loans.

General experience.—During the depression an average of 16 members remain unemployed after exhausting their rights under the plan. A majority of these are old persons, who can not readily adjust themselves to the use of improved machinery. No change has been made in amount of weekly benefits, but the period has been extended since 1928.

Temporary workers are employed in busy seasons. No overtime work is permitted, except in emergencies. There has been no change in this respect. The working week remains the same as it has been for the past two years—48 hours for day work and 42 hours for night work.

Bakery and Confectionery Workers' Local No. 24, San Francisco, Calif.

The unemployment-benefit plan of the San Francisco Bakery Workers' Local No. 24, San Francisco, Calif., was started in 1917. The benefit plan is compulsory and every member who is employed must pay his assessment.

Eligibility for benefits.—Members who are entitled to a weekly benefit must have held membership in this local for a period of at least two successive years, previous to applying for an unemployment benefit. Members who leave the local after two years' membership on a retiring or traveling card, and who return within a year, are eligible to benefit after three months' membership.

Members who are entitled to benefit must answer roll call on Thursday and Friday at 2 p. m. for the purpose of receiving a work order, should any work be on hand. They must also be present on Monday at 2 p. m., when the committee will meet and roll will be called for the purpose of paying benefits. Any member failing to answer his name shall forfeit all claims for that week. Any member refusing to go to work when it is offered shall forfeit his claim for benefit for a period of time to be decided by the committee.

Members who are employed at any other occupation or trade shall not be entitled to any jobbing place or to any benefit. Any member working one day per week at his trade shall receive \$2.50 for that week. If a member works two days and less than five days in any one week he shall not receive any benefit for that week.

Benefits.—Weekly benefit payments shall be \$10 if the member receives no jobbing place for that week. If a member has worked six months he is entitled to benefits after five weeks of unemployment. If he has worked from one to five months he is entitled to benefits after two weeks of unemployment. The benefit period extends from December to March, inclusive, during which period benefits are payable if needed. No special benefits are paid from the unemployment benefit fund to members in distress after they have exhausted their rights under the plan. Loans up to \$25 are made to unemployed members upon recommendation of the committee.

Administration.—The plan is administered by officers of the union and an unemployment committee of three trustees.

Method of financing plan.—The plan is financed by an assessment of 50 cents per month per member and funds from the general treasury. There is no special reserve fund.

Statistics of operation.—Data on operations of the unemployment-benefit plan of the Bakery and Confectionery Workers' Local, No. 24, San Francisco, for the years 1924 to 1930 and for January to March, 1931, are given in Table 72:

TABLE 72.—Operation of unemployment-benefit plan of Bakery and Confectionery Workers' Local No. 24, San Francisco, 1924 to 1930, and January to March, 1931

Year or month	Total number of members in union ¹	Number of members receiving benefits	Total benefits paid	Average benefit paid
1924.....	700	62	\$3, 620. 00	\$58. 39
1925.....	700	71	3, 800. 00	53. 52
1926.....	700	85	4, 121. 00	48. 48
1927.....	700	96	4, 300. 00	44. 79
1928.....	700	100	4, 500. 00	45. 00
1929.....	700	133	4, 907. 00	36. 89
1930.....	700	161	10, 840. 00	67. 03
1931:				
January.....	700	68	2, 505. 00	36. 84
February.....	700	88	2, 554. 20	29. 25
March.....	700	84	2, 702. 50	32. 17

¹ Approximate number.

General experience.—In 1917 there were approximately 45 jobbing places in operation which practically assured the members as much as two days' work a week. The jobbing places have decreased since 1917 until now there are only three or four operating, consequently fewer men are able to get the two days' work a week and many of them have no work at all for long periods.

The present plan of financing the fund has been inadequate to meet the demands made upon it for several years. The maximum sum derived from the assessment is not in excess of \$3,400 per year, while the demands have exceeded that sum each year since 1924. It was necessary to raise the assessment levied on the members who are employed from \$4 for the year 1930 to \$6 for the year 1931.

No changes have been made in the benefit amount or period, but a change is contemplated. It is proposed to decrease the amount of benefits so that no member can draw more than \$160 in three years; to require a member who has been out of the local on a retiring card to be back in the local for two successive years before being eligible to apply for benefits; and to refuse to pay benefits to members who are found to have independent means of support.

Temporary workers are employed in busy seasons, and no overtime work is permitted except in emergencies. There has been no change in this respect since the depression. Nor has there been any change in the weekly working hours—48 hours a week for both day and night workers.

Bakery and Confectionery Workers' Local No. 9, Seattle, Wash.

The unemployment-benefit plan of the Seattle Bakery Workers' Local No. 9 was established in 1920, and benefits have been paid to a large percentage of the membership during the dull season, October 1 to May 1.

Eligibility for benefits.—A member is eligible to receive unemployment benefits after a continuous membership in the local in good standing of one and one-half years. An unemployed member must report in person or by telephone every Friday at the union office, where all replacements are made. If a member works at other jobs during the unemployment period he forfeits his right to benefits.

Benefits.—The rate of benefit is \$7.50 a week. Benefits start immediately on the member reporting himself unemployed at his trade. The benefit period extends from October 1 to May 1, and is renewed on October 1 of each year. Benefits are payable during the entire period if necessary. Special benefits have been paid after members have exhausted their rights under the plan, but only on vote of the members in open meeting.

Administration.—The fund is administered by the secretary of the local.

Method of financing plan.—The fund is financed from the dues of \$3 per month and from special assessments. There is no special reserve fund.

Statistics of operation.—Table 73 gives data on operation of the unemployment-benefit plan of the bakery workers' local in Seattle for the years 1928 to 1930 and for the first three months in 1931:

TABLE 73.—*Operation of unemployment-benefit plan of Bakery and Confectionery Workers' Local No. 9, Seattle, 1928 to 1930, and January to March, 1931*

Year or month	Total number of members in union	Number of members receiving benefits	Total benefits paid	Average benefit paid
1928.....	1 525	128	\$14, 820	\$115. 78
1929.....	525	139	15, 856	109. 86
1930.....	525	129	15, 390	118. 90
1931:				
January.....	525	96	1, 100	11. 46
February.....	525	99	1, 100	11. 11
March.....	525	102	1, 000	9. 80

¹ Approximate number.

General experience.—The cost of the plan was heaviest in 1929 when \$15,856 was paid to a total of 139 members whose unemployment ranged from one to seven months. In 1928, 33 members drew benefits for the entire benefit period—seven months; in 1929, 28 members, and in 1930, 32 members drew benefits for the entire period.

Approximately 70 members have been left unemployed at the expiration of the benefit period, and special benefits have been paid in some cases on vote of the members in open meeting. In the majority of the cases where members draw benefits during most or all of the period, the member was past the active working age and was not able readily to find work. No changes have been made in the benefit amount or period since 1920.

Temporary employees are taken on in busy seasons; but no change in this respect has been made during the depression.

Bakery and Confectionery Workers' Local No. 74, Spokane, Wash.

The unemployment-benefit plan of the Bakery and Confectionery Workers' Union, Local No. 74, of Spokane, Wash., also provides relief for aged members. The plan was begun in 1924.

Eligibility for benefits.—A member must have been in the local two years in good standing to be eligible to participate in the benefits. Unemployed members are required to report at the office of the union on three separate days each week. A member who obtains work at other jobs loses his right to benefits, but not to the help of the union in securing employment at his trade.

Benefits.—Unemployed members receive \$12 a week benefit. The benefit period is normally from November 1 to April 1. Special benefits are paid in extreme cases, but only after each case is favorably passed on by the members.

The amount collected through special dues of 50 cents per month per member is used for the relief of aged members. Two such members are now receiving benefit payments; one is paid \$8 and the other \$8.50 per week.

Administration.—The plan is administered by the secretary of the local.

Method of financing plan.—The plan is financed by assessments, the assessment now being 6 per cent of the weekly wages of the

members. A recipient of benefits is relieved from paying the assessment.

Statistics of operation.—Data on the operations of the unemployment-benefit plan of the bakery and confectionery workers' local in Spokane, Wash., are given in Table 74 for the years 1924 to 1930 and for January to March, 1931:

TABLE 74.—*Operation of unemployment-benefit plan of Bakery and Confectionery Workers' Local No. 74, Spokane, 1924 to 1930 and January to March, 1931*

Year or month	Total number of members in union	Number of members receiving benefits	Total benefits paid	Average benefit paid
1924 ¹		47	\$1,481.90	\$31.53
1925 ¹		12	960.35	80.03
1926 ¹		17	905.75	53.28
1927 ¹	207	21	1,202.40	48.59
1928 ¹	200	64	31,104.00	576.00
1929 ¹	200	47	24,752.00	526.64
1930.....	200	12	3,024.00	252.00
1931:				
January.....	200	19	1,140.00	60.00
February.....	200	14	648.00	46.28
March.....	201	8	384.00	48.00

¹ Data from American Federation of Labor, Unions Provide Against Unemployment, Washington, 1929.

² Data for this year include benefits paid for unemployment resulting from industrial disputes.

³ 1928 membership, 139 bakers and 61 auxiliary workers; March, 1931, 139 bakers and 62 auxiliary workers.

⁴ Average for month.

General experience.—Prior to November, 1929, unemployed members were guaranteed \$21 a week, which was reduced to \$18 a week in November, 1929, and to \$12 a week in November, 1930, and has since remained at that amount.

Prior to May 1, 1928, the fund was financed by special dues of 50 cents per month from each member. It was also augmented by receipts from benefit entertainments given by the local. The funds thus obtained were ample for the relief provided and for keeping the reserve fund at \$500 and over.

A series of disputes took place in the bakeries of Spokane in May, 1928, resulting in considerable unemployment. This caused heavy demands to be made on the fund, and other means of financing had to be made. About May 1, 1928, an extra assessment was made, and 15 per cent of the weekly wages of each member was collected from May 1 to December 31, 1928. From January 1 to July 31, 1929, the assessment was decreased to 12 per cent of the weekly wages; from August 1, 1929, to April 30, 1930, the assessment was 8 per cent; and from May 1 to the present time, 6 per cent of the weekly wages of every member.

Under normal conditions when there are no lockouts or other labor troubles affecting the local, the benefit plan practically solves the unemployment problem. Only a few members are left unemployed at the expiration of the benefit period. No changes are contemplated in the benefit amount or period.

Temporary help is employed in busy seasons. Little, if any change has been made in this respect since the depression. No change has been made in the normal working week, but there is an agreement

between the union and the employers whereby the working week may be reduced to four days during the months of November, December, January, and February of any year if conditions warrant such reduction.

Bakery and Confectionery Workers' Local No. 233, Madison, Wis.

The present unemployment-benefit plan of Bakery Workers' Local No. 233, Madison, Wis., was started in 1925.

Eligibility for benefits.—To be eligible for benefits a member must have been in good standing for three years prior to the date of unemployment. An unemployed member must report once each week at the local office to draw benefits. If work outside the trade is secured by such a member, he forfeits his benefit. If he works only one day at his trade, he receives the entire benefit, but if he works two or more days a week he receives no benefit for that week.

Benefits.—The rate of benefit at present is \$6 per week. No benefit is paid until a member has been unemployed for a period of four weeks. A member may receive benefits for a period of 16 weeks between the second week in December and the second week in April.

Special benefits have been paid in cases of urgent need. A donation of \$25 was voted to a member during the past year.

Administration.—The fund is administered by the financial secretary of the local, and benefits are paid from the general treasury. There is no special reserve fund.

Method of financing plan.—When the plan was started the monthly dues were raised from \$2 to \$4, but at the present time the dues have been reduced to \$3.25 per month.

Statistics of operation.—Data are given in Table 75 covering operations of the unemployment-benefit plan of Bakery and Confectionery Workers' Local No. 233 in Madison, Wis., for 1925 to 1930 and for January to March, 1931:

TABLE 75.—Operation of unemployment-benefit plan of Bakery and Confectionery Workers' Local No. 233, Madison, Wis., 1925 to March, 1931

Year or month	Total number of members in union	Number of members receiving benefits	Total benefits paid	Average benefit paid
1925.....	(1)	6	\$90.00	\$15.00
1926.....	(1)	5	195.00	39.00
1927.....	(1)	6	95.00	15.83
1928.....	(1)	2	36.00	18.00
1929.....	(1)	2	24.00	12.00
1930.....	(1)	5	94.00	18.80
1931:				
January.....	(1)	5	90.00	18.00
February.....	(1)	5	66.00	13.20
March.....	(1)	4	54.00	13.50

¹ Membership of local has varied from 60 to 63 during past 5 years.

General experience.—Although the benefit payments are not large, they help to relieve the situation to some extent. There are always a few members unemployed at the expiration of the benefit period.

The depression has had very little effect on the existing plan, as employment is fairly regular at all times. During the winter and spring the University of Wisconsin and the State legislature are in session, which means about 10,000 to 12,000 additional residents with a resulting stimulus to business. The fund has been adequate at all times and no extra assessments have been needed to care for the unemployed.

The amount of the benefit payment was increased from \$5 to \$6 per week about two years ago. No changes are contemplated in the benefit amount or period.

The custom of Local No. 233 is to discourage overtime work and employ temporary workers when needed. There has been no change in working hours. Day workers are paid for 51 hours but work 48 hours per week. Forty-five hours are worked at night with pay for 48 hours per week.

Brewery, Flour, Cereal, and Soft Drink Workers' Local No. 1, New York City

The unemployment-benefit plan of the New York United Brewery, Flour, Cereal, and Soft Drink Workers' Union, Local No. 1, was started in 1906.

Eligibility for benefits.—To be eligible to benefit a member must have paid dues for 12 months prior to unemployment. An unemployed member must report twice a week at the office of the union. A member is considered unemployed if working less than 6 days a month. If an unemployed member obtains work at other than his own trade, his benefit ceases.

Benefits.—An unemployed member receives a benefit of \$6 a week. The benefits begin the third week of unemployment and are paid for 12 weeks. A member must, however, pay dues for 12 months before he is again eligible to unemployment benefits. Special benefits have been paid where cases were considered worthy. These cases are taken up and decided at regular meetings of the local. The usual plan is to extend the time for which benefits are paid.

Administration.—The plan is administered by the financial secretary, approved by the executive board.

Method of financing plan.—The unemployment-benefit fund is financed from the general fund. There is no reserve fund.

Statistics of operation.—Table 76 gives data on the unemployment plan from 1927 to 1930 and through April, 1931:

TABLE 76.—Operation of unemployment-benefit plan of Brewery, Flour, Cereal, and Soft Drink Workers' Local No. 1, New York City, 1927 to 1930 and January to April, 1931

Year or month	Total number of members in union	Number of members receiving benefits	Total benefits paid	Average benefit paid
1927.....	420	12	\$486.00	\$40.50
1928.....	400	16	612.00	38.25
1929.....	350	18	444.00	24.67
1930.....	290	25	936.00	37.44
1931.....	290			
January.....		5	66.00	13.20
February.....		9	162.00	18.00
March.....		12	240.00	20.00
April.....		3	96.00	32.00

General experience.—The benefits paid do not meet the problem of unemployment to any great extent. The amount is too small to meet the needs of a member who is out of work. Prior to 1920 there were not many members left unemployed at the expiration of the benefit period, but of recent years a large number of members have been left unemployed at the expiration of the benefit period.

The depression has resulted in a great burden on the plan, more members being out of work for a long period of time, but the local expects to continue the plan. The general fund has been sufficient to take care of benefit payments to date. No special assessments have been made for this purpose.

No change in the benefit amount or period has been made and no change is contemplated at present.

The custom has been for regular workers to perform overtime work during ordinary business conditions. Some plants made it a practice to give overtime work to additional workers. There has been some change in this policy since the beginning of the depression and at present there is practically no overtime work. There has been no change in the regular 48-hour working week.

Wood Carvers, Boston, Mass.

The unemployment-benefit plan of the Boston Wood Carvers' Association has been in operation about 20 years. The exact date of the adoption of the unemployment-benefit fund is not known, but it was about the year 1910.

Eligibility for benefits.—To be eligible for benefits a member must have been a member for 104 weeks previous to the time of unemployment. A member must report to the secretary-treasurer of the association as soon as he is out of work, either by letter or telephone. He must also report when he returns to work. The shop stewards make weekly reports to the secretary-treasurer showing the number of men at work and the men sign on the back of the shop steward's report. If an unemployed member secures work at another trade, he does not forfeit his benefits.

Benefits.—The benefit is \$12 a week. Benefit payments begin the second week of unemployment and are made for not exceeding 12 weeks in a year.

A system is in effect in the association whereby an unemployed member in need of funds is able to borrow from the unemployment and loan fund. At first a member was loaned up to \$50, but since the depression the amount has been increased to \$100. The member does not pay interest on the loan and is allowed to pay it back at \$3 a week when he begins working.

Administration.—The fund is administered by the executive committee, with the approval of the membership at meetings of association.

Method of financing plan.—The fund is financed by assessments, the present rate being 1 per cent of the earnings of the members. A substantial reserve fund was created during the early days of the plan when unemployment was not so great. It is the purpose of the association to keep the reserve fund at not less than \$25,000. When the fund falls to \$25,000, 1 per cent in addition to the regular assessment

of 1 per cent will be levied until the fund reaches \$30,000, when the additional assessment will cease.

Statistics of operation.—Table 77 gives statistics of operation of the unemployment-benefit plan from 1919 to 1930 and January to May, 1931:

TABLE 77.—*Operation of unemployment-benefit plan of Wood Carvers' Association Boston, 1919 to 1930 and January to May, 1931*

Year or month	Total number of members in union	Number of members receiving benefits	Total benefits paid	Average benefit paid	Balance in fund at end of period
1919 ¹	104	-----	\$5,101.50	-----	\$4,704.74
1920 ¹	100	-----	6,894.00	-----	5,309.42
1921 ¹	90	-----	8,543.00	-----	4,096.15
1922 ¹	80	43	3,364.00	\$78.23	5,255.91
1923 ¹	81	39	2,293.50	58.81	8,692.88
1924 ¹	83	29	1,324.50	45.67	14,435.38
1925 ¹	85	28	1,076.50	38.45	21,137.37
1926 ¹	103	16	628.00	42.63	26,839.68
1927.....	105	17	530.00	31.18	28,950.25
1928.....	115	36	1,854.00	51.50	29,987.15
1929.....	117	43	3,018.00	70.19	29,675.25
1930.....	125	57	4,512.00	79.16	28,401.17
1931:					
January.....	126	39	1,206.00	30.92	27,195.17
February.....	124	37	1,078.00	29.14	26,117.17
March.....	122	37	778.00	21.03	25,339.17
April.....	118	43	1,486.00	34.56	23,853.17
May.....	117	45	1,692.00	37.60	-----

¹ Data for year are from American Federation of Labor, Unions Provide Against Unemployment, Washington, 1929.

General experience.—The fund was financed in the early years by an assessment of 2 per cent of the earnings of the members. As a larger fund became necessary, the assessment was increased until at one time it amounted to 8 per cent of earnings. When conditions became better the assessment was decreased to 2 per cent, and about two years ago was decreased to 1 per cent of earnings, where it remains at present.

During ordinary business conditions not many members are left unemployed at the end of the benefit period, but during the depression many are unemployed beyond such period. No special benefits have been paid after members have exhausted their rights under the benefit plan.

The depression has not materially affected the benefit plan. The fund has been adequate to meet the benefits without undue hardship on the members. Due to the high average earnings of the trade, the 1 per cent assessment has kept the fund in good condition.

No change is contemplated in the amount or period of benefits, but if the depression continues as at present the period may be extended.

It is a rule of the association that no overtime shall be worked so long as extra men are available to perform the work which might require overtime work by the regular force. The working week was changed from 44 hours to 40 hours about April 1, 1929. The depression has made no change in the hours, and they remain 40 a week.

Lace Operatives, Branch No. 2, Wilkes-Barre, Pa. (Employees of Wyoming Valley Lace Mills)

Prior to 1924 the Amalgamated Lace Operatives of America, Branch No. 2, of Wilkes-Barre, Pa., maintained a general trade-union plan of unemployment benefits. This was given up in 1924, when the union entered into an agreement with the Wilkes-Barre Lace Co. to provide a joint unemployment-benefit plan. (See p. 103.) At the same time an effort was made to secure a similar agreement with the Wyoming Valley Lace Mills, but this was unsuccessful, and the members of Branch No. 2 employed by the latter company thereupon set up a benefit plan for their own protection. This plan was started in August, 1924, immediately after Branch No. 2 discontinued its general plan, and provides an unemployment benefit guaranteeing a minimum wage throughout the year.

Eligibility for benefits.—All members of Branch No. 2 who are employed at the Wyoming Valley Lace Mills are covered by the plan, it being a rule that all members shall contribute to the fund if their earnings are more than the amount of the benefit. If a new member comes into this branch from some other branch in another city, he is immediately eligible. If a new member has never been a member in any branch of the Amalgamated Lace Operatives of America, or is an apprentice in the trade, he must serve six months before being eligible, when he will receive half the benefit; after one year he is eligible for two-thirds of the benefit; and in 18 months he is eligible for full benefits.

Unemployment is taken to mean involuntary unemployment. If a member is willing and ready to work and there are no orders, he is regarded as unemployed. If a member is sent for he must do the work required or he will not be eligible for benefits. He must be notified that he is needed a given number of hours in advance of the time when needed, however; otherwise he does not lose his right to benefit. A member need not report daily but must be ready to work when sent for. A member may do outside work and still draw benefits but he must pay union dues according to the amount he earns. As long as the member is on call and reports when needed, the union does not care what he does in outside work when unemployed at the trade.

Benefits.—In January, 1930, the unemployment benefit was fixed at \$16 per week.

Administration.—The fund is administered by the shop committee consisting of four members, a secretary-treasurer, two trustees, and "responsible member" of the shop. The dues are collected by a collector chosen by the union, who is paid \$10 a year for his services, plus 1 per cent of each dollar collected. The money collected is turned over to the secretary-treasurer. On good security the committee has allowed loans to be made to members. The responsible member checks all claims for benefits and approves them before they can be paid. The shop committee has the final decision in all matters of dispute, unless the member asks for a decision by vote of all weavers in the shop. The books are audited each year.

Method of financing plan.—When the plan was started the group of workers who were employed by the Wyoming Valley Lace Mills

claimed its pro rata share of the balance in the unemployment fund which had been abandoned. This amounted to \$1,200. Members of Branch No. 2 contribute \$1 per week if they earn as much as the amount of the benefit.

Statistics of operation.—Table 78 gives statistics of operation of the unemployment-benefit plan of Branch No. 2, Amalgamated Lace Operatives of Wilkes-Barre, from July, 1924, to April, 1931:

TABLE 78.—*Operation of unemployment-benefit plan of Branch No. 2, Amalgamated Lace Operatives, Wilkes-Barre, July, 1924, to April, 1931*

Year or period	Total of members covered	Number of claims paid	Total benefits paid	Average benefit per claim	Balance in fund at end of period
1924 (July to December).....	27	45	\$520.00	\$11.56	\$1,623.74
1925.....	27	48	576.00	12.00	2,255.57
1926.....	22	31	338.00	10.90	3,132.56
1927.....	21	29	298.40	10.29	3,931.77
1928.....	22	71	1,042.87	14.69	4,000.41
1929.....	21	43	860.00	20.00	4,329.88
1930.....	21	138	2,053.83	14.88	3,095.83
1931 (January to April).....	21	35	549.18	15.69	1,919.13

¹ On April 22, 1931.

An interesting feature of this table is the fact that the highest average payment (\$20) occurred in a year of prosperity (1929), rather than of depression. In this year the members decided to pay \$20 for the enforced vacation which all members had during stock-taking period.

General experience.—When the plan started, benefit payments were \$12 per week. On August 14, 1926, by a vote of the members it was decided to pay each member \$10 for unemployment during the annual stock taking, which lasted at least a week in the year. On October 29, 1927, unemployment benefits were increased to \$15 per week, and in that year it was voted to pay \$15 for the stock-taking period. In January, 1929, the members voted to pay \$20 for the stock-taking period for that year. In January, 1930, the unemployment benefit was increased to \$16 per week.

The local has been able to carry through its unemployment-benefit plan successfully. No additional assessments have been made. The fund has been sufficient to pay for stock-taking periods in addition to regular unemployment caused by lack of orders. The depression made serious inroads on the fund, but as yet all payments have been met and no loans have been necessary. At the present time there is nearly \$3,000 in the fund. No changes are contemplated in the plan at present.

The company does all it can to equalize work. The man who works the smallest number of hours is always the first called back. Discharge never takes place unless on thorough investigation the member is found to be incompetent. The union rules allow no overtime. When there has been an unusual rush at this mill, workers on short time have been brought in from other lace mills in Wilkes-Barre. These employees are required to pay into the unemployment fund while working at this mill. The lace industry is now working a 40-hour week, but all workers are not working full time.

Lace Operatives, Philadelphia, Pa.

The Amalgamated Lace Operatives of America have two local branches in Philadelphia—Branch No. 1, made up of lace-curtain weavers, and Branch No. 18, composed of Levers machine weavers.

Five separate unemployment-benefit plans are in operation for the benefit of the members of these two branches. Two of these plans are established through joint agreements with manufacturers and are described in the section on "Joint agreement plans" (see pp. 96 and 99). The other three are maintained by three groups of union members, as follows: Members of Branch No. 1, employed by the North American Lace Co.; members of Branch No. 1, employed by the Quaker Lace Co.; and members of Branch No. 18, employed by the North American Lace Co. These three plans are described below.

Members of Branch No. 1 Employed by North American Lace Co.

Members of Branch No. 1 employed by the North American Lace Co. began their unemployment-benefit fund in February, 1928. The plan provided for an unemployment-benefit fund known as the North American Lace Curtain Weavers' Out-of-Work Fund. It guarantees a minimum wage to eligible members. When the plan was started it was voluntary, but beginning January 1, 1931, it became compulsory for members employed at this shop.

Eligibility for benefits.—All members of Branch No. 1 who are employed by the North American Lace Co. are eligible for unemployment benefits. By unemployment is meant involuntary unemployment, waiting for orders, machine repairs, etc. Shutdowns and stoppages for stock taking are not paid for. If the funds permit, the union votes to pay for stock taking. Holidays are paid for if the wage falls below the minimum. Members drawing sick benefits, members in arrears to the fund more than three weeks, and members obtaining work outside are not eligible for benefits. If a member fails to report when there is work or refuses to take the work offered, he is not eligible. Members must report for work as directed by the shop committee; as a rule they report twice a week.

Benefits.—Benefits paid are \$10 a week or an amount sufficient to bring the weekly wage up to that amount. Arrears to the fund are collected before benefits are paid. There is no waiting period and no limit to the amount of benefits a member may draw.

Administration.—The fund is administered by a committee of three and the responsible member of the local union. This committee is chosen by the shop.

The shop collector collects all dues and turns them over to the committee. The money is deposited in a bank. Members claiming benefits must deposit their pay cards with the responsible member who turns them over to the secretary of the unemployment-benefit fund. All lists of members entitled to payment of benefits must have the approval of the responsible member and at least one member of the shop committee. Payments are made by the committee each pay day. The committee renders a statement of the fund semi-annually to the members of the shop and the trade committee.

Method of financing plan.—All members who earn up to \$45 a week contribute 50 cents a week to the fund and those who earn \$45 and over contribute \$1 a week.

Statistics of operation.—Data covering the operation of the unemployment-benefit plan of the lace operatives of the North American Lace Co. belonging to Branch No. 1 are given in Table 79:

TABLE 79.—Operation of unemployment-benefit plan of lace curtain weavers of North American Lace Co., Philadelphia, 1928 to 1930 and January to April, 1931

Year	Number of union members covered	Number of members receiving benefits	Total benefits paid	Average benefit paid	Balance in fund at end of period
1928.....	48	48	\$2,025.89	\$42.21	¹ \$1,527.50
1929.....	43	48	1,113.05	23.19	² 1,864.60
1930.....	40	40	2,386.21	59.66	³ 1,389.39
1931 (to April 25).....	40	38	912.30	24.01	⁴ 477.09

¹ \$1,000 loan, real balance \$527.50.
² \$300 loan, real balance \$1,564.60.

³ \$1,300 loan, real balance \$89.39.
⁴ \$1,300 loan, deficit \$822.91.

General experience.—The fund was started with a donation of \$1,090.94 from the general funds of Branch No. 1, a pro rata share of \$5,000 which was divided between the three shops in the union. In August, 1928, the fund was very low and a donation of \$500 was made by the company. In September of that year it was necessary to make a loan of \$1,000 from the union, and in September, 1930, it was necessary to make another loan of \$1,000.

Members of Branch No. 1 who are employed at the North American Lace Co. feel that the unemployment-benefit plan has been a great help to them during the entire period of its operation. They have had considerable difficulty in keeping the plan going. So far they have been able to meet all claims for benefits, but the fund is very low at present. The members feel that such a plan is a necessity and will do all in their power to keep the plan running. No changes are contemplated in the plan.

Employment has been very irregular during the entire period of the plan and the hours are seldom over 15 in a week. Everything possible is done to distribute the work evenly among the employees, and the first man to wait for orders is the first to receive work when there is an opportunity.

Members of Branch No. 1 Employed by Quaker Lace Co.

Members of Branch No. 1, Amalgamated Lace Operatives of America, employed by the Quaker Lace Co., began their unemployment-benefit fund in March, 1928. The plan provides for an unemployment-benefit fund, known as the Quaker Lace Out-of-Work Fund. It guarantees a minimum wage to eligible members. The plan is compulsory for all members of Branch No. 1 employed at the Quaker Lace mills.

Eligibility for benefits.—Members of Branch No. 1 who are employed by the Quaker Lace Co., have worked in the shop for one

month, and are not more than two weeks in arrears for dues are eligible for unemployment benefits. By unemployment is meant involuntary unemployment, waiting for orders, machine repair, etc. Shutdowns and stoppages for stock taking are not to be paid for, although if the funds permit stock taking is usually paid for by vote of the union. Holidays are paid for if the wage falls below the minimum. If the fund falls below \$1,800, stock-taking vacation is not paid for.

If a member fails to report when there is work or if he refuses to take the work offered, he is not eligible for benefits. Requirements as to reporting for work are left to the foreman and the shop committee, but as a rule members report once a week. There are no rules as to outside work.

Members drawing sick benefits are not eligible. All lists of those eligible for benefits in a week must have the approval of the responsible member and at least one member of the shop committee. No further proof of unemployment is needed.

Benefits.—The benefits paid are \$10 a week, or an amount sufficient to bring the weekly wage up to that amount. Arrears for dues are collected from the fund in case the member is not more than two weeks behind. There is no waiting period and no limit to the amount of benefits a member may draw.

Administration.—The fund is administered by a committee of three and the responsible member of the local union. This committee is chosen by the shop.

The shop collector collects all dues and turns them over to the committee. This money is deposited in a bank. By Thursday each week the shop committee gives to the secretary of the unemployment-benefit fund a list of members entitled to benefits. All lists must be approved by the responsible member and at least one member of the shop committee. Payments are made in cash by the committee each pay day. The committee settles any matters of dispute. The committee renders a statement annually to the shop and to the trade committee, showing the state of the fund.

Method of financing plan.—The fund is financed by weekly contributions from the members, which, as set in January, 1931, are graded within narrow earnings groups and range from nothing for those earning less than \$16 per week to \$2 for those earning as much as \$76 per week.

Statistics of operation.—Table 80 presents data on the operation of the unemployment-benefit plan of the lace-curtain weavers of the Quaker Lace Co. from March 1 to April 25, 1931:

TABLE 80.—Operation of unemployment-benefit plan of lace curtain weavers of Quaker Lace Co., Philadelphia, March 1, 1928, to April 25, 1931

Year or period	Number of members covered	Number of members receiving benefits	Total benefits paid	Average benefit paid	Balance in fund at end of period
Mar. 1, to Nov. 1, 1928.....	96	96	\$742.11	\$7.73	\$3,224.92
1928-29.....	94	94	2,350.59	25.01	3,111.37
1929-30.....	90	90	8,568.31	95.20	1,612.32
Nov. 1, 1930 to Apr. 25, 1931.....	86	86	842.77	9.80	¹ 1,465.62

¹ There is a deficit of \$2,534.38 on loan from Branch No. 1.

General experience.—The fund started with a donation of \$2,272.72 from the general funds of Branch No. 1, a pro rata share of \$5,000 given to the three shops of Branch No. 1. During 1929–30, \$4,000 was loaned by Branch No. 1 and contributions amounting to \$1,500 were donated by the Quaker Lace Co.

At the time the plan was started contributions from members for the unemployment-benefit fund were as follows: Members earning less than \$15 per week, nothing; from \$15 to \$29.99 per week, 50 cents; from \$30 to \$44.99 per week, 75 cents; \$45 and over per week, \$1. On January 1, 1929, the contributions were changed as follows: Members earning less than \$16 per week, nothing; from \$16 to \$44.99 per week, 50 cents; \$45 and over per week, \$1. In January, 1931, still another change was made fixing the amount of contributions as at present.

Members of Branch No. 1 who are employed by the Quaker Lace Co. feel that an unemployment-benefit fund is a necessity. It has been something of a struggle to keep the fund going. It has been necessary to borrow from the general funds of the union, and a donation has been received from the company. It has not been possible to pay back any of the loan, thus leaving at the present time (April, 1931) a deficit of about \$2,500 in the fund, but it has been possible to pay the unemployment benefits at all times. The members feel that a special reserve fund would have been of great assistance had it been set up. No changes in the plan are contemplated.

The regular hours are 48 per week, but it has been four or five years since it has been possible to keep this schedule. For some time the average has not been over 15 hours a week. For the past two or three months workers have averaged about 20 hours a week. Many workers have had shorter hours, however, depending on the orders. Everything possible is done to distribute the work evenly, and the first man out is always the first man to receive work. No overtime is allowed.

Members of Branch No. 18 Employed by North American Lace Co.

The plan was adopted on November 1, 1925. First contributions were made on November 13, 1925, and the first benefits were paid December 4, 1925. The plan provides an unemployment benefit, guaranteeing a minimum wage. It is not compulsory.

Eligibility for benefits.—Members of Branch No. 18 employed by the North American Lace Co. are eligible for benefits after they have paid dues to the fund for 26 weeks, if they are not 4 weeks in arrears in their dues. By unemployment is meant lack of orders only.

The rules state that members waiting for orders must report every day except Saturday. This rule, however, is left to the discretion of the foreman. If a man does not report when there is work, he is deprived of benefits for that week. There is no rule as to outside work. Any member trying to defraud is penalized and deprived of benefits for a period of four weeks.

Benefits.—When the plan began benefits were \$12 or an amount sufficient to bring the weekly wage up to that amount. On July 1,

1930, the benefit was raised to \$15. There is no waiting period and no limit to the amount of benefit a member may draw.

Administration.—The fund is administered by a committee of three—a president, a vice president, and a secretary-treasurer—elected annually by the shop members. The president and vice president act as trustees, and see that the plan is carried on satisfactorily.

Contributions are collected by the secretary and deposited in a bank. All checks drawn on the account must be signed by the secretary and one trustee. Payments are made in cash on the regular pay day.

Method of financing plan.—Members pay dues as follows: Members earning less than \$15 per week, nothing; from \$15 to \$20 per week, 50 cents; \$20 and over per week, \$1. Members whose earnings are under \$10 and who draw benefits bringing their wages up to the minimum guaranteed are required to pay 50 cents into the fund. This is deducted from the benefit paid.

Statistics of operation.—Table 81 gives data on the operation of the unemployment-benefit fund of Levers machine operators of the North American Lace Co. from November, 1925, to April 25, 1931:

TABLE 81.—Operation of unemployment-benefit plan of Levers machine operators, North American Lace Co., Philadelphia, November, 1925, to April 25, 1931

Year or period	Number of members covered	Number of benefit claims paid	Total benefits paid	Average benefit paid	Balance in fund at end of period
November, 1925, to Dec. 31, 1926.....	126	197	\$2, 131.97	\$10.82	\$632.76
1927.....	20	169	1, 006.39	5.95	416.80
1928.....	22	86	581.63	6.76	684.63
1929.....	21	58	481.27	8.30	989.13
1930.....	24	49	493.93	10.08	1, 387.46
January, 1931, to Apr. 25, 1931.....	24	36	410.94	11.42	1, 311.42

¹ 33 members in 1925.

General experience.—Branch No. 18, Levers' Out-of-Work Fund of the North American Lace Co. has been able to meet all claims for benefits. It has been somewhat of a struggle, however. The fund was started with a contribution of \$1,000 from the company. In 1926 the fund was very low but was brought up by a donation of \$500 from an officer of the company. Income from members' dues has been small since 1927, fewer men being employed by the company and a smaller number of those belonging to the fund. In times of unemployment contributions are less. The year 1930, however, showed a gain in members covered and in income and a better balance was on hand than at any time since 1926. The balance at present is slightly less than at the beginning of 1931 but is still higher than in any year since 1926. It has not been necessary to resort to any loans.

Employment has been very irregular—about 18 hours a week at present. The rules provide that in case a depression necessitates it, machines where the orders warrant shall be operated by three men upon 6-hour shifts, other men making racks to work six hours per

day. Everything possible is done by the company to distribute work evenly. The company is friendly to the unemployment-benefit plan, as is indicated by its contributions, amounting to \$1,500.

There is no change contemplated except a return to a \$12 benefit. The rules, as changed July 1, 1930, provide that if the funds get down to \$500 the benefit shall be placed back at \$12. The members feel that an unemployment-benefit plan is almost a necessity, and they desire to keep it running constantly. It has been a great help during unemployment.

PART 2
UNEMPLOYMENT INSURANCE IN
FOREIGN COUNTRIES

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PART 2.—UNEMPLOYMENT INSURANCE IN FOREIGN COUNTRIES

Unemployment insurance under public control or authority has been established by legislation in 18 foreign countries. In two of these—Luxemburg and Spain—the legislation has not as yet been put into effect. In the other 16 countries, unemployment-insurance systems are in active operation.

The operation of the unemployment-insurance system of the Union of Socialist Soviet Republics was suspended in October, 1930. The reason given for this action was that a shortage of labor had made itself felt in the labor market.

The systems established fall into two main groups, usually distinguished by the terms "compulsory" and "voluntary." Compulsory systems are those in which unemployment insurance is made obligatory for certain designated classes of workers and under definite conditions prescribed by law. Voluntary systems are those in which unemployment insurance through private organizations is recognized, encouraged, and even subsidized by the State, but the establishment of such insurance is not obligatory.

The 18 countries having unemployment-insurance legislation are almost equally divided between these two types, the legislation in 9 countries being compulsory in character and in 8 voluntary, while in 1 country—Switzerland—the cantonal legislation is in some cases compulsory and in others voluntary. The distribution of the 18 countries on this point and the date of the first legislation on unemployment insurance in each country, are as follows:

Compulsory system :	
Austria.....	1920
Bulgaria.....	1925
Germany.....	1927
Great Britain and Northern Ireland.....	1911
Irish Free State.....	1920
Italy.....	1919
Luxemburg.....	1921
Poland.....	1924
Queensland.....	1922
Voluntary system :	
Belgium.....	1920
Czechoslovakia.....	1921
Denmark.....	1927
Finland.....	1917
France.....	1905
Netherlands.....	1916
Norway.....	1915
Spain.....	1931
Mixed system: Switzerland.....	1924

As indicated above, legislation on unemployment insurance is a recent development. Only two of the existing systems antedate the World War. The others were all creations of war and postwar

conditions, the German system having been put into effect as late as 1927. As a result of this element of newness, practically all the systems now in effect are recognized as being more or less experimental and subject to constant changes, particularly during the current period of industrial depression, when the pressure is far greater than that which the original systems were designed to withstand.

In the following pages a descriptive account is given of the unemployment insurance system in each of the 18 countries. Except for Luxemburg and Spain, where the legislation has not as yet been put into effect, this account includes, as far as information is available, an analysis of the law, a review of actual operations under the law, a statement of the attitude of representative individuals and organizations toward the system, and a digest of any important changes under consideration at the time the report was prepared.

A reading of the several reports reveals the wide differences in the unemployment-insurance systems of these countries. They are alike only in their objective—namely the relief of the evils of unemployment through some form of insurance. Otherwise they differ among themselves on practically all important points—coverage, methods of contributions, amount and character of benefits, provision for emergency benefits, method of administration, etc. Collectively, however, they offer examples of almost all possible forms of unemployment insurance, and provide a mass of information of extraordinary value for the study of this important subject.

Austria ¹

Compulsory unemployment insurance for wage earners and salaried employees was introduced in Austria by the law of March 24, 1920. This unemployment insurance law replaced the former system of unemployment relief out of Government funds which the Government had been obliged to establish provisionally by executive order on November 6, 1918—a few days after the fall of the old monarchy and the dissolution of the army—in order to avoid violent political disturbances throughout the country.

During the years 1920 to 1931 no fewer than 25 amendments to this law have been passed by the Parliament. These amendments in many ways changed the original provisions, such as those relating to the method of financing and the rates of benefit; they subsequently extended the period of benefit and introduced, as a temporary measure for periods of stringent economic depression, the emergency relief (*Notstandsarushilfe*) for workers who had been dropped from the regular benefit. Due to these frequent changes the legislation on unemployment insurance has become rather complicated, and the Ministry of Social Welfare, therefore, recently had the State Printing Office publish the text of the law revised up to date. In addition the Ministry of Social Welfare has issued 27 orders (*Vollzugsanweisungen*) dealing with the administration of the insurance and relief and fixing from time to time the rates of contribution required.

Type of System

Unemployment insurance in Austria is, as already mentioned, a compulsory system. Voluntary insurance is open only to laborers in purely rural districts who are otherwise excluded from this branch of social insurance. This voluntary insurance was established by the order of September 22, 1923, but it is without any practical value.

Coverage of System

The compulsory unemployment-insurance system includes in principle all classes of wage earners or employees subject to compulsory sickness insurance under the provisions of either the workmen's sickness insurance law or the employees' insurance law.²

There are, however, certain classes of wage earners who, although they are subject to sickness insurance, are specifically excluded from unemployment insurance. The excluded classes are:

(a) Wage earners employed in agriculture or forestry, except those employed exclusively or mainly in sawmills.

¹ Report prepared by Ernest L. Harris, American consul general, Vienna, as of Apr. 23, 1931.

² The workmen's sickness insurance law covers practically all workmen employed in private commerce, trade, and industry, while the employees' insurance law covers the salaried employees.

(b) Domestic servants, including day workers, laundry women, seamstresses, and gardeners who are engaged in private households.

(c) Persons employed by several employers at a time.

(d) Middlemen.

(e) Workmen in purely rural districts, unless engaged in the building trades or in establishments with more than five workers. (The Ministry of Social Welfare determines which districts are to be considered as purely rural.)

(f) Apprentices, up to the last year of their apprenticeship.

(g) The children, stepchildren, and grandchildren of an employer.

The law provides that when home workers become subject to compulsory sickness insurance, unemployment insurance for them shall be enacted by special order.

Contributions

The contributions for the regular unemployment insurance are equally divided between employers and workers; the Federal Government merely contributes to the cost of administration by paying one-third of the expenses of the district industrial commissions and the unemployment offices.

The cost of the emergency relief is divided between the employers, the workers, the State of which the unemployed is a resident, and the Federal Government, the employers paying three-twelfths, the insured three-twelfths, the State four-twelfths, and the Federal Government two-twelfths.

Regular unemployment insurance.—In the case of insured workmen, the contributions for the regular unemployment insurance are figured in hundredths of the workmen's sickness insurance premiums; in the case of insured salaried (brain) workers, in hundredths of their salary.³

The law leaves it to the Ministry of Social Welfare, jointly with the Ministry of Finance, to determine by order the rates necessary to meet requirements. During the past few years a rate of 75 per cent of the sickness insurance premium for wage earners and of 2.8 per cent of the salary for salaried employees has been in force. By order of January 5, 1931, however, the ministry increased the rates to 90 per cent and 3.4 per cent, respectively.

As far as the wage earners' insurance is concerned, the contributions to the regular unemployment insurance now are as shown in Table 1:

³ In computing the contribution, however, any part of the salary exceeding 400 schillings (\$56.28) per month is excluded.

TABLE 1.—Rates of contribution for regular benefit under wage earners' unemployment insurance system in Austria

[Conversions into United States currency on basis of schilling=14.07 cents]

	Daily wages		Weekly contribution	
	Austrian currency	United States currency	Austrian currency	United States currency
	<i>Schillings</i>	<i>Cents</i>	<i>Schillings</i>	<i>Cents</i>
Class I.....	Up to 1.13	15.90	0.48	6.75
Class II.....	1.13-1.39	15.90-19.56	.56	7.88
Class III.....	1.39-1.73	19.56-24.34	.70	9.85
Class IV.....	1.73-1.87	24.34-26.31	.82	11.54
Class V.....	1.87-2.40	26.31-33.77	.94	13.23
Class VI.....	2.40-3.00	33.77-42.21	1.22	17.17
Class VII.....	3.00-3.60	42.21-50.65	1.48	20.82
Class VIII.....	3.60-4.80	50.65-67.54	1.90	26.73
Class IX.....	4.80-6.00	67.54-84.42	2.16	30.39
Class X.....	Over 6.00	Over 84.42	2.44	34.33

For workmen engaged in sawmills and agricultural associations (Genossenschaften) the contribution rates are somewhat lower.

Emergency relief.—In regard to the wage earners' emergency relief, the contributions are also based on the sickness-insurance premiums. As far as the amount is concerned the law merely stipulates that the share which employers and workers have to contribute may together not exceed 45 per cent of the wage earners' sickness-insurance premiums. Within this limit it is left to the local district industrial commissions to determine the rate necessary to meet requirements within their individual districts. The district industrial commissions have to report to the Ministry of Social Welfare any change in the rate. If they fail to do so, or fail to determine a rate which is sufficient to meet requirements, the rate is fixed by the ministry.

The contributions which have to be paid for salaried employees' emergency relief are assessed at the ratio of 0.2 per cent of the salary^a for each 5 per cent of the contribution paid for workmen.

In districts where there is a larger number of unemployed, as for instance in industrial centers, the rates are higher than in the more rural parts of the country where the number of persons who may claim emergency relief is small.⁴

Method of paying contributions.—The contributions which employers and workers have to pay, as well as the premiums for the sickness insurance, are collected from the employer by the local sickness insurance funds. The employer, who is responsible for the registration of his workers and for the remittance of the contributions, recovers the amount which the worker is required to pay by deducting it from the latter's wages or salary. The local sickness insurance funds forward the amounts collected every month to the

^a In computing the contribution, however, any part of the salary exceeding 400 schillings (\$56.28) per month is excluded.

⁴ Of late, nearly all district industrial commissions have been obliged to increase the rates of contribution. They now amount in Tyrol to 6 per cent, in Carinthia to 6, in vicinity of Vienna to 6, in Vorarlberg to 10, in Salzburg to 15, in Gmund to 17, in the Burgenland to 20, in Vienna to 25, in Upper Austria to 30, in St. Poelten to 40, and in Wiener Neustadt to 45 per cent.

Federal Treasury, but for their administration expenses they may retain 3 per cent of the amounts collected.

Benefits

Conditions for receipt of benefits.—Insured persons, in order to have a claim for unemployment benefits, must be capable and willing to perform work and actually unable to find employment. They must, furthermore, have been employed in Austria for a certain period in an occupation subject to compulsory insurance. The law also provides that persons who are not jeopardized in their support by their unemployment or persons who have not reached the age of 16 and are not exclusively dependent on their own earnings, may by order of the ministry, be excluded from the benefits.⁵

Since the law requires that the unemployed must be able to work, workers who, on account of age or mental or physical disability, are unable to work, are excluded from the benefits provided by the unemployment insurance law.⁶

Being "willing to work" means that the unemployed has to accept any "appropriate job" offered him by the unemployment office, the term "appropriate job" being understood to mean any employment which does not interfere with his health or morals, for which a sufficient compensation is paid and which does not jeopardize his chances of procuring in the future a position in the profession for which he had been originally trained. If the unemployed refuses to accept such a job, he forfeits his right to unemployment benefit for a period of eight weeks. Special courses are established by the district industrial commissions to train workers for professions in which there is a larger demand for workers than in the ones to which they formerly belonged. Unemployed who refuse to avail themselves of these courses may be excluded from benefit for a period up to 12 weeks.

Unemployment benefit is not payable where the unemployment is due to strikes or lockouts.

The minimum period during which the unemployed must have been employed in an occupation subject to unemployment insurance to become eligible for benefit is 20 weeks during the last 12 months;⁷ this period is extended to 40 weeks if the claimant, prior to having been employed in an occupation subject to compulsory unemployment insurance, was mainly or exclusively engaged in agriculture or forestry.

The unemployment insurance law stipulates a waiting time of eight days. In case the worker has voluntarily given up his job, or was dismissed by his own fault, the waiting period may be ex-

⁵ An order to that effect was issued on July 9, 1924. As far as the first 12 weeks during which the unemployed draws the benefit are concerned, the district industrial commissions take a rather lenient attitude.

⁶ Workmen over 60 receive the provisional old-age allowance; employees who have reached that age are entitled to the old-age pension under the provisions of the wage earners' insurance law or the salaried employees' insurance law. Invalids, if not entitled to a pension under the accident or employees' insurance law, become beneficiaries of the "poor funds" of the city or community to which they belong.

⁷ In emergency cases where the claimant is in dire distress the district industrial commission may grant the benefit for a period not exceeding 12 weeks to an unemployed even if the required 20 weeks of employment are distributed over two years, provided he can prove that lack of sufficient employment during the last year was due to illness or other important reasons.

tended to from four to eight weeks. On the other hand, the waiting time may be dispensed with entirely if the worker, due to part-time or short-time work, earned for the last three weeks prior to his unemployment not more than half of his regular wages.

Period for which regular benefit is paid.—In its original form the unemployment insurance law limited the period during which an insured could draw benefit to 12 weeks within 12 successive months. Even at that time the law authorized the district industrial commissions to extend this period to 20 weeks if the employment conditions continued to be unfavorable. Soon, however, this period also proved insufficient to meet the unemployment crisis and the first amendment to the unemployment insurance law (that of October 1, 1920) extended this period to 30 weeks.⁸

The law provides that the district industrial commissions shall grant extended benefit to indigent claimants only.

For the period of the present economic depression the insured who, after having drawn the benefit for 30 weeks, has thereafter been employed for at least 10 weeks may, if again unemployed, reapply for benefit for a period not exceeding 12 weeks.

Benefit is suspended during any period for which an insured draws sick benefit or is taken care of in a hospital under the provisions of the compulsory sickness insurance, or for which he received a dismissal bonus (*Abfertigung*).⁹

Character and amount of benefit.—With regard to the amount of benefit, the law distinguishes between two groups of unemployed: Group 1, including the unemployed who are in greater need of assistance on account of having to support a family or who have to be entirely self-supporting; and Group 2, including those who have no dependents and those who live in the household of their parents or other near relatives, where their living expenses are lower than they would be if rooming with strangers.

The amount of unemployment benefit is based on the amount of benefit to which the insured is entitled in case of sickness.¹⁰ In wage Classes I to V the amount of regular benefit is: For unemployed of Group 1 eleven-tenths, and for those of Group 2 five-sixths of the sick benefit. In Group 1 the unemployed person, moreover, receives for each child (up to three) whom he has to support an additional 5 per cent of the amount of sick benefit. For the wage Classes VI to X the law gives specific figures, which are as follows:

⁸ For insured who were formerly engaged in agriculture or forestry the period is limited to 20 weeks, unless they have since been employed for 52 weeks in an occupation subject to unemployment insurance.

⁹ This is a bonus to which an employee (brain worker) is entitled if dismissed without his fault after a certain length of employment. It amounts to from 2 to 12 months' salary, depending on the number of years he was employed.

¹⁰ The sick benefit is based on the fundamental wage of the wage class to which the insured belongs and amounts at present in the existing 10 wage classes to 0.86 schilling (12.1 cents), 1 schilling (14.1 cents), 1.24 schillings (17.4 cents), 1.44 schillings (20.3 cents), 1.68 schillings (23.6 cents), 2 schillings (28.1 cents), 2.40 schillings (33.8 cents), 3 schillings (34.4 cents), 3.60 schillings (50.7 cents), and 4.20 schillings (59.1 cents) per day, respectively.

TABLE 2.—Rates of unemployment benefit under wage earners' insurance in Austria

[Conversions into United States currency on basis of schilling=14.07 cents]

Wage class	Daily wages		Amount of unemployment benefit									
			Group 2		Group 1							
	Austrian currency	United States currency	Austrian currency	United States currency	No child		1 child		2 children		3 children	
					Austrian currency	United States currency	Austrian currency	United States currency	Austrian currency	United States currency	Austrian currency	United States currency
	<i>Sch.</i>	<i>Cents</i>	<i>Sch.</i>	<i>Cents</i>	<i>Sch.</i>	<i>Cents</i>	<i>Sch.</i>	<i>Cents</i>	<i>Sch.</i>	<i>Cents</i>	<i>Sch.</i>	<i>Cents</i>
Class VI.....	2.40-3.00	33.8-42.2	1.60	22.5	2.10	29.5	2.20	31.0	2.30	32.4	2.40	33.8
Class VII.....	3.00-3.60	42.2-50.7	1.80	25.3	2.30	32.4	2.40	33.8	2.50	35.2	2.60	36.6
Class VIII.....	3.60-4.80	50.7-67.5	2.00	28.1	2.50	35.2	2.70	38.0	2.90	40.8	3.10	43.6
Class IX.....	4.80-6.00	67.5-84.4	2.20	31.0	2.80	39.4	3.00	42.2	3.20	45.0	3.40	47.8
Class X.....	Over 6.00	Over 84.4	2.30	32.4	2.90	40.8	3.10	43.6	3.30	46.4	3.50	49.3

The unemployment benefit is paid at the end of each week and is paid also for Sundays and holidays. The total benefit which the unemployed person draws for a week, however, may not exceed 80 per cent of his last weekly wages.

The law of December 7, 1922, also introduced a rent allowance amounting to one day's benefit per month.

With regard to the emergency relief benefits, the law merely stipulates that the latter may never exceed the amount of the regular benefit last drawn, and that the maximum benefits are those provided for Wage Class VIII.¹¹

Within these limits the law leaves it to the discretion of the district industrial commissions to fix the benefits according to the individual needs of the claimant and financial resources of the fund. As a rule the full benefit is paid for a period of 22 weeks and then gradually reduced. The method of procedure, however, is not uniform with the different district industrial commissions.

Provisions for persons dropped from regular benefit.—For the period of exceptionally severe unemployment, the amendment of December 15, 1922, introduced, as a temporary measure, the so-called emergency relief (Notstandsauhilfe) for unemployed of Austrian nationality,¹² who are in dire distress and who have drawn benefit for the full period for which the regular benefits are paid and have thus been dropped from the regular roll.

The structure of this emergency relief has undergone repeated changes. In its present form it is based on the amendment of July 28, 1926. Due to the prolonged economic depression the Austrian Parliament has been obliged to extend again and again the period during which the provisions relating to this emergency relief were

¹¹ For beneficiaries of Wage Class X the relief benefits have been subsequently increased and now amount to between 2.10 and 3.50 schillings (29.5 and 49.2 cents) at the maximum.

¹² Subject to reciprocal treatment, foreigners who were legally admitted to work in Austria are entitled to emergency relief under the same conditions as Austrians.

to remain in force. The last extension was enacted by the amendment of January 27, 1931, which extended the period to May 31, 1931.¹³

The law contains no provisions as to the length of time for which, during the period the emergency relief is in force, the unemployed may draw the relief, and leaves it to the district industrial commissions to pass on each case according to its urgency.¹⁴

Administration

Machinery for administering plan.—The internal organization of the unemployment insurance is based on the principle of the closest cooperation with the employment service (Arbeitsvermittlung). Both are handled by the same agencies—that is, by the district industrial commissions and the local unemployment agencies.

The unemployed who wishes to apply for benefit must file his claim with the unemployment office at the place of his residence. These offices are, as a rule, identical with the local employment registry agencies. The claimant has to submit a specific certificate of employment from his former employer, and this must contain all information, such as wage, class, length and time of employment, profession, etc., which is important in deciding whether or not an unemployed is entitled to benefit. If no appropriate job is available and the office is satisfied that the claimant is entitled to benefit, it issues a pay order to the disbursement agency which is, as a rule, the local tax collection office.¹⁵

In order to assure regular receipt of the benefit the unemployed must report twice a week to the unemployment office. If he fails to do so, benefit may be suspended for a period of two weeks.

The district industrial commissions, of which there are 11 in Austria, are semiofficial bodies in which employers and workers are equally represented. The members are appointed for a period of three years by the Ministry of Social Welfare upon the recommendation of the provincial governor at the suggestion of the employers' associations and labor unions. Each meeting of a commission has to be attended by a representative of the ministry and a representative of the provincial governor who may veto its decisions. In the latter case the matter is suspended until the ministry has passed on the subject. If the commission fails to discharge its duties, the ministry may dissolve it and refer the administration temporarily to a committee consisting of three members.

The district industrial commissions are required to supervise the employment offices of their respective districts. They have first decision in regard to extensions of the regular benefit as well as the granting of the emergency relief. They have to pass on appeals from awards of the arbitration boards, and they have to take measures to prevent abuse of the insurance. They are also in charge of the

¹³ At the time this last amendment was enacted it was hoped that by the end of May a recent Government bill looking toward a reorganization of the entire system would be passed by the parliament. The latest developments, however, indicate that this hope will hardly be fulfilled in the near future.

¹⁴ Cases have been reported in which unemployed were able to draw relief for seven years in succession.

¹⁵ In Vienna with its dense traffic and large number of unemployed, five separate disbursement offices have been established for paying out the benefits.

courses for training the unemployed for new professions. In addition, as far as the emergency relief is concerned, they are responsible for the appropriate adjustment of the contributions and expenditures.

The final supervision of the entire unemployment insurance system lies with the Ministry of Social Welfare. In the ministry there is a board or council on which employers and workers are equally represented, and which must be consulted in all fundamental and important questions referring to unemployment insurance. It has, however, merely a consultative character.

The ministry exercises its authority by issuing orders on the basis of the existing law; by giving instructions to the district industrial commissions; by deciding complaints against decisions of the latter, and by passing upon the budget which the district industrial commissions and the unemployment office have to submit for approval, etc.

Provisions Against Abuse

In order to control abuses a special section has been established in connection with each district industrial commission which has to see to it that the benefit or relief is not fraudulently drawn by individuals not entitled to it, to verify the claim of necessity or dire distress, and to ascertain that the claimant does not earn an income from regular side jobs, home work, or the like.

Anyone who is found to have deliberately applied for or drawn benefits to which he is not entitled is punishable by police arrest up to three months, provided the matter is not rated as fraud, in which case it falls under the jurisdiction of the criminal code.

Benefits which have been illegally obtained must be refunded and may, if the person continues to be a beneficiary under the unemployment law, be deducted from the benefit or relief (which is otherwise exempt from attachment) up to an amount equal to one-half of the benefit. On a total of 206,846,792 schillings (\$29,103,344) paid out for benefits in 1930, these refunds amounted to 3,528,884.15 schillings (\$496,514).

Employers who omit to register their workers, or delay in doing so, or who register them under a lower wage or salary class than the one to which they rightly belong, are severely fined and in addition must reimburse the Government for the uncovered expenses arising therefrom when the worker becomes unemployed.

Grievances and Disputes

From the decisions of the unemployment offices the insured may appeal to the arbitration board¹⁶ of each such office. From the decision of the arbitration board appeal may be taken by the insured as well as by the head officer of the unemployment office to the district industrial commission of the district in which the unemployment office is situated. The appeals must be filed within eight days and do not suspend the decision against which they are directed. The decision of the district industrial commission on such appeal is final.

¹⁶ These arbitration boards consist of an equal number of employees and workers.

If the district industrial commission is of the opinion that a decision of an unemployment office involves a violation or false interpretation of the law, it may of its own accord revise or cancel such decision. Against such revision or cancellation as well as against decisions which the district industrial commissions pass in the first instance an appeal can be filed within a fortnight with the Ministry of Social Welfare.

Statistics of Operation

Number of persons covered and proportion of total workers.—According to the latest available statistics, the number of persons insured against unemployment in Austria in the last quarter of 1929 was 1,180,846.

The total number of wage and salary earners in Austria is approximately 2,200,000. Of these approximately 1,100,000 are commercial and industrial laborers, 240,000 are private employees, 450,000 are agricultural laborers, and 380,000 are public-service employees, including railway and municipal employees.

As already stated, most of the commercial and industrial laborers, as well as practically all private employees, are subject to compulsory unemployment insurance, while of the agricultural laborers only a small number are included in this branch of insurance. The public-service employees who are permanently employed and who are specially provided for in case of disability are not covered by the general social insurance system, and are therefore also not included in the unemployment insurance.

Number of persons receiving benefits.—Complete statistics as to the number of persons receiving benefits with reference also to sex, age, industry, length of benefit, and the like, were published by the Ministry of Social Welfare in a special booklet entitled "Statistik der Arbeitslosigkeit, 1920–1929."

The following table shows for the year 1930 and the first quarter of 1931 the number of unemployment insurance beneficiaries:

TABLE 3.—Number of persons receiving unemployment insurance benefit in Austria, 1930 and January to March, 1931

Item	Number of persons receiving benefit			
	1930	1931		
		January	February	March
Whole of Austria:				
Maximum.....	294, 845			
Minimum.....	149, 972			
Average.....	208, 370	331, 239	334, 044	304, 084
Vienna:				
Maximum.....	105, 955			
Minimum.....	70, 221			
Average.....	83, 282	116, 905	115, 181	103, 475
Austria, exclusive of Vienna:				
Maximum.....	188, 890			
Minimum.....	77, 210			
Average.....	125, 089	214, 334	218, 863	200, 600

These figures do not include some 58,000 unemployed workmen over 60 years of age who are beneficiaries under the provisional old-age benefit system and from 25,000 to 40,000 unemployed who are registered with the employment agencies without deriving benefits.

The following table gives the number of registered unemployed and the number of these receiving benefit, as of January 31, 1931:

TABLE 4.—Number of registered unemployed and number receiving benefit, by industry or profession, January 31, 1931

Industry or profession	Number registered as seeking employment			Number receiving benefit		
	Males	Females	Total	Males	Females	Total
Agriculture, forestry, and gardening.....	8,535	1,100	9,635	6,867	812	7,679
Mining and salt winning.....	3,927	479	4,406	3,712	458	4,170
Earth, stone, clay, and glass industries.....	14,492	4,655	19,147	13,582	4,289	17,871
Building industry and connected trades.....	113,673	5,837	119,510	105,989	5,066	111,055
Iron and metal industries:						
Iron and metal production.....	6,219	787	7,006	6,009	646	6,655
Manufacture of iron, steel, and metal goods.....	22,285	5,213	27,498	19,880	3,942	23,822
Machine and vehicle construction.....	14,743	1,464	16,207	13,143	1,084	14,227
Electro industry.....	2,898	2,161	5,059	2,490	1,648	4,038
Wood and furniture industry.....	19,343	1,910	21,253	17,768	1,701	19,469
Hide, skin and leather.....	2,721	964	3,685	2,448	801	3,249
Textile industry.....	7,392	13,610	21,002	6,839	12,217	19,056
Clothing and haberdashery industry.....	11,720	13,939	25,659	10,372	12,173	22,545
Paper and paper-goods industry.....	4,225	2,800	7,025	3,944	2,522	6,466
Graphic industry.....	2,427	1,164	3,592	2,016	892	2,908
Chemical industry:						
Chemical.....	3,183	1,446	4,629	2,768	1,174	3,942
Rubber.....	802	1,131	1,933	755	973	1,728
Food and beverage industry.....	10,436	4,409	14,845	9,092	3,336	12,428
Hotel, restaurant, bar, and coffeehouse trade.....	6,175	11,375	17,550	5,035	9,403	14,438
Commerce:						
In goods.....	8,235	5,061	13,296	6,734	2,885	9,619
As agent.....	338	213	551	293	162	455
Traffic.....	11,908	485	12,393	10,838	410	11,248
Banking, insurance.....	898	402	1,300	700	299	999
Sanitation.....	2,301	1,818	4,119	2,000	1,560	3,560
Medicine.....	533	869	1,422	493	802	1,295
Education, art, and entertainment.....	1,511	617	2,128	1,423	544	1,967
Clerical service at lawyers and notaries.....	145	269	414	119	201	320
Public service (nonpermanent).....	3,572	738	4,310	3,142	635	3,777
Household ¹	117	2,006	2,123	75	264	339
Miscellaneous.....	1,471	1,112	2,583	970	365	1,335
Total.....	286,879	88,047	374,926	260,064	71,175	331,239

¹ Having been only temporarily employed as domestic servants.

Receipts and expenditures.—The receipts and expenditures of the unemployment-insurance system in 1929 and 1930 are shown in Table 5:

TABLE 5.—Receipts and expenditures of unemployment-insurance system in Austria, 1929 and 1930

[Conversions into United States currency on basis of schilling=14.07 cents]

Item	Regular benefits		Emergency relief		Total	
	Austrian currency	United States currency	Austrian currency	United States currency	Austrian currency	United States currency
<i>Expenditures</i>						
Benefits paid:	<i>Schillings</i>		<i>Schillings</i>		<i>Schillings</i>	
1929.....	103,883,084	\$14,616,350	42,578,474	\$5,990,791	146,461,558	\$20,607,141
1930.....	138,985,963	19,555,325	56,350,025	7,928,449	195,335,988	27,483,774
Productive unemployment relief:						
1929.....	3,120,419	439,043	-----	-----	3,120,419	439,043
1930.....	2,903,266	408,489	-----	-----	2,903,266	408,489
Special measures:						
1929.....	446,318	62,797	-----	-----	446,318	62,797
1930.....	540,948	76,111	-----	-----	540,948	76,111
Transportation of unemployed:						
1929.....	161,220	22,683	-----	-----	161,220	22,683
1930.....	125,138	17,606	-----	-----	125,138	17,606
Total benefits and relief:						
1929.....	107,611,041	15,140,873	42,578,474	5,990,791	150,189,515	21,131,664
1930.....	142,555,314	20,057,532	56,350,025	7,928,449	198,905,340	27,985,981
Cost of administration:						
1929.....	10,377,923	1,460,174	1,394,702	196,235	11,772,630	1,656,409
1930.....	11,434,237	1,608,797	1,214,696	170,908	12,648,933	1,779,705
Gross expenditures:						
1929.....	117,988,968	16,601,048	43,973,176	6,187,026	161,962,145	22,788,074
1930.....	153,989,551	21,666,330	57,564,721	8,099,356	211,554,272	29,765,686
Minus refunds:						
1929.....	2,772,303	390,063	496,004	69,788	3,268,307	459,851
1930.....	3,479,804	489,608	618,733	87,056	4,098,537	576,664
Net expenditures:						
1929.....	115,216,665	16,210,985	43,477,172	6,117,238	158,693,837	22,328,223
1930.....	150,509,747	21,176,721	56,945,988	8,012,301	207,455,735	29,189,022
Reserves: 1929.....	-----	-----	8,619,085	1,212,705	8,619,085	1,212,705
<i>Receipts</i>						
Balance, end of—						
1928.....	-----	-----	7,332,919	1,031,742	7,332,919	1,031,742
1929.....	-----	-----	8,619,085	1,212,705	8,619,085	1,212,705
Contributions by workers and employers:						
1929.....	97,206,636	13,676,974	22,621,921	3,182,904	119,828,557	16,859,878
1930.....	98,893,847	13,914,364	17,427,449	2,432,042	116,321,296	16,366,406
Cost of collection of contributions:						
1929.....	-----	-----	805,661	113,356	805,661	113,356
1930.....	-----	-----	608,943	85,678	608,943	85,678
Contributions by States:						
1929.....	-----	-----	14,223,837	2,001,294	14,223,837	2,001,294
1930.....	-----	-----	18,779,015	2,642,207	18,779,015	2,642,207
Contributions by Federal Government:						
Legal share—						
1929.....	1,857,777	261,389	7,111,919	1,000,647	8,969,695	1,262,036
1930.....	2,106,082	296,326	9,389,507	1,321,104	11,495,590	1,617,429
Advances—						
1929.....	16,152,253	2,272,622	-----	-----	16,152,253	2,272,622
1930.....	49,509,818	6,966,031	2,121,988	298,564	51,631,806	7,264,595
Total:						
1929.....	115,216,665	16,210,985	52,096,257	7,329,943	167,312,923	23,540,928
1930.....	150,509,747	21,176,721	56,945,988	8,012,301	207,455,735	29,189,022

Cost of administration.—As shown in Table 5, the cost of administration amounted in 1929 to 11,772,630 schillings (\$1,656,409), and in 1930 to 12,648,933 schillings (\$1,779,705). Compared with the

total expenditures, the cost of administration in these two years amounted to 7.42 per cent and 6.1 per cent, respectively. The amounts expended on the various items of the administrative cost in 1929 were as follows:

TABLE 6.—*Expenditure for specified items of cost of administration of unemployment insurance in Austria, 1929*

[Conversions into United States currency on basis of schilling = 14.07 cents]

Item	Amount of expenditures		Per cent of total receipts
	Austrian currency	United States currency	
	<i>Schillings</i>		
District industrial commissions.....	5,027,327	\$707,345	3.2
Unemployment offices.....	1,986,904	279,557	1.3
Collections.....	4,102,675	577,246	2.6
Supervision.....	515,095	72,474	.3
Printing.....	140,629	19,787	.1

Present financial condition.—There has been a deficit in the regular unemployment insurance system each year since 1925, amounting in the various years to the following amounts:

1925.....	9,384,222.22	schillings	(\$1,320,360)
1926.....	8,004,034.22	schillings	(\$1,126,168)
1927.....	10,974,150.96	schillings	(\$1,544,063)
1928.....	5,634,627.35	schillings	(\$792,792)
1929.....	16,152,252.91	schillings	(\$2,272,622)
1930.....	49,509,818.14	schillings	(\$6,966,031)
First quarter 1931.....			
	approximately 30,000,000.00	schillings	(\$4,221,000)

The total advances which the Federal Government has had to make therefor since the beginning of 1925 amount to nearly 130,000,000 schillings (about \$18,000,000).

In regard to the emergency relief the conditions are somewhat different. Here the district industrial commissions, if unable to increase the rate of contributions, have to balance the deficit by cutting down the benefits proportionately. By the end of 1929 the district industrial commissions still had reserves in the amount of 8,619,085.24 schillings (\$1,212,705). During the year 1930 these reserves, however, were not only used up but a credit of 2,121,988.12 schillings (\$298,564) had to be secured from the Government to cover the deficit of the emergency relief.

Productive unemployment relief.—The law provides that the ministry may grant, out of the unemployment insurance funds, subsidies, and loans for the encouragement of works of economic value which offer employment for individuals who would otherwise draw unemployment benefit. As a rule such subsidies are to be granted only for works which are conducted by the Provinces, districts, or communities. The subsidies granted may not in any case exceed the amount saved in benefits owing to the fact that the workers are no longer claimants for such benefit, and the loans may not exceed three times the amount saved in benefits. An employer who receives such a subsidy or loan is compelled to avail himself of those unemployed whom the unemployment office designates for that purpose.

During periods of serious industrial depression employers may be compensated up to the amount of the unemployment benefit if they retain in their employment workers whom they are entitled to discharge.

In view of the strict conditions laid down in regard to these subsidies and loans and the limited means of most of the Provinces, districts, and communities for undertaking such emergency works, the practical effect of this productive unemployment relief has heretofore been comparatively small and remained far behind the maximum (one-fourth of the total requirements for the unemployment insurance) stipulated in the law.¹⁷

Contributions Not Based on Actuarial Calculation

While in all other branches of insurance the future requirements can be calculated more or less arithmetically, this method fails completely as far as the unemployment insurance is concerned. There is no way of forecasting the trend of unemployment, since it is influenced by innumerable factors, such as world and national economics, political and commercial relations between the different countries, exchange, crops, weather, rationalization, and so forth. Moreover, the requirements and revenues are in inverse proportion; with an increasing number of claimants the contributions automatically drop. Since it is impossible to increase the contributions beyond the financial capacity of the contributing workers and employers, there remain in times of urgent stress but two possibilities—either the Government must cover the deficit or the benefits must be proportionately reduced. Under the present system the first method is applied in regard to the regular benefits, the second in regard to the emergency relief.

Attitude of Various Groups Toward System

The present unemployment insurance system in Austria meets with much opposition on the part of the employers, who claim that the burden which it causes is insupportable and is apt to ruin the country. This opposition is directed partly against the principle of unemployment insurance and partly against particular items in the present system. The wage and salary earners on the other hand strongly favor the insurance system and aim to extend and increase its benefits still further. The general public leans either to one side or the other, depending on its political orientation, but it is chiefly interested in the problem from the viewpoint of price development and taxes.

The representatives of the employers who are in opposition claim that an insurance against the risks of unemployment is a contradiction in itself, as it is lacking in the fundamental requirements of actuarial calculation and as, contrary to the principle of sound in-

¹⁷ The sums expended on productive unemployment during the years 1927 to 1930 were as follows: 1927, 4,252,238 schillings (\$598,290); 1928, 3,867,255 schillings (\$544,123); 1929, 3,120,419 schillings (\$439,043); 1930, 2,903,266 schillings (\$408,490). These amounts equal about 4, 2.7, 2.0, and 1.4 per cent of the total expenditures for unemployment insurance during these years.

insurance, the insured can, at his own discretion, create a condition whereby the insurance fund is forced to pay the benefit.¹⁸ They also claim that the unemployment insurance jeopardizes the free functioning of supply and demand on the labor market and that it prompts a dislike of work instead of stimulating the unemployed to seek it.

As far as the present Austrian system is concerned the employers urgently demand the following changes:

(a) Better protection against the constant influx into the towns of the agricultural population who leave their rural homes in order to accept occupations in factories, road building, and the like which are subject to unemployment insurance and who, after a comparatively short time, become entitled to the benefits of such insurance when unemployed.

(b) The exclusion of seasonal workers who, by the nature of their profession, are exposed to seasonal unemployment and who presumably receive sufficient compensation in form of higher wages paid for seasonal work.

(c) Elimination of workers under the age of 18 (at present 16).

(d) Introduction of stricter regulations as to the regular and maximum periods during which benefit may be drawn and of a sliding scale by which the amount of benefit decreases with the length of time during which it is drawn.

(e) Exclusion from benefits of insured who, in case of unemployment, have other means of support even if it is only the earnings of the husband, wife, or other members of the household.

(f) Extension of the time for which a worker must have been in an employment subject to insurance before being entitled to the benefits of the insurance.

(g) Reduction of the contributions and abolishment of the Government advances out of the tax revenues, both of which, it is alleged, increase the cost of production to an extent that Austrian products can no longer successfully compete in foreign markets on which the Austrian industry is largely dependent.

(h) Better and more centralized organization of the administration.

The representatives of the wage and salary earners, on the other hand, wish to have the present underinsurance superseded by an elevation to higher wage classes.¹⁹

They further demand that the present provisional emergency relief become a permanent institution and that the benefits paid under said relief be not curtailed. This means that the unemployed would be able to draw full benefit for an unlimited length of time.

As far as the financing of the regular benefit and the emergency relief is concerned, the representatives of the wage and salary earners support the idea of placing as much of the burden as possible on the shoulders of the Government—that is, the taxpayer.

¹⁸ It is true that the law extends the waiting time for insured who have deliberately given up or lost their job to 8 weeks; after this period the unemployed, however, has full claim to the benefits. Moreover, it is stated that in time of economic crisis, when business is slack, the worker can easily create conditions which lead to his dismissal without it being possible to prove that such dismissal was caused deliberately.

¹⁹ Under the present wage class schedule, any part of the wage exceeding 6 schillings (84.4 cents) per day is not taken into consideration when computing the benefits for social insurance.

Changes Contemplated

These manifold complaints on the part of the employers, the urgent demand of the wage earners for enforcement of the long-proposed old-age and invalidity pension for workmen, and for the abolition of underinsurance, and the financial needs of the local sickness-insurance funds, as well as the continuously increasing sums which the Federal Government has to advance to the unemployment-insurance fund in order to cover its growing deficit, have caused the Government to initiate a far-reaching reform of the entire social insurance system. The Federal Ministry of Social Welfare has worked out a bill which endeavors to reach a compromise among the different demands, to abolish certain abuses, to place the finances of the different funds and their organization on a sounder basis, and to abolish the necessity of advances to the unemployment-insurance fund which threaten to disorganize and unbalance its budget.

This new bill which was completed in April, 1931, was referred by the Government to the local chambers of commerce and chambers of workmen and employees and to the other important trade and labor associations for study and suggestions. The reports which the chambers of commerce and the chambers of workmen and employees have compiled, in answer to the bill proposed by the Government, have just been published. The chambers of commerce, in their report, admit that the bill contains several changes worthy of approval, but claim that the bill as a whole represents a great disappointment to Austrian commerce, trade, and industry, since the proposed changes fail to meet the demand for relief in social burdens. The chambers of workmen and employees, on the other hand, reject the entire bill, which they consider unacceptable from beginning to end and which they denounce as an attack against the social rights of the laboring class. They figure that as far as the unemployment insurance is concerned, the proposed reform would deprive from 80,000 to 100,000 unemployed of their benefits.

As not only the Social Democrats, who hold the majority vote in the chambers of workmen and employees, but apparently also the Christian Socialists and the Pan-German representatives of the wage and salary earners have joined in this opposition, the Minister of Social Welfare, who had worked out the bill, has now resigned.²⁰

Under the circumstances it is not to be expected that the proposed bill will be submitted to Parliament in the form in which it was prepared by the Government. According to the latest newspaper reports, a plan to divide the reform into two phases is being considered. The first phase would merely change the unemployment insurance system on points in regard to which further delay might mean financial disaster. The reform of the other branches of social legislation and the introduction of the old-age and invalidity insurance for wage earners would be left till a later time.

²⁰ The present cabinet is formed by a coalition between Christian Socialists, Pan Germans, and Peasants League. Doctor Resch, the Minister of Social Welfare, was one of the Christian Socialist members of the cabinet.

Belgium ²¹

Unemployment insurance in Belgium seems to have had its origin with the Typographers' Union of Brussels, which instituted a system of insurance open to contributing members in 1867. Certain other unions soon followed suit. The system, however, was abandoned by the Typographers' Union some three years later and little progress was made for a long period, although a number of unions meanwhile gave relief to unemployed members from general funds in their treasuries. The Longshoremen's Union of Antwerp revived the system of contributions in 1920, which continued for a time, but made little progress as a general measure.

The first step toward the relief of the unemployed from public sources seems to have been taken in 1897, when the city of Liege made an appropriation for that purpose, the proceeds of which were distributed through the medium of the local unions. The city of Ghent made a similar provision in 1902, but went still farther and placed the matter on a permanent basis by instituting a commission to handle the distribution of such subsidies as might from time to time be voted for relief of the unemployed. By 1913 there were 29 municipalities in the country maintaining unemployment funds which were disbursed through the unions as required. In that year several of the provincial governments also voted credits for assisting the unemployed through the same medium.

The National Government first took cognizance of the unemployment question in 1907, when the Parliament voted 10,000 francs (\$1,930)²² for the aid of trade-unions in the relief of the unemployed. Subsidies of similar kind in varying amounts continued to be granted by succeeding parliaments up to the war.

The serious situation which arose in connection with postwar readjustments of labor to industry brought about the royal decree of December 30, 1920, which was issued on the initiative of the Minister of Industry and Labor. This decree, together with the series of others on the same subject which have followed, notably those of May 15 and December 10, 1924, and the latest dated October 25, 1930, regularized the entire subject of unemployment insurance and forms the basis of the present system, which is described below.

Type of Law

The central idea of the royal decree of 1920 and the amendatory decrees which have followed is recognition of the trade-unions and syndicates of workers as the logical agencies for dealing with the question of unemployment insurance for the protection of their

²¹ Report prepared by Marlon Letcher, American Consul General, and Walter S. Reineck, American consul, Antwerp, as of Apr. 30, 1931.

²² Pre-war value of Belgian franc=19.3 cents; present value=2.78 cents.

members. At the same time, however, it was necessary to recognize the fact that there are many workers not affiliated with unions. This fact was taken into account in the provision for the establishment of branch agencies of the National Crisis Commission which deals with the subject, at convenient points throughout Belgium, which agencies operate exactly as the recognized disbursing officers of the unions do in collecting contributions from insured workers and disbursing relief. There are now 19 of these agencies in operation.

The system in force is entirely voluntary. The individual is free to insure himself or not as he may desire, either through a union (if he be affiliated with such an organization) or through one of the agencies of the National Crisis Commission. The local political units, such as Provinces and municipalities, also have entire freedom as to subsidies or other contributions to funds for extending the normal obligations for relief resting upon trade-unions, although such units are urged and encouraged to provide subsidies in necessary cases.

Coverage of System

Insurance is open to all workers.

Contributions

Weekly contributions of 1 franc are required from each insured worker. Payment is made in cash and receipt is evidenced by stamps entered in a book provided for that purpose. The person applying for insurance independently of the unions must, of course, show that he is a bona fide worker and that he has regular employment in the trade claimed.

Benefits

Grants to unemployed are made only to workers who have voluntarily insured themselves, whether through the trade-unions or through the agencies of the National Crisis Fund. In normal times, unemployed workers without family dependents may receive a maximum of two-thirds of their daily wages up to 50 days during one year. Workers with family dependents receive three-quarters of their daily wage under similar conditions, except that in cases where there are more than four children in the family a supplemental allowance may be made through special arrangement with the National Crisis Fund.

After the maximum normal relief has been received by the insured worker, and he still remains unemployed and in need of assistance, he may receive extended relief on the same conditions for a further period of 30 days from the National Crisis Fund, upon due approval of his claim by the directorate of such fund. In either case, relief is applicable only to working-days. Under emergency conditions, which are considered as prevailing with respect to any particular trade when more than 10 per cent of the persons engaged in that trade are unemployed for reasons other than strikes and lockouts,

the usual rule may be set aside and relief extended under such conditions as the commission may prescribe. Relief is extended without reference to the length of time premiums may have been paid.

Administration

The elements concerned in the operation of the system are the workers affiliated with labor organizations; the workers not so affiliated; local political units, city and provincial; and the National Government. Each labor organization wishing to share in the benefits of the national subsidies must be approved by the National Crisis Commission, and must maintain a proper disbursing office for the collection of the contributions of insured persons and the disbursement of such funds as may be required.

City and provincial governments, although given entire freedom, are urged to allot from their respective treasuries subsidies to the local labor unions which may require assistance in meeting unemployment obligations, and furthermore, in order to make similar provision for independent workers insured by the National Crisis Commission, local governments are enjoined to reimburse the National Crisis Fund in the amount of 10 per cent of the total disbursed from such fund to beneficiaries in the corresponding territory during any year. The commission has the right to refuse extra relief to any municipality or Province if such unit does not bind itself to comply with this requirement.

The relation of the National Government to the subject is both direct and supervisory, the first growing out of the unemployment insurance offered to workers not affiliated with labor organizations, and the second out of its control of the Government subsidies allotted to labor organizations for the extension of relief after their normal obligations have been fulfilled. The entire question is committed to the National Crisis Commission, which is composed of from 6 to 10 members, one half of whom must be workers or their representatives and the other half employers. At least half of the personnel must be Belgian nationals. The ex officio chairman of the commission is the Minister of Industry and Labor, whose approval is necessary to give legal sanction to the measures undertaken.

All fiscal operations under the system are carried out through the National Crisis Fund, which is a dependency of the National Crisis Commission. The agents of the National Crisis Fund (now 19 in number), located in different parts of Belgium, collect insurance contributions as well as pay out benefits due, and at the same time exercise appropriate supervision of the disbursement of subsidies from the National Crisis Fund for supplementing the normal obligations of the labor organizations as insurers against the risk of unemployment.

One of the very important powers delegated to the commission under the royal decree of February 18, 1924, was that of making loans to private agencies for the development of enterprises calculated to give employment in periods of depression. No action has as yet been taken under this provision, but the delegation of such powers is regarded as most important, since it represents a distinct

advance toward the aim of labor elements to give the commission a stable place in the Government, thus insuring its permanence under all conditions.

The receipts of the National Crisis Fund are normally derived from three sources: Government appropriations, reimbursements from cities and prefects for money allotted for local use, and contributions paid direct by independent workers. Provision is also made for a fourth source, donations, but this is practically a dead letter.

Statistics of Operation

Table 7 shows the numbers of insured workers and the total number of days of unemployment in the different branches of industry in the years 1927 to 1930. The total number of insured workers in 1924 was 654,580; in 1925, 606,754; and in 1926, 598,251; while in 1924 the total number of days of unemployment was 3,157,389; in 1925, 4,804,350; and in 1926, 3,697,999.

TABLE 7.—Number of insured members and number of days of unemployment in specified industry groups, 1927 to 1930

Industry group	Number of workers insured				Number of days of unemployment			
	1927	1928	1929	1930	1927	1928	1929	1930
Mines.....	71, 675	70, 789	65, 124	64, 199	158, 962	99, 085	28, 222	65, 545
Quarries.....	25, 394	25, 002	24, 432	23, 480	180, 773	106, 296	131, 220	201, 689
Metallurgical.....	127, 500	132, 437	135, 768	137, 500	799, 910	300, 586	387, 198	1, 668, 872
Ceramics.....	10, 200	10, 639	11, 559	11, 200	115, 568	63, 592	148, 840	286, 210
Glass.....	14, 110	14, 088	12, 909	12, 220	108, 434	97, 731	40, 943	274, 215
Chemical.....	4, 791	4, 463	3, 897	4, 010	120, 621	76, 646	19, 418	32, 752
Foodstuffs.....	14, 413	14, 228	14, 529	15, 170	53, 536	32, 916	30, 797	72, 021
Textiles.....	130, 609	141, 088	144, 875	147, 200	811, 275	1, 197, 909	1, 003, 265	3, 183, 462
Clothing.....	6, 618	6, 137	6, 705	5, 992	51, 614	40, 475	39, 341	71, 590
Construction.....	39, 995	40, 805	43, 591	45, 210	667, 022	308, 278	612, 852	774, 820
Furniture.....	29, 497	30, 218	30, 265	31, 250	276, 189	115, 454	111, 516	497, 133
Hides and skins.....	13, 745	13, 762	13, 394	13, 420	135, 187	152, 896	117, 726	247, 077
Tobacco.....	8, 018	8, 189	8, 189	8, 471	162, 421	90, 054	65, 477	134, 331
Paper.....	3, 350	3, 518	3, 332	3, 427	20, 012	14, 243	13, 036	52, 174
Printing.....	12, 492	12, 357	12, 975	13, 050	221, 431	86, 213	34, 980	66, 313
Art.....	15, 967	16, 666	16, 240	17, 970	173, 412	65, 180	168, 759	1, 392, 494
Transportation.....	23, 130	23, 509	23, 194	23, 770	391, 004	318, 717	340, 982	1, 017, 924
Miscellaneous.....	59, 385	60, 651	61, 095	63, 960	336, 592	191, 615	261, 191	521, 275
Total.....	610, 889	628, 555	632, 063	641, 499	4, 681, 963	3, 357, 886	3, 555, 763	10, 559, 897

As far as can be ascertained, no statistics exist covering the total number of workmen in Belgium. An idea may be formed, however, from data covering the number of incomes declared in 1928, as these declarations are tabulated according to the occupations of the declarants. Since a tax declaration must be made even if no tax must be paid, these statistics may be taken as fairly indicative of the number of persons of the various classes that are engaged in gainful pursuits.

Tax declarations in 1928 (the latest year for which statistics have been completed) were divided among the following classes:

Manufacturers and merchants.....	411,949
Farmers.....	281,088
Functionaries and employees, both public and private...	477,653
Wage earners.....	2,194,819
Administrators, commissioners, etc., of corporations.....	4,823
Professional men and office managers.....	16,486
Total.....	3,386,818

Included under the heading of functionaries and employees are the large number of State employees, whose tenure is practically certain, and who could not properly be included in the number ultimately taken as the basis for unemployment-insurance computations in Belgium. After eliminating these, however, there still remain the 2,194,819 wage earners and about 200,000 of the functionaries and employees, or a total of about 2,400,000 persons that would come into consideration.

It will be noted, therefore, that the total number (641,999) of persons insured at present, as indicated in Table 7, forms scarcely more than 25 per cent of the persons who would under a compulsory system of insurance be forced to contribute to the unemployment fund. Under the voluntary system only those apply for insurance whose employment is seasonal or subject to interruption at more or less frequent intervals by reason of economic vicissitudes.

Attitude of Various Groups Toward System

The people of all classes, employers and employees, are agreed that some system of unemployment insurance is necessary, and in general the Belgian system is highly regarded by the people of the country. Differences exist as to the scale of payments and other matters of detail, but there is no issue on the subject by any important group.

Bulgaria ²³

The social insurance law of Bulgaria of 1924, with subsequent amendments, provides for compulsory insurance of wage earners and salaried employees of practically all classes against accidents, illness, maternity, invalidity, and old age.²⁴ Unemployment insurance was not included in this general social insurance law but was covered by a special law of 1925, entitled "Law on Giving Employment and Insurance Against Unemployment."²⁵ This latter law sets up a system of public employment offices and also provides for a system of unemployment insurance, supported by contributions of employees, employers, and the State. The administration of the employment offices and the administration of the unemployment insurance system are closely associated.

Employment Offices

The term "giving employment," as used in the title of the law, is defined to mean the establishment of connections between workers and employers in the labor market. The process is effected by the employment offices under the control of the Ministry of Commerce, Industry, and Labor. Private offices and agents are forbidden to engage in this business, except the special offices of labor organizations, when their service is gratuitous. The law affects all industrial and agricultural enterprises habitually using hired labor and all Bulgarian citizens of both sexes over the age of 14 years. Foreign workers are allowed the same benefits on the basis of reciprocity in their respective countries.

Organization of the Employment Service

Employment offices are created in the cities of Sofia and Plovdiv, the Minister of Commerce, Industry, and Labor having the right to create other offices in towns having over 3,000 permanent workers. The employment offices have three sections: (1) Employment, (2) social insurance, and (3) trade instruction. In towns where no employment offices exist, special employment offices are created by the minister.

A court of conciliation is created by each of these employment offices, consisting of the local justice of the peace and one representative each of the employers and the workers. This court decides all questions concerning the granting of employment, dis-

²³ Report prepared by Thomas F. Sherman, American consul, Sofia, as of Apr. 30, 1931.

²⁴ Approved by decree No. 7, dated Mar. 6, 1924, published in the Official Gazette on Mar. 25, 1924, and amended by decree No. 4, dated Jan. 17, 1929, published in the Official Gazette on Feb. 2, 1929.

²⁵ Approved by decree No. 14, dated Apr. 12, 1925, and published in the Official Gazette on May 5, 1925.

missals, appointments, payment of salaries, etc., but its decisions may be appealed to the district court.

A labor council is created by each of the employment offices, consisting of the labor inspector of the district, the chief of the employment office, a member of the district government, the mayor or his substitute, the chief of the technical service, the municipal doctor, a member of the chamber of commerce, and three representatives each of the employers and the workers. The labor council meets every six months, or whenever necessary, and in case of much unemployment considers the feasibility of public works.

The service in each district is administered by the labor inspector, and for the country as a whole by the labor office of the labor section of the Ministry of Commerce, Industry, and Labor. A weekly bulletin is issued by the labor office, containing offers and demands for labor.

Functioning of Employment Offices

The employer submits to the employment office a list of workers appointed or dismissed and sees that they are supplied with insurance booklets from the employment office. Workers and employers submit their offers and demands for labor to the office on special application forms. Such offers and demands are inscribed in a register and a copy is sent to the labor inspection office, another copy being displayed on the notice board on the office premises. Fifteen days' notice must be given by the employee on leaving his work and a similar notice by the employer on dismissing a worker. All State and district government institutions are required to supply their labor needs through the employment offices, unless such offices find it impossible to do so.

Insurance Against Unemployment

Any worker or employee who has not been given employment directly or through the employment office within eight days from his application is termed unemployed. Such an unemployed person is bound to accept any work offered by the employment office, if it is not too much for his physical strength, is not harmful to his health, and does not affect his dignity. The following classes of workers are insured against unemployment:

(a) All workers or employees who are compulsorily insured in any type of social insurance, with the exception of domestic servants. (The social insurance law covers, in general, all wage earners and salaried employees.)

(b) All sailors, who in addition are insured against wreckage.

(c) All workers in public institutions whose positions are not provided for in the national budget and who are not covered by the law on pensions for State employees.

Foreign workers are allowed the same privileges only on the basis of reciprocity in their respective countries. The law does not affect persons under the age of 15 and over the age of 60 years.

In case of widespread unemployment, the Ministers of Commerce and Finance are authorized to undertake public utility works to

provide work for the unemployed, and also to make agreements with the employers for reduced hours of work and for keeping industry operating even at reduced wages.

Benefits

The right to benefits arises when the worker has made contributions to the social insurance fund, unemployment account, for at least 52 weeks in the course of two years. The benefit amounts to 16 leva (11.6 cents²⁶) per day for the head of a family and to 10 leva (7.2 cents) per day for all others, and is paid each week end, exclusive of Sunday. Application for the benefit must be made by the unemployed person within eight days from the date of his unemployment. In the course of one full year the insured has a right to the total maximum benefit for 12 weeks, consecutively or intermittently. Changes may be made by the Minister of Commerce, Industry, and Labor on the advice of the high council of labor.

Contributions

Contributions to the unemployment insurance account are required from the employer, the worker, and the State, each of the three parties paying at the rate of one lev weekly for each worker. In addition, this account has certain additional receipts such as fines, donations, etc. All receipts are transmitted to the social insurance fund, unemployment account.

Administration

The law is administered by the labor inspectors and the employment office service.

Date When Act Effective, etc.

The law of 1925 directed that its provisions should become effective January 1, 1926. The minister was authorized to issue regulations for its application. It was also provided that abrogations of or amendments to the law were to be in conformity with the convention of the International Labor Organization of 1919 and other international conventions or agreements.

Statistics of Operation

The total number of persons covered by the several forms of social insurance is not definitely established. According to the census of December 31, 1926, the total number of persons who had declared themselves as workers, employed or unemployed, was 306,603, inclusive of 29,000 workers in the so-called model farming estates but not including any other farm laborers. However, the total number of men and women, both insured and uninsured, engaged in work, as established by the organs of the Ministry of Commerce, Industry, and Labor in 1927, was 195,278 persons.

²⁶ Conversions into United States currency on basis of lev at par=0.722 cent.

The latest data available regarding the financial experience of the unemployment insurance system are for the fiscal year 1927-28, in which year the total contributions were 9,343,036 leva (\$67,457) and the total benefit payments were 1,119,564 leva (\$8,083); the administrative costs (salaries, etc.) amounted to 1,354,297 leva (\$9,778).

Attitude of Various Groups Toward Insurance System

The Social Democratic Party, which was to a large extent the originator of the social-insurance system in Bulgaria, continues as an active supporter and shows a lively interest in its further development.

Employers as a whole were originally against the system, and are still somewhat dissatisfied, mainly on account of the many formalities and responsibilities it places upon them and of the contributions they are required to make.

The public as a whole looks favorably on the system as a work of public welfare, quite independently of any inherent technical defects.

The Workers' Party, with communistic tendencies, being the substitute for the former Communist Party which was dissolved by law, is the only avowed opponent to the system. The view of that party is that the burden of the present system falls mainly on the workers themselves, who derive in return little benefit from it. This party wants an insurance system covering all risks (accidents, illness, maternity, old age, etc.) in a single type of insurance, with no contributions on the part of the workers, the funds to be provided by the State and by the employers.

Amendments to the Law

On April 4, 1931, an act was passed and was published in Official Gazette No. 7 on April 9, 1931, making several important changes in the social insurance laws. The following changes are of particular significance in connection with the unemployment insurance.

The amending act provides for the creation of a special office of labor and social insurance, which will absorb the present labor section and bureau of social insurance in the Ministry of Commerce, Industry, and Labor. Social insurance will represent a special section in the contemplated office. The object of this change is apparently to concentrate all services affecting labor in one institution with enlarged authority and initiative.

A new paragraph is added to article 42, as follows:

Building contractors for public institutions make contributions for unemployment at the rate of 1 per cent of the amounts paid for wages and salaries to workers and employees. The contributions are deducted from the amounts receivable by the contractors from the respective public institutions for the work accomplished.

Czechoslovakia ²⁷

At the end of the World War the newly created State of Czechoslovakia was confronted with a serious unemployment situation as a result of the cessation of war industries and the return of thousands of soldiers to their homes. In order to relieve the situation, the Government enacted a temporary measure on December 10, 1918, providing for small contributions to unemployed, under the control of demobilization committees. This measure, valid until February 15, 1919, was replaced by the act of April 10, 1919, which extended indefinitely the unemployment assistance, but placed the administration under the district offices. Difficulties were encountered in administering this law and it was not popular with the public. The general demand for the enactment of unemployment insurance laws resulted in the passing of an act in 1921 which is the basis of the present unemployment assistance extended by the Government.

Legislation and Date of Establishment

The unemployment-insurance system in force in Czechoslovakia at the present time is based upon legislative Act No. 267, which was passed on July 19, 1921. The system provided for by the law of 1921 was based on the so-called Ghent system, which was first used in Ghent, Belgium, and afterwards, with certain modifications, adopted by the Governments of Denmark, Norway, and Holland. While this type of so-called insurance was provided for by legislation in 1921, it was not actually put into force until April 1, 1925, the delay having been occasioned, it is reported, by adverse financial conditions and particularly by the inflated condition of the currency of the country. Until April 1, 1925, the unemployed were assisted by the old law of 1918, mentioned above.

Important Changes Since First Establishment

Since the establishment of this type of insurance, the only important changes were those provided by Law No. 74 of June 5, 1930. This amending law did not change the basic system under which unemployment assistance was given but merely provided for new rates of benefits and greatly increased the percentage of State aid in the payment of contributions to the unemployed. The information hereinafter given concerning the working of the law relates to the present operation under the act of 1921, as amended by the act of 1930.

²⁷ Report prepared by John W. Bailey, jr., American consul, Prague, as of Apr. 28, 1931.

Type of System—Voluntary or Compulsory

Unemployment insurance in force in Czechoslovakia, while in principle providing for unemployment assistance to all workers, is not in effect compulsory. The law specifically provides that all citizens of Czechoslovakia and also all foreigners, in so far as their country grants reciprocity to Czechoslovak citizens, who are covered by compulsory sickness insurance and who belong to some union or organization which provides support for its members in case of unemployment and which is so recognized by the Government, have a valid claim to receive State benefits in the event of unemployment. Since every worker is compulsorily insured against sickness, any member of a union complying with the requirements of the State is entitled to receive a State benefit.

Classes of Persons or Industries Covered

As indicated in the foregoing paragraph, the only distinction made as to persons qualified to receive the unemployment benefits of the State is that of union membership. No important groups of workers are excluded, except agricultural laborers and, of course, nonunion laborers in any industry, or members of a few small unions which do not provide funds for the relief of their unemployed members.

Character and Amount of Contributions

No regular system of contributions is in force and, in fact, it can not be said that contributions enter into the system used in this country. The payments made by the unions for the relief of their unemployed members come from funds set aside from receipts from membership dues. Membership dues vary in practically all unions, as do the amounts which are allotted to unemployed members. The State receives no contributions from either the workers or the union, and benefits paid out by the State are dependent upon budgetary provisions.

Benefits

Conditions for receipt of benefits.—Benefits are paid to members in good standing by labor organizations which provide for assistance to unemployed members and which have been recognized by the State. The only restrictions on membership in such an organization is that the worker be engaged in the branch covered by the organization and that his membership fees be paid. The labor organization can, for good reason, suspend a member and cut him off from receiving benefits. Each organization is responsible for ascertaining if an unemployed member also belongs to another organization and for deciding from which he is to receive unemployment support. The labor organization is required to issue a membership book to every resigned member, stating the length of time during which he belonged to the organization. The nonpayment of membership dues because of sickness, if it does not extend beyond six weeks, does not cause the member to lose his unemployment benefit. The control of

the payment of benefits rests with the board of the labor organization, which must act in accordance with its by-laws.

The following persons are defined as having no right to receive State unemployment benefits:

1. Persons not having claim to benefits according to the by-laws of the respective trade organization.

2. Persons who have not been members of the trade organization for three months immediately preceding the commencement of their unemployment, with the provision that if the member belonged to another recognized trade organization during the three months he will be entitled to support.

3. Persons participating in a strike or persons discharged for a specified period of time, except when the discharge is caused by lack of raw materials or by lack of transportation.

4. Persons who are discharged or who leave their employment voluntarily.

5. Persons who, on account of physical or mental defects, are incapable of performing work.

6. Persons receiving support from the sickness insurance organization.

7. Persons not living within Czechoslovakia.

8. Seasonal workers.

Workers lose their right to receive State benefits under the following conditions:

1. When, according to the by-laws of the respective labor organization, the time provided for the payment of benefits by the organization expires.

2. When the worker, if capable of performing the work, refuses employment offered by the public employment exchange, provided such work would not be detrimental to his professional efficiency. However, the unemployed is not required to accept work in any company where a strike exists.

3. When the worker is offered, for a period of time, public work which is proportionate to the benefits received.

4. When an unemployed laborer is discovered to have received payments from some other organization.

Amount and period of benefits.—As mentioned previously, the benefit rates of the various labor organizations vary considerably and consequently there is a similar variation in the State aid. The State aid, which previous to the amending act of 1930 amounted to approximately the same as the benefit paid by the labor organization, has been greatly increased by the amendment; in most cases it is now equal to four times the benefit paid by the organization. A married member who can show at least one year of membership in a labor organization receives four times the amount of the organization benefit, while a single member who can show at least five years of membership in the organization receives State benefit in the same proportion.

The Minister of Social Welfare is authorized, in cases of need, to give a benefit equal to four times the amount of the labor organization benefit to single members who have children to care for or who take care of parents over 65 years of age with whom they live. In the case of married members, only one can receive the State benefit;

in case both are out of work, the benefit going to the one entitled to the largest amount. If one married member is unemployed the other can receive the State benefit only if it is shown that the other is in a high degree dependent upon him for support. Widows and persons separated or divorced, if they do not have the responsibility of taking care of children or of the former married partner, are considered as single and receive the benefit accordingly.

The act provides for benefits during 26 weeks of unemployment in one year. During this period the minimum benefit paid by the labor organization is set at 75 hellers (2.2 cents)²⁸ per day. The State benefit of four times the benefit of the labor organization can not amount to more than 18 crowns (53.3 cents) per day. The total amount of the benefits by the labor organization and the State can not exceed two-thirds of the unemployed person's preceding wages. Any amount over two-thirds of the preceding wages is deducted from the State benefit. The unemployed can claim support from the day that he has applied, providing the unemployment lasts for seven consecutive days.

Under the amendment of July 5, 1930, unemployment assistance may be given after the original 26 weeks for an additional 13 weeks at a lower rate. Benefits during this period are fixed at a minimum of 40 hellers (1.2 cents) for the union, in which case the State benefit would be 1.60 crowns (4.7 cents). For married members and single members supporting children or parents, the State benefit would be raised to 2.10 crowns (6.2 cents). If the union support is more than 40 hellers (1.2 cents) then the State benefit is three times this amount, and for married members and single members supporting children or parents, four times. The minimum benefit from both labor organization and the State is 2 crowns (5.9 cents) per day, and 2.50 crowns (7.4 cents) for married members and single members supporting children or parents.

In the event of extraordinary unemployment the unemployed are entitled to receive further benefits for an additional 13 weeks. The Ministries of Finance, Labor, Commerce, and Social Welfare are authorized to announce such periods of extraordinary unemployment, either for one branch of industry or for all industries. Benefits during this period are set at a minimum of 25 hellers (0.74 cent) for the labor organization and 1.75 crowns (5.2 cents) for the State, and 2.25 crowns (6.7 cents) in the case of married members and single members supporting children or parents. If the benefit from the union exceeds 25 hellers (0.74 cent), then the State benefit of 1.75 crowns (5.2 cents) or 2.25 crowns (6.7 cents) is increased three times ordinarily, and four times for married members and single members supporting children or parents.

In addition to the benefits of the State, regulated by the amount of benefits paid by the labor organization, the law also authorizes the Ministry of Social Welfare to use from funds allotted for unemployment money for public works and construction projects to give employment to workers. Such construction, however, must be undertaken by the State, county, or district, and must employ primarily persons who receive union and State benefits. The State

²⁸ Conversion into United States currency made on basis of crown at par=2.96 cents; heller at par=0.0296 cent.

will contribute for such construction work 10 crowns (29.6 cents) per day for each worker.

Provision for persons dropped from regular benefits.—As far as can be ascertained, no provision is made for persons dropped from regular benefits other than the provision for an additional period of 13 weeks above mentioned.

Administration

Machinery for administration.—Inasmuch as the system of unemployment assistance in force in Czechoslovakia is not, strictly speaking, insurance, the administration is comparatively simple and is conducted without a centralized administrative organization or independent insurance company. The State is relieved of the burden of administrative duties, and as the principal responsibility in this respect lies with the labor organizations the burden is distributed among the numerous labor organizations, and consequently does not prove onerous. The accounting and bookkeeping relating to unemployment benefits given by the labor organizations, together with the State contributions for this purpose, must be kept by the unions separate from other accounts, and are subject to inspection and full control by the Ministries of Finance and Social Welfare. Any labor organization desiring to provide for unemployment assistance to its members and to receive the State contributions must present to the Ministry of Social Welfare its by-laws and demands and state its rate of payments for the relief of unemployed members. The Ministry of Social Welfare must be promptly informed of any changes in the by-laws.

State contributions for the support of unemployed members will be given only after obtaining the consent of the Ministry of Social Welfare. When its consent is obtained, the labor organizations pay to the unemployed members the prescribed benefit of the organization, together with the State benefit. Upon the presentation of the appropriate signed vouchers the State treasury reimburses the labor organization for the share falling to the State. Before the State benefit is paid the unemployed member must present a certified card from the public employment exchange, showing that he has applied for work immediately upon the loss of employment and also a statement showing that he has applied for the union benefit. The unemployed persons receiving benefits must apply three times a week at the employment exchange for work.

Method of payment.—As payments for unemployment assistance are small in amount, they are made in cash.

Frequency of and Provisions Against Fraud

The Ministry of Social Welfare reports that cases of fraud in the payment of unemployment assistance are infrequent and may be considered as negligible. As each labor organization must pay out its own funds for this purpose, as provided in its by-laws, it is to the advantage of such organization to keep a close check, and the large number of the labor organizations concerned makes it possible to do so with a high degree of efficiency.

As protection against fraud, the law provides that any person who receives the State benefit without just cause, or by fraud, is liable to imprisonment for one month and must reimburse the State for the losses sustained. The officers of the governing board of the labor organization are held personally responsible for the accounts relating to unemployment assistance. For any transgression of the law or carelessness in carrying it out, the officer is liable to a fine of 1,000 crowns (\$29.60), or imprisonment up to three months. The Ministry of Social Welfare is empowered to rescind the right of any labor organization to pay out State benefits when it is shown that such organization has, in several cases, given unemployment benefits, as provided for by the law, to persons undeserving of assistance.

Grievances and Disputes

All grievances and disputes arising in connection with the payment of benefits are acted upon and settled by the administrative board of the particular labor organization.

Statistics of Operation

Number of persons covered by system.—The number of persons covered by the unemployment system in force in Czechoslovakia varies from year to year, and is, of course, dependent upon the membership of the labor organizations providing for unemployment assistance to their members and recognition by the State. The membership in such organizations was 1,671,250 in 1926, 1,681,081 in 1927, and 1,733,979 in 1928, the last year for which such figures are available. According to figures compiled by the Ministry of Social Welfare, 583 labor organizations have complied with the provisions of the act of 1921, thus entitling their members to receive State assistance when unemployed. These organizations are combined into 139 larger organizations, with which the State deals directly in the allocation of unemployment support. As it is estimated that there are approximately 4,000,000 workers in the entire country, the proportion of workers belonging to recognized labor organizations, and consequently entitled to receive State unemployment support, amounts to about 40 per cent of the total.

Number of persons receiving benefits.—Statistics concerning the number of persons receiving State benefits under the unemployment insurance system are very meager and are not given in great detail. According to figures furnished by the Ministry of Social Welfare, 136,364 cases of State unemployment assistance were recorded in 1926, 96,879 cases in 1927, and 76,591 cases in 1928. Table 8 shows the total number of persons receiving unemployment assistance during each month of 1927, 1928, and 1929:

TABLE 8.—Number of persons receiving unemployment aid during 1927, 1928, and 1929

Month	Number of persons receiving—		Number of persons receiving—		Number of persons receiving—	
	Union aid, 1927	State aid, 1927	Union aid, 1928	State aid, 1928	Union aid, 1929	State aid, 1929
January.....	33,279	31,968	20,369	19,926	31,819	30,977
February.....	31,431	30,810	20,131	19,677	35,147	35,473
March.....	37,074	26,448	17,734	17,287	30,526	29,838
April.....	22,356	21,691	16,683	16,293	25,835	26,147
May.....	18,057	17,493	16,556	16,220	21,866	21,347
June.....	13,833	13,286	13,468	13,214	19,436	18,992
July.....	11,845	11,293	13,627	13,262	16,859	16,515
August.....	10,032	9,504	15,588	15,249	18,674	18,307
September.....	9,609	9,150	16,559	15,950	19,468	19,007
October.....	8,677	8,389	13,228	12,866	16,248	15,803
November.....	10,883	10,618	12,532	12,153	17,108	16,715
December.....	14,334	13,954	19,698	19,218	30,170	29,693

Table 9 gives details concerning unemployment relief during 1928, such as the number of cases, amount for aid expended by the State and by the labor organization, and the average per case, distributed according to the central workers' organizations:

TABLE 9.—Statistics of unemployment assistance in 1928
[Conversions into United States currency on basis of crown at par=2.96 cents]

Central labor organization	Number of cases	Number of days insured	Unemployment aid			Average aid per case
			By labor organization	By State	Total	
<i>Czechoslovak currency</i>						
Joint Central, Czechoslovak Associated Labor Unions.....	44,429	1,396,830	<i>Crowns</i> 6,264,725	<i>Crowns</i> 8,091,874	<i>Crowns</i> 14,356,599	-----
Central Unions.....	19,250	606,247	2,731,828	3,541,037	6,272,866	325
Central Commission of German Labor Union.....	25,179	790,583	790,583	4,550,836	8,083,733	321
Czechoslovak Labor Union.....	6,706	187,776	679,688	902,156	1,581,845	235
International All-Labor Union.....	16,559	557,676	2,346,111	3,300,322	5,046,433	340
Czechoslovak Christian-Social All-Labor Commission.....	856	28,473	82,018	114,107	196,126	229
Central Czechoslovak Association of Clerks and Messengers' Organizations.....	300	20,501	157,018	190,790	347,808	1,159
Republican Employment Central.....	38	1,942	4,749	6,641	11,390	299
All-State German Labor Union.....	1,878	65,175	280,551	368,157	648,708	345
Association of Slovak Labor Organizations.....	51	1,828	5,467	7,876	13,343	261
National Association of Labor Organizations.....	165	7,883	28,507	38,256	66,764	404
Association of Christian Labor Unions.....	3,787	122,259	431,739	597,265	1,029,005	271
Labor organizations having no labor central.....	1,822	63,067	299,846	355,334	655,181	-----
Czechoslovak.....	957	34,587	212,980	26,704	378,598	395
German.....	865	28,480	134,228	142,354	276,582	319
Total.....	76,591	2,453,410	10,580,423	13,972,784	24,553,207	-----
<i>United States currency</i>						
Joint Central Czechoslovak Associated Labor Unions.....	44,429	1,396,830	\$185,436	\$239,519	\$424,955	-----
Central Unions.....	19,250	606,247	80,862	104,815	185,677	\$9.62
Central Commission of German Labor Union.....	25,179	790,583	104,574	134,705	239,278	9.50
Czechoslovak Labor Union.....	6,706	187,776	20,119	26,704	46,823	6.96
International All-Labor Union.....	16,559	557,676	69,445	97,690	167,134	10.06

TABLE 9.—Statistics of unemployment assistance in 1928—Continued

Central labor organization	Number of cases	Number of days insured	Unemployment aid			Average aid per case
			By labor organization	By State	Total	
			United States currency—Continued			
Czechoslovak Christian-Social All-Labor Commission	856	28, 473	\$2, 428	\$3, 378	\$5, 805	\$6. 78
Central Czechoslovak Association of Clerks' and Messengers' Organizations	300	20, 501	4, 648	5, 647	10, 295	34. 31
Republican Employment Central	38	1, 942	141	197	337	8. 85
All-State German Labor Union	1, 878	65, 175	8, 304	10, 897	19, 202	10. 21
Association of Slovak Labor Organizations	51	1, 828	162	233	395	7. 73
National Association of Labor Organizations	165	7, 883	844	1, 132	1, 976	11. 96
Associations of Christian Labor Unions	3, 787	122, 259	12, 779	17, 679	30, 459	8. 02
Labor organizations having no labor central	1, 822	63, 067	8, 875	10, 518	19, 393	-----
Czechoslovak	957	34, 587	4, 902	6, 304	11, 207	11. 69
German	865	28, 480	3, 973	4, 214	8, 187	9. 44
Total	76, 591	2, 453, 410	313, 181	413, 594	726, 775	-----

Total receipts and expenditures.—Inasmuch as receipts for the organization funds are dependent upon membership dues and the State money for unemployment needs are derived from budgetary provisions, it is not possible to give receipts which go into these funds. The total benefits paid out by the labor organizations and the State during 1925, 1926, 1927, and 1928 are given in Table 10:

TABLE 10.—Total unemployment benefits paid by unions and the State, 1925 to 1928

[Conversions into United States currency made on basis of crown at par=2.96 cents]

Year	Union		State		Total	
	Czechoslovak currency	United States currency	Czechoslovak currency	United States currency	Czechoslovak currency	United States currency
1925	<i>Crowns</i> 3, 055, 131	\$90, 432	<i>Crowns</i> 3, 673, 337	\$108, 731	<i>Crowns</i> 6, 728, 468	\$199, 163
1926	15, 007, 385	444, 219	20, 032, 423	592, 960	35, 039, 808	1, 037, 178
1927	13, 289, 955	393, 383	17, 815, 457	527, 338	31, 105, 412	920, 720
1928	10, 580, 423	313, 181	13, 972, 784	413, 594	24, 553, 207	726, 775

Statistics for 1929 and 1930 have not yet been given out for publication, but the Ministry of Social Welfare states that the Government's contribution in 1929 amounted to 19,000,000 crowns (\$562,400), and in 1930, to 46,000,000 crowns (\$1,361,600). The Ministry of Social Welfare states that the budgetary provision of 72,000,000 crowns (\$2,131,200) for the payment of unemployment benefits during the calendar year 1931 will be entirely exhausted by the end of April. When the act of 1921 was amended by the act of June 5, 1930, it was estimated that the Government's expenditures would amount to about 60,000,000 crowns (\$1,776,000) annually. The present condition is attributed to the increased proportion of payments

by the Government, which now amount to about four times the contribution by the labor organization, as compared with an approximately equal amount previous to 1931, and also to the aggravated and unexpected unemployment situation now existing in the country.

Cost of administration.—No figures are available as to the cost of administering this form of unemployment insurance. The chief burden is borne by the labor organizations, but on account of the distribution of the administrative duties among a large number of organizations, the work involved for each is not great. The Government expense in administration is unimportant, as its duties are chiefly concerned with control and inspection of the labor organizations' by-laws and accounts.

Present financial conditions.—As indicated above, the present financial condition of the unemployment insurance system may be considered as critical, both as regards the labor organizations and the State. It is not possible to ascertain the amount of the deficit at the present time. An official of the Ministry of Social Welfare states that all of the labor organizations are without unemployment funds and report deficits. With the Government's budget for unemployment assistance exhausted at the end of the first four months of the year, a large deficit for the State is inevitable. The Government hopes that the unemployment situation will be somewhat ameliorated toward the end of the year, but can not yet estimate the amount which will be necessary to reinforce the budget provision.

Basis of Calculation of Contributions and Benefits

The contributions and benefits are not based on actuarial calculations. The insurance put into force was a copy of the Ghent system, and an official of the Ministry of Social Welfare states that the difficulty in obtaining accurate figures of unemployment makes it impracticable to fix an equitable risk. Calculations of the probable expenditures connected with unemployment, even under the present comparatively simple system, can not be made with any degree of accuracy, as shown in the enormous discrepancy between the budgetary provision for the current year and the actual expenditures up to the present time. All calculations appear to be valueless when a situation of extraordinary unemployment arises, and it is thought that in any system the State will have to provide for special funds for unemployment support during periods of economic crisis. The labor organizations find themselves in the same difficulty. Funds that have been accumulating over a period of several years have been wiped out during a few months of increased unemployment.

Attitude of Various Groups Toward the System

Attitude of employers, workers, public, etc.—The general attitude toward the system of unemployment in force in Czechoslovakia is not favorable, but while it is opposed by practically all classes, it is retained in the absence of something better.

The employers were originally opposed to the system on the ground that it tended to strengthen the labor organizations. However, this opposition has diminished somewhat, as the actual opera-

tion of the system has demonstrated that the labor organizations have gained little in strength as a result of its adoption. Contrary to expectations, the passing and putting into effect of the law providing for State aid for the unemployed did not result in any material increase in the membership rolls of the labor organizations, and hundreds of thousands of workers are still unorganized and consequently do not benefit from the law.

The opposition of the workers to the present system is based principally upon the fact that the employers do not contribute in any way to the aid of the unemployed. The laborers maintain that the employer derives the greatest profit from their work and is at liberty to discharge them when their labor is no longer necessary or profitable.

The bourgeoisie are opposed to the system and wish to have it replaced by a form of insurance which will provide relief for the unorganized workers and thus support them against the unions and weaken the labor movement.

According to an official of the Ministry of Social Welfare, the defects of the Ghent system of unemployment insurance as carried out in Czechoslovakia are as follows:

1. It has been found necessary for the State to extend the payments from the original three months contemplated to six months, and even longer, in spite of the fact that the unions did not have sufficient funds to take care of their payments for such extensions and did not have time to raise the membership dues in order to take care of the larger demands.

2. The system has little elasticity and fails completely during a crisis or period of extraordinary unemployment.

3. The system does not distribute the burden of payments equitably, as the employers do not contribute to the aid of the unemployed.

4. It brings an undesirable State control over the direction and disbursement of the unemployment funds of the unions.

5. It makes no provision for the unorganized workers, who, according to statistics, form the bulk of the laboring population.

6. It increases the administrative work of the unions.

7. It transfers the general risk of paying the State benefits to the treasuries of the unions.

The same official cites the advantages of the system as follows:

1. It provides an accurate check on the unemployment situation.

2. It provides a cheap and efficient form of control and disbursement.

3. It serves to organize and strengthen the unions.

4. It provides a closer control over the unemployed and makes possible a study of the causes of unemployment.

5. It gives aid, and, to some extent, work to the unemployed.

Of the advantages of the system cited above, it appears that economy and efficiency of administration is the only one that is of real value. However, economy of administration means little if, as appears to be the case, the system fails in the chief purpose of unemployment insurance legislation; that is, it fails to provide adequate and equitable relief in any contingency for all classes of unemployed in need of assistance.

In summary it may be said that the opposition of the various groups in this country to the present system of unemployment is due to defects in the system. The necessity of unemployment insurance of some kind is generally recognized.

Abuses Under the System

As far as can be ascertained the operation of this system has not given rise to abuses in its administration or working.

Changes Contemplated

While the defects of the present system are generally recognized, it is only during the present unemployment situation that they have become so apparent as to reveal the inherent weaknesses of the system, and consequently no definite changes in the law have as yet been advanced. However, the Ministry of Social Welfare has appointed a committee to study the problem and make a report with recommendations for new legislation. Actual unemployment conditions in Europe and the various unemployment relief systems in force will afford a good field for study. It appears certain that a change will be made in the existing legislation, but it is uncertain whether the compulsory system in use in Germany will be adopted, or whether the Ghent system will be continued in a modified form.

Denmark ²⁹

Almost all Danish industrial wage workers are organized in trade-unions and nearly all Danish employers of industrial labor are also organized in an association called "The Employers' Association," both the workers' and the employers' organizations being recognized by law. The employers' association deals directly with the trade-unions, and its members employ union labor only. Representatives of the trade-unions and a body representing the employers' association meet from time to time to draw up agreements regarding wage schedules and shop conditions. In case of nonagreement, appeal is to the Government board of arbitration, and on rejection by one or both of the parties of the decision of this board strikes and lockouts automatically ensue, with a view to bringing the contending parties to terms.

According to Danish law, a normal state of contractual relations exists when there is a working agreement between the trade-unions and the employers' association. On the other hand, if these relations are disrupted through a strike or lockout, the Danish laws dealing with unemployment aid to trade-union members cease to be operative as far as the body of workers involved in the labor struggle is concerned.

Unemployment aid came into vogue in Denmark at the beginning of the century, and it is distributed under State supervision. In Denmark by the term "unemployment fund" is understood an association of wage workers in a certain restricted activity of industry, trade, commerce, transportation, etc., who have joined voluntarily for mutual aid in the event of unemployment (except in case of a strike or a lockout), and who for that purpose make regular contributions to a certain fund out of which the aid is to be paid to members out of employment. Hereafter, therefore, when unemployment funds are mentioned, it must be understood that they are administered by officials elected by the members of the fund under State supervision for the benefit of organized labor.

Under the present laws, the length of time during which a member of an unemployment fund may enjoy unemployment benefits varies according to the by-laws under which the fund has been created. The minimum length of time is usually 70 days in 12 consecutive months, the average about 100 days, and the maximum about 120 days during the same period.

While all the urban and suburban skilled and common laborers in Denmark are organized in trade-unions, most of the office workers and the rural workers are not so organized. These latter, together with the domestic workers, constitute about three-fifths of the working population of Denmark and are little affected by the legislation and administration of unemployment relief.

²⁹ Report by E. Gjessing, American vice consul at Copenhagen, as of Apr. 25, 1931.

Unemployment insurance in Denmark can be called neither compulsory nor voluntary. It is contingent, in reality, on membership in a trade-union or other organization of workers authorized by law. If membership has been attained through voluntary action, unemployment insurance becomes practically compulsory. A member of a Danish trade-union is as much under obligation to pay his unemployment contribution as his membership fee. He is encouraged to do so through substantial financial aid by the State and municipality in which he resides.

Unemployment insurance is now administered in Denmark according to the law of July 1, 1927. By this law the workers, the State, and the municipalities contribute to unemployment funds, the public contributions being now in direct relation to the average annual earnings of the workers.

Changes in Danish Unemployment Insurance

By the law of April 19, 1907, State contributions for unemployment relief were authorized. The World War caused extraordinary unemployment in Denmark and in order to relieve the situation laws were passed by which the State's contributions, both ordinary and extraordinary, increased by leaps and bounds.

The law of 1917 increased the public contributions and authorized the payment of unemployment relief to persons as soon as they had enrolled themselves as members of unemployment funds. Thus persons who were shiftless and habitually out of work were enabled to enroll as members and obtain, without effort or financial sacrifice, the same benefits as thriftier members who had paid their fees for a long time.

The evil effects of the law were so apparent that it was repealed by another law in November, 1918. By this law the granting of unemployment relief was made conditional on members having paid their fees during the previous 12 months and on submission of proof that they had been employed at least 14 months during the preceding 24 months.

The public contributions were not diminished, however. During the years 1917 to 1921 the State paid out 62,000,000 kroner (\$16,616,000)⁸⁰ and the municipalities 22,200,000 kroner (\$5,949,600) to unemployment funds, while the members' contributions were comparatively insignificant.

The State sought to shift the enormous burden it had assumed. By the law of December 22, 1921, the contributions of local and municipal authorities were increased to one-third of the membership fees, and the creation of a central unemployment fund was provided for, which in the main was to be raised by contributions from employers of labor and was to be administered by locally appointed officials under supervision of the State Bureau of Labor (a State institution.)

The central employment fund was to be used to relieve unemployment distress in localities where it was ascertained by competent authorities that extraordinary depression existed. There have been

⁸⁰ Conversions into United States currency made on basis of krone at par=26.8 cents.

varied opinions as to how extraordinary unemployment was to be defined and ascertained. For the purpose of determining the normal unemployment the average for the preceding 16 years, minus the 4 years of highest unemployment, is now taken instead of the average for the preceding 10 years, as was the rule in the beginning.

Money from the central unemployment fund was to be used to relieve the other unemployment funds from undue financial strain, to increase support to members, to start extra undertakings to relieve unemployment, to defray expenses for education and training of members of unemployment funds during times of idleness, and to maintain unemployed persons during the period of instruction.

The central unemployment fund was to be built up through the following contributions: (1) Employers of labor were to contribute annually 9 kroner [\$2.41] for each worker, organized or unorganized, employed during the year; (2) the unemployment funds were to contribute 5 per cent of their annual membership fees; (3) the State was to contribute a lump sum of 7,000,000 kroner [\$1,876,000], and in addition was to pay one-third of the total annual expenditures of the fund.

The contributions were to be continued at the above rates until the fund had reached an amount of 50,000,000 kroner (\$13,400,000). This amount was never reached, and by the law of March 4, 1924, the contributions were changed materially. The contributions of the unemployment funds were abandoned and the employers' contributions were reduced from 9 kroner (\$2.41) to 5 kroner (\$1.34) per worker, and to 2 kroner (53.6 cents) for rural workers, while the State's contribution was altered. The law mentioned a figure of 30,000,000 kroner (\$8,040,000) as being the ultimate maximum of this fund.

In March, 1926, this fund was about 17,100,000 kroner (\$4,582,000) and in 1930 about 9,393,000 kroner (\$2,517,324). By that time, however, the plans regarding the creation of a large national central unemployment fund for the relief of extraordinary unemployment had stranded.

The principal reasons for the temporary abandonment of the plans were the employers' objections to the large per capita assessments of organized, as well as unorganized, labor levied on them.

During the period when large contributions by employers were being made to this fund, Danish legislation aimed at reducing public contributions to unemployment funds. By the law of March 4, 1924, the State's contributions were reduced from 50 to 35 per cent and the municipalities' contributions from 33 to 30 per cent of the total annual membership fees. In this manner members were thereafter made to bear 60 per cent of the total burden of unemployment insurance, as against 54 per cent previously.

The law of July 1, 1927 (popularly known as the law of February 17, 1927, as it was introduced for debate in Parliament on that date) is the law now governing unemployment insurance. It is called the employment office and unemployment insurance law because in this, as in previous laws, there are clauses authorizing the establishment and operation of local employment offices at public expense, which cooperate with the unemployment funds.

Public Employment Offices

Public employment offices are established at the more important centers of population and are under the management of officials appointed by the local authorities, but who receive no remuneration. The head of the office may not be an employer of labor nor a wage worker, and his appointment must be sanctioned by the Minister of the Interior. Two-thirds of the expenses of the operation of the office and the payment of the salaries of the clerical force are borne by the district in which the office is located, while the remaining one-third is paid by the State.

As soon as a member of an unemployment fund is out of employment the management of the fund must immediately communicate this fact to the employment office on blanks prescribed by the Minister of the Interior, giving a full description of the member. The employment office, which is in touch with all employers of labor in the district and has a list of all vacancies, thereupon notifies, in writing, the employer with whom there is a vacancy that the person out of employment has been directed to apply for the vacancy. If employment is not effected because another has already been engaged, or if the applicant immediately after engagement quits his job, the employer must, under pain of fine, so advise the employment office, and this office must in turn advise the unemployment fund.

If the applicant, on the other hand, obtains employment without the help of the employment office, the unemployment fund must at once notify the employment office. A worker who obtains employment without the help of the employment office must at once give due notice of his employment and so must the employer.

If an employer will not engage an applicant sent to him by the employment office, in accordance with the terms of the labor agreement between the applicant's trade-union and the employer's association, the employment office ceases to direct applicants to him. If, on the other hand, the applicant refuses to accept employment with an employer where the conditions of the labor agreement are fulfilled, due investigations are made, and if there is found to be no reason for the refusal, unemployment benefits will be withheld.

Unemployment Insurance

Persons and Industries Covered

Recognition is given the unemployment funds by the Minister of the Interior when the by-laws of the fund are found to be in accord with the law and when the membership consists of at least 100 persons engaged in a certain trade, or, in rare cases, embraces all organized laborers in a certain locality.

Only persons who are wage workers without any means can be accepted as members. If applicants are in possession of means of 5,000 kroner (\$1,340) if unmarried, and of 10,000 kroner (\$2,680) if married, they will be barred. If the property consists of real estate, the maximum amounts are 8,000 kroner (\$2,144) and 15,000 kroner (\$4,020), respectively. Applicants must be in possession of the proper

occupational qualifications, but the fact that there is a personal difference between them and the trade-union to which they belong will not be cause for debarment.

The following persons are debarred from admission to unemployment funds: (1) Persons who are not in possession of the qualifications of the trade to which they, in accordance with the by-laws of the unemployment fund, should belong; (2) Persons who do not come within the age limits of 18 and 60 years; (3) Persons who are recipients of old-age pensions or who are in poor health; (4) Persons who are physically or morally unfit to perform work in the trade and to associate with coworkers (habitual drunkards or persons who have been arrested, etc.); (5) Persons who are already members of another State unemployment fund.

In addition, the following classes of persons may not receive unemployment support: (1) Persons who do not seek work or are unwilling to work; (2) Persons who have not been members for at least one year; (3) Persons whose record shows that they, during the last 24 consecutive months, have been employed for less than 10 months; (4) Members of unemployment funds for seasonal workers, during the season of the year when there is normally no employment in their trade; (5) Persons who are on a strike or lockout; (6) Persons who have left their work without any good cause; (7) Persons who are recipients of invalid support, old-age pensions, etc.

All Danish organized laborers engaged in industries and trades, except the majority of the seamen, are covered by unemployment insurance under the supervision of the State Bureau of Labor. The greater part of the rural laborers, clerks, and office and store workers of Denmark are not organized and receive no unemployment insurance.

There are no statistics as to the total number of wage earners in Denmark, but the head of the Danish State Bureau of Labor estimates this number at from 775,000 to 800,000 in 1930, whereas the number of laborers covered by unemployment insurance in 1930 was 288,428. This latter class of laborers constitutes, therefore, about 37½ per cent of the entire labor population, if 775,000 is taken as the number of wage earners in Denmark.

According to the census of 1921 (the latest census in Denmark) the wage workers are classified in the following manner:

Agricultural workers.....	262, 000
Workers in industries and trades.....	251, 000
Workers engaged in commerce.....	32, 000
Workers engaged in transportation.....	29, 000
Domestic workers.....	181, 000
Total.....	755, 000

As the population in Denmark has increased by about 8 per cent since 1921 there should now be about 800,000 workers in the country.

Among the agricultural workers mentioned above are included young people over 14 years of age working on parents' farms. The wage-working population, less these young people and about 200,000 domestics, would be about 410,000. This is the estimate made by the Danish Statistical Office.

Character and Amount of Contributions

Employers now contribute 3 kroner (80.4 cents) per industrial worker and 2 kroner (53.6 cents) per rural worker annually to the central unemployment fund, but these contributions will be discontinued when this fund reaches an amount of 10,000,000 kroner (\$2,680,000), only the interest on which can then be used.

The contributions of the State and of the municipalities are proportioned to the average yearly earnings of the members of the unemployment funds, and, in accordance with the law of July 1, 1927, are as given in Table 11:

TABLE 11.—Per cent of membership fees contributed by State and by municipalities, by earnings groups

Average yearly earnings	Per cent of total membership fees	
	State contributions	Municipal contributions
Up to 1,500 kroner (\$402)	40	30
1,500 kroner (\$402) to 2,000 kroner (\$536)	35	30
2,000 kroner (\$536) to 2,500 kroner (\$670)	30	25
2,500 kroner (\$670) to 3,000 kroner (\$804)	25	20
3,000 kroner (\$804) to 3,500 kroner (\$938)	20	15
3,500 kroner (\$938) to 4,000 kroner (\$1,072)	15	10
Over 4,000 kroner (\$1,072)	10	5

All extraordinary aid to the unemployment funds by the State has been abolished, but the management of the unemployment fund is authorized to set up an emergency fund from which members can be given benefits for 70 days in addition to the maximum period permitted by the by-laws, at two-thirds of the ordinary benefit. To these emergency funds the State and municipalities contribute in the same proportion as to the ordinary funds. From the central unemployment fund (mentioned in the foregoing) a contribution to the emergency funds is authorized, equal to 25 per cent of the amount of the membership fees. Only the interest on this fund may be used, however, and this would suffice to cover contributions to only a few emergency funds.

The emergency funds of the individual unemployment funds, it was hoped, would take the place and the functions of the central unemployment fund after the ambitious plans for this fund had been abandoned in 1927. The unemployment funds found, however, that it was too heavy a burden on their members to create these emergency funds and only three emergency funds were established in 1927. By an amendment to the law of 1927, dated April 4, 1928, such funds set up before July 1, 1928, were entitled to an extra initial contribution of 10 kroner (\$2.68) and a loan of 5 kroner (\$1.34) per member. This did not prove sufficient inducement, and there are only six emergency funds in existence at present. They receive contributions in the same manner as the ordinary unemployment funds, besides contributions from the central unemployment

fund up to 25 per cent of the membership fees. As only the interest on the central unemployment fund of 10,000,000 kroner (\$2,680,000) can be used for that purpose, this support would soon be exhausted, and this is one of the reasons why no more emergency funds have been established.

The contribution of the members is to be fixed by the management of the unemployment fund, and must be such an amount that it, together with the contributions of the State and municipalities, will cover the average yearly expenditures. Extra assessments can be made to cover sudden needs and requirements.

The contributions are fixed in conformity with reports as to earnings in the various trades made by the State Bureau of Labor. In the trades of highest earnings the members pay about 87 per cent of the relief distributed, and in those where the lowest average earnings obtain the members pay but 59 per cent of the amount of contributions to the unemployment fund.

The law provides that 15 per cent of the wages of laborers on emergency work initiated by the Government to relieve unemployment is to be held back by the employers and turned into the central unemployment fund.

The actual contributions by the State and municipalities, including contributions in arrears for extraordinary unemployment relief and contributions to the central unemployment fund, during the five fiscal years immediately preceding 1930, were as follows:

TABLE 12.—Amount of contributions by State, by municipalities, and by membership, 1925-26 to 1929-30

[Conversions into United States currency on basis of krone=26.8 cents]

Fiscal year	By State		By municipality		By membership	
	Danish currency	United States currency	Danish currency	United States currency	Danish currency	United States currency
	<i>Kroner</i>		<i>Kroner</i>		<i>Kroner</i>	
1925-26.....	6,000,000	\$1,608,000	8,300,000	\$2,224,400	11,500,000	\$3,082,000
1926-27.....	7,000,000	1,876,000	10,800,000	2,894,400	14,600,000	3,912,800
1927-28.....	5,100,000	1,366,800	3,570,000	956,760	21,000,000	5,628,000
1928-29.....	6,090,000	1,632,120	4,410,000	1,181,880	19,300,000	5,172,400
1929-30.....	5,616,000	1,505,088	5,082,000	1,361,976	18,900,000	5,065,200

Payment of contributions and fees.—The membership fees are paid once a week in cash to the cashier of the unemployment fund. Receipts for the fees are given in the form of stamps, which are pasted in the membership book. In the same book an account is kept of the unemployment support received from year to year.

Benefits

The law of July 1, 1927, stipulates that a person must have been a member in good standing for at least one year before he is entitled to unemployment insurance benefits and that he is disqualified if he, within the last 24 months, has had employment for less than 10

months. The benefit is not contingent on the number of contributions made, and benefits are paid immediately after it has been established that the applicant is out of employment and entitled to benefits.

The benefits can be paid for a period of at least 70 days or an average of 100 days, and, according to the by-laws of the respective unemployment funds, for an additional period of 70 days at two-thirds of the ordinary rate in case of an extraordinary state of unemployment. In such an event the extra support is paid out of the special emergency fund of the respective unemployment fund.

Under the law of July 1, 1927, the daily benefits must not exceed two-thirds of the average daily wages earned when at work, nor must they, for the head of a family, exceed 4 kroner (\$1.07) and for a single person, 3 kroner (80.4 cents) per day. The minimum benefit is 1 krone (26.8 cents). Certain monetary assistance is also given to cover traveling and moving expenses. No supplementary allowance is now given for children to the heads of families.

Persons who have been dropped from regular benefits because of nonfulfillment of conditions as to payment of fees, etc., can not be compensated from the unemployment funds. If, for instance, a member does not pay his weekly fee for four weeks, his name is erased from the list of members entitled to benefits, and he must thereupon pay fees for 12 months before he again is entitled to unemployment benefits.

Administration

For each unemployment fund there is a manager and usually a cashier elected by the members. An account of all receipts and expenditures and a complete list of the members must be kept. A journal must also be kept, in which there is a record of the time when members out of employment report at the office of the unemployment fund. Membership books and cards must also be issued to every member, giving his name and membership number.

The management of the funds is under the supervision and control of the Danish State Bureau of Labor, which must audit the accounts of the unemployment funds at least every quarter. At the head of the State Bureau of Labor is a commissioner appointed by the State, and this official makes an annual report to the Minister of the Interior of the accounts of all of the unemployment funds, and the Minister of the Interior in turn publishes the report on duly prescribed forms. In the State Bureau of Labor there are a number of State-appointed officials under the Commissioner of Labor, who cooperate with two committees, known as labor tribunals, dealing with matters concerning employment offices and unemployment funds, respectively. The committee dealing with matters concerning the last class is composed of six labor representatives elected by the unemployment funds, two members of the lower house, and two members of the upper house of the Danish Parliament. All are elected for a period of six years.

None of the members of the tribunal receive a salary, but they are paid for their attendance at meetings and traveling expenses.

Practices of Fraud Under System

In Denmark the contact between workers and the management of the unemployment fund is so close that practices of fraud are easily detected. Every person is registered and his circumstances are so well known that any unusual action on his part will at once excite suspicion. There is also a strong spirit of cooperation pervading the people which militates against any person's taking advantage of another.

A person seeking unemployment support must report in person at the office of the unemployment fund, and as long as he is out of employment he must present himself at least once a day personally and register at the office.

The management of the Danish State Labor Bureau declares that there have been no cases of fraud of late years and no statistics are kept as to frauds practiced.

Adjustment of Grievances and Disputes

In paragraph 17 of the law of July 1, 1927, the following are mentioned as classes which are to be refused unemployment benefits: (1) Persons who are on a duly declared strike or affected by a lock-out; (2) sick persons or invalids; (3) persons who have been discharged on account of intoxication or for boisterous or querulous conduct towards employers and coworkers; (4) persons who are serving sentence in prison or who are under arrest; (5) persons who are recipients of poor aid, old-age pension, or invalid support; (6) persons who, for apparently no valid reason, refuse to accept the work offered through the Government's employment office or the unemployment fund; (7) persons who are working on two-thirds time.

If members of unemployment funds feel that they are being treated unjustly by being classified in the above classes by the management, or for other reasons feel that they have ground for complaint, they can appeal their cases to the committee cooperating with the State Bureau of Labor on matters relating to unemployment support. The decision of this committee can be appealed to the Minister of the Interior.

A person who changes his occupation may, without any alteration of his status as beneficiary, change membership from one unemployment fund to another. For instance, a person belonging to the hod carriers or masons' helpers' unemployment fund, to which he has paid his fees so that he is entitled to benefits there, may at once obtain such benefits from the masons' unemployment fund if he begins to work in that trade.

The committee on matters concerning unemployment funds makes all regulations regarding such transfers and sits in judgment in all disputes arising out of them.

Number of Persons Covered by Unemployment Insurance System

On March 31, 1929 and 1930, the following persons were covered by unemployment insurance:

TABLE 13.—Persons covered by unemployment insurance, March 31, 1929 and 1930, by occupation group

Occupation group	Number of members	
	Mar. 31, 1929	Mar. 31, 1930
Food and candy industries.....	25, 889	26, 774
Leather, textile, and clothing industries.....	23, 485	24, 494
Woodworkers.....	7, 539	7, 801
Metal workers.....	34, 009	35, 870
Bookbinders and paper workers.....	10, 188	10, 422
Building trades and furniture makers.....	31, 968	33, 369
Stone, glass, and ceramic workers.....	2, 523	2, 629
Cement workers and common laborers.....	96, 668	103, 796
Agricultural workers and gardeners.....	12, 326	12, 421
Seamen and firemen.....	5, 057	5, 197
Clerks and store workers.....	11, 407	12, 138
All other trades and industries.....	12, 981	13, 517
Total.....	274, 040	288, 428

From the above it will be seen that of the large class of agricultural workers in Denmark, which approaches 420,000 in number, only 12,421 were members of unemployment funds in March, 1930. The class of persons engaged in clerical work is not well represented, and only a negligible number of seamen are covered by unemployment insurance. As has been previously stated, from 35 to 37½ per cent of the total labor population of Denmark is covered by unemployment insurance.

Table 14 shows for the four quarters of the last two fiscal years the average numbers, per day, of unemployed male and female workers receiving unemployment support:

TABLE 14.—Average number receiving unemployment benefits, 1928-29 and 1929-30, by quarters

Quarter	1928-29				1929-30			
	Men		Women		Men		Women	
	Number	Per cent	Number	Per cent	Number	Per cent	Number	Per cent
March.....	69, 500	89. 3	8, 300	10. 7	52, 600	89. 9	5, 900	10. 1
June.....	39, 400	85. 7	6, 600	14. 3	32, 700	85. 6	5, 500	14. 4
September.....	31, 000	84. 0	5, 900	16. 0	23, 300	83. 8	4, 600	16. 2
December.....	41, 000	87. 3	6, 000	12. 7	30, 800	87. 3	4, 500	12. 7

Table 15 shows the number of persons, by industry or occupation, who received unemployment benefits during the same two years:

TABLE 15.—*Number receiving unemployment benefits, 1928-29 and 1929-30, by occupation groups*

Occupation group	Number receiving benefits	
	1928-29	1929-30
Food and candy industries.....	11,515	8,973
Textile, leather, and clothing industries.....	14,769	11,629
Woodworkers.....	4,014	3,391
Metal workers.....	15,704	13,244
Bookbinders and paper workers.....	2,724	2,580
Building trades and furniture makers.....	21,548	17,490
Stone, glass, and ceramic workers.....	1,578	1,272
Cement workers and common laborers.....	51,796	47,779
Agricultural workers and gardeners.....	7,751	6,411
Seamen and marine firemen.....	2,850	2,654
Clerks and store workers.....	2,212	2,069
All other trades and industries.....	2,715	2,464
Total.....	139,176	119,956

There were 70 State-recognized unemployment funds in Denmark on March 31, 1930, which had 2,859 branches all over the country. The income and expenditures of these funds for the three fiscal years 1927-28, 1928-29, and 1929-30, are given in Table 16, in round figures:

TABLE 16.—*Income and expenditures of unemployment funds, 1927-28 to 1929-30*
[Conversions into United States currency on basis of krone=26.8 cents]

Item	1927-28		1928-29		1929-30	
	Danish currency	United States currency	Danish currency	United States currency	Danish currency	United States currency
<i>Income</i>						
Membership fees and assessments.....	<i>Kroner</i> 21,124,000	\$5,661,232	<i>Kroner</i> 19,426,600	\$5,206,829	<i>Kroner</i> 19,028,000	\$5,099,504
Members' fines.....	34,500	9,246	35,300	9,460	51,600	13,829
Interest and other income.....	608,600	163,105	519,600	139,253	654,900	175,513
State contributions.....	5,093,600	1,365,085	6,092,100	1,632,683	5,617,400	1,505,463
Municipal contributions.....	3,571,500	957,162	4,407,600	1,181,237	5,083,100	1,362,271
Total.....	30,432,200	8,155,830	30,481,200	8,168,962	30,435,000	8,156,580
<i>Expenditures</i>						
Unemployment benefits.....	28,134,000	7,539,912	24,302,800	6,513,150	18,098,500	4,850,398
Administration expense.....	1,642,600	440,217	1,577,000	422,636	1,692,600	453,617
Interest and other expenses.....	213,100	57,111	149,000	39,932	179,300	48,052
Total.....	29,989,700	8,037,240	26,028,800	6,975,718	19,970,400	5,352,067

Both the State and municipal contributions for ordinary unemployment relief are not paid into the unemployment funds until one or two years after the lapse of the year to which they apply. For this reason it is impossible for the management of the unemployment funds to estimate the amount of the yearly fees to be paid with

any approach toward exactitude. The fiscal years 1928-29 and 1929-30 were prosperous ones, and unemployment was less than expected. During the same years the same State and municipal contributions were received as for previous years when unemployment had been relatively high. This accounts for the great surplus at the end of the two years, especially at the end of the latter.

In this connection it may be remarked that the surpluses are carried over from year to year, and membership fees are fixed in proportion to the surplus, so that the sum of the total fees, plus contributions and the previous year's surplus, in the estimation of the management, will equal the year's expenditures. If any deficits occur they are covered by assessments on the members, levied by the management of the fund.

Basis of Calculations of Contributions and Benefits

The contributions to and benefits from unemployment funds are not based on actuarial calculations.

Attitude of Various Groups Toward Present System

The Agricultural-Liberal and the Conservative Parties sponsored the bill regarding unemployment insurance which became a law under date of July 1, 1927. Most of the property-owning, agricultural population, employers of labor, and storekeepers belong to these two parties, and they can, therefore, be considered as being in favor of the law. The employers object, however, to any direct contributions (3 kroner (80.4 cents) per capita of workers employed) toward the central unemployment fund, from which fund contributions are made to the emergency funds of six unemployment funds. Some object on general principles to contributions of any kind by the State and municipalities to the unemployment funds. There is no objection to voluntary unemployment insurance in itself.

The majority of the people—the workers and, in general, persons without means—object to the law. These groups belong to the Social Democrats and radical parties, which at present control the Government. They are not opposed to voluntary unemployment insurance, but they demand greater contributions of public funds to enable the unemployment funds to give larger unemployment benefits and to set up and amplify the emergency funds. Under the present law the maximum benefit is 4 kroner (\$1.07) per day, which is considered too small. It is also considered unjust that the 70 days' extra support, granted in case of extraordinary unemployment, should be at the rate of but two-thirds of the regular support. The extra support is paid out of the emergency fund and is paid to persons whose financial resources have been seriously weakened by a long period of unemployment. There are no data available as to abuses under the present system.

Workers object, in general, to the requirement in the law of July 1, 1927, that 15 per cent of the wages paid on emergency work initiated by the Government to relieve unemployment is withheld and paid into the central unemployment fund.

Anticipated Changes in Unemployment Insurance

At the time when contributions to the central unemployment fund were heavy, large amounts were drawn annually from this fund to relieve unemployment. With the material curtailment of contributions to this fund, relief in cases of extraordinary unemployment began to be distributed from funds that originally were not intended for unemployment support. These funds are called Hjaelpekasser (funds for the relief of temporary need). They are local funds and are raised through general taxation. Relief from these funds is not considered as being poor relief. In the years 1926-27, 1927-28, and 1928-29, 8,000,000 kroner (\$2,144,000), 14,000,000 kroner (\$3,752,000), and 17,000,000 kroner (\$4,556,000), respectively, were distributed from these funds. These payments from the so-called Hjaelpekasser grew in the same proportion as the contributions from the central unemployment fund decreased. These payments were, however, neither as effective nor as easy to regulate and control as the contributions from such funds as the emergency funds or the central unemployment fund administered by representatives of labor and controlled by the State Bureau of Labor.

This is realized by the politicians of all parties, and there is a growing belief among them that contributions by the State should be granted to encourage the setting up of new emergency funds by the individual unemployment funds and to enlarge the central unemployment fund.

The Conservative and Liberal members of the Danish Parliament are willing to vote for a law to increase the contributions of public funds in support of unemployment insurance and have so expressed themselves in Parliament. The radical parties have recently introduced a bill by which it is proposed to increase the State's contributions in many cases to more than 100 per cent of the membership fees, and in all cases to advance such contributions materially. There are grave differences of opinion among the various parties as to what extent public contributions are to be increased, but in well-informed circles, such as in the State Labor Bureau, no doubt is entertained that a law which is more liberal in its provisions than the law of July 1, 1927, will eventually be passed.

Strangely enough it is among the labor leaders that there is the most objection to the creation of new emergency funds. They fear the withdrawal of public support after the setting up of the emergency funds, which will be very difficult to administer without generous contributions by the State and municipalities.

Finland ⁸¹

Unemployment insurance was established in Finland by a law promulgated on November 2, 1917, to take effect on the 1st of January following. Regulations for administering the law were issued on December 28 of the same year. The law was amended once in order to increase the benefits provided thereunder, which had shrunk to an inadequate amount, due to the depreciation of the Finnish currency, and once to repeal the provision requiring municipalities to contribute.

Type of System

The Finnish unemployment insurance system is of a voluntary character. It contemplates the establishment of "unemployment funds," which, if administered in accordance with the law above mentioned, will secure financial assistance from the State.

Persons and Industries Covered

Any group of workers or any laborers' organization may establish an unemployment fund; the only restriction imposed by the law in this respect is that the age of members of such a fund may not be less than 15 years nor more than 60 years. But even a worker over 60 years of age may join an unemployment fund if he does so within 60 days of having ceased to be a member of another such fund enjoying Government subsidies. By-laws of unemployment funds may, and usually do, however, contain provisions whereby the insured are divided into classes according to the trade followed, amount of wages, family status, or other factors, if deemed advisable.

An unemployment-insurance fund (known in Finland as an "unemployment aid fund") may be established by a group of at least 10 workers, but in order to receive contributions from the public funds there must be at least 50 members. In practice the insurance funds are operated by trade-unions, which practice the law specifically permits, on condition that the operation of such funds be separate and distinct from the other functions of such unions.

Contributions

The workers themselves, through the administrative bodies of insurance funds, determine the amount of their own contributions to the unemployment insurance funds. They are related to the wages earned and must be sufficient for the purposes of the law. The lowest contribution is 40 Finnish pennies (1 cent)⁸² per week and the highest is 1 Finnish mark (2.52 cents).

⁸¹ Report prepared by John R. Bouchal, American consul, Helsingfors, as of Apr. 21, 1931.

⁸² Conversions into United States currency made on basis of Finnish mark=2.52 cents; Finnish penny=0.0252 cent.

Contributions from public funds are paid once every six months and are calculated on the basis of the amount of insurance paid by the unemployment funds. The State pays two-thirds of the benefits given a married man who has one or more children under the age of 15 years, and one-half of the benefits paid to others.

Municipalities are no longer obligated to contribute, while employers have always been free from such obligations.

It should be mentioned that in some instances a certain per cent of labor-union dues paid by workers is applied to the accumulation of the unemployment insurance funds, in which cases the workers do not make a separate contribution for that purpose. This is, however, the exceptional method.

Benefits

Amount of benefits.—According to law the benefit may not be lower than 3 marks (7.6 cents) nor higher than 10 marks (25.2 cents) per day. The benefits may be paid in money or in kind; also they may take the form of rent or travel money.

Conditions for receipt of benefits.—To receive the benefits contemplated by the unemployment insurance fund law of Finland, a worker must have belonged to such a fund for at least six months preceding his unemployment for which insurance is paid. Such benefits may not be granted before a waiting period of six days, although they must be given before the expiration of 15 days. By-laws of most unemployment funds fix the waiting period at seven days. Travel money, however, may be given irrespective of these provisions.

An administrative body of one fund may make an agreement with the administrative body of another fund with regard to the payment of insurance to a worker who, on account of change or work or locality, ceases to be a member of his former fund before having been such a member for a period of six months. If an unemployed worker secures temporary work which does not last more than six days he is entitled immediately to receive the benefits of insurance upon the cessation of such temporary work.

Time covered.—A beneficiary of an unemployment insurance fund may receive insurance for 60 days each year in a successive period of two years. Thereafter he must regularly contribute to the fund again for a period of one year before he will be entitled to derive additional insurance benefits.

Who may not receive benefits.—The following classes of persons may not receive unemployment insurance as contemplated in the Finnish law of 1917:

- (1) Workers on strike or out of work by reason of a lockout.
- (2) A sick or disabled member.
- (3) A worker who, according to the opinion of the administrative body of an insurance fund, has stopped working for an insufficient reason or who has been discharged for cause.
- (4) A worker who does not accept a job offered him, if such work is not in a place involved in a strike or lockout and if the work otherwise suits the laborer in question.

Administration

An unemployment-insurance fund, as previously stated, may be established by a group of workers or organization of workers. Proper articles of incorporation and by-laws must be drawn up and submitted to the Ministry of Social Affairs for ratification. There must be at least three members on the board of administration and a necessary number of deputy members. The by-laws must make provision for the following:

(1) The name of the fund, which name must contain the words "unemployment fund."

(2) The district and trade or trades covered.

(3) The domicile of the fund and of its administrative body.

(4) Conditions for admitting and expelling members.

(5) The amount of dues to be paid and the manner of calculating them, as well as the manner of payment.

(6) The rights of the members.

(7) The procedure to be followed in applying for membership.

(8) The manner of appointing or electing the members of the administrative body and the period of incumbency.

(9) The manner in which reserve and other possible funds are to be accrued, and a stipulation as to how moneys possessed by the fund are to be invested; and further, the manner of keeping and examining documents.

(10) The fiscal year and the time when books are to be closed.

(11) Time and manner of holding the regular meetings of the administrative body and the matters there to be decided.

(12) The voting power of members of the funds and the procedure to be followed in electing administrative bodies.

(13) The manner of serving notices of meetings and other notices to members.

(14) The manner in which the by-laws may be amended.

(15) Under what circumstances and in what manner the fund may be dissolved and how moneys accrued shall then be disposed of, it being noted that they may not be distributed among the members.

Government examination.—Unemployment insurance funds contemplated by the law of November 2, 1917, are under the supervision of the Finnish Government, which supervision is exercised through a duly appointed examiner. The examiner must report any irregularities which come to his notice, and he must also report on the financial standing of the funds if he deems them insufficient to meet their obligations.

Moreover, a special register is kept of unemployment funds in accordance with a special law of December 28, 1917. This register is kept by the Ministry of Social Affairs and contains the pertinent facts in each instance. Changes in the administration of unemployment insurance funds must be reported promptly to the ministry for inclusion in the register.

Grievances and Disputes

The law makes no special provision for the adjustment of grievances and disputes arising from the administration of unemployment

insurance funds, but merely stipulates that the court of jurisdiction is the lower court in the district where the fund is domiciled.

Statistics of Operation

At the present time the unemployment insurance system of Finland may be said not to be in operation. The insurance funds, as previously stated, are for the most part administered in connection with trade-unions and nearly every one of these unions was dissolved in 1930 due to alleged communistic activities. Accordingly, the insurance funds also ceased operating. The matter is now pending in the courts, although several new labor unions have already been established under the auspices of the Social Democratic Party.

There are no recent statistics concerning the operation of unemployment insurance funds, the latest available being for the year 1928, which are given below.

Number of funds.—In 1928 there were in operation nine unemployment insurance funds which received State subsidies. A large number of unemployment insurance funds were actually in operation, but as they did not fulfill the conditions for receiving State aid there are no statistics available with regard to them. One condition upon which public funds are granted to unemployment insurance funds is that the membership must be at least 50, and another condition is that the income of the funds must be at least one-half of that received in contributions from the insured, such other income not to include subsidies from the State nor donations the capital of which may not be used for current expenditures.

Government aid.—Table 17 gives the names of the unemployment funds which in 1928 received State aid and the amount of such aid, paid semiannually:

TABLE 17.—Amount of State aid to unemployment insurance funds in 1928

[Conversions into United States currency on basis of mark=2.52 cents]

Unemployment insurance fund	Government contribution in 1928		
	First half	Second half	Total
	Marks	Marks	Marks
National Union of Paper Industry Workers.....	19,554	13,668	32,222
National Union of Textile Industry Workers.....	14,449	14,449	14,449
National Union of Metal Industry Workers.....	35,330	29,761	65,091
National Union of Printing Industry Workers.....	7,678	5,713	13,389
National Union of Building Industry Workers.....	55,472	29,772	85,244
National Union of Lumber Industry Workers.....	30,232	40,725	70,957
National Union of Leather Industry Workers.....	2,424	2,373	4,797
National Union of Transportation Workers.....	1,050	739	1,789
National Union of Food and Drink Industry Workers.....	905	668	1,573
Total, Finnish marks.....	152,643	136,868	289,511
Total, United States currency.....	\$3,847	\$3,449	\$7,296

Statistics of unemployment insurance funds.—Tables 18 and 19 are compiled from statistics in Social Review No. 1, 1930, published by the Ministry of Social Affairs at Helsingfors. Table 18 gives statistics of unemployment insurance funds by industries:

TABLE 18.—Statistics of unemployment insurance funds, 1928, by industries

Item	Unemployment insurance funds									Total
	Paper industry	Textile industry	Metal industry	Printing industry	Building industry	Lumber industry	Leather industry	Transportation	Food industry	
Number of members:										
January, 1928—										
Men	2,738	989	9,314	2,235	10,942	11,295	1,350	1,235	1,331	41,429
Women	1,138	2,554	320	936	1,751	1,532	1,685	1,021	2,181	13,118
Total	3,876	3,543	9,634	3,171	12,693	12,827	3,035	2,256	3,512	54,547
December, 1928—										
Men	2,927	1,145	12,851	2,475	15,390	12,875	1,850	1,420	1,472	52,405
Women	1,206	3,250	586	1,125	1,925	1,768	2,185	1,434	2,749	16,228
Total	4,133	4,395	13,437	3,600	17,315	14,643	4,035	2,854	4,221	68,633
Number of members receiving benefits:										
Per diem benefits	201	162	418	64	662	577	39	9	19	2,151
Travel benefits	51	10	339	5	108	100	7	1	6	627
Number of days of unemployment:										
Reported	9,578			2,795			1,848	3,471		
Days for which benefits given	7,966	6,183	12,115	2,795	22,082	22,605	1,396	386	605	76,133

In Table 19 are shown the income, expenditures, and surplus of the unemployment-insurance funds:

TABLE 19.—Income, expenditures, and surplus of unemployment insurance funds 1928

[Conversions into United States currency on basis of mark=2.52 cents]

Unemployment insurance fund	Income			Expenditures				Surplus
	Member-ship dues	State subsidy	Interest, etc.	Per diem benefits	Travel money	Other benefits	Administrative expenses	
National Union of Paper Industry Workers	Marks 53,112	Marks 36,817	Marks 11,121	Marks 50,773	Marks 6,074	Marks -----	Marks 17,191	Marks 27,021
National Union of Textile Industry Workers	41,631	-----	11,159	27,406	1,066	-----	19,483	4,835
National Union of Metal Industry Workers	237,706	60,591	23,519	91,928	28,364	-----	51,696	149,828
National Union of Printing Industry Workers	107,877	14,198	13,413	24,836	560	9,683	20,000	80,409
National Union of Building Industry Workers	376,684	75,149	119,929	131,508	9,309	2,605	42,500	385,840
National Union of Lumber Industry Workers	246,880	45,129	40,036	109,466	10,476	-----	38,060	174,043
National Union of Leather Industry Workers	31,060	2,645	3,560	7,857	579	1,330	6,505	20,994
National Union of Transportation Workers	15,595	2,072	3,729	2,948	100	-----	12,000	6,348
National Union of Food and Drink Industry Workers	61,149	1,106	8,542	2,273	572	-----	22,355	45,597
Total, Finnish marks	1,171,694	237,707	235,008	448,995	57,100	13,618	229,790	894,915
Total, United States currency	\$29,527	\$5,990	\$5,922	\$11,315	\$1,439	\$343	\$5,791	\$22,552

Reasons for Slow Development of Funds

As already stated, no statistics concerning the operation of unemployment insurance funds after 1928 are available. Up to that time development was slow. In 1924, for example, only six insurance funds applied for Government subsidies, these six funds having a total membership of but 19,644. Noteworthy, however, is the fact that in the printing industry 58 per cent of all the workers that year were members of an insurance fund, and the percentage in the metal industry was 36 per cent. In the paper, textile, and lumber industries the respective percentages were 12, 9, and 7.

This slow development was due, in the first place, to the fact that there was no serious unemployment in Finland before the depression which began with the slump in the building industry toward the end of 1928 and which has subsequently spread to all other industries and trades; in the second place, the insurance paid according to the amendment to the law of 1917 is from 3 to 10 marks (7.6 to 25.2 cents) per day. In the 1917 law the maximum was 3 marks (7.6 cents), which, according to Dr. Eino Kuusi, formerly attached to the Ministry of Social Affairs, should have been 25 to 30 marks (63 to 75.6 cents) per day in 1926, since which time living expenses have not changed materially. It is not to be wondered at that workers did not care to assume added responsibilities, no matter how limited, with the prospect of getting from 3 to 10 marks (7.6 to 25.2 cents) per day for subsistence in case of possible unemployment. Another factor which has deterred workers from availing themselves of the benefits of voluntary insurance is the fact that previous to 1930 the trade-unions had gravitated toward the left and the leaders were considered unreliable.

Other Unemployment Relief

Unemployment insurance, however, should not be considered as an isolated factor but rather as a part of a general system of unemployment relief. As important in solving the whole problem is the institution of municipal employment agencies, which are provided for by special laws and regulations, while as another factor must be mentioned the appropriations made by the Finnish Diet for emergency work. The whole system of unemployment relief should, of course, be studied in connection with unemployment insurance, but space and time prevent its being done in this report. It may be mentioned in passing that since 1925 appropriations for emergency work to relieve unemployment have amounted to approximately \$250,000 to \$300,000 annually.

Proposed New Law

The present widespread unemployment and consequent distress arising from the world depression has brought the matter of unemployment insurance to the forefront again, and the Government has submitted a bill for a new insurance law to the Diet. This bill is framed on the same principles as the law of 1917, but is designed to prevent certain abuses which were possible under the old law and to correct certain deficiencies therein.

The Government submitted a bill for an unemployment insurance law to the Diet in 1925, but it did not pass that year. Instead of acting upon the proposition the Diet instructed the Government to make a study of the problem of unemployment and to submit to it its findings in the premises, together with a report as to the possibilities of enacting a compulsory unemployment insurance law. In its present proposition to the Diet the Government finds it inadvisable to make a law on the compulsory basis.

According to the Government's proposition now before the Diet, unemployment insurance funds may not under any considerations be operated in connection with trade-unions, inasmuch as it has been found impossible to prevent abuses under the 1917 law. It was ascertained that funds granted by the Government have been diverted for expenditures of the union other than the payment of insurance to unemployed workers.

The new law also contains provisions designed to reduce administrative expenses of insurance funds, which in many instances have been too great. It is provided that State subsidies will be reduced by such amount as administrative expenses exceed 15 per cent of the contributions made by the workers insured.

Appropriations from public funds are to be one-half of the insurance paid to workers in all instances, whereas in the old law the Government paid two-thirds of such insurance as was paid to workers having one or more children under 15 years of age.

For periods of unusually great unemployment, reserve funds must be accumulated, and it is provided that yearly at least 10 per cent of the contributions of the insured must be placed in these funds.

An unemployed worker is to secure insurance to the amount of two-thirds of the wage usually earned by an unskilled laborer, but not to exceed 30 marks (75.6 cents) per day. For purposes of the administration of the law, 36 marks (90.7 cents) per day is taken as the pay of such a laborer, so that the assistance to be paid per diem would be 24 marks (60.5 cents) in the case of workers having either dependent children or parents (parents were not included in the 1917 law) and 18 marks (45.4 cents) per day in the case of single workers. The State would pay one-half of such assistance in the former case and one-third in the latter case.

Provision is also made for the payment of insurance to workers whose hours of work have been reduced to such an extent as to cause distress. These payments are to be made in proportion to the hours unemployed.

If the number of members of an insurance fund is below 100, the Government will not pay a subsidy to it. It is deemed inadvisable to assist very small and perhaps financially unsound institutions. In the 1917 law the minimum number of members for this purpose was fixed at 50.

According to Government calculations, assistance was given in 1929 for a total of 276,173 day units, making about 4.32 day units per member of unemployment aid funds. If the membership of these funds is, therefore, taken as at 64,000 (approximately the same as in 1929) and the per member day unit as at 4.5, the total day units for which assistance would be given would amount to 288,000 annually. If it is further estimated that about two-thirds of the assisted would

be in the class (having dependent parents or children) receiving payments equaling two-thirds of the wage of an unskilled laborer, as mentioned above, the amount of the Government subsidy would be arrived at by the following formula: $192,000 \text{ units} \times 12 \text{ marks per day} + 96,000 \text{ units} \times 6 \text{ marks per day} = 2,880,000 \text{ marks } (\$72,576)$.

In contrast to this the payments by the unemployment insurance funds themselves would be arrived at by the following formula: $192,000 \text{ units} \times 12 \text{ marks per day} + 96,000 \text{ units} \times 12 \text{ marks per day} = 3,456,000 \text{ marks } (\$87,091)$.

Report of Committee on Labor Matters.—The Government's proposition has been before the Committee on Labor Matters of the Diet, but at this writing it is uncertain whether or not it will come before the Diet itself until the next fall session in view of the short period remaining before adjournment. A brief survey of the committee's report follows.

The Committee on Labor Matters agrees with the Government that at the present time it is inadvisable to enact a compulsory insurance law. It also agrees to the principles contained in the Government's proposition, but makes several changes in the bill, most of which are of an immaterial nature.

In the matter of separating the administration of insurance funds from the administration of labor unions the committee agrees with the Government, but it would change the law in such manner as to permit the same officials to be employed and the same premises to be used.

In the Government's bill it is contemplated that the Ministry of Social Affairs appoint a member to the administrative body of insurance funds for purposes of effective supervision. The Committee on Labor Matters deems such action as violating the independence of such insurance funds, and suggests that such a supervisor be appointed when there is deemed a necessity therefor and that such appointment may be revoked at any time when such necessity ceases to exist.

In contrast to the Government's provision for accruing reserve funds by transferring thereto annually one-tenth of the contributions of workers, the committee proposes that the amounts be fixed by the funds themselves and provisions therefor included in the by-laws.

The committee agrees with the Government in that a definite time must elapse from the establishment of an insurance fund to the date of granting aid in order to accumulate capital, and suggests that the provision of the law in this respect stipulate that anyone who has been a member of such an unemployment fund for six months and who has paid his contributions for at least 26 weeks shall be entitled to assistance.

With regard to the amount of assistance to be paid the committee suggests a maximum of 20 marks (50.4 cents) per day.

The proposition of the Government stipulates that a worker who will not accept work which is within his strength and for which a wage equaling that of an unskilled worker is paid will not receive assistance from an unemployment insurance fund. The Committee on Labor Matters considers that such a provision will deter skilled laborers from becoming members of unemployment funds and sug-

gests in its report that an unemployed worker shall have the right to refuse work only if the wage therefor is less than two-thirds of that paid in his own trade.

The committee agrees with the Government that the State must not be drawn into labor conflicts on either side in the matter of subsidizing unemployment funds, but as it considers that in many instances it would be unjust to refuse assistance to workers who have been thrown out of work through strikes or lockouts which they themselves or their union have not been instrumental in bringing about, the law should be made to read in such a way that in these instances each case should be considered on its own merits.

In the opinion of the committee 15 per cent of the contributions of insured workers might not in all cases suffice for defraying administrative expenses of unemployment-insurance funds and therefore suggests that the maximum permissible be increased to 20 per cent of such contributions.

Dissenting opinion.—The Social Democratic members of the Committee on Labor Matters dissented in certain respects from the opinion of the committee. They state that if the law is enacted in the form proposed by the Government and by the Committee on Labor Matters it would soon make an end of all unemployment-insurance funds. They therefore suggest that the second paragraph of the first section of the proposed law be made to provide that such unemployment-insurance funds as contemplated by the law be permitted to operate in connection with labor unions.

In regard to section 20, which provides the conditions under which an unemployed worker may refuse lower paid work than that of his trade, the Social Democratic members state that if that section is approved as proposed it will make it impossible for organized skilled workers to become members, inasmuch as it manifestly tends to decrease wages. They further state that organized workers support unemployment funds in so far as such support does not involve the necessity of skilled workers working at wages lower than the minimum provided in collective agreements.

Present Public Opinion

The question of unemployment insurance has not been discussed in the press as yet and as the Diet has not yet acted on the Government's proposition the opinions of the various parties are not available.

France ⁸³

State-Subsidized Unemployment Insurance

While no system of compulsory unemployment insurance exists in France, there have been established for many years in that country voluntary associations of workers—either trade-unions (*syndicats professionnels*) or mutual-aid associations (*sociétés de secours mutuels*)—one of the functions of which has often been that of creating funds, through member contributions, for the purpose of paying benefits to members in times of unemployment. This practice may properly be called a system of voluntary unemployment insurance.

In some cases unemployment insurance has been the sole purpose of the voluntary-labor associations, in other cases only one of several purposes. In this report both types of labor associations, whether mutual-aid associations or trades-unions, are referred to as unemployment-aid associations (*caisses de chômage*).

In 1905, realizing the merits of the self-help methods exemplified in the few unemployment-aid associations then in existence, the Government decided to render financial assistance to them in proportion to their own efforts. It was desired thus to increase the number of such organizations in operation.

An appropriation of 110,000 francs (\$21,230)⁸⁴ in the 1905–06 French national budget, to be administered by the Minister of Commerce, Industry and Post and Telegraph, in the form of subsidies to unemployment-aid associations resulted in the decree of September 9, 1905. This decree specified the conditions to be fulfilled by associations wishing to receive State subsidies and fixed the system of disbursement of the sums appropriated for that purpose.

Though the control of the system has since been transferred to the Ministry of Labor, the 1905 decree still remains the basic piece of legislation governing unemployment aid associations. Modifications have been effected in its terms since its original promulgation but these have been minor in character.

While there are some free-lance unemployment aid associations which have failed to conform to the terms of the decree and which consequently are disqualified from receiving subsidies, the most important associations have subscribed to its requirements. It is with these latter that this report deals; the variations in organization, motives, and procedure of the relatively unimportant, nonconforming associations do not admit of helpful analysis.

Coverage of System

There is no restriction upon the power of subsidized unemployment aid associations to admit to participation of their benefits any class

⁸³ Report prepared by Richard W. Morin, American vice consul, Paris, as of May 5, 1931.

⁸⁴ Pre-war franc=19.3 cents.

of persons they may see fit. Members of either sex, without age restrictions, may participate.

Limitations according to industries and size.—A subsidized unemployment aid association may be organized by workers in any branch of industry but its members must be drawn solely from that branch. They must all exercise the same or similar trades, or associated trades, contributing to the production of related products. To illustrate, laborers in the pastry-making and bread-baking industries, or laborers in the bookbinding and book-gilding industries, etc., may form single associations entitled to subsidies.

In submitting the original decree of September 9, 1905, for the President's signature, the Minister of Commerce said, in part:

It seems to us that these associations (representing a single or similar industry) present the maximum chance of success and the maximum guaranty of control. The risks of unemployment vary a great deal with the occupations. In one trade the laborers are occupied regularly from one end of the year to the other and are only occasionally unemployed. In other trades the laborers are periodically exposed to long dead seasons. The wages vary also as much from one trade to another. It is thus difficult for associations formed of laborers belonging to different trades to establish, in an equitable fashion, the contributions required of each member and the rate of benefits to which they will be entitled. Moreover, the associations made up from a single trade are in a better position to exercise control over the unemployed and assure the securing of work for them.

These associations by trades must consist of at least 100 members unless they are purely local associations which also receive subsidies from the communes or departments in which they function, in which case they may have as few as 50 members. The danger of complicating the control by a large number of very small associations is reduced when the accounts of such associations are also subject to local governmental operation.

An exception is made in the requirement that members be from the same or closely similar trades in the case of associations created in communes of less than 50,000 inhabitants (20,000 inhabitants by the original decree of September 9, 1905, raised to 50,000 by the decree of December 31, 1906). In such cases the members of the association may be drawn from divers trades but the association will still receive the State subsidy provided it is also subsidized by the communes or the department and comprises at least 50 members. The ministerial report recommending the original decree of September 9, 1905, to the President justifies this exception in the following words:

It is difficult in small communes to find 50 members of the same trade, the minimum number below which it does not seem that unemployment associations could properly function.

In counting the membership, no active member owing more than three months' contributions may be included.

Although the decree permits the formation of unions of unemployment-aid associations for the purpose of rendering assistance to members traveling from one locality to another in search of work, none have as yet been formed.

Contributions by Members

The rate of contributions or premiums of members, while ordinarily having no bearing on the amount of wages received, must be definitely fixed by each association.

In practice the monthly contribution required by the average association is between 0.50 franc (1.96 cents)³⁵ and 3 francs (11.8 cents), though one or two associations have required as high as 14 francs (54.9 cents) per month.

In case an association fixes the rate of contribution so low as to make impossible the securing of sufficient funds to make payments in case of unemployment, the Ministry of Labor may decline to approve the regulations or by-laws of the association, with the result of barring it from receipt of the State subsidies. To give a concrete example, there were submitted for approval the regulations of a particular association of from 200 to 300 members, which fixed a contribution rate of 0.25 franc (0.98 cent) per month, although it guaranteed to pay the unemployed members 2.50 francs (9.8 cents) per day for 40 days. These regulations were rejected by the Ministry of Labor because of the strong probability that the reserves would be insufficient, in view of the low monthly contributions from the small membership, to meet the fixed demands in case of the simultaneous unemployment of several of its contributors. Had there been a larger number of members in this association, or had the contribution been fixed at even 1 franc (3.92 cents) per month for each member, the situation might have been different; in either case the probability of an adequate reserve would have been much greater.

If an approved association has not received from its members, during the six months preceding its claim for the subsidy, contributions equal to at least one-third of the unemployment benefits it has paid during the same period, its subsidy from the State will be very substantially cut.

State Subsidy

Amount and conditions of State subsidy.—The rate of the State subsidy granted to unemployment-aid associations is at present fixed at 33 per cent of the benefits paid by the small associations and 40 per cent of those paid by the large associations (i. e., Federal associations operating over at least three Departments and including at least 1,000 active members). The subsidies are paid as a reimbursement after the benefits have been paid. The subsidy for Federal associations was fixed at a higher rate for the deliberate purpose of increasing the number of this type because of their greater stability and efficiency.

The State subsidy was fixed in the original decree of September 9, 1905, at 16 per cent and 24 per cent, respectively, for the two types of associations, but has been progressively augmented since that date in conformity with the increasing demands made upon the associations.

The Ministry of Labor is at present contemplating an increase in the rate of subsidy for Federal associations from 40 to 50 per cent

³⁵ Conversions of present-day franc into United States currency on basis of franc=3.92 cents.

and for the smaller associations from 33 to 40 per cent, to bring these rates more nearly into line with the State subsidies to the departmental and communal funds, described later.

The present State subsidy of 33 and 40 per cent is definitely limited in its application. The subsidy is payable on benefits not exceeding 8 francs (31.4 cents) per day for each unemployed member and 2.50 francs (9.8 cents) per day for his wife and each of his children or ascendants in a direct line if these persons are dependent upon him and are receiving no wages at all or wages of less than 2 francs (7.8 cents) per day. The total daily benefit to any one family, upon which the State subsidy is paid, may not exceed 16 francs (62.7 cents), not including benefits paid to other members of the family who are themselves members of the association.

While an unemployment-aid association may not expect a subsidy on those portions of its benefits which are in excess of the above limits, there is no limit upon the amounts it may grant as benefits to members. It is, in fact, the custom among some of the larger and wealthier associations to pay benefits in excess of those upon which the State subsidy is payable.

The maximum benefits upon which the State subsidy is calculated have been subject to frequent change since the inception of the system in 1905. By the original decree of September 9, 1905, the maximum basic benefit was set at 2 francs (then 38.6 cents) per day for the unemployed member, with no provision for the other persons in his family; the latter provision has been a comparatively recent inclusion. Every few years since the promulgation of the original decree the basic maximum benefits have been altered by decree in an effort to bring them into approximate conformity with the variations in the purchasing power of the franc.

Limitation of State subsidy with regard to duration of benefits.—In addition to the limit on individual basic benefits on which the State subsidies will be calculated, there is a limit as to the length of time those maximum benefits may be accorded. Thus, at present an association may secure a State subsidy based on maximum benefits only up to 120 days. Due to the severe and prolonged unemployment in France the Ministry of Labor is advocating an extension of this limit to 150 days. It appears likely that such a step will be taken within a very short time.

Limitation of State subsidy with regard to duration of association's operations.—Another limitation on the granting of State subsidies is the requirement that the unemployment-aid association must operate for at least six months, a period judged sufficient for building up a reserve under normal circumstances, before it becomes entitled to enjoy State aid. Nevertheless, by a provision not appearing in the original decree of September 9, 1905, but added later, a sum of 100 francs (\$3.92) is donated to a new association as a special subsidy for the purpose of encouragement, providing the association consists of at least 50 members and requires adequate contributions from its members. Associations which receive at their inception sufficient funds from their creating labor organization to represent six months' contributions from members are considered as having operated six months.

Limitation of State subsidy with regard to amount of members' contributions.—A further condition in the receipt of full-rate State subsidies is the requirement that contributions from members must equal, during the six months preceding the claim for subsidy, at least one-third of the amount paid in benefits by the association to its unemployed members during the same period. An amendment of 1912 provided that when the members' contributions fall below one-third of the benefits paid, 20 per cent of the contributions received may be allotted to the association as a State subsidy, a sum inevitably much smaller than 33 per cent, or 40 per cent of the maximum basic benefits paid during the period. This provision acts as an inducement to associations to maintain themselves on a sound financial basis.

To meet emergencies that may confront well-established associations it is provided that, in exceptional cases, sums taken by the association from its reserves may be regarded as members' contributions in order to make up the required one-third of the amount of benefits paid during the period in question.

State subsidy in absence of paid benefits.—An unemployment aid association which has received contributions during the 6-month period but has paid no benefits which may be used as a basis for claiming the regular State subsidy is nevertheless entitled to an independent subsidy of 50 francs (\$1.96) for that period. This provision, not appearing in the original decree of September 9, 1905, was added later to maintain the continuity of control.

Local Government Subsidies

In regard to contributions to unemployment aid associations from Departments and communes there is a great variety of practice, but as a general rule they are granted only to associations operating in industrialized regions such as the northern part of France. As has already been observed, associations of over 50 but fewer than 100 members, which are open only to laborers in the same or very similar industries, must receive departmental or communal subsidies in order to be entitled to State subsidies. The same is true of local associations organized in communes of less than 50,000 inhabitants and having at least 50 members irrespective of occupation.

However, the State subsidy is not paid on benefits paid from funds allotted to the association by local governments or from any source other than the contributions of its members. For example, in the north of France there are associations which receive 33 per cent of their paid benefits from the Department and 22 per cent from the commune. Assuming that such an association paid benefits totaling 999 francs (\$39.16) to its unemployed members during a 6-month period it would receive 333 francs (\$13.05) as the Department's contribution and the same amount as the commune's contribution. If the State subsidy (33 per cent) were computed on benefits totaling 999 francs, the association receiving such a subsidy would have drawn not a penny from its members. The State subsidy is, however, computed as 33 per cent of the 333 francs remaining after deducting the local government contributions.

Employers' Contributions

The Ministry of Labor is informed of only one unemployment aid association to which contributions are made by employers. The policy in such a case, however, is to regard contributions from employers in the same light as those of Departments and communes in so far as the computation of the State subsidy is concerned.

Conditions for Receipt of Benefits

There are certain minimum conditions which members of State-subsidized unemployment aid associations must fulfill before receiving benefits:

(1) No worker may be an active member of more than one association offering benefits for the same situation. Thus, while a laborer might be at the same time a member of an association organized to give aid to members remaining in the district and of another paying benefits to members journeying from one labor center to another, he could not belong actively to two associations of the first type or to two of the second.

(2) No member of an unemployment aid association is eligible for benefits until he has belonged to the association at least six months. (This requirement holds even though he is a member of an association which at its inception has received from the organization creating it a sum representing six months of members' contributions.)

(3) An unemployed member must accept a job offered him by the association or by the public employment office to which the association has delegated the placement of its members, if the employment proffered is in his trade. Thus, an automobile mechanic might be required to take a job as an airplane mechanic but could not be compelled to accept one as a farm hand.

(4) Each unemployed member who is receiving benefits from his association must comply with the requirements laid down by his association and approved by the Ministry of Labor, to determine his rights to continued benefits.

Aside from the above, the State subsidy to unemployment aid associations is contingent upon no definite conditions governing the receipt of benefits by members. However, the Ministry of Labor reserves the right to disapprove association by-laws or regulations which provide for impracticable or unrealizable conditions regarding the receipt of benefits.

Any subsidized unemployment aid association is free to fix the waiting time—i. e., the period of delay between the time the member becomes unemployed and the time he may receive his first benefit. The practice as to this varies but in general the period is three days. The regulations of an association may restrict the payment of benefits to a period less than 120 days, the present maximum on which the State subsidy is based. Many associations which, due to limited membership and small contributions, are unable to build up a large reserve, do pay benefits for considerably less than 120 days. On the other hand, associations in a financial position to do so may extend their benefits beyond that period, even though the State subsidy is not payable on the extended benefits.

The association may also require, before paying benefits, a longer period of membership than the 6-month period upon which the State subsidy is based.

Ordinarily the benefit does not vary in amount according to the number of contributions made by the individual member, but is paid at a fixed daily rate during the determined maximum period or until the member finds employment.

If the member, having received benefits for the fixed maximum period, finds himself still without work (a situation rare in France), he may apply for aid from the departmental or communal funds.

Administration of System

The Minister of Labor has supervision over the associations. To assist him an Unemployment Aid Association Committee was created, whose members are appointed by him each year. This committee consists of 1 senator, 1 deputy, the Director of Labor (Ministry of Labor), the Director of the General Administration of Mutual and Social Aid (in the Ministry of Labor) or his delegate, the Director of the Budget or his delegate, a financial inspector, a bureau chief from the Labor Directorate of the Ministry of Labor, 5 representatives of the unemployment aid associations, and 1 person specially versed in unemployment and labor-market matters.

With this committee lies the actual administration of the unemployment insurance system in France. It acts in an advisory capacity to and in reality in behalf of the Minister of Labor, its functions being outlined by his ministerial order.

Control of associations' rules and regulations.—In support of their original applications for admission to State subsidy, all unemployment aid associations must furnish the Minister of Labor with a copy of their rules and regulations, for the consideration of the Unemployment Aid Association Committee. Also, notification must be given in the same manner of any subsequent changes in them.

The rules and regulations of associations granting unemployment benefits other than those of transportation must fix the rate of contribution from members, and the amount and duration of the benefits. If it is an association rendering benefits to unemployed in their journeys to other localities, the amount of such benefits, the method of calculating them, their rate, and the maximum of possible benefit during a determined period must be set forth.

Requirement of separate accounts.—All associations claiming the State subsidy are required to keep the accounts dealing with their unemployment aid services entirely separate from the accounts of any other function which they may exercise.

Periodic statements of operations required.—Not more than six weeks after the close of each half year associations claiming State subsidies must prepare a complete statement of operations covering the preceding six months for the approval of the Unemployment Aid Association Committee. This statement must show the number of active members, the amount of their contributions, the amount of income from other sources, the number of unemployed members, the number of daily allowances in the form of benefits, the total amount of benefits paid, and the number and amounts of benefits accorded

to unemployed persons transferring to another district. The statement must also show the number of members receiving benefits on each day or during each week of the 6-month period (if for administrative purposes the association is divided into subsections, each section must make a report on these points). When an association finds itself with a reserve at the end of the 6-month period, its statement must show the amount.

On the recommendation of the Unemployment Aid Association Committee the Minister of Labor may by order authorize the substitution for the above of the association's regular financial statement if the latter contains sufficient details.

A special register must be kept by the association receiving State subsidy indicating the contributions made by individual members in order to avoid the penalty, already mentioned, attendant upon the inability to show contributions during a 6-month period equal to at least a third of the benefits accorded during the same period. Individual receipt for benefits accorded to unemployed members must appear on the register, with all the necessary information to justify the allowances paid.

Examination of records.—The associations are required to furnish the Minister of Labor with any explanation of their records or accounts which he may request. If necessary they must submit to a special control of their unemployment accounts.

Inspectors are sent out by the Minister of Labor, acting through his committee, after each periodic statement of operations is rendered. These inspectors examine the books of the associations claiming subsidies, to determine whether they have conformed to the requirements during the period concerned and whether their claims are properly submitted in view of the operations which have taken place.

Payment of subsidies.—The total subsidy to unemployment aid associations is fixed by ministerial order within the six months following the 6-month period to which they apply.

The budget appropriations for this purpose are divided into two equal parts to correspond to the two 6-month periods in each year which they cover. The Minister of Labor may change the percentage of State subsidy for each period; in practice, however, the rate remains the same until some special circumstance makes a change desirable.

When budget appropriations do not permit of satisfying all the approved claims by unemployment associations, the larger and wealthier associations with financial reserves carry their approved claims over as charges against the State.

Employment Agencies

A very important feature of the system is the requirement that each association shall either maintain its own employment agency to secure work for members or delegate this function to a public employment agency. Since 1909 all communes having more than 1,000 inhabitants have been required to maintain free public employment agencies, and they are instructed to foster the closest relations with the unemployment aid associations.

Grievances of Associations

Statements of grievances on the part of associations against decisions in regard to administering the system of State subsidies may be addressed to the Unemployment Aid Association Committee for consideration.

Internal Control and Administration of Associations

If the unemployment aid association is a large one, with members drawn from several localities, it establishes subsections or agencies in the principal centers of its field of operation. These agencies act as receiving and distributing branches and keep records which must be submitted to the central office.

The demands of unemployed members are carefully examined to determine their authenticity. In order to determine that members receiving benefits are actually not employed, they are required to sign, three times a week during working hours, a register maintained by the association.

Benefits are usually paid in cash, though in rare instances they are accorded in the form of a certificate for food or other necessary items.

Fraud or attempted fraud on the part of a member in securing benefits renders him liable to exclusion from the association or to the temporary suspension of his rights.

Complaints on the part of members may be addressed to the governing board of the association.

Statistics of Operation

It is estimated that there are about 300 unemployment aid associations now in existence in France, having an enrollment of approximately 300,000 members. Only part of these associations are in active operation at any one time, however.

There are such variations as regard the financial status of the numerous unemployment aid associations that it may only be said in general that the large well-established associations maintain at all times substantial reserves while the smaller associations often find themselves very near the end of their resources at the termination of any given 6-month period.

Neither contributions by nor benefits to members are based on actuarial calculations, the sole consideration being to determine a fixed monthly contribution which, with the help of the State subsidy and other sources of income will give under usual conditions of unemployment such assistance as the members of the particular association may feel necessary.

The appropriation for State subsidies to unemployment aid associations in the 1931-32 national budget, passed April 1, 1931, was 650,000 francs (about \$25,500). The same amount was appropriated for the fiscal year 1930-31.

Attitude of Various Groups

The attitude of French labor in general toward the principle of unemployment insurance, while in no sense positively disapproving, has been one of indifference. The enrollment in unemployment associations is comparatively small when considered in relation to the number of workers who might so band together.

The habit, ingrained in the majority of French people, of independently building up their small savings toward a rainy day, plus a disinclination to combine with cooperative groups for any purpose, have militated against the generalization of the system of unemployment insurance. The average Frenchman prefers to put his surplus funds into a Government savings bank or to invest in a small piece of land rather than to contribute to some machine which appears complicated and from which he may never derive any personal benefit.

Also, very important in preventing the extension of the system since the World War has been the knowledge that should a worker actually fall into want through unemployment he may apply to the departmental or communal unemployment funds (described later) from which allowances about the same in value as the usual benefits from unemployment associations, would be awaiting him without the necessity of his having contributed a centime himself.

However, the workers in the highly organized industries of the north, who have repeatedly enjoyed the benefits of unemployment insurance and consequently realize its value, look with much favor on the system.

There are no objections among the workers to particular items of the present system sufficiently important to be widely voiced. The members of any subsidized association may, of course, construct their organization in any way they see fit, as long as it does not run counter to the State requirements.

The State, while maintaining the greatest faith in the present system, has been disappointed at the slowness of the response of labor as a whole. Considering the length of time the system of encouragement by subsidy has been in operation (since 1905) the State feels the progress has been very slow.

Proposed Changes

One rather important change in the system has been suggested by informed persons in the Ministry of Labor. It has been felt that the limiting of membership in associations located in communes of over 50,000 inhabitants to members of the same or very similar occupations has been a deterrent to the establishment of the large and financially sturdy associations considered so desirable. The proposed change would extend the State subsidy to individual associations made up of members from any industry or occupation.

There is apparently no official opinion in favor of other radical changes in the system, as it is considered that the mediocre progress made thus far is due not to the system but to a natural diffidence on the part of the French laborer with regard to unemployment insurance.

State-Subsidized Local Government Unemployment Funds

Municipal and Departmental Funds

Municipal and departmental governments in France have for some time maintained funds for rendering financial assistance to the unemployed within their jurisdiction, regardless of sex or occupation. These organizations, reduced in numbers and comparatively inactive in good times, spring into activity in times of stress.

The assistance offered is usually in the form of direct cash payments, though in rare instances it may be in the form of a certificate entitling the holder to food or clothing.

These payments are in no way dependent upon any contribution, past or present, from the recipient, as in the case of the unemployment aid associations. There is no element of insurance present. It is a simple allowance based on the principle that unemployment is a social evil, the burden of which should fall upon public funds.

Creation of National Unemployment Fund

Immediately following the general mobilization on the eve of the World War many French industries, large percentages of whose workers were called to the army, found continued operation temporarily impossible and therefore closed their factories. Their workers who remained were thrown upon the labor market, where there was no demand for their services, in such numbers that it became immediately apparent that the limited funds available for distribution through the municipal, departmental, and intercommunal funds were inadequate. It was at this time, August, 1914, that the national unemployment fund was created. This is a sum of money provided for in the annual budget appropriations and made available to the Ministry of Labor to be paid out in the form of proportional reimbursements for allowances made by municipal, departmental, and intercommunal unemployment funds. The national appropriations vary, of course, following the needs of the situation. Thus, while the national budget for the fiscal year 1930-31 provided for a sum of 1,500,000 francs (\$58,800) for the national unemployment fund, it became necessary in March, 1931, to appropriate an additional sum of 25,000,000 francs (\$980,000) due to the enormous increase after the beginning of 1931 in the numbers of unemployed calling upon the municipal, departmental, and intercommunal funds for assistance. The budget for 1931-32, in anticipation of continued wide-spread unemployment for some months to come, provided for an appropriation of 21,500,000 francs (\$842,800).

Conditions for National Contributions to Local Unemployment Funds

In the interest of uniform and proper distribution of funds to the unemployed, the National Government, through the Ministry of Labor, has found it necessary to make its contributions from the national fund to the municipal and departmental foundations contingent upon the latter's fulfilling well-defined conditions laid down in the decree of December 28, 1926, as follows:

Scope of local unemployment funds.—Small communes of only a few hundred inhabitants may organize an unemployment fund whose grants will be partially reimbursed from the national fund. Originally it was provided, in order to avoid an unwieldy and unnecessary number of separate municipal unemployment funds, that the national fund would make contributions to local funds only when the population of the communes or groups of communes for which the foundation was created exceeded 5,000. But the present depression has made such inroads into small isolated communities of hand craftsmen that that restriction was lifted.

Control of administration and accounts of local funds.—The local funds must submit their regulations to the Ministry of Labor for its approval; moreover, any subsequent changes therein must likewise be submitted. In view of these requirements, the Ministry of Labor has established specimen regulations or by-laws for local government funds.

The accounts of the local funds must be kept in such a manner as readily to reveal figures on the number of unemployed assisted and the fulfillment of the conditions required to receive Government assistance. These accounts must be open for examination at any time by representatives of the Ministry of Labor or the prefect of the Department in which the fund is located.

Claims by local government unemployment funds upon the national fund for proportional reimbursement for allowances made and their reports of operation must be submitted to the Ministry of Labor each month through the prefect of the Department. These reports must reflect in detail the operations of the local fund during the period covered. Ministry of Labor inspectors subsequently examine the accounts and records of the local government funds and report to the ministry.

Classes of persons entitled to aid.—The local unemployment funds benefiting by grants from the national fund are empowered to render aid to persons regardless of sex or occupation who are involuntarily without employment due to lack of work, who are under no contractual obligation to a former employer and who are in a position to accept new employment. It is required of such persons before receiving aid that they have followed a trade for a substantial period of time, from which they derived a regular wage, and that they have resided in the commune for a certain period. The minimum period of employment and residence was originally fixed at six months but, due to the present unemployment conditions, has been reduced to two months. The worker requesting aid must establish his right to it by documentary evidence.

The following are barred from aid by funds receiving grants from the national fund: Persons declining to accept employment offered them by the local unemployment fund from which they solicit aid; persons not living by their work; beneficiaries of certain retirement, old-age, and sick benefits; persons unemployed because of labor disputes; persons unemployed because of age or incapacity; and, finally, persons addicted to the excessive use of alcohol. Allowances already begun may be discontinued if the recipients are found subsequently to fall within the above categories, or if applicants fail to submit to the

periodic summons issued by the local fund in question, or if they practice fraud in securing the allowance.

Waiting time.—In order to discourage workers from calling upon the local unemployment fund upon finding themselves out of work, without an effort in their own behalf, it is provided that unemployment must continue at least three days before an allowance will be made.

Duration of assistance.—To debar “professional” unemployment, the number of days in one year during which an individual may secure assistance is limited to 120. This period may be extended by decree at any time that it becomes inadequate to care for bona fide unemployed who are unable, because of temporarily bad times, to find employment. In fact, it is at present rumored that the maximum will soon be extended by decree to 150 days, in view of the fact that the unemployment crisis which came to a head at the beginning of the year has already run nearly 120 days.

Administration of local government funds.—Each local unemployment fund benefiting by proportional reimbursements from the national fund must create a central committee, containing equal numbers of laborers and employers, to pass upon applicants for aid and to maintain relations with the municipal or departmental employment offices to obtain jobs for the unemployed.

Article 1 of the model regulations for a municipal unemployment fund provides that this committee shall consist of the mayor or his assistant, 2 members named by the municipal council, 2 employer members, and 2 labor members. The employer and labor members are named by the mayor and are chosen by preference from among the leaders of the labor unions or labor courts and from the industrialists responsible for the greatest number of unemployed. In particular it is the duty of this group to examine the documentary evidence presented by the applicant to substantiate his claim to unemployment aid. It must issue to each beneficiary an identity card and keep a complete record of the circumstances surrounding his case. It must verify periodically the status of each beneficiary by inquiries from employers, by examining lists of those employed in various industries and commercial establishments, by requesting the presence of the beneficiaries from time to time during working hours to examine them and secure their signatures, and by any other investigations. In flagrant cases it shall prosecute the wrongdoer for fraud. It must continually endeavor to secure work for applicants or beneficiaries through the municipal employment bureau. Finally, the committee is responsible for the periodic reports and claims for reimbursements which the fund submits to the Ministry of Labor.

The departmental fund central committee differs from that of the municipal fund in that it consists of the administrative committee of the departmental unemployment bureau, in order that the two types of work may be more closely coordinated. In addition, the departmental fund central committee is made up of a fixed number of the representatives of the communes subscribing to the departmental fund, two members of the social-service bureaus of these communes, and two labor and two employer members from the industries or commerce most heavily touched by unemployment. It must pass upon applications for aid presented to it by the mayors of the communes concerned, through the medium of the prefect of the De-

partment. In the matter of examining applications it functions in much the same way as the municipal committee, except that it is empowered if it sees fit to delegate a subcommittee in each commune to examine local applications. It is required to submit to the Ministry of Labor separate reports of transactions and claims for each commune sharing in the fund. Otherwise its functions are substantially the same as those of the committee of the municipal fund.

Sources of Moneys Disbursed by Local Funds

The municipal funds are financed through sums appropriated by the municipal council, through possible gifts and legacies to the city for this purpose, and through the State subsidies, i. e., by proportional reimbursement from the national fund for allowances granted.

The departmental funds secure their money from appropriations of the general council of the Department, from appropriations of the communes participating in the fund, from gifts and legacies received by the Department for this purpose, and finally from State subsidies through the national fund.

The few intercommunal funds which exist obtain their moneys much the same way as the departmental funds.

Rate of State Subsidy and Amount of Allowances

While the decree of December 28, 1926, fixed the State subsidy at 33 per cent of the total cash aid disbursed by the local funds within fixed limits, this rate was temporarily increased to 50 per cent by the decree of February 21, 1931, due to the rapid increase in unemployment after the beginning of the year. In 1927, also to meet a similar emergency, the rate of State contribution was temporarily increased from 33 per cent to 60 per cent.

It must be emphasized that the rate of State subsidy (50 per cent at present) is not applied to the total disbursements of the local funds regardless of the amounts paid out by these organizations to applicants. On the contrary, the amounts of the daily allowances upon which the reimbursement from the national fund may be based are definitely limited. Table 20 gives the allowances for each class of persons aided:

TABLE 20.—*Basic daily allowances upon which reimbursement may be obtained from national unemployment fund in France*

[Conversions into United States currency on basis of franc=3.92 cents]

Class of beneficiary	Original amount		Amount fixed by decree of Feb. 13, 1931	
	French currency	United States currency	French currency	United States currency
	Francs	Cents	Francs	Cents
Head of family.....	4.50	17.6	7.00	27.4
Unemployed person over 16 years living at home of parents or relatives.....	3.00	11.8	3.50	13.7
Spouse of unemployed person, or person under 16, dependent upon unemployed person and not working, or earning less than 4 francs (15.6 cents) per day.....	2.00	7.8	3.00	11.8
Unemployed ascendants in direct line, dependent on head of family.....	1.50	5.9	2.00	7.8
Total to any one household.....	12.00	47.0	18.00	70.6

Any cash allowance made by local funds in excess of these fixed rates will not be counted for reimbursement from the national fund. Thus, if a local government unemployment fund allows unemployed heads of families 10 francs (39.2 cents) per day because of an excessive cost of living in the locality, it may claim only 50 per cent of 7 francs (27.4 cents), or 3.50 francs (13.7 cents), as reimbursements from the national fund.

In exceptional cases the Ministry of Labor may extend State subsidies for aid granted by local funds, in the form of certificates representing a job or food. When such a method is to be followed the local fund must, in order to secure reimbursement, secure the approval of the Ministry of Labor.

Statistics of Operation

According to the *Journée Industrielle* of May 3-4, 1931, there were in existence in France on April 30, 1931, 44 departmental unemployment funds of which 15 were in active operation, 329 municipal unemployment funds of which 205 were in active operation, and 14 intercommunal unemployment foundations of which 1 was in active operation.

On the same date there were 49,958 (39,114 men and 10,844 women) unemployed and registered for assistance at the funds actively operating. In normal times this number runs from a few hundred to about 2,000, but since the beginning of 1931 unemployment has greatly increased.

General Considerations

While the system of State aid to unemployed workers was regarded as a temporary measure at the time of its inception in 1914, it has been in more or less active operation ever since. The slowness with which French labor had accepted unemployment insurance through the unemployment-aid associations was the reason for its creation at a moment of crisis. The situation to-day is not altogether a happy one, as the system of State subsidy of local unemployment funds tends to keep down the membership of the unemployment-aid associations which the State is so eager to see expanded. The present weakness of the latter system causes the State to hesitate to withdraw its support exercised through the local government funds.

A special attempt is made, however, to keep the allowances made through the local government funds down to such a point as to render recourse to them the last step by a worker out of employment.

Germany⁸⁶

In September, 1925, the preliminary text of the first unemployment-insurance bill was published, but it was not introduced into the Reichstag until December, 1926. The first Federal unemployment-insurance law in Germany was enacted on July 16, 1927.

For administrative purposes the unemployment-insurance system introduced by this law was directly connected with the public employment exchanges established all over the country. All employment exchanges which had been operated by the individual communes, or collectively by groups of communes, were removed from these jurisdictions and became Federal institutions under the new law. The structure of the new unemployment-insurance system was greatly influenced by this general reformation of the employment exchanges. A combination of unemployment insurance and employment exchanges seemed the only logical solution because the task of the latter is to register and control all unemployed individuals and to provide work for them if possible. By a combination of the two, many of the previous deficiencies were eliminated.

This general reorganization was a tremendous task. Some 62,000 communes throughout Germany had been operating 900 public employment offices, all of which were now taken over by the Federal Bureau of Employment Exchanges and Unemployment Insurance and consolidated into the 361 local and 13 district employment offices now maintained by the unemployment-insurance system.

In view of the importance attributed to an efficient operation of employment exchanges in conjunction with the unemployment-insurance system, special provision was made in October, 1929, when the original law was generally revised and amended, to concentrate all private employment agencies, with a few exceptions, in the hands of the official Federal Bureau of Employment Exchanges and Unemployment Insurance. This revised law provided that all commercial employment agencies of a private character were to close by January 1, 1931.⁸⁷ Noncommercial employment agencies, operated by political parties or political party organizations, were prohibited. Employment agencies maintained by organized labor or employers of specific callings were allowed to continue, but all were placed under the jurisdiction and supervision of the Federal bureau and are required to cooperate with the official public employment agencies.

Type of System

General unemployment relief in Germany is of three kinds: (1) Ordinary unemployment benefit (*Arbeitslosenunterstützung*) covered

⁸⁶ Report prepared by William E. Beitz, American consul, Berlin, as of May 2, 1931.

⁸⁷ Those which had been operated with the permission of the authorities since June 2, 1910, were entitled to claim damages which were to be regulated by a special law.

by unemployment insurance; (2) extended unemployment benefit (Krisenunterstützung) four-fifths of which is paid by the Federal Government and one-fifth by the communes; and (3) "welfare support" (Wohlfahrtunterstützung) paid entirely by the communes.

Coverage of System

Unemployment insurance in Germany is compulsory and applies, generally speaking, to all classes of workers liable to compulsory health insurance (Kranken-Versicherung) of which the upper wage limit is 3,600 marks (\$856.80)³⁸ per year; to employees covered by compulsory old-age and invalidity insurance (Invaliden und Angestellten Versicherung) and earning not more than 8,400 (\$1,999.20) annually; and to crews of German vessels. Seasonal workers are also included, but subject to slightly varying conditions. Employees earning in excess of the salary limit set for compulsory insurance may take out unemployment insurance voluntarily.

The following groups and classes are exempt from compulsory unemployment insurance:

1. Any person engaged in agriculture, forestry, or fishing, either as owner, provided the size and extent of his property is such that it provides a living for himself and the members of his household, or as employee or wage earner, provided he is engaged by written contract for more than a year with six months' notice,³⁹ members of his household, and persons occupied in fishing on a share basis.

2. All apprentices serving an apprenticeship of not less than two years. Apprentices, however, become subject to compulsory unemployment insurance one year before the apprenticeship period as a whole expires.

3. All workers engaged in casual, unimportant work for not more than 30 hours a week and earning a wage of not more than 10 to 45 marks (\$2.38 to \$10.71) per month.

4. Home workers and others doing piecework at home or away from the principal establishment.

5. The personnel of employers who had in operation at least one year before this law became effective a financially sound system providing relief for their employees and wage earners in case of unemployment and legally guaranteed benefits which are even better than those provided by the Federal Bureau of Employment Exchanges and Unemployment Insurance. This modification was especially designed for the Zeiss Optical Works, at Jena, which for years has been operating one of the most efficient unemployment insurance systems along with its many other model social welfare schemes for employees and wage earners. The employer in this case is, however, compelled to pay a certain contribution towards the upkeep of the Federal bureau.

³⁸ Conversions into United States currency on basis of mark=23.8 cents.

³⁹ The exemption becomes automatically void six months before the day when the employment contract expires, so that the wage earner or employee is insured in time should he remain unemployed when his contract expires.

Contributions

The contributions amount to $6\frac{1}{2}$ per cent of the wages or salaries forming the basis of calculation as shown in the classified wage scale below. The rate of contribution has been repeatedly changed during the last few years. When the law first became effective on October 1, 1927, the contribution was set at 3 per cent of the standard wage or salary forming the basis of calculation. On December 27, 1929, it was raised to $3\frac{1}{2}$ per cent; on July 30, 1930, to $4\frac{1}{2}$ per cent; and on October 6, 1930, to $6\frac{1}{2}$ per cent. A further advance is unlikely, although the present financial status of the Federal Bureau of Employment Exchanges and Unemployment Insurance is very uncertain as a result of the terrific increase of the number of unemployed during the last year, which automatically decreased the number of contributors and increased the amounts paid out in benefits. The contributions would obviously either have to be further increased or the benefits reduced, as the Federal Government refuses to grant additional financial support.

Heretofore the Government has repeatedly subsidized and given loans to the Federal bureau. Since this practice has now ceased, the Federal bureau must function on its own account as an insurance company, so far as the funds needed to cover the persons insured under the unemployment insurance system are concerned. As regards the so-called "extended benefits," however, four-fifths of the funds therefor are supplied by the Government and one-fifth by the communes, although throughout Germany the benefits are paid through the employment offices of the Federal Bureau of Employment Exchanges and Unemployment Insurance.

The unemployment-insurance contribution is paid in equal parts by the employer and the employee or worker. The rates have been fixed by the administrative council of the Federal Bureau of Employment Exchanges and Unemployment Insurance. By the emergency decree of December 1, 1930, however, any further change in the rate will be made by the Government itself.

The $6\frac{1}{2}$ per cent contribution is calculated and based on the following classified wage scales:

	Weekly wage
Wage Class I.....	10 marks and under (\$2.38 and under).
Wage Class II.....	Over 10 to 14 marks (over \$2.38 to-\$3.33).
Wage Class III.....	Over 14 to 18 marks (over \$3.33 to \$4.28).
Wage Class IV.....	Over 18 to 24 marks (over \$4.28 to \$5.71).
Wage Class V.....	Over 24 to 30 marks (over \$5.71 to \$7.14).
Wage Class VI.....	Over 30 to 36 marks (over \$7.14 to \$8.57).
Wage Class VII.....	Over 36 to 42 marks (over \$8.57 to \$10.00).
Wage Class VIII.....	Over 42 to 48 marks (over \$10.00 to \$11.42).
Wage Class IX.....	Over 48 to 54 marks (over \$11.42 to \$12.85).
Wage Class X.....	Over 54 to 60 marks (over \$12.85 to \$14.28).
Wage Class XI.....	Over 60 marks (over \$14.28).

All workers and employees who are subject to compulsory-unemployment insurance and earn more than 60 marks (\$14.28) per week belong to Class XI, but the highest wage or salary on which contributions are calculated and benefits paid is 300 marks (\$71.40) per month. For example, a person earning 700 marks (\$166.60) per month is not subject to compulsory health insurance (Kranken-Versicherung) which is limited to persons earning a maximum of 3,600

marks (\$856.80) annually, but he is just within the maximum limit for compulsory old-age and invalidity insurance (8,400 marks (\$1,999.20) annually) and he is therefore obliged also to pay unemployment insurance, under wage Class XI. The unemployment-insurance contribution, however, is not calculated on his full salary, but only on 300 marks (\$71.40) a month; he and his employer each contribute one-half of 6½ per cent of 300 marks each month.

The following statement shows the amounts collected in contributions by the Federal Bureau of Employment Exchanges and Unemployment Insurance from 1927 to 1930:

	Amount of contribution
1927-----	690, 700, 000 marks (\$164, 386, 600).
1928-----	823, 700, 000 marks (\$196, 040, 600).
1929-----	868, 400, 000 marks (\$206, 679, 200).
1930-----	1, 061, 700, 000 marks (\$252, 684, 600).

Aside from regular subsidies the Federal Government extended loans to the Federal Bureau of Employment Exchanges and Unemployment Insurance from 1927 to the end of March, 1930, amounting to 623,000,000 marks (\$148,274,000). This entire debt has been canceled by the Government.

Benefits

The benefit consists of a basic benefit and a family allowance amounting to a fixed per cent of the standard wage or salary of the class in which the unemployed person has been placed. Wages and salaries are divided into 11 classes for purposes of calculation of benefits, resembling those classes on which the contributions are calculated but differing to the extent that a definite standard wage or salary is fixed.

The standard weekly wages are as follows:

Standard weekly wage	Standard weekly wage
Class I----- 8 marks (\$1. 90).	Class VII----- 39 marks (\$9. 28).
Class II----- 12 marks (\$2. 86).	Class VIII----- 45 marks (\$10. 71).
Class III----- 16 marks (\$3. 81).	Class IX----- 51 marks (\$12. 14).
Class IV----- 21 marks (\$5. 00).	Class X----- 57 marks (\$13. 57).
Class V----- 27 marks (\$6. 43).	Class XI----- 63 marks (\$14. 99).
Class VI----- 33 marks (\$7. 85).	

In other words, these standard wage rates range from 8 marks per week for the lowest grade to 63 marks for the highest, and the average benefit, including family allowances, ranges from 80 per cent of the standard wage for the Classes I and II to 60 per cent for the highest classes. If family allowances are excluded, the average benefit ranges from 75 per cent of the standard wage for Class I, to 35 per cent for Classes VIII to XI, as shown below:

	Per cent of standard wage
Class I-----	75
Class II-----	65
Class III-----	55
Class IV-----	47
Classes V and VI-----	40
Class VII-----	37. 5
Classes VIII-XI-----	35

An additional allowance of 5 per cent of the standard wage is granted for each member of the family, entitling the recipient to additional benefit; but the total benefit, including the family allowances, can not exceed the following:

	Per cent of standard wage
Classes I and II.....	80
Class III.....	75
Class IV.....	72
Classes V and VI.....	65
Class VII.....	62.5
Classes VIII-XI.....	60

Conditions for receipt of regular benefit.—To claim benefit the first time the insured must have been at work and have paid his contributions for a period of 52 weeks out of the two years preceding the day when he first files his application for benefit. The conditions for later receipt of benefits are that the recipient must have been employed and must have paid contributions for at least 26 weeks during the 12 months preceding the filing of his new claim for benefit.

The amount of unemployment-insurance benefit paid is determined by the amount of the wage or salary received and the length of time the insured was engaged in an occupation subject to compulsory unemployment insurance. The unemployed person is placed in one of the 11 classes, on the basis of the average wage or salary earned during the last 26 weeks (or during the last six months, in the case of salaried employees paid monthly) preceding the date of registered unemployment. Apprentices without income are placed in Class I.

Unemployed persons belonging to Classes VII to XI receive the full benefits of these classes only if, during the two years preceding their first unemployment, they have been engaged in an occupation subject to compulsory unemployment insurance during at least 52 weeks and if during this time they have not received unemployment allowances of any kind. Otherwise, they receive the benefit corresponding to the rates for Class VI instead of those for Class VII, to Class VII instead of Class VIII, to Class VIII instead of Classes IX and X, and to Class IX instead of Class XI. The family allowances, however, are granted according to the rates of the original classes.

Waiting period.—The waiting period before an individual is entitled to receive benefit is (1) 14 days for unemployed persons without family members entitled to additional family allowances; (2) 7 days for unemployed persons with one, two, or three family members entitled to additional allowances; and (3) 3 days for unemployed persons with four or more family members entitled to additional family allowances. The waiting period, however, is shortened in the first case to 7 days, in the second case to 3 days, and is dropped entirely for the third category, when the insured person registers his application for benefit immediately after a period of short-time work of at least two weeks' duration, as a result of which his earnings were cut by at least one-third of his usual wage, after a period of at least two weeks' incapacity, or after spending at least two weeks in a hospital or other sanitarium officially

prescribed. If the last occupation of the unemployed person continued for less than six uninterrupted working weeks, the waiting time is shortened by as many days as his last occupation was preceded by unemployed days.

Benefit period.—If all provisions of the unemployment-insurance law have been met, the insured person has a legal claim to benefit and he is not required to prove that he is in need. This does not apply, however, to the extended benefits or the "welfare support." The insured unemployed person is not obliged to accept or perform compulsory work, except when the period of the regular benefit has expired.

Before 1927 the benefit period under the old unemployment support act was, generally speaking, 26 weeks. An extension to 39 weeks was considered for trades or occupations suffering under extremely bad conditions. Especially hard-pressed individuals were also given another 13 weeks, so that in unusual cases aid was given for 52 weeks. The regular benefit period under the new law on employment and unemployment insurance is fixed at 26 weeks.

Extended unemployment benefit.—All persons insured against unemployment are automatically eligible to the extended benefit when their regular benefit period of 26 weeks has expired and they have not been successful in finding new employment.

Generally speaking, extended unemployment benefits are given to all persons who have been dropped from the regular benefit but are also given to other persons, i. e., to unemployed persons who are able and willing to work, but who lost their jobs through no fault of their own, and are considered needy; to persons insured against unemployment, who have as yet no claim to the benefit proper but who have worked and paid contributions for at least 13 weeks during the prescribed period; and to persons who have exhausted their claim to the regular benefit of the unemployment insurance.

Recipients of extended benefits are also entitled to all the benefits and additional financial aid provided by the law, such as traveling expenses if transferred to other places of occupation, working equipment if such is lacking, and limited financial aid in addition to wages or salaries should these be too low to maintain a family over the critical period.

The extended unemployment benefit is financed to the extent of four-fifths by the Federal Government and one-fifth by the communes, which also contribute in the same ratio to the sick benefit and old-age and invalidity insurance contributions of the unemployed, in so far as the unemployed are in danger of losing part of their rights to such insurance. The recipients of extended unemployment benefit are taken care of by the employment offices, and the Federal Bureau of Employment Exchanges and Unemployment Insurance receives from the Federal Government 5 per cent on all money paid in extended benefits to help cover the expenses of the organization.

The communes and the Government pay their respective shares of one-fifth and four-fifths of the total funds needed for the extended benefit to the Federal bureau direct at the end of each month. Any commune failing to settle its monthly account regularly is forced to pay on the amount overdue an interest rate of 2 per cent above the discount rate of the Reichsbank. Upon request of the Minister

of Labor, the State in which the commune in arrears is located may force the latter to include the debt to the Federal bureau in its budget; the State is also held responsible for the proper payment of the communal debts as far as these are concerned with extended unemployment support.

For the current fiscal year, the Government has included in its budget 400,000,000 marks (\$95,200,000) to meet its obligations for extended unemployment benefit. This is only 100,000,000 marks (\$23,800,000) more than was provided last year and there was a deficit of some 65,000,000 marks (\$15,470,000) to be covered at the end of the year. This deficit is now covered by the additional 100,000,000 marks (\$23,800,000) granted for the current fiscal year, but unless there is a decided improvement in the labor market the deficit this year will presumably be considerably greater than last year.

Numerous restrictions and limitations were introduced by the decree of October 11, 1930, and the definition of "need" was revised, with a view to excluding all who are not positively in want. The practice of having a definitely fixed period of aid was dropped and provision was made to vary the length of the period according to special conditions and need in the various callings and in the various districts. The local manager of the employment office or the local employment arbitration board may reduce and limit the support period, as deemed feasible, especially if there is reason to believe that by so doing the unemployed person will make greater effort to find work of some kind. The general period of extended benefit is now limited to 32 weeks, but the local employment office may extend this period to 45 weeks for unemployed persons over 40 years of age provided they are found especially deserving and badly in need.

The amount of extended unemployment benefit paid is based on the classified wage scale (the 11 classes shown above), but all recipients of extended unemployment benefit in Classes V to XI are paid as follows:

(1) Unemployed persons with at least one family member entitled to additional family allowances⁴⁰ receive the rates of Class V instead of those of Class VI, of Class VI instead of Classes VII and VIII, and of Class VII instead of Classes IX to XI. The reductions also apply to additional family allowances.

(2) Unemployed persons without family members entitled to additional family allowance receive the rates of Class IV instead of those of Class V, and instead of the reduced rates fixed above under (1) the rates of the next lowest class.

Welfare support.—The "welfare support" is an entirely separate and independent relief system carried out by all the communes, towns, and cities throughout Germany without any financial assistance from the Federal or State Governments.

When the period of regular benefit under the unemployment insurance (26 weeks) has expired the unemployed person becomes automatically eligible to the extended unemployment benefit. When, in turn, the extended benefit, varying in periods up to 26 weeks in

⁴⁰ Family members entitled to additional support include husband or wife, parents, grandparents, and other members of the family if they live in the same household.

usual cases and up to one year in very deserving cases, has expired and he has not been successful in finding work, he may file an application for "welfare support" with his local communal or municipal authorities.

Here a very strict test is applied and the applicant must prove that he has no other means of support, no one to help him financially, no one to take care of him or his family, and that his relatives, if any, are not in a position to help him.

The period during which welfare support may be granted is practically indefinite.

Administration

Organization.—The administration of unemployment insurance in Germany is carried out by the Federal Bureau of Employment Exchanges and Unemployment Insurance (Reichsanstalt für Arbeits-Vermittlung und Arbeitslosen-Versicherung), with headquarters at Berlin and with 13 district and 361 local employment offices.

Each of the 361 local employment offices so far as they are located in rural districts maintains flying employment squads. These squads consist of from one to three members of the local employment office. They cover a different district each day and the unemployed are compelled to report to receive instructions regarding available jobs in the district, to have their unemployment control cards stamped, and to receive their regular or extended benefits.

Germany is divided into 13 districts, coinciding generally with the boundaries of the larger States. A number of districts, however, include several smaller States, while in Prussia there are several districts in one State. In making the divisions, State boundaries and economic spheres of interest were taken into consideration.

The Federal bureau is an independent institution. Its organs are the administrative committees of the district and local employment offices, the administrative council and the managing board of the Federal bureau.

The administrative committee of the local employment office consists of an equal number of representatives of employers, employees, and local authorities; the manager of the local employment office is also a member of the committee. There must be at least five members from each group. The members are appointed by the president of the district employment office, to whom a list of the proposed members is submitted by the various groups of organized labor and of employers. The representatives of the local authorities are appointed by the superiors of the communal or municipal administration. Disputes are settled by the highest State authority or by the Minister of Labor.

The administrative committee of the district employment office is constituted similarly to that of the local office. The number of members of each group, however, is seven instead of five. Representatives of the employees and employers are first proposed by their organizations to the managing board of the Federal bureau which also appoints them. Representatives of the authorities are appointed by the highest State authorities. Differences are settled by the Minister of Labor.

The administrative council of the Federal bureau consists of the president of the Federal bureau and at least 10 representatives each of employees, employers, and public authorities. The statutes provide for a maximum of 16 representatives from each group. The representatives of the employees and employers are appointed by the Federal Economic Council, while the representatives of the public authorities are appointed by the Federal Council (Reichsrat).

The managing board of the Federal bureau consists of the president, who is also chairman of the administrative council, and five members each of the three groups represented in the administrative council, all of whom are appointed by the Minister of Labor.

The administrative committee of each local employment office as well as of the district employment office must contain at least one representative of salaried employees. The administrative council of the Federal bureau must have representatives from employers and employees in agriculture and forestry, and there must be at least two representatives of salaried employees, while at least two of the members representing public authorities must be experts in communal affairs.

Provision is also made to have women represented in each group, although this is not absolutely obligatory. If so required, special branch departments and special branch committees are created at the local and district employment offices to protect the interests of certain industrial or commercial branches, or the interests of salaried employees as against those of the wage earners. The main office also maintains a large special department for agriculture and forestry. The interests of both employers and employees are guarded in these special departments or special committees.

The original personnel budget of the Federal Bureau of Employment Exchanges and Unemployment Insurance for the fiscal year 1929 provided for a regular staff numbering 13,212. Of this number, 169 were assigned to the main office, 733 to the district employment offices, and 12,310 to the local employment offices. These figures, however, include only the regular staff of officials and salaried employees and not wage earners or temporary assistants. The employees of the institution are not considered as Government or State officials. Of the total staff of 13,212 there were only about 1,450 officials who had been taken over from other Government, State, or communal offices and who retained their claims to pensions, etc., as Government, State, or communal officials.

On March 1, 1931, the number of officials, salaried employees, and temporary assistants totaled about 28,000, or more than double the number of the original staff. In the meantime, however, unemployment had increased from a figure fluctuating around a million in 1927 to 5,000,000 in March, 1931. With seasonal unemployment partly terminating at the end of March, the institution hoped to reduce its staff in the ratio of 4.4 to every 1,000 unemployed stricken from the records.

Functioning of the organization.—With compulsory health, sickness, old-age, and invalidity insurance systems operating throughout Germany, the unemployment-insurance system is able to cooperate very closely with these institutions in carrying out its general scheme. Even the police are called upon to cooperate in identifying the

individual and confirming his residence when he makes his first application for unemployment benefit.

The unemployment-insurance contributions are paid in cash and are collected by the numerous local compulsory health-insurance offices located in every city, town, and community throughout Germany, and by the various health and sickness insurance offices operated by the labor unions and the employees' associations.

The employer is statutorily bound to deduct the employee's share of the unemployment-insurance contribution, together with the compulsory sickness-insurance contributions from the wages or salaries, and, after adding his own share, to transfer the amounts to the local sickness-insurance office. These insurance offices are in turn compelled by law to send the collected unemployment-insurance contributions to the district employment office of the district in which they are located. The Federal Bureau of Employment Exchanges and Unemployment Insurance has supervising and controlling organs operating as a check on the sickness-insurance offices. The insurance offices receive 0.5 per cent of the amount of unemployment contributions collected to defray their expenses. The district employment office retains whatever amount it presumably needs for the next month and transfers the balance, also of the funds received from its own local offices, to the main office in Berlin.

Each month the district office estimates its financial needs for the following month on the basis of regular reports received from the local offices and informs the main office, which then forwards the necessary additional funds if required. The main office is supposed to maintain a special reserve fund sufficient to support at least 600,000 unemployed for a period of three months. The main office thus regulates the total financial needs of the 13 district employment offices, which in turn are expected to meet the requirements of the 361 local employment offices.

Provisions Against Abuses

The unemployment-insurance law and the regulations thereunder are so carefully constructed and such great pains have been taken to eliminate every possible chance of irregularity, that fraud on a large scale is practically impossible. Furthermore the law provides for heavy fines for the employer as well as for the insured or other applicant for support should they neglect to comply with the regulations of the unemployment-insurance law.

Every employer is obliged to render a written statement regarding the length of time an employee or wage earner was engaged, and the local sickness-insurance office is compelled to give to the unemployed person a statement showing the amount and the length of time for which unemployment-insurance contributions have been paid. These documents must be submitted, together with the application for unemployment support.

Fines and imprisonment up to six months are provided for persons violating the unemployment-insurance law. Employers retaining the unemployment-insurance contribution after having deducted it from the salaries or wages of their employees can be sentenced to prison. Employers who do not transmit the contributions to the

local sickness-insurance office on time may be fined up to five times the amount overdue. Unemployed persons violating the regulations are fined by the suspension of claim up to six weeks; the period of suspension is then subtracted from the benefit period of 26 weeks.

Grievances and Disputes

All disputes and grievances concerning unemployment-insurance benefit are settled by arbitration. Each local employment office has its arbitration committee consisting of the employment office manager, or his representative, and one member each of the employees' and employers' representatives seated in the local administrative committee.

An arbitration chamber has been created at the chief district Federal insurance office which covers the sphere of interest of the district employment office. Thus the Federal insurance authorities (Reichs-Versicherungs-Anstalt) cooperate with the Federal Bureau of Employment Exchanges and Unemployment Insurance to settle important disputes and grievances on unemployment insurance support in the district, and to decide all cases which have been appealed at the local arbitration committee. The membership of the arbitration chamber consists of a member of the Federal district insurance office as chairman and one representative each of the employees and employers, also connected with the structure of the Federal district insurance office. Other arbitration chambers may be created in case of necessity by the highest State authorities with the consent of the Minister of Labor. Half of the expenses connected with these arbitration chambers are covered by the Federal Bureau of Employment Exchanges and Unemployment Insurance, the other half being paid by the Federal district insurance office.

A higher authority for appeal on matters dealing with unemployment insurance is the so-called arbitration senate. It has its headquarters at the Federal Insurance Bureau (Reichs-Versicherungs-Amt) in Berlin. It consists of a chairman, who must either be a permanent member of the Federal insurance office or a member of the main office of the Federal Bureau of Employment Exchanges and Unemployment Insurance, a member of the German courts, and a representative each of the employees or wage earners and the employers. If necessary other arbitration senates may be formed.

All cases presented to the arbitration bodies dealing with salaried employees, or with agricultural and forestry branches, require the presence of at least one representative of these groups as a member of the arbitration committee, chamber, or senate.

All other grievances and disputes not dealing with unemployment-insurance benefit—that is, disputes concerning railroad fare, loans, or financial assistance in procuring tools and equipment, extended education, occupational changes through education, etc., and disputes on employment classification with regard to the calling, etc.—are settled by the administrative committee of the employment office. Appealed cases are brought before the administrative committee of the district employment office which has the final decision.

If a decision by the manager of the local employment office is altered by the local administrative committee, the former may file

protest against the change with the administrative committee of the district office. If the administrative committee of the district employment office renders the decision in the first instance, this decision may be appealed, the case going to the managing board of the Federal bureau; the case may then be carried to the administrative council of the Federal bureau.

A special procedure is provided for all disputes and grievances dealing with the noncommercial employment exchanges maintained by the various labor and employees' organizations. If the jurisdiction of these organizations covers territory embodying several district offices, as is usually the case, complaints go direct to the managing board of the Federal bureau and from there to the administrative council of the Federal bureau, if appealed. Should the appeal be rejected by the latter body, further complaint may be filed with the Minister of Labor.

Statistics of Operation

Number of persons covered.—The exact number of persons covered by unemployment insurance in Germany fluctuates, of course, with the labor market. According to the unemployment-insurance law all persons covered by compulsory health insurance (Kranken-Versicherung) and salaried employees' old-age insurance (Angestellten-Versicherung) are also compelled to contribute to the unemployment insurance. There are a few exceptions, but these are negligible.

The number of persons insured and contributing to unemployment insurance in December, 1928, was 16,780,091; in December, 1929, 17,024,280; and in February, 1931, 15,600,000. The low figure in February, 1931, has considerable significance in view of the approximately 5,000,000 unemployed who are not contributing.

According to the census of June 16, 1925, the total number of persons engaged in some sort of occupation that year was 32,000,000; the number in 1931 is estimated at 33,500,000. This increase is chiefly due to prevailing economic conditions in Germany which are forcing onto the labor market a large number of persons who were not obliged to work formerly but who are now forced to seek occupation because of the low earnings of the head of the family or because of the inadequacy of pensions. In round numbers there are in Germany to-day about 17,000,000 wage earners, 3,500,000 salaried employees, and 2,500,000 civil employees.

The average annual number of compulsorily insured workers and employees (sickness, old-age and invalidity insurances) totaled 22,111,000 persons in 1929. The number of unemployed registered at employment offices throughout Germany at the end of February, 1931, totaled 4,971,843. The number of unemployed and dependents is estimated at 10,000,000. Germany's present population is approximately 64,000,000, so that about one-sixth of the population is directly affected by unemployment, and practically one-fourth of Germany's wage earners and salaried employees are without jobs.

Aside from unemployment there is also a tendency to increase the amount of short-time work. Statistics from organized labor

unions showed at the end of February, 1931, that of their members, 34.5 per cent were unemployed, 19.5 per cent were working short time, and only 46.0 per cent were working full time.

Persons receiving benefits.—The tremendous increase in the number of persons granted the extended unemployment benefit since 1928 is shown in Table 21:

TABLE 21.—*Number of persons granted extended unemployment benefit in Germany, December, 1928, to March 15, 1931*

Month and year	Males	Females	Total
December, 1928.....	97, 809	19, 030	116, 839
January, 1929.....	115, 467	22, 982	138, 449
December 1, 1929.....	156, 768	37, 641	194, 409
February, 1930.....	224, 263	52, 939	277, 202
February, 1931.....	775, 106	132, 559	907, 665
March 15, 1931.....	813, 149	136, 529	949, 678

The yearly average of unemployed persons from 1928 to 1930 and the number of persons receiving regular and extended unemployment insurance benefit (not including "welfare support") are shown in Table 22:

TABLE 22.—*Average number unemployed and number receiving regular and extended unemployment relief in Germany, 1928 to 1930*

Year	Average yearly number unemployed	Number of persons receiving regular and extended unemployment benefits
1928.....	1, 390, 887	1, 029, 694
1929.....	1, 896, 938	1, 451, 137
1930.....	3, 075, 580	2, 158, 049

In 1927, when unemployment insurance was first introduced in Germany, the number of persons receiving welfare support remained within narrow limits. The gradual increase of the number of unemployed from 1927 to 1930 and the unemployment wave of 1930-31 have changed the picture completely. In 1928 the number of persons receiving welfare support from the communes, towns, and cities totaled 464,268, and in 1929 this number rose to 569,839, while during 1930 the figure advanced to 800,000. During the first three months of 1931 the figure nearly reached the million mark and now is daily increasing at such a rapid rate that it will soon reach 1,250,000.

According to figures recently published the number of unemployed persons registered at employment offices of the Federal Bureau for Employment and Unemployment Insurance at the end of February, 1931, was 4,971,843. A comparison of the number receiving financial assistance granted under the three classes of unemployment relief is shown in Table 23:

TABLE 23.—Comparison of number receiving benefits, by type of unemployment relief

Type of benefit	Number of recipients	Per cent of total number of unemployed
Regular unemployment insurance benefit.....	2, 589, 314	52. 1
Extended benefit.....	907, 665	18. 3
Welfare support.....	900, 508	18. 1

Cost to the communes.—As the communes are also compelled to contribute one-fifth of the amounts paid in extended benefits, the number of beneficiaries of which likewise reached the million mark toward the end of April, 1931, with large daily additions to the regular insurance benefit, the communes were supporting or contributing toward the support of some 2,250,000 unemployed at the end of April, 1931.

The large financial burden resting on the communes can be estimated, when it is considered that one-fifth of the cost of the extended benefit and all of the cost of the welfare support must be met by them.

During the months of January and December, 1929, and January, 1931, the Government and the communes contributed four-fifths and one-fifth, respectively, of the following amounts for extended unemployment benefit:

January, 1929.....	10,876,560.78 marks (\$2,588,621).
December, 1929.....	14,861,941.05 marks (\$3,537,142).
January, 1931.....	49,886,866.05 marks (\$11,873,074).

The total expenditures for the year 1929 amounted to 166,594,219.50 marks (\$39,649,424).

The budget for welfare support for 1931 to 1932 is estimated at 1,250,000,000 marks (\$297,500,000). Under the present system the communes will be required to raise all of this large amount.

The amount of financial aid received by the unemployed through the welfare support varies widely, depending on the cost of living in the particular district and the financial standing of the community. Generally speaking, the rates of support are considerably below those of the regular and extended benefits.

The welfare budget of the city of Berlin alone amounts to 360,000,000 marks (\$85,680,000) for the current year. This sum, however, also includes additional support of old-age pensioners, youth welfare, etc. During the month of January, 1931, the Berlin municipal welfare offices supported 131,150 unemployed, no longer eligible to the regular or the extended benefit. To-day the figure is probably somewhere around 200,000.

The communes are suffering tremendously under the heavy financial burden caused by the "welfare support," and their whole financial structure threatens to collapse unless the Government and States comes to their assistance. It is pointed out that the communal welfare budgets now carry an estimated deficit of 385,000,000 marks (\$91,630,000) for the fiscal year 1931-32.

The unemployment-insurance law was originally based and calculations were originally made on the presumption that not more than

800,000 unemployed would have to be reckoned with, while the present figure of 5,000,000 unemployed has changed the entire structure of the system, so that the importance of the unemployment insurance as such is being temporarily replaced by the increasing importance of the extended benefits and welfare support carried, respectively, by the Government and communes jointly and by the communes alone. The comparative proportion of unemployed supported by the communes, as against the total unemployment figure, increased from 9.7 per cent in January, 1930, to 21.2 per cent in September, 1930, while the proportion of unemployed supported by insurance decreased during the same period from 69.4 to 48.9 per cent.

The public welfare agencies calculate the average per capita cost of the supported unemployed persons at 700 marks (\$167) per year. In the large cities and in densely populated industrial districts where the cost of living is relatively higher, the above figure advances to about 750 marks (\$179) per year, while in the country districts it goes as low as 550 marks (\$131). The "welfare support" figures are relatively high when compared with the regular insurance benefit and the extended benefit, as the public welfare agencies not only support the unemployed financially, but also provide them with food, clothing, fuel, etc. It is furthermore noteworthy that many unemployed receiving extended unemployment benefit also receive additional welfare support if the extended benefit falls below the amount stipulated as the minimum for existence in the particular community.

The longer the duration of unemployment, the greater becomes the burden of the communes under the present system. Experience has shown that those unemployed who receive welfare support are the last to be engaged in case there is work available, as the employer prefers to rehire or hire men who have been out of work for but a short time. It has been found that persons who have been unemployed for a long period are bad workers; they lose their efficiency, reliability, and health, and become in general undesirable. Therefore, the greatest moral, political, and social danger arises from the mass of long-term unemployed, which is constantly on the increase in Germany.

Receipts and expenditures.—Table 24, published in the *Wochenbericht des Instituts für Konjunkturforschung* of April 15, 1931, presents a clear picture of the general financial development of unemployment relief and unemployment insurance in Germany from 1924 to 1930, that is, before and after the unemployment-insurance law became effective October, 1927:

TABLE 24.—Receipts and expenditures (in millions) under unemployment relief and insurance system, 1924 to 1930

[Conversions into United States currency made on basis of mark = 23.8 cents]

Item	1924	1925	1926	1927		1928	1929	1930
				January to September	October to December			
<i>German currency</i>								
Expenditures:	<i>Marks</i>	<i>Marks</i>	<i>Marks</i>	<i>Marks</i>	<i>Marks</i>	<i>Marks</i>	<i>Marks</i>	<i>Marks</i>
Benefits and allowances paid ¹	285.8	217.8	1,077.2	499.6	122.4	819.3	1,118.1	1,651.1
Cost of administration, etc.....	30.7	31.4	55.7	47.4	17.7	83.7	108.0	121.3
Productive emergency work.....	14.2	16.1	79.6	² 56.0	5.8	31.6	33.9	23.5
Miscellaneous.....	2.6	5.4	8.6	² 6.0	.6	6.9	6.6	3.8
Total—								
Excluding productive emergency work.....	319.1	254.6	1,141.5	553.0	140.7	909.9	1,232.7	1,776.2
Including productive emergency work.....	333.3	270.7	1,221.1	609.0	146.5	941.5	1,266.6	1,799.7
Receipts:								
Insurance contributions.....	222.4	165.0	523.6	499.9	190.8	823.7	868.4	1,061.7
Subsidies—								
By Federal Government ³	74.6	.2	258.3	52.8	50.0	-----	396.3	729.4
By States.....	74.6	.2	243.0	53.8	-----	-----	-----	-----
By communes.....	34.1	36.2	148.4	116.0	-----	-----	-----	-----
Miscellaneous receipts.....	6.7	7.7	6.5	3.0	5.6	28.1	6.3	7.0
Total receipts.....	412.4	209.3	1,179.8	725.5	246.4	851.8	1,271.0	1,798.1
<i>United States currency</i>								
Expenditures:								
Benefits and allowances paid ¹	\$68.0	\$51.8	\$256.4	\$118.9	\$29.1	\$195.0	\$266.1	\$393.0
Cost of administration, etc.....	7.3	7.5	13.3	11.3	4.2	19.9	25.7	28.9
Productive emergency work.....	3.4	3.8	18.9	² 13.3	1.4	7.5	8.1	5.6
Miscellaneous.....	.6	1.3	2.0	² 1.4	.1	1.6	1.6	.9
Total—								
Excluding productive emergency work.....	75.9	60.6	271.7	131.6	33.5	216.6	293.4	422.7
Including productive emergency work.....	79.3	64.4	290.6	144.9	34.9	224.1	301.5	428.3
Receipts:								
Insurance contributions.....	52.9	39.3	124.6	119.0	45.4	196.0	206.7	252.7
Subsidies—								
By Federal Government ³	17.8	.05	61.5	12.6	11.9	-----	94.3	173.6
By States.....	17.8	.05	57.8	12.8	-----	-----	-----	-----
By communes.....	8.1	8.6	35.3	27.6	-----	-----	-----	-----
Miscellaneous receipts.....	1.6	1.8	1.5	.7	1.3	6.7	1.5	1.7
Total.....	98.2	49.8	280.8	172.7	58.6	202.7	302.5	427.9

¹ Including health insurance contributions paid for beneficiaries.² Approximate.³ Including loans granted by the Government in 1929 and 1930 and the emergency reserve fund placed at the disposal of the Federal Bureau of Employment Exchanges and Unemployment Insurance.

Present financial conditions.—With the cancellation by the Federal Government of some 623,000,000 marks (\$148,274,000) of debts which the Federal Bureau of Employment Exchanges and Unemployment Insurance owed it at the end of March, 1930, the financial status of the bureau was claimed to be generally sound, although it was forced to negotiate a loan with the Reichsbank in March, 1931 (the Government having refused to grant further loans), to the extent of 83,000,000 marks (\$19,754,000) to carry it over the first few

months of the new fiscal year, after which contribution receipts were expected to show a seasonal gain. Officials of the bureau consider the financial status good, under the prevailing circumstances, although certain impartial experts believe that the officials are a bit too optimistic. The Federal bureau estimated in its 1931 budget that the total receipts from contributions would amount to 1,680,000,000 marks (\$399,840,000), with which amount it could support an average of 1,750,000 unemployed persons entitled to regular benefit from unemployment insurance. Here it is pointed out by the less sanguine that the constantly decreasing monthly receipts, which have dropped from 140 to 120-130 million marks, have not been sufficiently considered. It is also feared that the Federal bureau overestimated the expected decrease in unemployment for the coming months, while the general impression prevails that there will be but a slight change on the labor market and that this change will only extend to the usual seasonal stimulation.

Basis for Calculating Contributions and Benefits

Unemployment insurance in Germany is not based on actuarial calculations, as the term is usually understood in connection with ordinary insurance. Although the first calculations were made according to certain assumed unemployment figures on which the size of the contribution was based, unemployment-insurance experts in Germany all agree that it is impossible to place unemployment insurance on the same plane with other insurance systems, such as the health and old-age and invalidity insurance.

In working out the unemployment-insurance scheme the experts had available the results of the years of experience with the unemployment-relief systems operating prior to the establishment of the present unemployment insurance. They knew very closely the annual figure of unemployment since the end of the war and were able to make appropriate allowances for seasonal fluctuations. By compelling all persons subject to compulsory health, old-age, and invalidity insurance to participate in unemployment insurance, they were in a position to figure almost exactly the number of insured persons to be included in its scope. On the basis of available wage and salary statistics for all persons subject to other compulsory insurances, they were able to calculate approximately the total sum of contributions that could be annually collected. The 11 classes of standard wages were compiled on the basis of these figures. The average amount of support granted weekly or monthly per unemployed individual under the old unemployment-relief systems was also known. In view of all of these available data an approximate risk basis could at least be estimated. But even with these advantages, subsequent experience and the unexpected wave of unemployment which soon followed, showed the fallacy of all previous calculations, estimates, and budget plans, and the entire system had to be constantly reformed, revised, altered, and many features eliminated as time went on. It proved to be necessary to increase the size of the contribution not less than three times, and now the Federal Bureau of Employment Exchanges and Unemployment Insurance is faced with

the question of whether it will be able to carry on as an independent insurance agency or whether new general reforms will be needed to connect the insurance system more closely with the other two categories of unemployment support, that is, with the extended unemployment benefit and the welfare support which are dependent upon fiscal resources alone.

When the first plans for unemployment insurance were laid the available statistics from the compulsory insurance system revealed that some 18,806,032 persons could be covered by compulsory unemployment insurance. Allowances were made for exemptions, so that the final figure on which calculations were based totaled 16,500,000 persons. These were then divided into five wage classes, based on the census statistics of 1925 and on the then existing wage scales. The amount of wages and salaries earned annually by these groups was thus determined. The unemployment figures for the years 1924, 1925, and 1926 were added together and the average annual unemployment figure for these three years (including 1926, a very critical unemployment year) was found to be 700,000.

This figure was then multiplied by the amount of benefit to be paid and by adding the estimated administration costs, the final figure was reached for making up the debit side of the first budget. Calculations were then made to determine what percentage of the wage or salary would have to be collected from the 16,500,000 insured to meet these expenditures. The result was that a 3 per cent contribution rate was adopted as most likely to cover the benefits and costs for 700,000 unemployed and also to provide a future reserve fund sufficient to carry 600,000 additional unemployed for a period of 3 months.

The Federal bureau had absolutely no capital to start with and was forced to rely solely on private contributions and loans from the Federal Government to function during the first year. During 1927-28, the first year of its practical operation, the Federal Bureau of Employment Exchanges and Unemployment Insurance paid benefits to 820,000 instead of 700,000 persons. The employment figure continued to increase, however, and radical revisions followed which eliminated the first discrepancies and repeatedly increased the contributions until by an emergency decree effective October 6, 1930, the contributions were fixed at 6½ per cent of the wages and salaries.

During 1928 the classes of persons covered by compulsory unemployment insurance were also extended to include higher-paid salaried employees. This increased the number of insured persons to 17,057,877 at the end of November, 1928; but as a result of the present acute unemployment crisis the number of persons paying contributions dropped to about 15,600,000 at the end of February, 1931.

As a result of the war and its effects during the following years, the labor market in Germany has been glutted with millions of people who formerly belonged to the middle and upper classes and who were being supported by their families, parents, or by State pensions. The distressing economic conditions are forcing many youths and some 900,000 married women to seek employment. In addition the so-called rationalization of industry and agriculture has caused a general shift in the employment market itself. Many laborers, skilled

workers, and salaried employees have been replaced by machinery and are now forced to learn other trades or seek some other form of occupation.

Attitude of Groups Toward System

Attitude of employers.—Historically speaking, it might be said that the employers at first vehemently opposed the introduction of compulsory unemployment insurance when the first drafts of the unemployment insurance bill were being made in 1926. At that time the social burdens carried by the employers (their contributions to health and old-age insurance, etc.) were considered about the limit of their capacity. Before long, however, the employers began to feel that unemployment insurance also had certain advantages. It tended to stem the tide of radicalism and also to stabilize the labor market by keeping a steady and ready supply of qualified and specially skilled and trained workers at the employers' disposal. Without benefits, or sufficient support, these trained workers would wander off to other districts and accept any jobs they could get, thereby sacrificing much of their professional efficiency. Experience during the last few years has repeatedly shown that unsupported unemployed skilled workers who had taken up some other occupation in order to make a living had lost a high percentage of their efficiency when they returned to the trade which they had learned. This labor reservoir is especially advantageous for seasonal workers and, of course, also for many industries in which only highly skilled labor can be used but which, for economic or market reasons, are not able to keep a steady staff during the entire year.

This attitude is, of course, not shared by all employers, and undoubtedly many an employer regards unemployment as a favorable condition for securing cheaper labor, although the wage-scale agreements are designed to prevent him from accomplishing his aim, but not always successfully. On the whole, however, it must be stated that the employers, generally speaking, have also come to realize the potential dangers involved in large masses of unemployed.

Besides carrying a 3¼ per cent wage share of the unemployment insurance, the German employers are also burdened with some 11 per cent wage-share assessments for other social insurances, including sick benefit, old-age and invalidity insurances. This heavy burden is vigorously opposed by the employers, and many go so far as to attribute to these burdens indirectly part of the unemployment. However, they also realize that if there were no unemployment insurance collecting some 1,600,000,000 marks (\$380,800,000) to pay benefits to the unemployed, this money would have to be raised in some other way, and sooner or later, directly or indirectly, they would ultimately be called upon to pay or contribute their share to this amount by way of taxation, thereby losing some of the recognized advantages and also, most likely, the security and order established by the unemployment insurance and its affiliated relief systems (extended unemployment benefit and welfare support).

The chief opposition coming from the employers to-day is directed more against numerous alleged abuses due to still existing deficiencies—that is, against particular features of the present system—

rather than against the principle of unemployment insurance or unemployment relief as such.

In April, 1929, the Union of German Employers' Associations drafted extensive reform proposals which were submitted to the Reichstag with some very interesting data regarding general irregularities and numerous cases of fraud, and alleging the psychological shortcomings of unemployment support by relating numerous incidents which occurred in the establishments of its members.

Attitude of wage earners.—Generally speaking, the demands of the wage earners in Germany to-day are identical with the demands and party programs of the Socialist and Communist Parties. The attitude of the wage earners is determined by the programs of these two parties.

As the Weimar Constitution of republican Germany guarantees every citizen the "right to work," or financial support in the absence of work, the labor unions, immediately after the armistice, commenced drafting bills for the Reichstag to provide a job for every German citizen, or at least to guarantee him subsistence for himself and family. These bills were the foundation upon which the unemployment-insurance system was erected in 1927, although previous to this date the foundation had been well cemented by a far-reaching unemployment-relief system known as the "Arbeitslosen-Fürsorge." To-day this word is again playing a very important part in the reform proposals of the Socialist Party, as well as the Deutscher Städtetag and the Deutscher Landkreistag, which demand that the present system of unemployment support of three classes be reformed so that there will be but two classes—unemployment insurance and unemployment relief.

The wage earners are, of course, strongly in favor of the entire system. The only objection they have is that the benefits and support allowances are not high enough, but they resist payment of even a fraction of a per cent more in contributions.

Unemployment insurance and unemployment relief are regarded by wage earners as well as by salaried employees as the best method for preventing the unemployed from appearing on the labor market as a potential force for reducing wages. Under the present system the employees are partially protected by law against the appearance of cheaper competitive labor by the unemployed.

In the eyes of the wage earner the prevailing system also has many other advantages. It prevents the unemployed from having to apply to the charitable organizations, begging for relief. It prevents the spreading of, and psychologically tends to eliminate, the inferiority complex so readily developed when the unemployed, formerly financially sound workmen or employees, are forced to accept alms and support of a recognized charitable character. It gives the unemployed individual a legal claim for benefit for which he made sacrifices by paying insurance contributions for many weeks, months, or, in many cases, for several years. It is argued that in spite of his unemployment he can still regard himself and his family as respectable members of society. In reality, however, any person who has been unemployed for any length of time and has been receiving unemployment benefit, extended benefit, or welfare support, will say that

the inferiority complex can be avoided only during the first few months, but that it eventually takes hold of every one who has been unemployed for a period of over six months.

Attitude of salaried employees.—The attitude of salaried employees is much the same as that of wage earners, except that they protest against being thrown into one group with the wage earners, not on account of class distinction but for reasons of the insurance risk.

Attitude of the public.—The attitude of the German public at large could be summarized in one sentence, were it not for the unemployment insurance and unemployment support. It is the general belief that conditions would have been many times worse if the country were facing the present unemployment crisis without unemployment insurance or extended unemployment relief.

Abuses Under the System

Cases of alleged abuse are occasionally reported in the daily press, but the officials of the Federal bureau, and even the industrialists, admit that the losses caused by these irregularities—which are also constantly being investigated and eliminated—can not be estimated at more than from 1 to 5 per cent of the total amounts involved. High officials of the Federal bureau insist that these losses are but a small fraction above 1 per cent.

There are no statistics available regarding the abuses under the prevailing system of unemployment insurance and unemployment relief in Germany.

In general, the alleged abuses and fraud fall under the following four classes:

1. "Masked employment" (Schwarzarbeit), i. e., performing some sort of work for wage or salary, and at the same time receiving unemployment support, without reporting the job to the employment office authorities. This is now being very closely checked by special control squads, who are even authorized to enter the homes of the beneficiaries.

2. "Feigned employment" (Schein-Arbeits-Verhältnis), i. e., some friend furnishes a statement that the unemployed person had been working for him for a certain length of time.

3. False control stamps. Spurious control stamps are made and unemployment control cards stolen or printed, enabling the individual to stamp his own card and present it once a week to the cashier of the employment office to collect his benefit. (These cases are said to be very rare now, as the stamping system and the repeated change of stamps and color make it most difficult to determine the combination agreed upon for the week by each individual employment office.)

4. Change of occupation to gain claim to benefit. In these cases (usually those of domestic servants), a change is made from their occupation to some other in order to acquire a claim to unemployment benefit or support. Household help is exempted from the insurance, so by working for a certain period in some other occupation subject to compulsory unemployment insurance, the person can gain a legal claim to benefit and then return to domestic serv-

ice, simultaneously continuing to collect support or benefit. This is also done by housewives.

Against all of these abuses and frauds, heavy fines and imprisonment are provided by law, which also provides that the illegally collected benefits must be repaid to the employment office. (Also, the rigorous control squads recently organized are doing their share to eliminate this group as far as is humanly possible.)

Contemplated Reforms

The various reforms urged by various groups and contemplated by the Federal, State, and municipal authorities, may be classified as reforms urged by employers, wage earners, employees, the public, municipal authorities, the Federal Bureau of Employment Exchanges and Unemployment Insurance, and the Brauns Commission of Experts on Unemployment.

Proposals by employers.—Interviews with the social-political experts of the employers' organizations, revealed that the following three basic reforms are now being demanded by the employers:

1. The budget of the Federal Bureau of Employment Exchanges and Unemployment Insurance must be made to balance. This can only be done by raising the fees, or reducing or limiting most rigorously all paid benefits and additional allowances. The first alternative is being very strongly opposed, so that their demands concentrate on a restriction of benefits by eliminating all higher insurance risks.

2. Immediate introduction of the "need" test, now only fully applied when granting welfare support. This implies cancellation of the legal benefit claim, necessitates changing the law to that effect, and consequently implies exclusion from benefits all compulsorily insured persons unable to qualify for benefits under a very severe "need" test.

3. Removal of the upper wage classes under the prevailing system of 11 standard wage classes and a better and more just distribution of benefits to all those found badly in need, by grouping all beneficiaries into 5 instead of 11 classes. This would enable the Federal bureau to raise the benefit rates for the lowest classes, usually found to be mostly in need and insufficiently supported by the present scheme, so that they must often get additional financial or other aid from the welfare organizations.

The employers also want all civil-service officials and employees, who are exempted from compulsory unemployment insurance to-day, to be included in the insurance scheme. The argument used here is that everybody must make sacrifices to-day to help support the unemployment-relief schemes, so that the civil service can not be very well allowed to enjoy additional advantages beyond those already guaranteed by the State in long-term employment, pensions, etc.

Another demand is that the Federal bureau be also granted independence by the Government in determining its own expenditures. At present the Federal bureau practically has complete independence regarding the credit side of its budget, but is dependent on the

Government in making dispositions regarding its expenditures—that is, regulation of benefit payments.

Proposals by wage earners.—Just before the Reichstag adjourned in March, 1931, the Socialists introduced a bill aiming at a fusion of the second and third classes of the present unemployment relief system; the extended unemployment benefit and the welfare support to be combined. The bill provides for the inclusion in the new "Arbeitslosen-Fürsorge" of many persons now excluded, or insufficiently supported for various reasons prescribed by present legislation.

The Socialist labor unions want the new Federal unemployment support (distinct from unemployment insurance) to be operated partly by the employment offices of the Federal bureau and partly by the local welfare organizations. The local or district welfare organizations are to make the "need" test in each case, while the employment offices are to make the final decision as to whether the applicant is actually in need, and accordingly to reject or support the unemployed applicant apart from the unemployment insurance.

Another demand is that all colonists or settlers who fail to make a living, as well as needy peasants and agriculturists, be included in the new support system if their income does not reach a certain amount.

The Socialists demand further that reduction of wages cease immediately; they partly oppose short-time work, especially if connected with a wage decrease, and want the present world depression and unemployment situation to be settled and solved by international agreements.

The communists want the Reichstag to convene immediately to check the present crisis, prevent further exclusions being made from the unemployment-relief system, and pass laws to include all those excluded or exempted from unemployment insurance or extended benefit in the new system of Federal unemployment support which is expected to pay at least as high a relief rate as the present extended benefit to all persons in need.

Proposals by salaried employees.—The reforms demanded by all salaried employees' organizations deal chiefly with the question of erecting an independent unemployment-insurance system for such employees. They complain bitterly of the unfair distribution of risk under the present system. Unemployment statistics show that salaried employees are, relatively speaking, not as frequently and as quickly out of work as the wage earner, but once out of work it is often much more difficult for the salaried employee to find work again under the prevailing conditions, so that usually the unemployment period is much longer. But even so, the risk for the 3,500,000 salaried employees covered by the unemployment insurance is considerably less than the risk of the 17,000,000 wage earners always subject to very strong employment fluctuations.

The salaried employee, it is furthermore pointed out, has a different standard of living to contend with. He needs more clothing, is accustomed to different food, etc., so that the support and allowances should be graded differently from those of the wage earner.

On December 12, 1930, a resolution was introduced in the Reichstag demanding the erection and permission for operation of inde-

pendent employees' unemployment insurance. The Democratic Party (Staatspartei) also introduced a similar resolution recently requesting that employees' organizations be permitted to operate unemployment insurance similar to their independent health-insurance systems (Ersatz-Kranken-Kassen). This resolution also demanded the fusion of the extended unemployment benefit with the welfare support in a new uniform relief organization to be directly connected with the unemployment-insurance system; and that the Federal Government, the States, and the communes all contribute toward the needed funds.

Public opinion.—The general interest taken by the German public at large in all measures and reforms planned or urged regarding unemployment insurance or relief is best demonstrated by the fact that the Brauns Commission of Experts on Unemployment received some 3,000 reform proposals during the first three weeks of its activities. The minority of these came from experts and interested groups, the vast majority from the man on the street, university students, and political party enthusiasts of all complexions. Many of these well-meant efforts went into the wastebasket, but there were some that deserved consideration. Many of these public proposals contained severe criticisms of shortcomings of the present system. Members of the expert commission make no secret of the fact that some of these criticisms and the reforms proposed in connection therewith have been of great importance to the commission in judging specific angles of the problems facing them.

The demand for short-time work has been publicly voiced so strongly through the daily press, that many industries and Federal and State institutions and enterprises have already introduced a 40-hour week, either to prevent further dismissals or to give the unemployed a chance at new jobs.

The Leuna-Werke near Magdeburg, the Harburg Oil Refinery, the Allgemeine Elektrizitätsgesellschaft (A. E. G.), and some of the big shipbuilding plants near Hamburg and Bremen have already adopted the 40-hour working week. Some have done this without simultaneously cutting the wages, but most of the industries try to combine the two.

The Prussian Minister of the Interior and the Prussian Minister of Finance have also decreed a 40-hour week for civil-service officials and employees of the Prussian State.

Proposals by municipal authorities.—As a result of the critical financial developments caused by the unemployment support (extended benefit and welfare support) the community and municipal budgets are threatening the entire communal financial structure throughout Germany.

The Deutscher Städtetag, the Deutscher Landkreistag, and the Socialist Party have therefore submitted reform plans to the Reichstag to combine the extended benefit and the welfare support classes of the present unemployment system into a new Federal unemployment relief which is to run parallel to the unemployment insurance, but instead of being almost exclusively financed by the communes as heretofore the Government, the individual States, and the communes are to carry the burdens proportionately.

The proposals vary somewhat as to form. Contrary to the Socialists, the communes and cities want their own organizations to take over the new relief system exclusively, because they believe they can control and check the needs of the individual better than the local employment offices of the Federal Bureau of Employment Exchanges and Unemployment Insurance, which are to be used, in the opinion of the Socialists, to concentrate all unemployment relief in one giant Federal organization.

Brauns Commission of Experts on Unemployment.—The reforms which the Federal bureau will finally adopt and carry through depend largely on the results of the deliberations of the Brauns Commission of Experts on Unemployment sitting in Berlin since the end of February. Doctor Brauns, former Minister of Labor, delivered a radio lecture on the problems of the commission in February, 1931, from which it can be seen that the task facing the committee will probably lead to revolutionary changes in the entire system.

The 40-hour week is almost certain to come in some legal form, giving the employers, however, sufficient independence to arrange the division of time in their factories according to their specific requirements. One form has been introduced by a firm in Madgeburg which introduced the 40-hour week by laying off a part of the workers for a whole week without pay, after every five weeks of work, and engaging an additional staff totaling one-fifth of the permanent staff; thus short-time work and the 40-hour week were combined with provision for additional employment.

The question of the compulsory service-year has been flatly rejected, but proposals will be made to the Government to organize crews of voluntary workers for agriculture, road building, and other kinds of emergency and public utility work.

The question whether married women are to be excluded from benefits and whether or not all married women are to be legally forced to vacate their positions, has not been definitely settled.

Great Britain ⁴¹

The unemployment-insurance scheme of Great Britain has been from its inception a compulsory and contributory plan.⁴² It was originally designed to take care of seasonal and temporary unemployment caused, on the one hand, by seasonal changes in trades such as the building trades and, on the other, by fluctuations in the industrial situation. The scheme operated only two and one-half years, however, before the war, and the whole period since the outbreak of the war has been abnormal.

History of Development of Scheme

The original unemployment-insurance scheme was a part of the movement in social legislation which took place around the year 1911. The Royal Commission on the Poor Law, which reported in February, 1909, recommended, among other things, the establishment by the State of a national system of labor exchanges for the purpose of assisting the mobility of labor and of collecting accurate information on unemployment. It also recommended the establishment of the compulsory unemployment-insurance system based on contributions from employer, worker, and the national exchequer. In accordance with these recommendations, labor exchanges (later called employment exchanges) were established in 1909, and in 1911 a national insurance act provided for a partial scheme of compulsory insurance against unemployment. The scheme applied to a few specified trades only, the chief of which were engineering, ship-building, and building construction, and covered about 2,250,000 workers. The contributions first became payable in July, 1912, the employer paying 2½d. (5.1 cents)⁴³ a week, the worker 2½d. a week, and the national exchequer 1½d. (3.4 cents) a week for each insured person. The benefits, at the rate of 7s. (\$1.70) a week, became payable in January, 1913, to persons who were genuinely unemployed, capable of work, and unable to obtain suitable employment, and who had contributed for 26 weeks prior to unemployment.

The employment exchanges, which are discussed later, were an essential part of the scheme, and by January, 1913, there were 414 exchanges (with 927 branch offices) throughout Great Britain. It is to the employment exchange that the worker applies for his un-

⁴¹ Report prepared by K. A. H. Egerton, clerk, American consulate general, London, as of May 6, 1931.

⁴² Up to 1922 England, Scotland, Wales, and Ireland were under a single unemployment insurance system, but with the establishment of home rule, the Governments of Northern Ireland and of the Irish Free State took over the system for their respective territories, while the British Government continued its system for England, Scotland, and Wales. The relations between the British system and that of Northern Ireland are close, and are discussed in the section on Northern Ireland. In this section data up to 1922 apply to the whole of the United Kingdom, but from that date onward relate only to England, Wales, and Scotland, unless specifically stated to be of wider application.

⁴³ Conversions into United States currency made on basis of £=\$4.8665, shilling=24.33 cents, penny=2.03 cents.

employment pay and it is the exchange which ascertains whether suitable work can be found for him, or whether he is entitled to benefit.

The scheme before and during the war.—The scheme, which was regarded as an experiment, did not have a thorough test before the war.

During the period January, 1913, to August, 1914, employment in the trades covered was good and there was no serious call upon the unemployment insurance fund.

Employment during the war was also exceptionally good and between July, 1912, and November, 1918, the fund had accumulated an undistributed balance of over £15,000,000 (\$72,997,500).

During the war the employment exchanges served a very useful purpose in transferring labor from peace-time employment to war work. In 1916 the unemployment-insurance scheme was extended to cover workers in the production of munitions and other materials for war, bringing another 1,500,000 into the scheme, which then covered 3,750,000 workers.

"Out-of-work donation" for soldiers discharged from the forces.—For a little over a year, immediately after the armistice, a temporary "out-of-work donation" was paid to men discharged from the forces and to civilian workers who were out of work in consequence of the change from war to peace conditions. This had no connection with the unemployment-insurance scheme, however, and was paid entirely from the exchequer. It continued in operation until November, 1919, for civilians, and until March, 1921, for ex-service men and women, and cost the exchequer the sum of £62,448,000 (\$303,903,192). The "out-of-work donation" also carried a separate allowance for dependents, which was not a part of the regular unemployment-insurance scheme at that time. Most of the benefits paid during the period when "out-of-work donations" were in operation, were distributed under that scheme and the unemployment insurance fund was little called upon.

Unemployment insurance extended to all trades in 1920.—In December, 1919, the rate of unemployment benefit paid by the unemployment-insurance fund was increased from 7s. (\$1.70) a week to 11s. (\$2.68) a week, and in November, 1920, the unemployment-insurance act of 1920 came into force, extending the unemployment-insurance scheme to all workers under a contract of service or apprenticeship, with a few exceptions, the principal exceptions being agricultural workers and private domestic servants.

Contributions under the act of 1920 were the same in principle as under the act of 1911, but were increased in amount to 4d. (8.1 cents) each from workers and employers and 2d. (4.1 cents) from the exchequer. About 11,375,000 workers were covered in Great Britain and Ireland, and after the taking over by the Government of Northern Ireland and the Irish Free State of the administration in Ireland, the number covered in Great Britain was 11,250,000.

The benefit, which was 15s. (\$3.65) a week for men and 12s. (\$2.92) a week for women, payable in any individual case, was limited to one week's benefit for every six contributions paid and was subject to a maximum of 15 weeks' benefit in any insurance year. Benefit

was payable only after 26 contributions had been paid (this was later increased to 30).

Increase in numbers of unemployed in 1921.—At the time of the passing of the act of 1920, insured workers who were unemployed numbered about 500,000; the trade depression soon followed and in May and June, 1921, the number had increased to 2,000,000 wholly unemployed and another million working short time and claiming benefit. The numbers were swollen at that time by the coal strike and diminished somewhat after the termination of the dispute, but the total has been almost constantly over a million since that date.

"Uncovenanted benefit."—Owing to the trade depression, it was considered impracticable for the large numbers of workers newly covered into this scheme to build up any reserve of contributions against which they could draw benefits. A new act was accordingly passed in March, 1921, introducing an entirely new principle into the unemployment-insurance scheme. This principle has been called "uncovenanted benefit" or "extended benefit" and is now referred to as "transitional benefit." It provided that an unemployed person who was normally employed in an insurable employment might receive unemployment benefit notwithstanding an insufficient number of contributions or even an entire absence of contributions, provided he was genuinely seeking work and unable to obtain it. This provision, with some modifications, has been extended up to the present, but it has always been regarded as temporary and included as a part of the scheme only because of the necessities arising out of the abnormal situation. The benefit was originally granted for a limited number of weeks during a period defined by law. This period has been extended by a series of acts passed periodically up to the present time.

The act of 1921 made the grant of "uncovenanted benefit" dependent upon a decision of the Minister of Labor that, having regard to all the circumstances of the case, it was "expedient in the public interest" that it should be paid. This provision continued in all the acts down to that of August, 1924, when it was abolished, and the benefit in excess of that earned by contributions was made payable as a right. This act of 1924, establishing the "right" to "uncovenanted benefit," was passed by the Labor Government which was in power at that time. It was reversed in 1925 by the Conservative Government which had returned to power and again the "uncovenanted" or "extended" benefit became payable at the discretion of the Minister of Labor. In 1927, however, another act was passed, effective April 1, 1928, which did away with the distinction between "standard" and "extended" benefit, and abolished the discretionary power of the Minister of Labor to place restrictions upon the granting of benefit.

The "uncovenanted benefit" is now usually known as the "transitional" benefit. The act of 1927 provided that, to be entitled to unemployment benefit, the claimant must have paid eight or more contributions during the two years immediately preceding his claim, or 30 contributions at some time, but allowed for a relaxation of these conditions during a transitional period. The duration of the transitional period was set for one year from April 19, 1928, but has since been extended by successive enactments.

Coverage of System

The scheme covers all manual workers, plus nonmanual workers receiving less than £250 (\$1,217) annually, with the following exceptions: Agricultural workers, domestic servants, permanent employees on the railways, certain employees of local governments and of the poor law and asylum authorities, and certain employees in public-utility companies. Insured persons under the scheme number approximately 12,290,000 at the present time. In addition, employees in the banking and insurance industries, numbering 41,000 and 96,000, respectively, are covered by schemes under the "contracting-out" clauses of the original bill.

When the 1920 act was framed, it was thought that a number of industries would prefer to organize their own schemes with separate funds, and provision was made whereby any industry desiring to do so could "contract out." An industry contracting out could withdraw entirely from the general scheme, its contributions being paid into its own fund and benefits being paid entirely from that fund. It was expected at the time that industries covering about one-third of the total workers would contract out, but it happened that general business conditions were so bad in November, 1920, when the act came into force, that advantage was not taken of this clause by any industries except insurance and banking. The right to contract out was suspended by the act of 1924 and was ultimately abolished by the act of 1927.

Contributions

The principle of the unemployment-insurance scheme is that benefits shall be paid from a fund consisting of contributions paid by employers, workers, and the State. The contributions of the employer and worker are paid by means of stamps, purchasable from the local post office, which the employer affixes to the unemployment insurance book of each worker weekly before paying his wages, deducting the employee's share of the cost from his wages. The books are issued to insured workers by local employment exchanges and have a currency of one year, after which they must be renewed. Special provisions are made for large employers who prefer to pay their contributions in lump sums.

Several increases in the rates of contributions to the unemployment insurance fund have been made since the act of 1911 under which the worker and employer each paid 2½d. (5.1 cents) a week and the exchequer 1⅓d. (3.4 cents) a week for each insured worker. These contributions were increased in 1920 to 4d. (8.1 cents) each from the worker and the employer and 2d. (4.1 cents) from the exchequer, and again, later, to 10d. (20.3 cents from the employer, 9d. (18.3 cents) from the worker, and 6¾d. (13.7 cents) from the exchequer. The rates prevailing to-day are roughly 8d. (16.2 cents) from the employer, 7d. (14.2 cents) from the worker, and 7½d. (15.2 cents) from the State. They now stand as shown in Table 25 which follows:

TABLE 25.—Present weekly rates of contribution to unemployment insurance fund of Great Britain

[Conversions into United States currency on basis of penny=2.03 cents]

Class of employed persons	Weekly contribution by—						Total contribution	
	Employer		Employed person		Exchequer		English currency	United States currency
	English currency	United States currency	English currency	United States currency	English currency	United States currency		
Males:	<i>d.</i>	<i>Cents</i>	<i>d.</i>	<i>Cents</i>	<i>d.</i>	<i>Cents</i>	<i>d.</i>	<i>Cents</i>
21 and under 65 years----	8	16.2	7	14.2	7½	15.2	22½	45.6
18 and under 21 years----	7	14.2	6	12.2	6½	13.2	19½	39.5
Under 18 years-----	4	8.1	3½	7.1	3¾	7.6	11¼	22.8
Females:								
21 and under 65 years----	7	14.2	6	12.2	6½	13.2	19½	39.5
18 and under 21 years----	6	12.2	5	10.1	5½	11.2	16½	33.5
Under 18 years-----	3½	7.1	3	6.1	3¼	6.6	9¾	19.8

The proportion of the contribution for each person paid by the exchequer was increased to its present ratio, one-third of the total, by an act passed in 1929. In addition, the exchequer now bears the whole cost of the "transitional" or "uncovenanted" benefit. Up to 1930 all benefits were paid from the general insurance fund, but a bill passed in that year extending the transitional period to April 19, 1931, imposed upon the exchequer the payment of transitional benefit, and retroactively made it responsible for this benefit from April, 1929. The exchequer also assumed a small part of this cost for the previous 12 months of the transitional period.

Benefits

Rates of benefit vary as between men and women, and as between adults, young persons and juveniles, and there are also allowances for dependents; otherwise the benefits are paid at flat weekly rates. Like the rates of contribution, they have been changed several times since the inception of the scheme. They were increased from the 7s. (\$1.70) a week established in 1911 to 11s. (\$2.68) a week in 1919, to 15s. (\$3.65) a week in 1920, and to 18s. (\$4.38) a week in 1924, and were reduced to 17s. (\$4.14) in 1927-28. These figures refer to the rates for adult male workers. Slightly lower rates for female workers, and lower rates for young persons have also prevailed.

The unemployed workers' dependents (temporary provision) act of 1921, granted, for a special period of six months, additional allowances for the wife and dependent children of an insured unemployed worker receiving benefit. These additional allowances later became a permanent part of the unemployment insurance scheme and were paid for a time at the rate of 5s. (\$1.22) a week for the wife and 2s. (49 cents) for each dependent child of school age, being later increased to the present scale of 9s. (\$2.19) a week for adult dependents and 2s. a week for a child.

Present rates of benefit.—The weekly benefits now paid to young men and women and to boys and girls between 16 and 18 are shown in the statement following.

	s.	d.
Men aged 21 and under 65.....	17	0 (\$4. 14)
Young men aged 18 and under 21.....	14	0 (\$3. 41)
Boys aged 17 and under 18.....	9	0 (\$2. 19)
Boys under 17.....	6	0 (\$1. 46)
Women aged 21 and under 65.....	15	0 (\$3. 65)
Young women aged 18 and under 21.....	12	0 (\$2. 92)
Girls aged 17 and under 18.....	7	6 (\$1. 82)
Girls under 17.....	5	0 (\$1. 22)
Dependents' benefit:		
Adult dependent.....	9	0 (\$2. 19)
Child dependent.....	2	0 (\$0. 49)

Conditions for receipt of benefit.—These must be dealt with under two different headings—conditions for receipt of standard benefit, conditions for the receipt of “uncovenanted,” “extended,” or “transitional” benefit.

Standard benefit was originally paid by the “one-in-six” rule and limited to 15 weeks in 12 months. In other words, a claimant could not receive more than one benefit for every six contributions paid and/or not more than 15 weeks’ benefit during any 12 months’ period.

Later this was changed and claimants could receive benefits only as long as it could be proved that they had paid 30 contributions during the two years immediately preceding the date on which they became unemployed. They could receive benefit, moreover, only for a limited number of weeks during any one year; this number of weeks varied under the different acts between 15 and 44 weeks. There was also what had become known as the “gap,” which was the period in the middle of a person’s benefits when no benefits were allowed. The purpose of this was to encourage the worker to seek employment. It was varied in length, and was finally abolished in 1924 by the Labor Government. Many unemployed workers had recourse to poor law relief for the maintenance of themselves and their dependents during these gaps.

In accordance with the recommendations of the Blanesburgh committee, the limitation of the period during which benefit could be paid was abolished in 1927, and since then claimants have been able to draw standard benefit for an unlimited period, provided they can show 30 contributions during the two years immediately preceding their claim. The claimant must satisfy this 30-contributions test every three months to qualify for standard benefit.

Other conditions for the receipt of standard benefit are: The claimant must be capable of work and available for it; he must apply for benefit in the prescribed manner at the employment exchanges; and he must attend a course of instruction if so required.

For receipt of transitional benefit, the claimant is required to show that he has paid 8 or more contributions during the two years immediately preceding the date of the claim or 30 or more contributions at any time, and also that, normally, he is employed and will seek his livelihood in insurable employment. He must also meet the last three qualifications mentioned above for standard benefit.

Disqualifications.—A claimant is disqualified for both standard and transitional benefit if he refuses suitable employment or fails to carry out written instructions for obtaining employment (the maximum period of disqualification under this cause is six weeks), or if he is unemployed because taking part in a trade dispute. If he has lost his job through misconduct or has left it voluntarily, he

is disqualified for a period of six weeks or less. He is disqualified also if he is an inmate of a prison, workhouse, or similar institution, if he is receiving sickness benefit under the national health insurance act, or if he fails to attend a course of instruction after having been required to do so.

Waiting period and "continuity."—The waiting period has varied under the different acts. In 1920 and 1921, and for a short period in 1924 it was three days. Otherwise it has been, and is now, six days.

The "continuity rule" provides that any 3 days of unemployment, whether consecutive or not, within a period of 6 consecutive days shall be treated as a continuous period and any two such continuous periods separated by a period of not more than 10 weeks shall be treated as one continuous period of unemployment, and the expression "continuously unemployed" shall be construed accordingly. This ruling was considered necessary in order that workers obtaining only a day or two of employment at odd times should not be disqualified from benefit.

Administration

The administrative machinery consists of the head office, 7 divisional local offices and their staffs, 417 employment exchanges, 748 branch employment offices, and the adjudicating authorities.

The employment exchanges were started before unemployment insurance became established, their purpose being to reduce unemployment, assist the mobility of labor, and to afford a means of ascertaining the amount of unemployment in the country. The exchanges are open to applicants for all types of work, both insurable and un-insurable, and all insured employed workers are placed on their books. Though employers are not compelled to apply to the exchange when they need workers, and though it is urged that they should do so more generally, many employers do use the exchanges, and these offices now place over 40,000 persons in jobs weekly.

Provisions Against Abuse

The most common type of abuse is that of claiming benefit for days on which a claimant was actually employed. In most cases these periods are short, involving usually only a single day. Other types of fraud are attempts to obtain dependents' benefit illegally, or of obtaining benefit concurrently with the national health insurance benefit.

The complicated methods by which the Ministry of Labor endeavors to avoid the improper payment of benefit are: Briefly, the claimant must leave his book at the unemployment exchange while drawing benefit and can not, therefore, take it to a new employer to be stamped. An inquiry addressed to his former employer insures that the employment exchange will be informed of the reasons for the worker's dismissal. The record of dates furnished by the employer is checked against those given by the claimant. Frequent attendance at employment exchanges during normal working hours and the interviewing of individual claimants are required. Apart from these automatic checks, investigations of individual claims are constantly being carried on.

Grievances and Disputes

The adjustment of grievances and disputes is taken care of by appeal to the courts of referees in every district, and by a final appeal to the umpire. The umpire is appointed by the Crown. The courts of referees consist of one representative of employers, one of employees, and a paid chairman (usually a member of the legal profession), appointed by the Minister of Labor. In each district a list or "panel" of suitable persons is kept, and from this list the courts are appointed for such times as they are needed. The insurance officer at the employment exchange, who is an official of the Ministry of Labor, may allow any claim at his own discretion. If in doubt, he can either consult the divisional officer or refer the case to a court of referees, whose decision is final unless appeal is made to the umpire. (Formerly, the court of referees made only a recommendation, on which the insurance officer might or might not act, as he saw fit.) The insurance officer, on the other hand, may not disallow a claim without reference to a court of referees. The decisions of the umpire constitute a voluminous case law, which is printed monthly and supplied to all courts of referees and may also be purchased by the public.

Statistics of Operation

The number of persons covered by the scheme is approximately 12,290,000. The number unemployed fluctuates. On March 30, 1931, the registered unemployed were given as 2,581,030, of whom 1,842,705 were wholly unemployed, 623,700 were temporarily out of work, and 114,625 were normally in casual employment. It is estimated that 93 per cent of the insured persons unemployed at any one time are receiving benefit, the other 7 per cent being persons whose claims to benefit have not yet been allowed, on account of the waiting period or for other reasons. Table 26 shows the estimated number of workers insured, the number unemployed, and the estimated number employed at the beginning of each insurance year for eight years past:

TABLE 26.—*Estimated number of insured persons aged 16 to 64 in employment in Great Britain, 1923 to 1930*

Date	Estimated total insured, aged 16 to 64	Number unemployed on specified date	Estimated number employed after allowance for sickness, trade disputes, etc.
July, 1923.....	10,908,000	1,254,000	9,228,000
July, 1924.....	11,074,000	1,070,000	9,527,000
July, 1925.....	11,288,000	1,234,000	9,456,000
July, 1926.....	11,435,000	1,636,000	8,384,000
July, 1927.....	11,534,000	1,059,000	10,065,000
July, 1928.....	11,662,000	1,323,000	9,930,000
July, 1929.....	11,852,000	1,141,000	10,296,000
July, 1930.....	12,154,000	2,002,000	9,724,000

† Provisional figure.

Table 27 shows the estimated monthly average number in each of these groups for each 3-month period since July, 1928, and for each month of 1931 up to the end of March:

TABLE 27.—*Estimated monthly average number of insured persons aged 16 to 64 in employment in Great Britain, 1928 to 1931, by stated periods*

Date	Estimated total insured, aged 16 to 64	Number unemployed	Estimated number employed after allowance for sickness, trade disputes, etc.
1928:			
July-September.....	11,694,000	1,317,000	9,986,000
October-December.....	11,750,000	1,351,000	9,985,000
1929:			
January-March.....	11,786,000	1,333,000	10,032,000
April-June.....	11,822,000	1,138,000	10,265,000
July-September.....	11,870,000	1,156,000	10,297,000
October-December.....	11,923,000	1,269,000	10,233,000
1930:			
January-March.....	11,995,000	1,552,000	10,021,000
April-June.....	12,115,000	1,784,000	9,868,000
July-September.....	12,173,000	2,056,000	9,689,000
October-December.....	12,225,000	2,317,000	9,477,000
1931:			
January-March.....	12,275,000	2,595,000	9,207,000
January.....	12,260,000	2,581,000	9,128,000
February.....	12,275,000	2,617,000	9,225,000
March.....	12,290,000	2,537,000	9,267,000

Receipts and expenditures.—Table 28 shows the receipts and expenditures of the scheme from 1920 to March, 1930:

TABLE 28.—Receipts and expenditures of the unemployment fund of Great Britain from November 8, 1920, to March 31, 1930

[Conversions into United States currency on basis of £=\$4. 8665]

Item	Period, Nov. 8, 1920, to July, 1921	Year ending—								
		July, 1922	July, 1923	July, 1924	July, 1925	July, 1926	March, 1927 (9 months)	March, 1928	March, 1929	March, 1930
<i>Receipts</i>										
Contributions from—										
Employers and employed.....	£8, 916, 940	£30, 553, 608	£34, 029, 359	£36, 743, 365	£36, 723, 531	£33, 615, 624	£20, 340, 065	£30, 885, 479	£30, 165, 861	£30, 564, 614
Exchequer.....	2, 168, 639	11, 057, 901	12, 166, 266	13, 184, 784	13, 148, 085	12, 910, 861	7, 954, 599	12, 024, 910	11, 757, 831	¹ 19, 411, 386
Service departments (Admiralty, War Office, Air Ministry).....	1, 357, 315	820, 260	443, 659	273, 472	292, 963	319, 253	254, 651	279, 359	368, 607	371, 363
Interest.....	579, 263	553, 411								
Other receipts.....	8, 289	38, 905	34, 022	24, 820	14, 671	19, 008	13, 116	10, 052	16, 993	20, 032
Total, English currency.....	£13, 030, 446	£43, 024, 085	£46, 673, 306	£50, 226, 441	£50, 179, 250	£46, 864, 746	£28, 562, 431	£43, 199, 800	£42, 309, 292	£50, 367, 395
Total, United States currency.....	\$63, 412, 665	\$209, 376, 710	\$227, 135, 644	\$244, 426, 975	\$244, 197, 320	\$228, 067, 286	\$138, 999, 070	\$210, 231, 827	\$205, 898, 170	\$245, 112, 928
<i>Expenditures</i>										
Benefits:										
Direct.....	£29, 656, 576	£45, 174, 415	£38, 831, 481	£33, 658, 586	£42, 010, 779	£40, 277, 482	£35, 098, 011	£34, 609, 903	£44, 466, 743	² £43, 965, 847
Association.....	3, 921, 370	7, 673, 799	3, 049, 351	2, 312, 825	2, 562, 418	3, 381, 352	3, 560, 772	1, 864, 143	2, 263, 681	¹ 1, 956, 689
Administration expenses.....	1, 047, 480	4, 838, 136	4, 451, 311	4, 086, 260	4, 695, 084	4, 889, 848	3, 513, 090	4, 913, 576	5, 671, 925	³ 5, 462, 513
Refunds at age 60.....	28, 621	47, 108	191, 101		695, 242	94, 797	14, 124	17, 534	10, 767	6, 432
Compensatory payments at age 50.....					1, 330, 663	157, 482	14, 124	18, 274	17, 836	38, 419
Interest on advances.....		472, 685	803, 171	601, 230	301, 364	376, 148	414, 161	1, 169, 367	1, 712, 331	1, 808, 223
Other payments and refunds.....	102, 188	246, 568	553, 848	149, 957	155, 273	114, 043	108, 371	184, 819	150, 073	159, 368
Total, English currency.....	£34, 756, 235	£58, 452, 711	£47, 880, 263	£41, 187, 691	£51, 550, 823	£49, 291, 153	£42, 752, 653	£42, 777, 616	£53, 696, 356	£53, 397, 496
Total, United States currency.....	\$169, 141, 218	\$284, 460, 118	\$233, 009, 300	\$200, 439, 898	\$250, 872, 060	\$239, 875, 396	\$208, 055, 786	\$208, 177, 268	\$261, 313, 316	\$259, 858, 914
Credit balance at end of period:										
English currency.....	£99, 798									
United States currency.....	\$485, 667									

¹ Includes £3,985,000 special exchequer grant under the unemployment insurance act, 1930, in respect of the benefit (and the relative cost of administration) paid to claimants under the transitional provisions of the unemployment insurance acts, in respect to benefit years commencing after Mar. 31, 1929.

² These items include charges totaling £3,890,000 in respect to the transitional benefit payable by the exchequer. (See note 1.)

³ Includes £295,000 in respect of the cost of administering transitional benefit. (See note 1.)

TABLE 28.—Receipts and expenditures of the unemployment fund of Great Britain from November 8, 1920, to March 31, 1930—Continued

Item	Period, Nov. 8, 1920, to July, 1921	Year ending—								
		July, 1922	July, 1923	July, 1924	July, 1925	July, 1926	March, 1927 (9 months)	March, 1928	March, 1929	March, 1930
Debit balance at end of year: ⁴										
English currency.....		£14,969,256	£16,143,217	£7,093,871	£8,441,690	£10,859,945	£25,050,167	£24,627,983	£36,012,047	£39,042,149
United States currency.....		\$72,799,219	\$78,585,298	\$34,522,323	\$41,081,484	\$52,849,922	\$121,906,638	\$119,852,079	\$175,252,627	\$189,998,618
Investments at end of period:										
English currency.....	£250,000									
United States currency.....	\$1,216,625									
Treasury advances outstanding:										
English currency.....		£14,323,068	£15,315,121	£6,679,475	£8,105,722	£10,497,569	£24,710,000	£24,530,000	£35,960,000	£38,950,000
United States currency.....		\$69,703,210	\$74,531,036	\$32,508,665	\$39,446,496	\$51,086,420	\$120,251,215	\$119,375,245	\$174,999,340	\$189,550,175

⁴ The apportioned shares of the debt attributable to Northern Ireland and the Irish Free State are excluded from these figures as from the respective dates of severance, viz, Dec. 31, 1921, and Mar. 31, 1922.

Approximate figures for the receipts and expenditures of the scheme for the fiscal year ending March 31, 1931, are shown in Table 29:

TABLE 29.—Receipts and expenditures of unemployment insurance fund of Great Britain for fiscal year ending March 31, 1931

[Conversions into United States currency on basis of £=\$4.8665]

Item	Amount	
	English currency	United States currency
Receipts:		
Contributions from employers and workers.....	£29,725,000	\$144,656,713
From the exchequer ¹	35,470,000	172,614,755
From other sources.....	20,000	97,330
	65,215,000	317,368,798
Expenditures:		
Benefits.....	92,220,000	448,788,630
Administration.....	6,370,000	30,999,605
Interest on loans from treasury.....	2,510,000	12,214,915
Other expenditures.....	230,000	1,119,295
	101,330,000	493,122,445

¹ Includes exchequer's full payment of "transitional" benefit.

The position of the fund as regards debt at the close of each calendar year up to December 31, 1926, on June 30 and December 31, 1927, to 1930, and on April 10, 1931, is shown in Table 30:

TABLE 30.—Amount of the debt of the unemployment fund of Great Britain, December 31, 1921, to April 10, 1931¹

[Conversions into United States currency on basis of £=\$4.8665]

Date	Debt of fund at specified date		Date	Debt of fund at specified date	
	English currency	United States currency		English currency	United States currency
Dec. 31, 1921.....	£7,600,000	\$36,985,400	June 30, 1928.....	£25,680,000	\$124,971,720
Dec. 31, 1922.....	15,613,480	75,983,000	Dec. 31, 1928.....	31,720,000	154,365,380
Dec. 31, 1923.....	12,497,054	60,816,913	June 30, 1929.....	36,620,000	178,211,230
Dec. 31, 1924.....	5,693,549	24,787,756	Dec. 31, 1929.....	37,850,000	184,197,625
Dec. 31, 1925.....	7,262,569	35,343,292	June 30, 1930.....	42,930,000	208,918,845
Dec. 31, 1926.....	22,640,000	110,177,560	Dec. 31, 1930.....	59,999,000	291,941,335
June 30, 1927.....	24,180,000	117,574,648	Apr. 10, 1931.....	76,000,000	369,854,000
Dec. 31, 1927.....	23,180,000	112,805,470			

¹ The apportioned shares of the debt attributable to Northern Ireland and the Irish Free State are excluded from these figures as from the respective dates of severance, viz, Dec. 31, 1921, and Mar. 31, 1922.

On April 10, 1931, the debt of the unemployment insurance fund to the Treasury was £76,000,000 (\$369,854,000). At that time it was estimated that within another 13 weeks the present statutory limit of its borrowing power, £90,000,000 (\$437,985,000), would be reached. The statutory borrowing powers of the fund have been increased by a number of acts of Parliament over a succession of years. The cost of "standard" benefit is estimated now to be

approximately £1,000,000 (\$4,866,500) per week greater than the revenue of the fund, while the cost of "transitional" benefit, which is paid entirely from the exchequer, amounted in 1930 to £22,000,000 (\$107,063,000), and it is estimated that it will cost £35,000,000 (\$170,327,500) to £40,000,000 (\$194,660,000) in 1931.

Actuarial Basis of Contributions

The first two acts were based on actuarial calculations. The actuary in 1911 assumed, as normal for the special trades affected by that act, 8.6 per cent of unemployed over a cycle of years. The percentage assumed when the 1920 act was framed was somewhat less, since trades with a smaller risk of unemployment were included.

Actually, since 1921, the average percentage for the year of unemployment has only once fallen below the 10 per cent of 1924, and has ranged from there up to 12 per cent, 14 per cent, 16 per cent, and, as at the present time, to over 20 per cent. The Blanesburgh committee had an actuarial estimate made. The actuary's computations assumed a rate of unemployment of 6 per cent on the average throughout the whole of the period commonly regarded as a trade cycle, and contemplated a waiting period of six days and the other qualifications embodied in the act of 1927. Provision was also made for temporary rates of contribution which should later be reduced when the debt to the Treasury should have been paid off.

Thus, the original idea was that the system should be an insurance system on a sound actuarial basis, but concessions to unusual conditions have rendered it insolvent, and created a problem which will be very difficult to solve. A royal commission, appointed in December, 1930, is now engaged in working out a new scheme which shall be on an actuarial basis.

Opinions as to Social and Economic Effects of Unemployment Insurance Scheme

There are widely differing opinions in Great Britain as to the value of the unemployment insurance scheme as it has been applied to the postwar problem. The opinion of the Balfour committee (the Royal Commission on Industry and Trade which sat for many months and issued its findings in five volumes, the final summary being published in March, 1929) is of particular interest. The committee's discussion of the situation does not cover the present acute crisis, for it was published in early 1929, before the trade slump and while the Conservative government was still in power and the stricter legislation with regard to the payment of benefits was in force. The committee refers to the measures of the act of 1927 passed in accordance with the recommendations of the Blanesburgh committee, in general approving the steps taken to insure that the incentive to seek work and to keep employment should not be diminished by the operation of the scheme.

On the effect of the scheme on the mobility of labor, the committee gave its opinion as follows:

That the provision of unemployment benefit should to some extent lessen the incentive to migration and to industrial redistribution is perhaps inevitable.

It is, however, possible by wise regulations and procedure to reduce this danger to a minimum, and in view of the outstanding importance of preserving and increasing mobility in the widest sense of the term we are of opinion that no efforts for this purpose should be spared. One of the governing considerations that should always be present to the minds of those who frame and administer the provisions of such a scheme is the necessity of avoiding any tendency to stereotype the existing distribution, whether geographical or industrial, of the working population, or to check the natural flow from industries and districts in which demand is diminished toward those in which it is more active.

The work of the Industrial Transference Board should be noted in this connection.

Regarding the effect on the will to work, the committee stated that it had carefully examined the contention often lightly asserted that the removal of much of the terror of unemployment has relaxed the will to work. In the light of the results of four sample inquiries made by the Ministry of Labor into the personal circumstances of individuals insured against unemployment, and also in the light of such information as was in its possession with regard to industrial unemployment in the United States, the committee concluded that—

The proportion of the unemployed who might be considered as "verging on the unemployable" was extremely small, being only about 2 per cent of the total, and including a majority of elderly persons, and that the nucleus of individuals who had remained on benefit for long periods was only 6 per cent of the whole number. * * *

It can not be said that the figures of industrial unemployment in the United States give any support for the view that the mass of unemployment in this country is to any material degree the result of the measures taken for mitigating the resulting hardships and could be appreciably reduced by discontinuing these measures.

Regarding the general beneficial effect of the scheme up to the time of its report, the committee stated that—

The employers' contributions to the unemployment fund represent a negligible addition (averaging much less than 1 per cent) of the total costs of production, and we are satisfied that on the whole the resulting advantage to them has very greatly exceeded any burden of this kind * * *.

and further, that—

Having regard to the terrible possibilities of suffering and even of social upheaval from which these operations probably saved the country, we feel little disposed for meticulous criticism, but rather desire to accord our unstinted praise for the fine work accomplished by the staff of the Ministry of Labor under such difficult conditions.

There has been practically no decline in the consumption of the essential necessities of life in spite of the fact that a million or more workers have been earning no wages at their trades. For this happy result a large part of the responsibility undoubtedly rests with the unemployment-insurance scheme.

In December, 1930, a royal commission was appointed to inquire into the working of the unemployment-insurance scheme, and to submit recommendations for putting it on a more satisfactory basis. Various organizations have submitted memoranda by request to this commission, and these probably form the best reflection available of the attitude of the various groups represented.

The chamber of commerce presented a memorandum dealing with certain abuses of the present system which it felt were serious. The principal of these is the drawing of benefit by women who had left their employment to marry and whose husbands were perfectly well able to maintain them. The general rule is that "an insured con-

tributor who loses his employment through misconduct or voluntarily leaves his employment without just cause is disqualified for receiving unemployment benefit for a period of six weeks, or such shorter period as may be determined, from the date when he so left his employment." Thus, an insured woman worker who marries and leaves her employment voluntarily is able, after a period of six weeks, to obtain benefit so long as she is available for work if any presents itself. In districts where there is a very large proportion of unemployment the chances are that no suitable work will be offered for a long period and she is able to draw 15 shillings a week almost indefinitely. If she is compelled to leave employment on marriage (many employers refuse to employ married women) she may begin drawing her benefit at once, even though her husband may be working at wages of a sufficiently high standard to support her.

The chamber of commerce also considers that the Ministry of Labor's interpretation of "suitable work" is too lenient in many cases. Also it complains that dock laborers and other casual workers who earn comparatively high wages for short periods are entitled to benefit during the days when they are out of work, and that short time may be so arranged by employers that they obtain practically a subsidy to wages, and it considers that rates of benefit are too high.

The recommendations are that the scheme should be once more purely an insurance scheme; that "transitional" benefits should be abolished and that the claimants should be required to prove that they are genuinely seeking work. It also recommends a reduction in the rates of benefit, the extension of the period of disqualification for dishonesty, and the exclusion of married women and of all children up to the age of 18.

It does not, however, make any constructive suggestions for the relief of persons who would not qualify for "standard" benefit during the present emergency.

The Trade Union Council, on the other hand, is recommending to the royal commission that the unemployment-insurance system should not be contributory and that a special graduated levy for unemployment on all incomes should be made, starting at a rate of 1 per cent on all incomes below £250 (\$1,217) per year. It recommends that benefits should be available to all genuinely unemployed persons without discrimination, and that the cost should be borne by the system of taxation mentioned above. It criticises the principle of a flat rate of contribution paid without regard to the amount of wages received and contends that the cost of maintaining the reserve labor supply of the country should be a national charge and that the country should be treated as an economic unit. It considers that the waiting period should be shorter and that benefit should be paid for all days of unemployment.

The principal criticism of the system by the Liberal Party is that more of the funds available should be used for providing actual work, while the business community in general constantly asserts that the heavy financial burden on industry is excessive and is hampering trade recovery.

Interesting evidence has also been submitted by associations of county councils and other local Government authorities. Their suggestions are of the greatest interest, because these are bodies on

which would probably fall the duty of providing relief for those persons who could not qualify for "standard" benefit if the scheme should once more be made a purely insurance scheme and "transitional" benefit abolished. First, they urge that the financial burden should be a national one and that local governments should not be called upon to supply the money necessary for relief which would be needed. They point out, on the other hand, that in so far as the scheme, as it is at present, is not purely an insurance scheme, a "needs" or a "means" test would be desirable, and that the poor-law authorities have the most suitable machinery for investigating individual cases and deciding on the rate of relief necessary for each family.

Sir James Hinchcliffe, who gave evidence on behalf of the associations of county councils, submitted a memorandum in which it is suggested that the unemployed should be divided into three groups and that each of these three groups should be dealt with in a distinctive manner. The first would contain persons temporarily unemployed and entitled to receive "standard" benefit during a fixed temporary period. This group might be called the "insured group." The second class would be those who, by reason of age, infirmity, or for a sufficient cause, might be regarded as permanently unable to work. This class should be provided for by the public assistance authorities under the local governments, who have the machinery to study each individual case. The third group would include all those not qualified, or who had ceased to qualify, for inclusion in either of the two first groups, and the responsibility for providing for them would be the complete obligation of the Government, no part of the cost falling on local taxes.

In a sense, these three groups exist to-day and are roughly taken care of in the manner outlined above, since "standard" benefit is paid from the insurance fund (first class) and "transitional" benefit paid entirely from the exchequer (third class), while many of the persons who would fall into the second group are at present receiving relief from the local poor law authorities. It is probable, however, that many of those receiving "transitional" benefit at present would be moved over into the second class and would come under the more careful supervision of the poor law machinery on a basis of need rather than at a flat rate, while those receiving "standard" benefit would, after the limited period, come into the third group.

One other interesting criticism is that of Mr. Ben Green, who pointed out that the unemployment fund is composed in part of contributions paid by employers, who provide steady employment for their workers, while employers who provide only irregular employment cease payments into the fund in respect of each worker as soon as he is dismissed. He suggested that a scheme should be worked out whereby employers would pay for the relief of workers after they are dismissed and should be excused from payments so long as they provide regular employment. This suggestion, however, is not likely to receive any serious consideration, since it would be impossible to launch it except in a "boom" period. It is thought, also, that the scheme recommended by the Trade Union Council would also receive no serious consideration, since the present Government is definitely pledged to a contributory system.

Principal Problems Under British Experience With Unemployment Insurance

It is particularly important to remember, in studying the present situation of unemployment insurance in Great Britain, that the scheme was originally framed as a pure insurance scheme on an actuarial basis; that benefits were low and were looked upon as a small addition to other resources saved by the worker; that benefits were at a flat rate, having no relation to wages and other means of the worker or the individual needs of the unemployed person, such as support for dependents, etc. (The only variations in rates were as between men and women, and as between adults and young persons.)

The actuarial position of the insurance funds was originally protected by establishing a definite relation between the period of benefit and the contributions paid by each worker.⁴⁴

This general attitude toward unemployment insurance was evident in 1918, when the great emergency resulting from the demobilization of troops was met from outside the unemployment insurance scheme by the "out-of-work donations" which were paid entirely by the exchequer. Even when the act of 1920, the original basis of all the legislation which has followed since, was framed, the scheme was still looked upon purely as an insurance scheme, and all the principles embodied in the act of 1911 are also found in the act of November, 1920, extending the unemployment insurance scheme to cover practically all industrial workers. In this act⁴⁵ benefits claimable were definitely related to contributions paid.

At that time it was the general opinion that the country was going through an ordinary trade depression of short duration and that, although at the moment conditions were very bad and the unemployment percentage high, in a short time business would be so much better that the revenue of the fund would increase and the expenses would fall rapidly, with a resulting solvency of the fund.

When the total volume of unemployment reached 2,000,000 in 1921 and many persons had been out of work for long periods, it became evident that a very large number could not qualify for benefits under the provisions relating to benefits⁴⁶ and that a large amount of "relief" was immediately necessary. It should not be forgotten at this point that British law provides for the maintenance of the destitute under the poor law relief system, and that persons out of employment, if they did not receive insurance benefits, would have to be taken care of by government authorities, necessitating large sums of money.

There were two alternatives. One was the provision of "maintenance" for unemployed workers and their families by the poor-law machinery. This would have meant heavy expenditures by local governments, to be met out of "rates" or local taxes, unless the poor-law authorities were assisted by exchequer funds especially ap-

⁴⁴ One week's benefit for every six contributions paid, and a maximum of 15 weeks' benefit in an insurance year (July-June).

⁴⁵ Eight weeks' benefit payable between Dec. 23, 1920, and Mar. 31, 1921, inclusive, on proof of 10 weeks' insurable employment since Dec. 31, 1919, or 4 weeks' insurable employment since June 7, 1920.

⁴⁶ One week's benefit for every six contributions and a maximum of 15 weeks' benefit in an insurance year.

propriated to meet the emergency. It would also have meant the humiliation of large numbers of persons who were unemployed through no fault of their own. The second alternative was to use the machinery of the unemployment-insurance system to provide the necessary maintenance until the emergency should be over, at which time the scheme could be returned to a pure insurance basis.

The second alternative was chosen, and this decision has so profoundly affected the whole unemployment-insurance system ever since that it is very important to examine the fundamental changes that became necessary and the resulting alteration in the whole attitude toward unemployment insurance, both on the part of workers and employers, and on the part of the State and the general public.

The idea that the scheme would be an insurance scheme permanently, and that relaxation in the qualifications for benefit occasioned by the necessity to provide maintenance during the emergency should be temporary in character, is evident throughout the legislation comprised in 25 acts of Parliament which have been passed since 1920 amending the original act. Although this conception of a suitable permanent unemployment-insurance system is evident in the legislation, it has become decidedly blurred in the minds of workers, employers, and the general public, and has also caused a great deal of confusion in foreign countries with regard to the whole system.

It has also been evident throughout the period that a trade revival was always thought to be just around the corner. Both in 1920, when the greatly extended act was framed, and in 1927, when the Blanesburgh Committee formulated a permanent scheme, the country was thought to be at the bottom of a trade cycle, whereas 1920 actually marked the beginning of a long business depression, and 1927 was comparatively a boom year.

As soon as the scheme was used to provide maintenance, irrespective of the actuarial position of the fund, a host of the most difficult problems arose. The actuarial position of the fund was originally protected by limiting the benefit period on the basis of contributions paid and by setting a maximum benefit period. When it became impossible for large numbers of employed persons to qualify, the relation between benefits and contributions had to be broken and it then became necessary to define a genuinely unemployed person and to specify his qualifications or disqualifications for benefit. Benefits, in order to provide the required relief in the exceptional circumstances, had to be increased, though they were, of course, kept below general wage rates; but the difference between wages and benefits in many cases was small.

The provision of allowances for dependents also became necessary, unless poor-law authorities were to be called in to carry heavy burdens, and such allowances were first introduced as a temporary measure in 1921, but were soon afterwards made a permanent part of the scheme. This, in a measure, was an introduction of a "needs test," which might be criticised in a compulsory contributory scheme, though this feature of the present system is now generally accepted in Great Britain as a desirable feature, even of a permanent scheme.

At first, it was hoped that the fund, with temporary assistance from the Treasury (in the form of advances on which interest was paid),

could meet additional payments and, with increased rates of contribution and the expected return of prosperity, could repay its debt to the Treasury, become solvent, and begin to build up a reserve for the next trade depression. The first of a long series of acts providing for temporary relaxations of the qualifications for benefit was passed in 1921, and "uncovenanted benefit" was introduced. "Uncovenanted benefit" was, however, payable only for limited periods, which varied in length from 15 to 44 weeks and which, during certain periods, contained a "gap" in the middle, during which no benefit was payable. In 1927 "transitional" benefits became payable for an unlimited period, provided the claimant's right to benefit was investigated every three months. "Uncovenanted" and "extended" benefits (that is, benefits paid under the temporary, relaxed qualifications and no longer related to contributions) were paid only at the discretion of the Minister of Labor between 1921 and 1928, with the exception of a short period in 1924, when the Labor Government was in power. Since April, 1928, "transitional" benefit has been paid as a right, and since April, 1929, it has been paid, not out of the revenue of the unemployment-insurance scheme, but out of the exchequer. During the period when the minister was allowed to use his discretion, in addition to the "needs test" (the existence of dependents), the Ministry of Labor applied also a rough means test, taking into account other earnings by members of a family and the general ability to provide for the necessities of life. Obviously, this meant a great increase in the administrative work and in the difficulties involved in the allowing of claims by the authorities. During most of this period the worker had to prove that he had paid some contributions, namely, 30 at any time, or 8 contributions during the previous two years. This test amounted actually to proving that he was an insurable worker (that is, that he was normally employed in an insurable trade), but did not maintain a proportional relation between contributions and benefits.

Further, he had to prove that he was capable of work and that he was "genuinely seeking work." This last qualification became very difficult to establish and caused problems almost impossible of solution. No general rule could be made for all trades defining what constituted a genuine search for work. In some trades it involved calling on employers. In others this would not be a reasonable method of finding employment. The question then arose, Should the worker be expected to seek or accept work in trades outside his own particular trade or industry, or his home district? The authorities decided on the rather vague rule that after a "reasonable period" of unemployment, a worker should be expected to seek and accept employment outside his trade or even his district. The "reasonable period" varied, and the scope of other employment which he might be expected to accept ("suitable employment") also varied in nearly every case.

The insured worker, moreover, tended to avoid employment in noninsurable trades, such as agricultural and domestic service, since he feared that by accepting temporary employment in a noninsured trade, he might lose his claim to benefits. Special regulations had to be made by which a temporary period of employment in a non-insurable industry should count as a period when he had contributed

to the unemployment insurance fund. Even this provision did not entirely meet the case, because, in spite of all the publicity given to this regulation, many workers still feared losing their status as insurable employees.

The "genuinely seeking work" qualification was the subject of many decisions by the umpire, who constitutes the final appeal. The most interesting and most generally quoted of these decisions is No. 1404/26 of July 14, 1926. This decision contains a discussion of the genuineness of an applicant's desire for work. According to it, the state of the claimant's mind, his employment record, and the wages he could earn are the chief factors to be considered, while usually he should also be called on to show that he is soliciting work from suitable employers. The latter condition is no longer required of him.

"Suitable employment" is also discussed in this decision. It is particularly interesting to note in the latter discussion the following sentence:

In the case of skilled workers (like the present applicants)⁴⁷ unskilled or poorly paid work, such as office cleaning, might presumably be unsuitable, but there may be some branches of the tailoring or dressmaking trades which would be suitable for them and for which they have the necessary qualifications.

The general definition of "suitable work" is still an important part of the case law of the unemployment insurance system. The general rules are set forth in a pamphlet entitled "Summary of Unemployment Insurance Acts, 1920," as follows:

34. For the purpose of the first disqualification above, employment is not deemed to be suitable if it is—

(1) Employment in a situation vacant in consequence of a trade dispute; or (2) employment in the claimant's usual occupation in the district where he was last ordinarily employed at a rate of wages lower or on conditions less favorable than those which he might reasonably have expected to obtain having regard to those which he habitually obtained in the usual occupation in that district or would have obtained had he continued to be so employed; or (3) employment in the claimant's usual occupation in any other district at a rate of wages lower or on conditions less favorable than those generally observed in that district by agreement between associations of employers and employees, or falling any such agreement, than those generally recognized in the district by good employers.

After the lapse of a reasonable interval employment is not deemed to be unsuitable by reason only that it is employment of a kind other than the claimant's usual occupation (if it is employment at a rate of wages not lower and on conditions not less favorable than those generally observed by agreement between associations of employers and of employees, or falling any such agreement, than those generally recognized by good employers).

So many differences arose over the definition of "genuinely seeking work" that the Blanesburgh Committee, which sat in 1926 and 1927, recommended that this qualification be abolished and for it they recommended that a disqualification be substituted, which has been adopted and which has met with a good deal of criticism. A claimant for "transitional" benefit is now disqualified if it can be proved by an officer of the Ministry of Labor (a) that the claimant has refused suitable work, or (b) has failed to carry out written instructions for obtaining it.

⁴⁷This case was in reference to skilled workers in a textile industry.

These provisions have shifted the burden of proof from the unemployed person to the Ministry of Labor. An insurance officer can, through the employment exchange, offer suitable employment when it is available on the books of the exchange, or, even where employers have not applied to the exchange, if an insurance officer (who keeps in close touch with employment conditions in his district) knows of the existence of suitable employment, he can instruct the claimant to apply for it. On the whole, the new disqualification appears to be considered as satisfactory to the Ministry of Labor officers as the previous "genuinely seeking work" qualification. Though in some ways, especially in the minds of the general public, it is thought to lend itself to more abuses, in actual fact it is doubtful which regulation has caused the most difficulty and led to the most abuse.

It should be mentioned that the abuses for which the scheme is now criticized are actually comparatively rare, and that the unemployment insurance scheme as a whole is almost universally regarded in Great Britain as necessary. The following quotation from the Blanesburgh report is of interest:

We have found in all quarters a general agreement that the risk of unemployment should be insured. Nobody has suggested to us that the principle of unemployment insurance should be abandoned. It has been recognized by all who have appeared before us, and we ourselves share the view, that an unemployment-insurance scheme must now be regarded as a permanent feature of our code of social legislation. It is agreed, for instance, that the scheme must, as at present, be compulsory on the persons covered by it. A voluntary scheme has not been suggested to us in any quarter, and we can not ourselves think that such a scheme could be adequate to the need. It is agreed, too, on all hands, that a permanent scheme should cover at the least all the occupations for which the present scheme provides.

It should be remembered that the great majority of the present unemployed draw a "standard" benefit—i. e., they have passed the test as regards the 30 contributions during the past two years. Figures published by the Ministry of Labor show that in October, 1929, out of a total of 940,250 receiving benefit, 810,250 were drawing "standard" and 130,000 "transitional" benefit. By September, 1930, the recipients of transitional benefit numbered 326,610, the rise being ascribed partly to the general increase of unemployment, and partly to the operation of the act of 1930. On the 23d of March, 1931, the number receiving "standard" benefit was 1,937,125, and the number receiving "transitional" benefit was something around 400,000.

It is also of interest to note that about 20 per cent of the insured persons registered as totally unemployed⁴⁸ are out of work for less than four weeks.

Supplementary Note

Early in June the Royal Commission on Unemployment Insurance, appointed in December, 1930, handed in two interim reports, the minority report being signed by only two members. The majority report goes into the history and finances of the scheme at some length, and, explaining that more time is required for dealing fully with the difficulties of the situation, presents some recommendations for re-

⁴⁸That is, they are not "temporarily stopped," or still on the books of their employers.

ducing at once the rate at which the deficit is increasing. These include an increase in the contributions, a decrease in the rate of benefit, a diminution of the period over which regular benefit may be paid, and a reduction in the allowance for dependents. Many of those now receiving transitional benefit, they say, would be forced to resort to poor-law relief if benefit were stopped, and there are certain objections to that; consequently, the majority recommend that the payment of transitional benefit be continued, but that it be more strictly administered. It is recommended that a means test should be applied, that the benefit be graduated according to the need and also that a stricter attitude might be taken as to what, under such circumstances, constitutes "suitable" employment. Finally, it recommends special action in regard to those classes with regard to whom there are frequent charges of abuses—intermittent, short-time and casual workers, seasonal workers, and married women who may really have quitted industry.

The minority report dissents from the recommendations concerning increase of contributions, reduction of benefits, and lessened benefit period, holding that no far-reaching changes should be made before the commission's work is finished. In the main, they assent to the recommendations concerning the special classes, though one of the minority signers objects to making any discrimination between married women and other workers. The minority approve of the extension of the time during which transitional benefit may be paid.

Shortly after the issuance of these reports the Government published the text of a new bill, permitting modifications of the scheme in respect of the special classes pointed out for action by the commission. In regard to these, the bill gives the Minister of Labor authority to alter the present situation by establishing administrative regulations, regardless of existing legislation, subject to the approval of a consultative committee, consisting of a chairman and eight members, appointed by the Minister. Three members are to represent the interests of the workers, three those of the employers, and one is to represent the Treasury. This bill was presented with the explanation that the Government does not feel justified in adopting the more far-reaching recommendations of the commission before its final report is presented.

On June 22 the Minister of Labor introduced in committee of the House of Commons a resolution authorizing the Treasury to increase the limit of advances to the unemployment insurance fund by £25,000,000 (\$121,662,500)—from £90,000,000 (\$437,985,000) to £115,000,000 (\$559,647,500)—and to extend the period for the continuance of transitional benefit by six months from October 18. The existing borrowing powers of the fund, she said, would be exhausted by July 8 or 9. On the basis of the live register of unemployed being 2,500,000 the additional borrowing powers would last until January, 1932; on a basis of 2,750,000, until next November; and on a basis of 3,000,000 until next October.

The resolution was agreed to without division.

Northern Ireland ⁴⁹

Before the establishment of Irish home rule one unemployment-insurance system applied impartially to all parts of England, Scotland, Ireland, and Wales, but by the Government of Ireland act of 1920 arrangements were made for transferring to the two Irish Governments the operation of the system within their respective borders. For Northern Ireland the transfer was to become effective on January 1, 1922, and shortly before that date a provisional order was issued giving the modifications and adaptations subject to which the system would become effective. These are summarized in the Labor Gazette for January, 1922, as follows:

The following are the main modifications and adaptations contained in the order: (1) The Minister of Labor and the Ministry of Labor for Northern Ireland are given power, with the consent of the Treasury and the Ministry of Finance for Northern Ireland, respectively, to enter into agreements for enabling contributions and benefit paid in either country to be taken into account in the other country for any purpose for which they would have been taken into account had they been paid in that country; (2) provision is made for the apportionment of the assets and liabilities of the unemployment fund and the unemployed workers' dependents' fund (other than the right to receive contributions and the liability to pay benefit) between these funds and the corresponding Northern Irish funds; (3) the employed persons in respect of whom contributions are, after the appointed day, payable to the Northern Irish funds are defined; (4) provision is made for the apportionment between the funds of the two countries of sums payable out of moneys provided by Parliament, by way of employers' and employed persons' contributions in respect of discharged seamen, marines, soldiers, and airmen; (5) arrangements made by the Minister of Labor with societies or associations, under which they pay out State benefit or dependents' grants, continue in force in Northern Ireland as if made by the Ministry of Labor for Northern Ireland.

The scheme is administered by the Ministry of Labor and the cost of administration is borne by the unemployment fund to the extent of one-eighth of the total income of the fund. Any excess over this amount must be paid out of moneys provided by Parliament on the vote of the Ministry of Labor.

Classes Not Covered by System

The principal classes excepted from compulsory insurance are juveniles under 16 years of age, persons aged 65 and over, non-manual workers earning more than £250 ⁵⁰ (\$1,217) per annum, persons employed in agriculture or private domestic service, and outworkers. "Exception" may also be granted in respect of employment under a Government department, a local authority, a railway company, or a public utility company (such as a gas, water, or dock undertaking), where the Ministry of Labor is satisfied that the employment is permanent in character, that the employed person has completed three years' service therein, and that the other circumstances of the employment are such as to make insurance under the acts unnecessary.

Exemption from liability to be insured is granted to any person proving that he is either (a) in receipt of a pension or income of at least £26 (\$127) per annum not dependent upon his personal efforts;

⁴⁹ Report prepared by Lucien Memminger, American consul general, Belfast, as of Apr. 22, 1931.

⁵⁰ Conversions into United States currency made on basis of £=\$4.8665.

(b) ordinarily and mainly dependent for his livelihood upon some other person; (c) ordinarily and mainly dependent for his livelihood on earnings derived by him from an occupation which is not employment within the meaning of the acts; or (d) ordinarily employed only in a seasonal occupation which does not normally extend over more than 18 weeks in any year.

Statistics of the total number of workers in this area not covered by the insurance system, such as persons employed in agriculture or private domestic service, are not available. An authoritative publication states, however, that out of some 145,000 persons engaged in agriculture in Northern Ireland in 1925, 38,000 were paid laborers.

Contributions, Benefits, and Administration

As regards contributions to the unemployment fund and benefits payable therefrom the rates established in Northern Ireland are identical with those in effect in Great Britain. This similarity applies also to form of administration and most of the regulations pertaining thereto.

Financial Arrangement With Great Britain

The arrangement with the Imperial Government in connection with the unemployment insurance fund is explained as follows in the annual report of the Ministry of Finance of Northern Ireland, issued in September, 1930:

Under agreements concluded with the imperial treasury, and confirmed by statutes, the Northern Ireland and Great Britain unemployment-insurance funds are kept in parity as regards deficit or surplus accruing subsequent to September 30, 1925, by the payment by the exchequer of the poorer fund into that fund of the amount necessary to render, as respects any financial year, the accruing surplus or deficiency, equivalent to the accruing surplus or deficiency of the richer fund in proportion to insured population in the two areas. This payment is known as the equalization payment. The exchequer of the richer fund then pays a contribution to the exchequer of the poorer fund equal to three-quarters of the amount necessary to equalize the cost per head of population of the entire State contribution to the unemployment insurance fund (including equalization payments) in both areas.

Amounts of equalization payments.—The amounts of equalization payment by the Northern Ireland exchequer to the Northern Ireland unemployment insurance fund, and the contributions paid by the imperial exchequer to Northern Ireland in respect of the years 1928-29 and 1929-30 were as follows:

TABLE 31.—*Equalization payment, contribution by imperial exchequer, and net cost to Northern Ireland exchequer, 1928-29 and 1929-30*

[Conversions into United States currency on basis of £=\$4.8665]

Item	1928-29		1929-30	
	English currency	United States currency	English currency	United States currency
Equalization payment by Northern Ireland exchequer to Northern Ireland unemployment insurance fund.....	£777, 940	\$3, 785, 845	£591, 744	\$2, 879, 722
Contribution by imperial exchequer to Northern Ireland exchequer.....	483, 059	2, 350, 807	1 334, 804	1, 629, 324
Balance, representing net cost to Northern Ireland exchequer.	294, 881	1, 435, 038	256, 940	1, 250, 398

¹ Payments on account; final figures not yet settled.

Deficits of respective funds.—The deficit of the Northern Ireland unemployment fund had on September 30, 1925, reached the sum of £3,615,538 [\$17,595,010], while the deficit on the British fund at the same date was £8,262,001 [\$40,207,028], a far smaller figure in proportion to the insured population. On the basis of insured populations the corresponding deficit on the Northern Ireland fund would have been £191,104 [\$930,007] only, and the "excess debt" of the fund at the date mentioned was, therefore, £3,424,434 [\$16,665,008]. The agreement of February, 1926, made no provision for the liquidation of this debt, but by that concluded in December, 1928, the Government of Northern Ireland undertook to write off on March 31, 1929, a sum of £424,434 [\$2,065,508] from the excess liabilities of the fund, and a further amount of £100,000 [\$486,650] on each succeeding March 31 until the whole of the "excess debt" is extinguished.

Statistics of Operation

Unemployment in Northern Ireland.—The average percentage of the insured population of Northern Ireland who were unemployed (including an appropriate allowance for persons working systematic short time) during each calendar year is shown in the following table:

Year and per cent unemployed

1925	24.2	1928	17.2
1926	23.3	1929	15.1
1927	13.1	1930	24.3

Unemployment according to trade groups.—Table 32 shows the per cent of persons in specified trade groups unemployed in Northern Ireland during each calendar year. The greater part of the insured population is employed in the industries shown in the table.

TABLE 32.—Per cent of persons unemployed, 1925 to 1930, by trade groups

Trade group	Per cent of persons unemployed					
	1925	1926	1927	1928	1929	1930
Building	25.4	32.5	24.9	21.8	21.3	27.2
Distributors	16.3	17.3	10.6	11.4	12.6	17.4
Dress, etc.	13.8	13.0	8.7	14.2	12.1	24.6
Engineering	25.5	26.0	16.5	14.0	(¹)	(¹)
Flax, linen, and hemp	32.5	27.0	8.4	20.5	14.1	32.4
Food and drink	18.4	17.4	11.3	12.3	13.6	16.8
Shipbuilding (including marine engineering) ¹	33.3	35.6	27.7	28.2	18.2	19.8

¹ Engineering trade group combined with shipbuilding group in 1929 and 1930.

Number of unemployed at present.—According to figures compiled by the Ministry of Labor the number of persons on the unemployment register in Northern Ireland on April 13, 1931, was 74,906, of whom 63,818 were wholly unemployed. This was a considerable increase in the number of unemployed as compared with the same period in the previous year. Replying to a question in the Ulster Parliament on April 16, 1931, the Minister of Labor stated that the amount paid out in benefits to unemployed each week was approximately £64,000 (\$311,456).

Unemployment insurance expenditure.—According to the Northern Ireland Ministry of Finance's account of revenue and expenditure during the financial year ending March 31, 1931, the contribution

by the imperial exchequer to the Northern Ireland exchequer under the unemployment fund equalization agreement, during that period, was £517,302 (\$2,517,450); the expenditure for unemployment insurance and employment services was £1,858,450 (\$9,044,147), of which £1,744,000 (\$8,487,176) comprised unemployment insurance and £114,450 (\$556,971) employment services.

In the Northern Ireland estimates for the financial year 1931-32, the amount estimated for unemployment insurance for the coming financial year, April 1, 1931, to March 31, 1932, is £1,542,000 (\$7,504,143), which is less by £202,000 (\$983,033) than the figure for 1930-31. The estimate for employment services for 1931-32 (administered in connection with unemployment insurance) is £82,002 (\$399,063).

The reduction in the estimate for unemployment insurance is accounted for by the fact that the provision for transitional benefit has been limited to the first six months of this year. There is, therefore, a reduction of £107,000 (\$520,716) in this portion, while the equalization payment under the reinsurance agreement is reduced by £82,000 (\$399,053), owing to the high rate of unemployment now prevailing in Great Britain compared with last year. This factor reduces the amount which it is necessary to pay into the Northern Ireland fund in order to keep it in parity with the British fund.

Increased borrowing powers.—The Ulster Parliament has recently enacted legislation enabling the Provincial Government to raise to £2,500,000 (\$12,166,250) the borrowing powers of the Northern Ireland unemployment fund and to extend for six months the period of the payment of transitional benefit. The borrowing powers prior to this new legislation had been limited to £1,750,000 (\$8,516,375), an amount which would last only until the middle of April. The extension by six months of the period for the payment of transitional benefit, it is stated, was designed to keep the position for the payment of such benefit unchanged until the royal commission on unemployment insurance has reported on the matter and opportunity has been afforded for consideration of its recommendations.

Number insured under unemployment insurance acts.—During the calendar year 1930 there were in Northern Ireland approximately 266,000 persons insured under the unemployment insurance acts, this number being divided among the various main trade groups as shown in Table 33:

TABLE 33.—Number of persons insured under unemployment-insurance acts in 1930, by trade groups

Trade group	Males	Females	Total
Building, construction, and allied trades	24,500	200	24,700
Shipbuilding and engineering	27,300	500	27,800
Construction of vehicles	2,500	200	2,700
Sawmilling, furniture, upholstery, etc.	3,400	600	4,000
Hotel and similar service, laundries	2,500	4,600	7,100
Transport	14,100	400	14,500
Mining and quarrying	2,400		2,400
Printing, paper making, etc.	2,900	2,300	5,200
Textile manufacture	23,800	51,900	75,700
Textile bleaching and dyeing	4,400	4,400	8,800
Manufacture of clothing	4,000	22,300	26,300
Food, drink, and tobacco	8,400	3,200	11,600
Distributive trades	23,100	11,500	34,600
Public services (gas, water, and electricity)	10,900	800	11,700
Other trades	7,000	1,900	8,900
Total	161,200	104,800	266,000

In the calendar year 1928 the number of persons in Northern Ireland insured under the unemployment insurance acts was 251,000. The 5.98 per cent increase in the number of insured since then has occurred in practically all groups except textile manufacture, which has remained stationary, and construction of vehicles and public services, which has decreased.

Amount of unemployment benefit paid.—In Northern Ireland benefits are paid at 28 employment exchanges situated in the most important industrial centers.

The amount of unemployment insurance benefit paid in Northern Ireland during each calendar year is shown in Table 34:

TABLE 34.—*Unemployment-insurance benefits paid, 1925 to 1930*

[Conversions into United States currency on basis of £=\$4.8665]

Year	Total expenditure on benefits		Expenditure per insured person	
	English currency	United States currency	English currency	United States currency
1925.....	£2,481,000	\$12,073,787	£9.32	\$45.36
1926.....	2,410,000	11,728,265	9.15	44.53
1927.....	1,210,000	5,888,465	4.76	23.16
1928.....	1,454,000	7,075,891	5.79	28.18
1929.....	1,325,000	6,448,113	5.13	24.97
1930.....	2,372,000	11,543,338	8.92	43.41

Fraudulent Claims

To assist in the early detection of fraudulent claims to benefit and also to insure that the conditions for the receipt of benefit continue to be satisfied an examination is made of a large proportion of the claims and inquiries made in all cases of doubt. Special attention is given to the claims of applicants whose employment is such as to facilitate benefit being obtained during periods of employment. Particulars as to the cases investigated in each calendar year are given in Table 35:

TABLE 35.—*Results of investigation of claims, 1925 to 1930*

Year	Number of claims—			
	Investigated	Considered doubtful	Prosecuted	Convicted
1925.....	20,702	2,115	125	101
1926.....	25,482	2,483	226	191
1927.....	17,021	3,012	278	254
1928.....	13,794	1,521	129	107
1929.....	15,404	(1)	108	88
1930.....	16,619	(1)	236	200

¹ Separate statistics discontinued after 1928.

Attitude of Employers Toward System

The attitude of employers in Northern Ireland toward the system is believed to be similar, in a general way, to that of employers in Great Britain. In this area criticism is directed chiefly against particular items in the system rather than the general principle of unemployment insurance.

The attitude of some of the local employers is reflected in the following quotation from a recent issue of the Belfast Chamber of Commerce Journal:

In a statement issued by the National Confederation of Employers' Organizations—a body representing employers in industries normally employing 7,000,000 work people—the industrial situation and the causes of the depression which are within the control of the Government and people of this country are examined. Measures are recommended for reducing public expenditure and the charges on industry in order that prosperity may be regained. The statement emphasizes that before the war export industries, sensitive to world conditions, set the general standard of wage levels. To-day, it is pointed out, the standard is set by the "sheltered" industries. By fixing high rates of unemployment insurance, by making grants to local authorities, enabling them to maintain wage rates higher than the export industries can pay, and by the extension of statutory wage-fixing machinery, the State has in large measure determined the general standard of wage levels. Since 1921 unemployment benefit has increased and the cost of living declined; and if the 1921 rates of benefit had been scaled down according to the cost of living a single man to-day would be receiving 33½ per cent less. It is recommended that an immediate reduction of unemployment benefit by 33½ per cent be made; that the fund be placed on a strict insurance basis; and that a special fund should be created and locally administered for the uninsured unemployed.

Attitude of Workers' Groups and the Public

The attitude of the groups comprising the workers is believed to be favorable to the present system or to its extension.

The attitude of the public, outside of the groups of employers and workers, in regard to particular items in the present system, may be said to vary depending upon individual points of view, political beliefs, personal experience, etc. Acting on the principle that the Ulster worker shall not be in a worse position than the cross-channel worker, the Parliament of Northern Ireland has thus far enacted unemployment-insurance legislation similar to that enacted at Westminster.

Irish Free State ⁵¹

Before the Irish Free State was established, in 1922, the British unemployment-insurance system was in effect in Ireland, as enacted in the unemployment insurance acts of 1911 and 1920, the latter of which set up the main features of the present system. These acts, with British amendments of 1921 and 1922, continued in effect after the Irish Free State was established, and have been amended in some details by Irish Free State acts of 1923, 1924 (two acts), 1926, and 1930.

The trend of the amendments has been to make the system strictly an insurance matter on a business basis, and to remove any features savoring of a Government dole for the workless. Surplus income made possible an important reduction in contributions in the amending act of 1930.

Type of System and Classes Covered

The system is compulsory. It includes all persons aged 16 years or over employed under a contract of service, but excepts many groups of workers, of which the most important are workers in agriculture and private domestic service.

Contributions

Contributions are fixed according to age and sex and are not dependent on earnings. They have been recently lowered, but prior to January 5, 1931, weekly contributions were as follows:

TABLE 36.—*Weekly contributions under unemployment-insurance system in Irish Free State prior to January 5, 1931*

[Conversions into United States currency on basis of shilling=24.33 cents; penny=2.03 cents]

Sex	Contribution from employer		Contribution from employee		Total		
	Irish currency	United States currency	Irish currency	United States currency	Irish currency	United States currency	
	<i>d.</i>	<i>Cents</i>	<i>d.</i>	<i>Cents</i>	<i>s.</i>	<i>d.</i>	<i>Cents</i>
Men.....	10.0	20.3	9.0	18.3	1	7.0	38.5
Women.....	8.0	16.2	7.0	14.2	1	3.0	30.4
Boys (16-18 years).....	5.0	10.1	4.5	9.1	9	5	19.3
Girls (16-18 years).....	4.5	9.1	4.0	8.1	8	5	17.2

The State contributed a sum which was 35.6 per cent of the total from employers and employees. From January 5, 1931, the State

⁵¹ Report prepared by B. M. Hulley, American consul, Dublin, as of Apr. 25, 1931.

contributes a sum equal to three-sevenths (42.9 per cent) of the total contributions from employer and employee, who contribute weekly, as follows:

TABLE 37.—*Weekly contributions under unemployment-insurance system in Irish Free State, since January 5, 1931*

[Conversions into United States currency on basis of shilling=24.33 cents; penny=2.03 cents]

Sex	Contribution from employer		Contribution from employee		Total	
	Irish currency	United States currency	Irish currency	United States currency	Irish currency	United States currency
	d.	Cents	d.	Cents	s. d.	Cents
Men.....	7.0	14.2	6.0	12.2	1 1	26.4
Women.....	6.0	12.2	5.0	10.1	11	22.3
Boys (16-18 years).....	3.5	7.1	3.0	6.1	6.5	13.2
Girls (16-18 years).....	3.0	6.1	2.5	5.1	5.5	11.2

Benefits

The benefits amount to 15s. (\$3.65) per week for men, half that amount for boys, 12s. (\$2.92) for women, and half that amount for girls. Additional amounts may be granted for dependents.

Insured persons are entitled by statute to benefits, after 6 continuous days of necessary unemployment, if they have paid at least 12 weekly contributions and satisfy the other conditions of the 1920 act. For each week for which contribution was paid, one day's benefit is granted. The benefits cease when they have continued for the number of days equal to the number of contributions. No provision is made for persons dropped from regular benefits.

Administration

Unemployment insurance is administered by the Irish Department of Industry and Commerce, through employment exchanges in the larger cities and branch employment offices in smaller places. This department issues an unemployment-insurance book for each worker. The book is kept by the employer, who is primarily liable for keeping it up to date. Each week a special stamp, purchased at the post office, is affixed to the card by the employer, who deducts the employee's share from his wages. The post-office accounts periodically for the money received for unemployment-insurance stamps. On leaving a job the employee receives his book and either presents it to his new employer, or deposits it at an employment exchange in connection with his claim for benefit.

Provision Against Abuse

A person claiming benefit must, as proof of unemployment, sign a register at the employment office daily between 10 a. m. and noon, or between 2 and 4 p. m., or in remote districts must report himself as unemployed on a special form and have this form authenti-

cated by a police officer. This is to guard against payments to persons actually employed. There are no statistics on frauds, but they are considered infrequent.

Grievances and Disputes

Grievances and disputes may be adjusted by appealing from a decision of the insurance officer in the Department of Industry and Commerce to a local court of three referees, including a chairman appointed by the Ministry of Industry and Commerce and representatives of both employers and employed. A final appeal from this court may be made to an umpire appointed by the executive council of the Government, whose decision is final.

Statistics of Operation

On October 5, 1930, there were in the Irish Free State 282,622 workers covered by unemployment insurance, and this number includes all workers insurable by law. There is no estimate of the total number of workers, but the number insured is 9.5 per cent of the total population.

The average number of persons receiving unemployment benefit in each of the years 1926 to 1930 was 15,258, and the annual figures declined from 37,366 in 1922 to 13,704 in 1927 and then rose gradually to 16,237 in 1930. The beneficiaries are not classified statistically as to sex, industry, and so forth.

Total receipts in the year 1929-30 amounted to £953,295^a (\$4,639,210), of which £703,020 (\$3,421,247) was contributed by employers and employees and £250,275 (\$1,217,963) by the Government. In the same year, expenditure for unemployment benefits was £467,114 (\$2,273,210). Approximately £140,000 (\$681,310) annually is used to pay the cost of administration. The surplus has been used to retire the debt assumed in taking over the system when the Irish Free State was founded. Revenue has increased steadily since 1925-26, while expenditure for benefits decreased notably from that year to 1927-28, since which time it has slightly increased. The recent cut in contributions by law is ascribed to the rapidity with which the funded debt was being reduced and indicates the healthy financial position of the system. Statistics of the present indebtedness are not available, but it is estimated that the expected small annual surplus of receipts will easily extinguish it.

Calculations on Actuarial Basis

The contributions and benefits fixed by the British law of 1920 are understood to have been based on actuarial calculations, but such figures are not available in the Irish Free State. The reduction in contributions, effective January 5, 1931, was based on the experience of the last eight years, but actuarial figures are not available.

^a Conversions into United States currency made on basis of £=\$4.8665.

Attitude of Various Groups

In general the present unemployment-insurance system has the support of employers, workers, and the general public, in view of its manifest benefits and comparatively small cost. The principle of unemployment insurance has through usage become accepted without serious question. As experience accumulates, minor changes in the system are made by law. There is no opposition in the press or by any political parties to the general scheme.

The chief difficulty encountered is noncompliance in the case of small employers, but for most industrial workers the system operates smoothly.

Contemplated Changes

No important change in the system is contemplated by the legislative authorities or urged by any important group.

Italy ⁵²

Unemployment insurance was established in Italy by decree law of October 19, 1919, effective January 1, 1920, and it was then administered directly by the State through the National Office for Employment and Unemployment (Ufficio Nazionale per il Collocamento e la Disoccupazione).

Later on, by legislative decree of December 30, 1923, the administration of unemployment insurance was intrusted to the National Institute for Social Insurance (Cassa Nazionale per le Assicurazione Sociali). Thus, unemployment insurance became coordinated with compulsory invalidity and old-age insurance, especially as to the collection of contributions, which is handled jointly for both kinds of insurance.

Coverage of System

Unemployment insurance in Italy is compulsory. The decree of December 30, 1923, abolished the commercial offices which in addition to the various provincial offices, administered unemployment insurance under previous regulations.

As a general rule, the same classes of persons who are subject to compulsory insurance against invalidity and old age and against tuberculosis are also subject to compulsory unemployment insurance. These include all wage earners of both sexes over 15 years and not over 65 years of age who are not independent workers. Seamen of the merchant marine, which has a separate office for invalidity and old-age insurance, are also subject to compulsory unemployment insurance.

Classes excluded from the system.—Representatives and employees of the State, of the State railways, of the royal household, of the communes and Provinces, and of public-welfare institutions are exempt from insurance against unemployment, provided they are regular employees. Private employees are exempt from such insurance if their monthly salary is more than 800 lire (\$42.08).⁵³

The following classes are also exempt from unemployment insurance: All agricultural workers; home workers; persons in domestic or private service; regularly employed persons whose judicial status is similar to that of State employees; persons employed in establishments which are operated only during fixed periods of less than six months; and other minor classes of workers.

Character and Amount of Contributions

Half of the compulsory contribution for unemployment insurance is borne by the employer and half by the insured employee. The

⁵² Report prepared by Hiram A. Boucher, American consul, Rome, as of May 1, 1931.

⁵³ Conversions into United States currency made on basis of lira at par=5.26 cents.

amount of the insurance contribution is fixed in relation not to the actual wage of the insured, but to three standard classes of wages, fixed by law as follows:

Daily wage:	Weekly contribution
Up to 4 lire (21 cents)-----	0.35 lira (1.8 cents).
4 to 8 lire (21 to 42 cents)-----	.70 lira (3.7 cents).
Over 8 lire (42 cents)-----	1.05 lire (5.5 cents).

Contributions are collected by means of insurance stamps, together with the contributions for compulsory insurance against invalidity, old age, and tuberculosis.

No contributions are now made by the State, the Provinces, or the communes, although originally (decree of April 21, 1919) an annual contribution of 40,000,000 lire (\$2,104,000) was to be made by the State. This contribution was paid only for two years—namely, for the fiscal years 1920 and 1921.

Benefits

Conditions for receipt.—To be entitled to a benefit the unemployment must be involuntary and at least 48 weekly contributions must have been paid within the two years preceding the period of unemployment. The waiting period is seven days, and therefore the benefit begins on the eighth day of unemployment.

Seasonal unemployment and unemployment arising from normal suspension periods do not make the insured eligible to benefits. The industries subject to seasonal unemployment or to normal suspension periods are specifically indicated by ministerial decree of August 18, 1925, which has since been modified and supplemented.

Amount of benefits.—The amount of unemployment-insurance benefits is fixed in relation to the three standard classes of wages governing the contributions, as follows:

Daily wage:	Daily benefits
Up to 4 lire (21 cents)-----	1.25 lire (6.6 cents).
From 4 to 8 lire (21 to 42 cents)-----	2.50 lire (13.2 cents).
Over 8 lire (42 cents)-----	3.75 lire (19.7 cents).

In no case may the amount of the daily benefit exceed one-half of the amount of the daily wage insured.

Special provisions govern the granting of benefits for partial and occasional unemployment. Insured persons who are subject to partial or occasional unemployment may receive benefits for all days of actual unemployment, except holidays, after deducting 10 days (holidays not included) for each calendar month for which benefits can not be granted because the total unemployment during that month is only 10 days or less.

The part-time or casual occupations in which insured persons are entitled to unemployment benefits are specified in the ministerial decree of June 11, 1926, and the subsequent modification in ministerial decree of March 1, 1927, as follows: Loading and unloading at seaports (porters and unloaders); waiters in hotels, restaurants, etc.; grinding of cereals (millers) and bakeries; throwing, spinning, and weaving of silk; spinning, twisting, and weaving of cotton; weaving of wool, including preparatory work such as carding and spinning; manufacture and working of felt materials (hat makers); sulphur refineries.

Voluntary quitting is treated the same as involuntary dismissal and entitles insured persons to unemployment benefits after an additional waiting period of 30 days after the normal waiting period of 7 days.

Period for which paid.—If at least 48 weekly contributions have been paid within the preceding two years, benefits are granted for a maximum period of 90 days during one year; if at least 72 contributions have been paid, benefits are granted up to a maximum of 120 days during one year.

Persons dropped from benefits.—After the expiration of the maximum benefit period, the insured person has no further benefit rights during his subsequent unemployment, although assistance might be granted to such persons by various public welfare institutions and presumably also by the trade organizations (*sindacale*) to which they belong.

Administration of System

The Italian unemployment-insurance system is administered by the National Institute for Social Insurance (*Casa Nazionale per la Assicurazioni Sociali*) in conjunction with compulsory invalidity, old-age, and tuberculosis insurance. This organization has its headquarters in Rome, and branches, provincial offices, and agents throughout the Kingdom. The provincial offices are dependent offices and have no independent administrative powers nor functions.

There is but a single unemployment-insurance fund, known as the National Unemployment Fund (*Fondo Nazionale per la Disoccupazione*), which is administered at the headquarters of the National Institute. The fund, established through the surplus resulting from unemployment-insurance administration, amounted at the end of 1930 to 920,000,000 lire (\$48,392,000). The existence of only one fund is explained by the fact that after the abolition of the commercial insurance offices by the decree of December 30, 1923, the granting of all classes of unemployment-insurance benefits was handled on a national basis.

Administrative questions of a general character are handled by the administrative council of the National Institute, and ordinary administrative matters are dealt with by a special committee composed of the president and two vice presidents of the National Institute (one of the latter representing the employers and the other the employees); a representative of the employers and a representative of the insured, both elected by the administrative council from among its own members; and one representative each of the Ministries of Corporations, Finance, and Public Works.

Collection of contributions and payment of benefits.—The contributions for unemployment insurance (together with those for other social insurance) are collected through the medium of special insurance stamps, for sale at all post offices and provincial offices of the institute. The collections made by the post offices are remitted through the director general of posts and telegraphs of the Ministry of Communications to the Bank of Italy and credited to the current account of the National Institute for Social Insurance. Although payment of benefits for invalidity and old-age insurance is intrusted to the post offices, the payment of unemployment benefits is handled directly through the national institute and its branches, provincial

agencies, and certain communal offices designated for the purpose. When a communal official has been authorized to make such payments (without responsibility on the part of the commune itself), funds are advanced to him by the provincial office of the institute for the payment of benefits, based on documentary proof furnished by the official as to the number of ascertained days of unemployment under each class, subject always to the decision of an officer of the institute as to eligibility to receive benefits in each case. In general, unemployment benefits are paid fortnightly, at the end of each period.

Provisions Against Fraud

Infractions of the regulations regarding unemployment insurance contributions on the part of employers are punishable by fines ranging from 100 to 5,000 lire (\$5.26 to \$263) in addition to the amount due for delinquent and accrued contributions. This provision comes under the Civil Code and not the Penal Code. Before a final decision by the court in such a case, the offender is permitted to petition for administrative settlement of the case by the institute, where the matter is considered by the special committee above mentioned.

The decree of December 30, 1923, provides:

Whoever collects unemployment benefits through altering dates or in any other fraudulent way shall be punished by a fine of not less than twice nor more than 10 times the amount of benefits fraudulently obtained, such fines not to effect any heavier punishment than that provided for by the Penal Code.

In addition to the above fines such offenders, by decision of the special committee, may be excluded from the enjoyment of unemployment-insurance benefits for the period of one year. Attempts to obtain benefits fraudulently may also be punished by exclusion for one year from further benefits by action of the special committee, and irrespective of liability for infraction of the Penal Code. Similar provisions are also effective as respects employers and accessories in the fraud. While cases of fraud have occurred, they have been so infrequent as to be a negligible factor in the administration of the system.

Adjustment of Grievances and Disputes

Interested parties have the right of appeal from actions or decisions of the local unemployment-insurance representatives as to the amount of contributions or benefits payable, the manner of their payment, etc., in the first instance to the special committee for the administration of compulsory unemployment insurance located at the headquarters of the National Institute in Rome. Decisions of the special committee may be appealed to the Ministry of Corporations, whose decision is final.

Statistics of Operation

Number of persons covered.—The number of persons covered by the compulsory unemployment system amounts to about four and one-quarter millions, which is about 22.3 per cent of the total working population, estimated at 19,000,000.

Number receiving benefits and number unemployed.—The number of unemployed persons in Italy receiving benefits on March 31, 1931,

was given as 230,000, or 32 per cent of the total unemployed, which numbered 709,486, of which 548,356 were men and 161,130 were women.

Unemployed on March 31, 1931, by occupation

Agriculture, hunting and fishing.....	175, 056
Mining industries.....	18, 695
Preparation of products of agriculture, hunting and fishing.....	56, 291
Metal-working industries.....	57, 825
Working minerals, building, street and hydraulic construction.....	222, 761
Textile and fiber industries.....	90, 098
Chemical industries.....	9, 326
Public-utility industries and services.....	39, 704
Public services.....	12, 960
Personal services, other than workmen.....	21, 528
Personal services not specified.....	5, 242
Total.....	709, 486

The monthly average, the maximum, and the minimum of the unemployed for the last five years for which figures are available are shown in Table 38:

TABLE 38.—*Monthly average, maximum, and minimum unemployment, 1925 to 1931*

Year	Average	Maximum	Minimum
1925.....	110, 298	156, 659	72, 211
1926.....	113, 901	181, 493	79, 678
1927.....	278, 484	414, 283	214, 603
1928.....	324, 422	439, 211	234, 410
1929.....	300, 787	489, 347	193, 325
1930 ¹		466, 231	322, 291
1931.....	² 700, 000		

¹ First 10 months.

² First 3 months, approximately.

Receipts and expenditures.—Unemployment-insurance receipts of all kinds since the inception of the system, by fiscal years, are shown in Table 39:

TABLE 39.—*Unemployment-insurance receipts (in thousands), by fiscal years, 1920–21 to 1930*

[Conversions into United States currency on basis of lira at par=5.26 cents]

Fiscal year	Insurance contributions	Government contribution	Fund revenues	Other receipts	Total	
					Lira	United States currency
1920–21 ¹	Lira 120, 356	} ² 80, 000	24, 214	14, 086	474, 030	\$24, 934
1921–22.....	85, 968					
1922–23.....	99, 853					
1923, second half.....	49, 553					
1924.....	104, 847		13, 908	476	119, 231	6, 272
1925.....	114, 411		18, 094	163	132, 668	6, 978
1926.....	123, 606		28, 082	214	151, 902	7, 090
1927.....	126, 603		34, 510	292	161, 405	8, 490
1928.....	128, 241		36, 345	380	164, 966	8, 677
1929.....	133, 285		40, 134	368	173, 787	9, 141
1930.....	³ 133, 500					

¹ 18 months ending June 30, 1921.

² The decree of Oct. 19, 1919, establishing unemployment insurance, provided for annual contribution of 40,000,000 lira by the State during the first three fiscal years, subsequent contributions to be established by decree; but in view of the surplus in the national unemployment fund at the end of the first 2 years no further contribution was made by the State. The original decree provided also that the State's contribution in no case should exceed one-third of the average annual benefits paid during the preceding 3-year period.

³ Approximate.

Unemployment-insurance expenditures of all kinds, by fiscal years, are shown in Table 40:

TABLE 40.—Unemployment-insurance expenditures (in thousands), by fiscal years, 1920-21 to 1930

[Conversions into United States currency on basis of lira at par=5.26 cents]

Fiscal year	Benefits paid	Adminis- tration expenses	Total	
			Lire	United States currency
1920-21 ¹	Lire 7,070			
1921-22	84,556	38,463	197,226	\$10,374
1922-23	50,158			
1923, second half	16,979			
1924	24,110	9,710	35,820	1,884
1925	14,087	8,970	23,057	1,213
1926	22,365	9,620	31,985	1,632
1927	69,793	11,370	81,163	4,269
1928	65,345	11,718	77,063	4,054
1929	59,088	13,472	72,558	3,817
1930	¹ 100,000			

¹ 18 months ending June 30, 1921.

² Approximate.

The surplus of the unemployment insurance reserve fund at the end of each fiscal year since 1921 is shown in Table 41:

TABLE 41.—Surplus of unemployment insurance reserve fund (in thousands) a end of each fiscal year, 1921 to 1930

[Conversions into United States currency on basis of lira at par=5.26 cents]

Date	Lire	United States currency	Date	Lire	United States currency
June 30, 1921	151,066	\$7,946	Dec. 31, 1926	585,850	\$30,816
June 30, 1922	189,504	9,068	Dec. 31, 1927	666,129	35,038
June 30, 1923	237,161	12,475	Dec. 31, 1928	754,076	39,664
Dec. 31, 1923	270,869	14,248	Dec. 31, 1929	855,287	44,988
Dec. 31, 1924	356,320	18,742	Dec. 31, 1930	1,920,000	48,392
Dec. 31, 1925	465,940	24,508			

¹ Approximate.

Contributions and Benefits Not Based on Actuarial Figures

The financial estimates in connection with the Italian unemployment insurance contributions and benefits were not based on actuarial calculations; in fact, it was not seen how actuarial statistics could be used as a basis for such estimates. The extent of unemployment, statistics of cost of living, etc., prevailing during the immediate after-war period were, however, taken into consideration.

Attitude of Various Groups Toward System

There has been no general opposition either to the principle of unemployment insurance or to the administration of the system in Italy so far as could be ascertained. It is understood that the in-

sured employees are in favor of greater benefits in case of unemployment, but only in case it does not occasion an increase in the amount of contributions. Although there appears to have been no active demand for a revision of the present ratios between contributions and benefits, it is sometimes pointed out that the accumulation of a large surplus in the national unemployment fund even without the continuance of Government contributions warrants the payment of larger benefits without increasing the amount of contributions.

The coordination of unemployment insurance with old-age and invalidity, and tuberculosis insurance, particularly as to payment of contributions under a single insurance card, has met with general approval.

It is alleged that no abuses in the system worth mentioning have made their appearance in Italy. This is doubtless due to the fact that the amount of benefits is so small and the fines for infractions of the regulations and for frauds are so heavy that abuses of the system are seldom attempted.

Contemplated Changes in the System

According to the general secretary of the national social insurance fund, the only important change in the system contemplated at present by the Italian authorities, which will probably be effected through a legislative decree, is the proposal to increase the amount of benefit in relation to the size of family or number of dependents of the unemployed insured person without increasing the amount of his contribution. He emphasizes, however, that the Government intends to keep benefits down to a minimum living basis to prevent the possibility of removing the stimulus to find employment and in consequence promoting laziness and abuses. The same official points out that the proposed increase in benefits to insured persons having numerous dependents could be easily effected in view of the surplus of 920,000,000 lire (\$48,392,000) at the end of 1930, and the fact that even during the severe economic depression a surplus of 65,000,000 lire (\$3,419,000) was accumulated in 1930 in spite of the payment of benefits amounting to over 100,000,000 lire (\$5,260,000) as compared with 59,000,000 lire (\$3,103,400) in 1929.

Other Unemployment Relief Measures

The National Institute for Social Insurance employs its capital and insurance funds to make loans for public works involving the employment of considerable numbers of unemployed. Such loans are made to communes, Provinces, reclamation unions, railroad construction enterprises, etc., provided adequate guaranties can be given.

Free employment exchanges have also been established by the Government, and employers are required to apply to these exchanges when they take on additional personnel. The Government labor exchanges also deal with the transfer of excess labor from one industry to another.

A committee, under the supervision of the head of the Government, has been instituted for the purpose of regulating the migration and transfer of agricultural workers from one region of the country to another according to the changing demand for farm labor.

Luxemburg, Grand Duchy of⁵⁴

At the outset it must be stated that the question of unemployment insurance in the Grand Duchy of Luxemburg has been settled in broad, general outline, but that, as yet, the legislation on the subject has not been put into effect. Hence the following report merely gives an indication of the system that has been mapped out for use at such time as unemployment becomes sufficiently acute to demand the institution of unemployment insurance.

Luxemburg has had practically no unemployment. Its steel industry is the only pursuit of any importance except agriculture. When aliens employed in the steel mills are out of employment, they return to the countries to which they belong; when Luxemburg nationals are similarly unemployed they return to the farms. The consular officer at Luxemburg reports on the basis of information obtained from the competent authorities, that no relief payments were made until recently, when a few scattered cases have arisen in the Grand Duchy.

The basic legislation regarding unemployment insurance is contained in a law of August 6, 1921, and a decree issued on the same day by virtue of authority granted in the law itself, as well as in two amending decrees of February 9, 1927, and January 5, 1931. The amendments deal exclusively with the scale of relief or benefits to be paid, but since the system has not as yet been put in force, it is believed that these amendments have been made merely to provide a basis for the payments of relief apparently now being made exclusively from Government funds.

Coverage of System

The legislation provides that any workman of Luxemburg nationality, whether man or woman, above 16 years of age, who loses his employment and makes a serious but unsuccessful attempt to find other remunerative employment, is entitled to the benefits of the law.

Provision is made, however, to extend the benefits to such alien workmen as are residents of Luxemburg and fulfill the other conditions imposed upon Luxemburg nationals.

Contributions

Contributions to the unemployment fund, when the insurance is definitely put in force, will be made in equal parts (that is, 25 per cent each) by the National Government, by the municipality in which the workmen reside, by the employer, and by the employee. The amounts due the National Government (which will make all

⁵⁴ Report prepared by Walter S. Reineck, American consul, Antwerp, Belgium, as of May 4, 1931.

relief payments) from the municipalities will be billed to the latter quarterly and collected in the same manner as other sums owing to the central Government by the communes are collected. The manner in which the contributions of the employees and the employers are to be made is to be prescribed by decree to be issued when the system is put in force. This enforcing decree will also establish the national unemployment fund as such.

Benefits

The decree of August 6, 1921, prescribes that to receive the benefits provided for the applicant must be certified in due form as indigent, must be at least 16 years of age, must show that he is receiving no assistance from a sick fund, must provide proofs that he has been dismissed by his employer, must be a resident of the Grand Duchy, and must prove that he has been regularly employed during at least 200 days of the year immediately preceding his application for relief.

Present Operation of System

As previously stated, while the legal basis for unemployment insurance in Luxemburg has been provided, no steps have as yet been taken looking to the actual inauguration of the system. Unemployment insurance has to a great extent been eclipsed in the Grand Duchy by insurance or pensions covering sickness, accident, invalidity, and old age, all of which are compulsory. It is therefore unlikely that any steps will be taken to give effect to the unemployment insurance system in the near future.

Netherlands ⁵⁵

The unemployment-insurance system of the Netherlands is conducted by the labor unions and not by the Government, although both the national and municipal governments contribute to the insurance funds of the insurance associations formed by various unions, in an amount equal to the sums raised by these unions from contributions from the members. The unions themselves are in reality official bodies, each being properly recognized and chartered by the Government. They thus differ, to a certain extent, from labor unions as known in the United States, as they retain some of the features of the old guilds which existed in former times. This status of the unions and the fact that these bodies conduct the insurance system, with only a general oversight by the Government and the municipality, with reference to the destination of the funds supplied by them, should be borne in mind in connection with the study of the operation of the unemployment insurance system of this country.

The law establishing the unemployment-insurance system of the Netherlands is embodied in a royal decree of December 2, 1916, which is known as the unemployment decree of 1917, for the reason that it went into effect in January, 1917.

The unemployment-insurance system may be voluntarily accepted by any union, but as far as the individual members of the unions which accept are concerned the system is compulsory. This is evidently a matter of Government policy, for neither the law itself nor any of the Government decrees make a stipulation of this character.

Coverage of System

The labor unions in the Netherlands are divided into trade groups which, in turn, are divided into subgroups; thus the woodworking union includes brush makers, carpenters, furniture makers, and barrel and box makers. In each group may be a number of different unions which are usually organized on political or religious lines; thus the building trades group includes the Christian National Union, the National Federation of Carpenters, the Netherlands Roman Catholic Union of Building Trades Workers, the Netherlands Association for the Protection of Building Trades Workers, and the Neutral Association of Building Trades Workers. The following statement shows the main trade groups, together with the number of workers in each, all of whom are members of the unemployment-insurance association of the various unions:

⁵⁵ Report prepared by Charles L. Hoover, American consul general, Amsterdam, as of May 5, 1931.

	Number of members
Diamond industry.....	5, 889
Printing trades.....	19, 728
Building trades (including painters—11,132).....	82, 304
Woodworking industry.....	14, 064
Clothing industry.....	5, 845
Leather industry.....	3, 909
Mining industry.....	13, 077
Metal industry.....	64, 304
Textile industry.....	34, 796
Foodstuffs industry (including the tobacco and cigar industry—13, 616).....	27, 625
Agriculture and peat industry.....	36, 862
Transport trades.....	46, 971
Hotel industry.....	1, 599
Commercial and office work.....	31, 065
Technical and supervising work.....	7, 101
Factory industries.....	48, 247
Hairdressing industry.....	(50)
Other groups.....	2, 155
Total	445, 541

At the end of 1929 there were 93 national labor organizations and 28 local labor organizations, or a total of 121, having 5,437 local lodges, which provided unemployment insurance for their members. Most of these organizations had a large number of branches, or local lodges, the greatest number, perhaps, being that of the Roman Catholic Building Trades Workers Association, which had 391 branches throughout the country; but, on the other hand, some of the associations, like the six diamond workers' unions, had no branches at all. Table 42 shows the number of unions in each trade group, and the total number of branches under these various subgroups:

TABLE 42.—Number of subdivisions of unions having unemployment-insurance associations in the Netherlands

General trade group	Sub-groups	Number of local lodges	General trade group	Sub-groups	Number of local lodges
Building trades.....	12	1, 282	Technical and supervising work.....	9	169
Diamond industry.....	5	5	Tobacco industry.....	4	226
Factory industries.....	6	669	Textile industry.....	5	180
Printing trades.....	5	276	Transport trades, fishing, and shipping.....	5	297
Commercial and office work.....	5	256	Foodstuffs industry.....	7	266
Hotel industry.....	3	29	Associations not included in the foregoing.....	28	63
Woodworking industry.....	7	248	Local unions.....	0	28
Hairdressing industry.....	1	17			
Clothing industry.....	3	83			
Agriculture and horticulture.....	6	863			
Metal industry.....	6	342	Total	121	5, 437
Mining industry.....	4	138			

No classes of persons or industries are excluded from insurance, but individuals must insure through their own labor organizations, and these labor organizations may be admitted to the subsidized insurance system only with consent of the Crown; that is to say, the union itself may be recognized only by royal decree, but once having been recognized as an organized union with a legal status, the right to insurance subsidy automatically accrues under article 2 of the decree of 1917.

⁵⁰ Received right to subsidy Apr. 29, 1929; no figures available.

Contributions

The amount of contribution by the State and local governments depends upon the amount of contribution by the members of the insurance association; the employers make no contribution whatever. Each union reports the amount of the members' contribution, and the National Government and the municipalities each contribute half that amount, so that the total government subsidy amounts to 100 per cent of the workers' contributions. Members' contributions are based on both the wages and the age of the worker, but are fixed by the unions themselves and not by the Government. Table 43 shows the wage classes and contributions by the workers in the General Netherlands Building Trades Workers' Association:

TABLE 43.—*Weekly contributions of members of General Netherlands Building Trades Workers' Association*

[Conversions into United States currency on basis of florin=40.2 cents]

Wage class	Average hourly rate of specified wage class		Weekly contributions of members aged—							
			15, 16, or 17 years		18 or 19 years		20 or 21 years		22 years or more	
	Netherlands currency	United States currency	Netherlands currency	United States currency	Netherlands currency	United States currency	Netherlands currency	United States currency	Netherlands currency	United States currency
Class 1.....	Florin 0.71	\$0.29	Florin 0.25	\$0.10	Florin 0.30	\$0.12	Florin 0.40	\$0.16	Florin 0.50	\$0.20
Class 2.....	.63-.70	.25-.28	.23	.09	.28	.11	.37	.15	.46	.18
Class 3.....	.56-.62	.23-.25	.20	.08	.25	.10	.34	.14	.42	.17
Class 4.....	.51-.55	.21-.22	.18	.07	.23	.09	.31	.12	.38	.15
Class 5.....	.50 or less	.20 or less	.15	.06	.20	.08	.28	.11	.34	.14

This schedule may be taken as fairly typical, but, as has already been stated, each union fixes the amount of the contribution for its members. The Diamond Workers' Union of Amsterdam bases the contribution solely on wages, the scale being as follows:

Wage class:	Contribution
15.99 florins (\$6.43) per week or less.....	0.50 florin (\$0.20).
16 florins (\$6.43) to 10.99 florins (\$8.04) per week.....	.75 florin (\$0.30).
20 florins (\$8.04) per week and higher.....	1.00 florin (\$0.40).

The manner in which the contributions must be paid is not established in the law, but in most cases they are made in the form of stamps affixed to the contribution books of the members of the various unions.

Benefits

Conditions for receipt.—It may be emphasized that the unions are practically autonomous as far as the unemployment insurance is concerned, and that, therefore, each union fixes the conditions, not only with regard to the contributions but also with respect to the benefits. Each union has therefore adopted such scales of contributions and benefits and has formulated such regulations as have ap-

peared suitable to its own requirements. The usual waiting period is one week, six days being always counted as a week in legislation pertaining to labor, and on the average the member must have paid premiums for a period of 26 weeks—that is, one-half of a year—before he becomes entitled to receive benefits from the insurance funds of the union.

Amount and period for which paid.—With respect to the payment of the benefits, the periods are fixed by the unions themselves and are by no means uniform. Table 44 shows for 30 different unions the maximum amount of the weekly contributions by the members, the maximum amount of the daily benefits paid to unemployed members, and the number of days for which benefits may be paid each year:

TABLE 44.—Contributions required and benefits paid in specified union unemployment-insurance associations

[Conversions into United States currency on basis of florin=40.2 cents]

Union	Weekly contributions		Daily benefits		Number of days' benefits paid per year
	Netherlands currency	United States currency	Netherlands currency	United States currency	
	<i>Florins</i>	<i>Cents</i>	<i>Florins</i>		
Bakers.....	0.11-0.15	4.4-6.0	2.85-3.00	\$1.15-1.21	54-78
Overseers in building trades.....	.68	27.3	4.00	1.61	78
Brush makers.....	.25	10.1	2.60	1.05	60
Building trades.....	.50-.60	20.1-24.1	2.35	.94	39-50
Private chauffeurs.....	.15	6.0	2.50	1.01	90
Diamond workers.....	1.00-1.25	40.2-50.3	2.70-3.00	1.09-1.21	78
Factory workers.....	.20-.30	8.0-12.1	2.60-3.00	1.05-1.21	60
Commercial and office workers.....	.04½-.12	1.8-4.8	3.50-5.00	1.41-2.01	72-78
Hotel employees.....	.12-.40	4.8-16.1	2.00-3.00	.80-1.21	40-66
Woodworkers.....	.20-.27	8.0-10.9	2.40-2.60	.96-1.05	54
Clothing makers.....	.18-.24	7.2-9.6	2.60	1.05	42-48
Coopers.....	.25	10.1	2.25-2.60	.90-1.05	60-78
Farm workers.....	.30-.40	12.1-16.1	1.20-1.70	.48-.68	36-48
Lithographers.....	.10	4.0	5.30	2.13	190
Metal workers.....	.20-.30	8.0-12.1	2.40-3.00	.96-1.21	60
Mine workers.....	.08	3.2	3.00	1.21	72
Overseers in transport operations.....	.14	5.6	4.50	1.81	78
Painters.....	.55	22.1	2.60	1.05	48
Cigar makers.....	.25-.35	10.1-14.1	2.56-2.70	1.03-1.09	60
Butchers.....	.20-.23	8.0-9.2	2.60-3.00	1.05-1.21	54-78
Masons.....	.35	14.1	2.60	1.05	48
Road workers.....	.45	18.1	2.50	1.01	48
Plasterers.....	.80	32.2	3.50	1.41	42
Technical trades.....	.22-.34½	8.8-13.9	3.50-4.50	1.41-1.81	60-90
Textile workers.....	.15-.20	6.0-8.0	3.00	1.21	60
Printers.....	.10-.15	4.0-6.0	4.44-4.58	1.78-1.84	190
Transport workers.....	.25-.40	10.1-16.1	2.25-2.60	.90-1.05	36-42
Overseers.....	.20-.22	8.0-8.8	4.50	1.81	78-90
Seamen.....	.40	16.1	2.25	.90	42
Dairy workers.....	.15	6.0	2.60	1.05	78

¹ In 67 weeks.

Table 45 shows the schedule of benefits of the General Netherlands Building Workers' Union:

TABLE 45.—Daily unemployment benefit of General Netherlands Building Workers' Union

[Conversions into United States currency on basis of florin=40.2 cents]

Class	Rate of daily unemployment benefit paid to members aged —									
	15, 16, or 17 years		18 or 19 years		20 or 21 years		22 years or more			
							Single		Married or breadwinner	
	Netherlands currency	United States currency	Netherlands currency	United States currency	Netherlands currency	United States currency	Netherlands currency	United States currency	Netherlands currency	United States currency
	<i>Florin</i>	<i>Cents</i>	<i>Florin</i>	<i>Cents</i>	<i>Florins</i>	<i>Cents</i>	<i>Florins</i>	<i>Cents</i>	<i>Florins</i>	<i>Cents</i>
Class 1.....	0.60	24.1	0.95	38.2	1.40	56.3	1.75	70.4	2.35	94.5
Class 2.....	.55	22.1	.90	36.2	1.30	52.3	1.60	64.3	2.15	85.4
Class 3.....	.50	20.1	.85	34.2	1.25	50.3	1.50	60.3	2.00	80.4
Class 4.....	.45	18.1	.80	32.2	1.15	46.2	1.40	56.3	1.85	74.4
Class 5.....	.40	16.1	.75	30.2	1.05	42.2	1.30	52.3	1.70	68.3

Article 13, paragraph 1, of the decree of 1917 provides that the total benefits payable to a person who is insured in the subsidized associations may not exceed 70 per cent of his average daily wages.

Provisions for persons dropped from regular benefits.—Neither the decree of 1917 nor any other law specifically makes provision for persons who have been dropped from the regular benefits of the unemployment-insurance associations, and such persons, if destitute, are normally considered public charges and are supported by the communities in which they live, the National Government, however, aiding in their care under the provisions of the so-called poor law of April 27, 1912, as amended by the laws of May 31, 1929, and June 22, 1929. In some cases the poor are cared for by private charity associations.

It has been found necessary at the present time, when unemployment is unusually great and has been of long duration, to make special arrangements for the support, not only of persons dropped from benefit because of the exhaustion of their right to benefit or of the funds of the unemployment associations, but for other unemployed as well. The regulations governing the granting of this support have been announced by the Minister of the Interior and Agriculture, and revive the "crisis regulations" which were put into effect shortly after the close of the war and which were abrogated in 1924. The funds for emergency relief provided for in these regulations are to be derived from various sources, but principally from a surplus existing in the national treasury from emergency taxes, the collection of part of which has continued up to the present. The funds arising from the new cigarette tax are to be covered into the emergency relief funds.

The following excerpt from the *Maandschrift*, the monthly journal of the Bureau of Statistics, sets forth in brief the regulations for relief as prescribed by the Minister of the Interior and Agriculture on January 7, 1931:

The Minister of the Interior and Agriculture has prescribed a system for the support of those unemployed in consequence of the crisis, which system, in its principal lines, corresponds to the plan of 1924. Again, a Government contribution will be given to the municipalities concerned toward the cost of support of unemployed laborers belonging to certain industries. To be qualified for such a contribution, the municipalities are obliged to observe strictly the stipulations laid down in this decision and in others which may be made later. In the decree the unemployed are classified as follows: (a) Those already qualified; (b) those requalified; (c) those who, according to the rules and regulations of the unemployment fund, are not yet entitled to receive benefits; (d) the unorganized workmen.

The following is taken from the provisions of the arrangement:

"Two classes have been created, one for those now entitled to the benefit, and one for the three other categories. For those qualified (qualified for benefits from an active unemployment fund subsidized by the Department of Labor, who have not yet enjoyed the benefit during the number of weeks fixed by the Minister of the Interior, etc.) it has been stipulated that able workmen wholly or partly unemployed against their will who, for the three months preceding the date on which they became unemployed, have been engaged for at least six weeks in industries to be named by the Minister of the Interior and Agriculture, shall receive a weekly benefit in money for as long as they are qualified therefor according to the judgment of the organization recognized by the minister. The time during which they will be qualified for the benefit is, at most, 18 weeks for boarders and 24 weeks for married or unmarried breadwinners. When a person qualified for the benefit has enjoyed benefits for the number of weeks fixed for his case, he shall fall under the class of 'requalified persons.' Careful consideration is further paid to the condition of the family and no one may demand relief under these regulations as a right, while boarders can be given relief only after the approval of each individual case by the minister. The municipalities concerned must make proposals with regard to the extent of the emergency benefit. Two-thirds of the income of the 'qualified benefit recipient' and of the members of his family on his benefit fixed according to the arrangement is to be deducted from the benefit. The emergency benefit to married and single breadwinners may never exceed 65 per cent, and to boarders 55 per cent, of what they might earn in a 48-hour work week in the trade to which they belong. Only one member of the family can be considered for the benefit according to this arrangement. No payment may be made (1) to persons older than 60 years; (2) to those who have received benefits from an unemployment insurance fund and/or payments from public funds for the support of unemployed for a year or longer, without having worked in that time for at least a month in 'free industry'; (3) to those of whom it may be expected that they will not again find employment in the branch of industry in which they have worked regularly; or (4) to women."

In the regulations prescribed it is also stipulated that the recipient of emergency benefits is obliged to accept work for which he may be considered bodily fit, and that should he refuse this the payment of relief shall be stopped. The amounts to be paid are smaller and the time of payment shorter for those not yet entitled thereto according to the rules and regulations, for those who have been "requalified" for the benefit, and for the nonunionized workers than for the qualified. The relief given to those may never exceed 60 per cent of the wages for married and unmarried people and 50 per cent for boarders, while the maximum period of emergency benefit is fixed for the requalified at 15 weeks for boarders and 21 weeks for married and unmarried breadwinners; for those not yet entitled to benefits according to the rules and regulations and for unorganized workmen at 26 weeks for boarders and 35 weeks for married and unmarried breadwinners.

Under these regulations the initiative is with the municipality. It applies for support to the minister, and the latter decides whether support will be given. The emergency benefit is granted only to unemployed persons who, in the three months preceding the date on which they became unemployed, were employed for at least six weeks in the industries in which, in the opinion of the minister, there was locally a condition of general unemployment in consequence of the crisis. The minimum contribution of the National Government is 25 per cent, and the maximum 75 per cent of the payments made, depending upon the financial condition of the municipality and the extent and duration of the unemployment. It is, among other things, further provided

that the whole system of relief to unemployed of the municipality, as also that of provision of work, must have the approval of the minister, and that when the minister considers it necessary a number of the unemployed, to be fixed by him, shall be sent to the places where the Government is carrying on work for the relief of the unemployed. Finally, provisions have been made in the regulations with regard to petitions for validity of the regulations governing relief, directions as to execution of the regulations, petitions for support, reporting, payment and control, etc.

Administration

The various unemployment-insurance associations are administered solely as sections of the several unions, of which 121 have been recognized by the Government for the purpose of carrying out such insurance under subsidy. The supervision of the unemployment insurance by the National Government is through the State Bureau of Unemployment Insurance and Employment Service (Rijksdienst der Werkloosheidsverzekering en Arbeidsbemiddeling) in the Department of Labor, Commerce, and Industry. The supervision applies principally to the central administration of the national unions and to the administrations of the local unemployment-insurance associations—i. e., the local associations which are not associated with any of the national unions.

The supervision of the municipal authorities covers the transactions of the insurance sections of the unions within the municipal limits with respect to the members who are living within these limits. In order that the municipal government shall have the information necessary for it to exercise appropriate supervision, the insurance associations are required to submit to the government of each municipality where the union members are living (a) a copy of their constitution and by-laws; (b) a report giving the names and addresses of the directors or administrators of the association; and (c) data regarding the members residing in each municipality and reports of all changes which may occur.

The municipal governments and the managers or administrators of the insurance associations must maintain a member card index. The card index of the municipality must cover all association members residing therein, regardless of whether or not they are members of an insurance association which is situated in the municipality.

Provision Against Fraud

There is no provision in the decree of 1917 itself regarding the punishment of fraud, and any cases of fraud would be punished under the ordinary criminal code. The director of the Bureau of Unemployment Insurance states that no statistics are available but that cases of fraud occur very rarely.

Grievances and Disputes

The managing board of an insurance association may appeal to the Minister of Labor, Commerce, and Industry against the decision of a municipal council or of the director of the Bureau of Unemployment Insurance. Grievances and disputes are adjusted by a committee appointed by the Minister of Labor, consisting of an impartial chairman, a representative of the State and local governments,

and a representative of the workers' unions. No worker, however, has the right of appeal against a decision of his union.

Statistics of Operation

According to the Maandschrift for February, 1931, the number of members of unemployment insurance associations in the Kingdom in the early part of February, was 445,541. According to the census of 1920, the number of persons gainfully employed at that time was 2,722,407, the total population at that time being 6,865,000. The official figures of the census taken in 1930 have not been published, but the population is stated in preliminary reports to have been approximately 7,950,000, an increase of around 16 per cent. On this basis, assuming that the number of employees increased in the same proportion as the population, the number of workers of all kinds in the Netherlands would be around 3,158,000. This includes all classes of workers, many groups of which are not unionized. As nearly as can be ascertained, the number of what may be considered industrial workers is about 1,250,000, and the number of insured would thus be about one-third of the number of industrial workers in the country. This estimate agrees with that of the director of the bureau of unemployment insurance, who gives the number of insured at 450,000.

Number of beneficiaries.—No figures could be obtained regarding the number of persons who received benefits from unemployment-insurance funds during any of the past years; however, the Maandschrift gives, for the months of 1930, the number of unemployed persons who were members of the various subsidized unemployment-insurance associations, and therefore presumably receiving benefits from unemployment-insurance funds, as follows: January, 48,395; February, 34,180; March, 20,768; April, 16,270; May, 14,118; June, 11,914; July, 16,468; August, 18,856; September, 19,812; October, 22,282; November, 29,459; December, 79,996.

Receipts and expenditures.—The amount of expenditures for 1930 is not available but Table 46 shows disbursements for relief payments and refunds from 1917 (when the law came into effect) up to and including 1929, as given by official reports:

TABLE 46.—*Expenditures under unemployment insurance system in the Netherlands, each year, 1917 to 1929*

[Conversions into United States currency on basis of florin=40.2 cents]

Year	Total expenditure		Expenditure per insured person		Year	Total expenditure		Expenditure per insured person	
	Netherlands currency	United States currency	Netherlands currency	United States currency		Netherlands currency	United States currency	Netherlands currency	United States currency
	<i>Florins</i>		<i>Florins</i>			<i>Florins</i>		<i>Florins</i>	
1917----	130,374.35	\$52,410	4.35	\$1.75	1924----	5,206,685.41	\$2,093,088	18.75	\$7.54
1918----	988,515.25	397,383	7.06	2.84	1925----	5,053,568.44	2,031,535	18.36	7.38
1919----	1,789,916.24	719,546	6.88	2.77	1926----	5,215,977.25	2,096,823	18.45	7.42
1920----	9,792,438.00	3,936,560	27.20	10.93	1927----	5,999,801.18	2,411,920	20.20	8.12
1921----	15,193,102.70	6,107,627	39.98	16.07	1928----	5,130,217.79	2,062,348	16.18	6.50
1922----	12,540,897.36	5,041,441	34.84	14.01	1929----	8,117,794.56	3,263,353	22.37	8.99
1923----	7,154,316.05	2,876,035	23.85	9.59					

The latest statistics published by the Government Bureau of Unemployment Insurance, those for 1929, are given in Table 47 and show the income and expenditures of the subsidized insurance associations of the country for that year:

TABLE 47.—*Receipts and expenditures of State-subsidized unemployment association in the Netherlands in 1929*

[Conversions into United States currency on basis of florin=40.2 cents]

Item	Amount	
	Netherlands currency	United States currency
Receipts:		
Members' contributions.....	4,541,079	\$1,825,514
Subsidies under article 4 of unemployment decree of 1917.....	4,601,107	1,849,645
Interest.....	326,204	131,134
Miscellaneous.....	471	189
Total.....	9,468,861	3,806,482
Extraordinary income (subsidies above 100 per cent in connection with payments to retiring members).....	1,600,029	643,212
Total income.....	11,068,890	4,449,694
Expenditures:		
Benefits.....	6,522,497	2,622,044
Miscellaneous.....	189	76
Extraordinary expenditures (payments to withdrawing members).....	1,595,298	641,310
Total expenditures.....	8,117,984	3,263,430

Cost of administration.—The cost of administration of the unemployment-insurance associations of the various groups of unions for the year 1929 is shown in Table 48:

TABLE 48.—*Cost of administration of insurance section of unions, by general trade group, 1929*

[Conversions into United States currency on basis of florin=40.2 cents]

General trade group	Number of union lodges with insurance sections	Cost of administration	
		Netherlands currency	United States currency
		<i>Florins</i>	
Building trades.....	1,282	96,972.65	\$38,983
Diamond industry.....	5	3,956.77	3,601
Factory industries.....	669	60,976.22	24,512
Printing trades.....	276	17,749.35	7,135
Commercial and office workers.....	256	28,452.92	11,438
Hotel industry.....	29	1,158.25	466
Woodworking industry.....	248	15,829.41	6,363
Hairdressing industry.....	17	1,638.05	683
Clothing industry.....	83	5,020.97	2,018
Agriculture.....	863	48,069.78	19,324
Metal industry.....	342	49,101.05	19,739
Mining industry.....	138	9,054.79	3,640
Supervising personnel.....	169	8,430.88	3,389
Tobacco industry.....	226	21,645.54	8,702
Textile industry.....	180	32,970.85	13,254
Transport trades, fishing and shipping.....	297	53,249.91	21,406
Foodstuffs industry.....	266	19,223.74	7,728
Other unions.....	63	3,618.86	1,455
Local unions.....	28	6,769.89	2,722
Total.....	5,437	488,949.88	196,558

Present financial condition.—According to official reports the total amount due to all creditors in connection with advances in former year is as follows:

Total amount due the National Government.....	1, 866, 836 florins (\$750, 468)
Amount due the city of Amsterdam and other municipalities in connection with support of Diamond Workers' Union.....	43, 283 florins (\$17, 400)
Advances from unions, to be repaid at same time as debts mentioned above.....	267, 411 florins (\$107, 499)
Total.....	2, 177, 530 florins (\$875, 367)

The net assets of all the unemployment insurance sections of the subsidized unions in the Netherlands at the end of 1929 was 9,978,245 florins (\$4,011,254). A statement of the form in which this reserve is invested was not obtainable, but the unemployment decree of 1917 provides that the minister shall publish annually a list of the securities which may be considered suitable for the investment of moneys belonging to the funds of any workmen's unemployment insurance association.

Basis of Contribution and Benefits

As has already been stated, the amounts of members' contributions for the unemployment insurance associations are fixed by the unions to which the associations belong, and are based solely upon the unions' estimates of the amounts required. No information is available as to the means employed for the calculation of the contributions and benefits, but it is stated by members of the various unions in Amsterdam that actuarial calculations were not actually employed, but that the experience of the unions themselves and of the unions in other countries served as a guide in fixing the amounts.

Attitude of Various Groups Toward System

The director of the Bureau of Unemployment Insurance states that "the general opinion is that compulsory insurance would be preferable to voluntary insurance. The workers are of the opinion that compulsory insurance is absolutely necessary, the benefits received under the present system being too small. Public opinion is disinterested."

In respect to opposition to the present law, the director of the Bureau of Unemployment Insurance says, "There is no general opposition to the principle of unemployment insurance. Employers object to a system which is administered by the workers' unions."

These conclusions bear out those gained by the writer of this report during his residence of over three years at this post, and the statements made by a large number of people of all classes who have expressed their opinion during the investigation. A formal opinion stated in reply to a direct inquiry is nearly always given in somewhat guarded language. However, the writer had opportunity to speak informally regarding the unemployment insurance with workmen of many different classes, such as diamond cutters, carpenters, plumbers, chauffeurs, railway workers, seamen, dock workers, shipyard workers, iron and steel workers, plasterers, commercial em-

ployees, and many others, and in each case the worker expressed his opinion that the benefits paid by the insurance associations is entirely inadequate to maintain anything like a decent standard of living, and that this condition is likely to continue until a different scale of benefits is established by law.

With respect to abuses which might arise if larger unemployment benefits were paid, it was pointed out by the better-informed workers that even the present law provides that the unemployed worker must register immediately as in search of work, and that if he refuses to accept such proper employment as he may be offered, the benefits stop at once; that the unions themselves are not anxious to see their funds exhausted by the granting of benefits fraudulently; and that the workers as a whole will not permit a dishonest workman to deplete a fund to which they are contributing for their own protection. The operation of the unemployment insurance system in the Netherlands apparently justifies this opinion, as there is little complaint of fraud, and the officers of the union are by no means lax in their duty in connection with the granting of benefits.

Most workmen feel that the present scale of wages does not permit them to pay higher contributions, although they agree that with reasonably steady work they might be able to pay somewhat more.

With respect to the employers, the writer has not encountered many who really object to the administration of the insurance funds by the union, and such opposition as was observed appeared to be based more on innate dislike of social legislation. The objection was offered that inasmuch as the funds come to a certain extent from the employers, through taxes, the latter should have a voice in the expenditure, but it was not alleged that the present system is dishonestly administered. There are, of course, a certain number of extremists who would put upon the State the entire cost of maintaining the unemployed.

As already noted, the director of the Bureau of Unemployment Insurance states that no data or opinions regarding abuses are available, but, generally speaking, very few abuses occur under the present system. This confirms the opinions advanced by the many persons who were informally consulted by the writer regarding the operation of the law.

There is constant agitation for an improvement of the system for the relief of unemployment, and although the questions being considered at the moment concern only measures of relief during the present depression which can no longer be remedied by new insurance legislation, the ultimate aim is to perfect some system which will prevent the recurrence of emergencies such as that now existing.

Norway⁵⁷

Unemployment insurance was inaugurated in Norway in the year 1894 by a printers' trade-union called the Norwegian Central Association of Book Printers. In the year 1900 three other trade-unions established similar insurance systems, while in 1904 the number increased to eight national trade-unions, as well as a few local trade-unions, comprising a membership of approximately 10,000 workmen.

The law of June 12, 1906, and a supplementary law of June 25, 1908, established an unemployment system subsidized by the Government. This law was originally passed as a temporary makeshift, but remained in force until August 6, 1915, when a new law on the subject was enacted. Although several amendments have been made to the law of August 6, 1915, its main features are still in effect.

Type of System

The system of unemployment insurance now in force in Norway is of the voluntary type, and under the control of the individual trade-unions. In order to qualify for Government subsidies, the law requires that the by-laws of the insurance organizations must conform to certain regulations outlined by the law regarding the amount contributed by the insured and the extent of relief furnished the unemployed. The law also provides that relief can be extended only to workers for whom employment can not be furnished by the trade-union. In other words, the worker must be willing to accept any work offered him by his union, otherwise he will not be eligible to participate in the unemployment funds. The law provides further that the insurance funds can be used only for the payment of unemployment benefits and for no other purpose.

Coverage of System

Table 49 shows the classes of persons or industries covered in the year 1929, the latest year for which statistics are available, with the average number of members in that year as compared with the year 1928:

⁵⁷ Report prepared by Thomas H. Bevan, American consul general, Oslo, as of Apr. 23, 1931.

TABLE 49.—Number of persons covered by unemployment insurance in 1928 and 1929, by trade-unions

Name of union	Number of members		Name of union	Number of members	
	1928	1929		1928	1929
Iron and metal workers.....	10,995	12,743	Trade and office workers.....	4,200	4,200
Central Association of Book Printers.....	3,400	3,400	Meat industry.....	605	690
Furniture industry.....	1,168	1,460	Tobacco workers.....	855	894
Bakers and pastry makers.....	1,746	1,780	Transport workers.....	1,333	1,745
Boot and shoe makers.....	2,217	2,256	Association of Engineers.....	2,107	2,141
Lithographic trade.....	544	552	Association of Pharmacists.....	500	500
Jewelers and goldsmiths.....	500	500	Association of Mates.....	300	355
Molders.....	1,661	1,800	Association of Office Employees.....	918	907
Hide, leather, and rubber trade.....	457	511	Bergen's Merchants' Association.....		120
Bookbinders.....	1,344	1,391	Association of Masons.....	1,315	(1)

¹ Discontinued.

The following important groups of workers are not included:

	Number of members (approximate)
Building industry.....	11,000
Paper and cellulose.....	11,200
Norwegian Laborers Association (includes miners, construction workers, road, and railroad workers—unskilled laborers).....	7,000
Planing-mill workers.....	3,700
Chemical industry.....	9,700
Association of Foresters and Farmers.....	11,000
Association of Tailors.....	2,000
Textile workers.....	3,300

Contributions

The contributions vary in proportion to the number of unemployed persons relieved and the extent of relief granted, but the total thereof must equal at least one-half of the benefits paid. The contributions range from 0.15 krone (4 cents)⁵⁸ to 2 kroner (53.6 cents) per week. The State subsidy is equal to one-half of the benefits paid, two-thirds of which are collected through local taxation from the commune where the persons receiving the benefit last resided for a period of six successive months. The contribution from the State Treasury, therefore, amounts to only one-sixth of the amount paid the worker. Benefits are paid only to persons who are Norwegian subjects or who have resided in the Kingdom for a period of two years, prior to the payment thereof. Exceptions can be made to the two years' residence rule, in the event that there is a reciprocity agreement with the foreign country concerned. Employers do not contribute to the funds.

Benefits

In order to receive benefits from the funds the individual in question must have been unemployed for a period of at least three days (this varies in certain funds up to 14 days). At least 26 weekly con-

⁵⁸ Conversions into United States currency made on basis of krone at par=26.8 cents.

tributions must have been paid before relief can be allowed. Benefits are paid for 13 weeks of each year, regardless of the number of contributions paid, provided the 26 weekly contributions have been made.

During the period of depression, which lasted from 1918 to 1924, it was made possible through temporary legislation to extend the period of relief and to grant Government subsidies to certain funds amounting to two-thirds of the total benefits paid. Permission to extend the period of relief, in certain cases to 180 days a year, was given 11 trade-unions. As an extraordinary Government subsidy, in excess of the grant of one-half of the relief mentioned in the foregoing, a total of 3,112,135 kroner (\$834,052) was paid to 21 unemployment organizations during the period 1918 to 1923. The same temporary legislation contained provisions permitting recently established funds to begin the payment of relief immediately, without the stipulated waiting period, which necessitated extra contributions from the Government and from the organization concerned. The additional amount paid by the State in the years 1918 to 1921 for this purpose totaled 470,436 kroner (\$126,077) and a similar amount was paid by the organizations. These temporary measures have long since been abolished.

The Government and the various municipalities have recently provided considerable relief work for unemployed laborers who do not hold unemployment insurance. For the fiscal year 1928-29 the Parliament voted 2,200,000 kroner (\$589,600) for this purpose.

Administration

The administration of the various funds is handled by the labor unions, which in turn are controlled by the State. Quarterly reports must be furnished to the Government inspector of labor and unemployment insurance. This official supervises the local administration of the insurance schemes and in the event of any fraud or other irregularities immediately suspends all activities of the organization until a thorough investigation has been made. It is also his duty to see that all contributions and benefits paid are in accordance with the law. Contributions to the funds are generally paid in cash, although certain schemes use the stamp system. This is entirely optional, however.

Grievances and Disputes

Serious grievances are submitted to the Department of Social Affairs for final settlement.

Statistics of Operation

The number of persons covered by the present system totaled approximately 36,000 in 1929, representing about 10 per cent of the total number of workmen in the country. The union's total membership is about 133,000, whereas the total number of workmen for whom insurance relief should be provided is about 300,000.

Following is a statement showing the number of persons who received benefits in 1929, classified according to union. No statistics

giving a classification by sex are available, but there are said to be very few women.

	Number of beneficiaries
Iron and metal workers.....	2, 660
Central Association of Book Printers.....	(sup)
Furniture industry.....	280
Bakers and pastry makers.....	324
Boot and shoe makers.....	694
Lithographic trade.....	85
Jewelers and goldsmiths.....	51
Molders.....	328
Hide, leather, and rubber trade.....	138
Bookbinders.....	292
Trade and office workers.....	133
Meat industry.....	62
Tobacco workers.....	182
Transport workers.....	247
Association of Engineers.....	37
Association of Pharmacists.....	28
Association of Mates.....	16
Association of Office Employees.....	35
Bergens' Merchants' Association.....	2

Total receipts from all sources in 1929 were 1,611,395 kroner (\$431,854), whereas expenditures amounted to 1,313,880 kroner (\$352,120).

Table 50 shows the number of members, the amount of benefits paid and contributions received, together with the amount of ordinary subsidy and extraordinary subsidy granted for the years 1920 to 1929:

TABLE 50.—Number of members, amount of benefits paid and contributions received, and amount of ordinary and of extraordinary subsidies, 1920 to 1929

[Conversions into United States currency on basis of krone=26.8 cents]

Year	Number of insured	Benefits paid		Contributions received		Ordinary subsidy		Extraordinary subsidy	
		Norwegian currency	United States currency	Norwegian currency	United States currency	Norwegian currency	United States currency	Norwegian currency	United States currency
		<i>Kroner</i>		<i>Kroner</i>		<i>Kroner</i>		<i>Kroner</i>	
1920.....	116, 425	1, 693, 200	\$453, 778	1, 077, 223	\$298, 696	415, 961	\$111, 478	103, 056	\$27, 619
1921.....	102, 527	13, 111, 032	3, 513, 757	4, 425, 028	1, 185, 908	5, 425, 017	1, 453, 905	2, 183, 786	585, 255
1922.....	80, 857	6, 382, 557	1, 710, 525	3, 149, 843	844, 158	3, 395, 043	909, 872	867, 957	232, 612
1923.....	62, 704	2, 440, 858	654, 150	1, 520, 142	407, 398	1, 295, 163	347, 104	150, 278	40, 275
1924.....	41, 416	1, 613, 659	432, 461	876, 604	234, 946	874, 226	234, 293	.....	.....
1925.....	41, 247	1, 943, 961	520, 982	836, 765	224, 253	740, 518	198, 459	.....	.....
1926.....	38, 297	2, 956, 692	792, 393	852, 857	223, 566	1, 468, 887	393, 662	.....	.....
1927.....	36, 544	1, 823, 471	488, 690	806, 365	216, 106	910, 012	243, 883	.....	.....
1928.....	36, 215	1, 188, 958	318, 641	793, 240	212, 583	536, 571	143, 801	.....	.....
1929.....	37, 945	1, 060, 309	234, 163	829, 865	222, 404	720, 396	193, 200	.....	.....

The various organizations are responsible for the administration costs. Statistics are not available showing the cost of operating the Government inspectorate, since this institution is engaged in other work as well and separate operating statistics are not maintained.

⁵⁰ Not reported.

Inasmuch as the contributions vary in proportion to the number of unemployed persons and the extent of relief granted, there is, as a rule, only a very small balance at the end of each year. Thus at the end of 1929 there was a surplus of 606,000 kroner (\$162,408) for all the funds in operation.

Calculation on Actuarial Basis

The contributions and benefits are not based on actuarial calculations, because this is said to be unsuitable to the systems now in operation.

Attitude of Various Groups Toward System

Although there has been general satisfaction with the present system, at a meeting of the various trade-unions held recently a bill providing compulsory unemployment insurance was passed, but in another form than that which was introduced in Parliament last year by the Liberal (Venstre) Party. The opposition to the bill in its present form is to the payment of contributions by the workmen, as they maintain that all expenditures should be borne by the employers and by the State. The employers are naturally opposed to any system which would entail additional expenditures, although they are not opposed to the principle of unemployment insurance. Inasmuch as the bill providing compulsory insurance was introduced by the Liberal Party, the attitude of the public in general is not known.

The bill above referred to was introduced in the Norwegian Parliament last year, but did not come up for discussion before the closing of the Parliament. There has been an election in the intervening time, hence the bill must be presented as new legislation.

Abuses Under System

As the funds which are now in operation are subject to very strict control there have been no abuses worthy of mention.

Poland ⁶⁰

Compulsory unemployment insurance was established in Poland through the basic law of July 18, 1924, and subsequent minor changes under which all wage earners (classified in the law as physical workers), regardless of sex, in industrial or commercial enterprises employing five or more workers must be insured against unemployment by the owners or operators of such enterprises. The system was extended to salaried workers on January 3, 1926.

Agricultural workers, the most extensive group by far in Poland, are excluded from the State unemployment insurance, as well as industrial workers in enterprises where less than five wage earners are employed. The provision whereby all industrial workers, irrespective of the size of the enterprise in which employed, were to be included in the compulsory unemployment system effective January 23, 1931, has been suspended for a period of two years from the date mentioned.

In comparison with most other European countries which have established compulsory unemployment insurance in various forms or restricted to certain occupational groups, its introduction in Poland was comparatively late. This may be explained in part by the much smaller extent of industrial development when Poland was reestablished as an independent State following the war than in 1924; also the unfavorable currency and fiscal situation was a deterrent in this connection, it is believed. However, this gave Poland, at the time the Polish system was devised, an opportunity to refer to the experience other countries had had with unemployment insurance.

Wage Earners

Contributions

The assessment for unemployment insurance amounts to 3 per cent of the wages paid the insured workers, of which the employer pays 1½ per cent, the employee one-half of 1 per cent, and the State the remaining 1 per cent. In 1929 the rate was reduced to 2.7 per cent, but on account of the heavy increase in unemployment the rate was reestablished at 3 per cent, effective April 1, 1931, which was the rate when Polish unemployment insurance was introduced in 1924.

Benefits

In order to be eligible for unemployment benefit, the insured must have been employed for a minimum of 20 weeks during the 12 months preceding his notification of unemployment and in an enterprise sub-

⁶⁰ Report prepared by Harry L. Franklin, American consul, Warsaw, as of Apr. 11, 1931, assisted by T. H. Chylinski, clerk.

ject to compulsory insurance. His application for benefit must be filed within one month after ceasing to be employed.

Allowances amount, in the case of unmarried workers, to 33 per cent of the last wage received; for workers with one or two dependents, 38.5 per cent; for workers with two to five dependents, 44 per cent; and for a workman supporting a family of more than five dependents, 55 per cent. Prior to July 1, 1929, these rates were 10 per cent less than the present percentages. The maximum daily wage for computing the foregoing allowances has been set at 10 zloty (\$1.12)⁶¹ since July 1, 1929, prior to which it had undergone successive increases over the initial maximum rate of 5 zloty (56 cents) established in 1924.

There is a waiting period of 10 days as unemployed before the insured is eligible to the benefit. Allowances are paid during a period of 13 weeks' unemployment, and may be extended to 17 weeks in exceptional cases. Rights to the unemployment benefit are forfeited if the insured refuses employment for which he is qualified except in an establishment involved in a strike. Such proffered employment may also be refused if housing facilities in the neighborhood of such establishment are not available. Upon expiration of the allowance payments after 13 or 17 weeks, as the case may be, the unemployed worker, if destitute, has to apply to the communal or municipal welfare agencies for aid.

Administration

The Central Unemployment Insurance Bureau is administered by a board of management, subject to the final jurisdiction of the Minister of Labor. The chairman of the board and two additional members are appointed by the Minister of Labor; one member represents the Minister of Finance; labor is represented by six members and the employers by four; and the district and communal governing bodies furnish four representatives, making a total of 18 members on the board, including the chairman. The names of labor representatives are proposed to the Minister of Labor, who makes the appointments, by the largest trade-unions in Poland, while the employers' representatives on the board are recommended by the Central Employers' Association.

There are 22 district unemployment-insurance offices, corresponding with the number and location of the State employment offices, to assist the Central Unemployment Insurance Bureau in administering the system. Each district office has a board, whose chairman is the district director of the State employment office; labor is represented by 3 members, the employers by 2, and the district and communal governments also by 2 members.

The district unemployment-insurance offices are assisted by such municipal and rural communes as have been found qualified to carry on this character of work, as well as by the higher public authorities, mayors, etc. Branch agencies, so designated by the central bureau at Warsaw to assist the district offices, aggregated 446 at the close of

⁶¹ Conversions into United States currency made on basis of 1 zloty at par = 11.22 cents.

the year 1929, of which 221 represented higher public authorities, 129 municipal communes, 89 rural communes, and 7 sickness insurance offices.

Unemployment contributions are paid in cash by the employing enterprises directly to the appropriate district unemployment-insurance office or to the latter's designated agent. The workers have nothing to do with these payments, as the employers deduct the share due from the worker at the time wages are paid.

Recipients of unemployment-insurance benefit are required to report in person twice each week at the nearest designated agency of the district unemployment-insurance office. There are no data available regarding the frequency and extent of fraudulent claims for benefits.

Disputes and Grievances

Disputes and grievances are adjusted in the first instance by the appropriate district office, from whose decision appeal may be made within 8 days to the district appellate commission, which is obliged to render a decision within 14 days after receipt of appeal. If the appeal relates to the payment of contributions, these must be continued pending judgment by the district appellate commission, which commission is composed of a chairman appointed by the Minister of Labor upon recommendation by the Central Unemployment Insurance Bureau; the other two members represent labor and the employers, respectively. The commission's decision may be set aside by the Minister of Labor on request by the central bureau mentioned on the ground that it is contrary to law, that the principles of court procedure were violated, or that the district appellate commission exceeded its legal powers.

Statistics of Operation

Number of persons insured against unemployment.—There has been a steady increase in the number of persons covered by compulsory unemployment insurance following its establishment in 1924, with the exception of the year 1930, owing to the decline in industrial production during that year and the prevailing general trade depression. The average for 1930 has not yet been compiled, but it is estimated to be around 900,000. Figures for prior years are shown in Table 51:

TABLE 51.—Average number of persons insured against unemployment in Poland, 1925 to 1929

Year	Average number of insured	Per cent of number in 1925
1925	537, 171	100
1926	625, 338	109
1927	774, 321	135
1928	932, 637	163
1929	1, 004, 913	175

The considerable growth in 1927 and 1928 is attributable to the industrial expansion which took place in those two years, while the

less accelerated increase in 1929 was on account of the extremely severe winter and the beginning of the economic depression toward the year's close.

According to the last census, completed in 1921, there were 13,917,060 persons engaged in gainful occupations in Poland, of which number agriculture accounted for 10,269,867; industry and mining, 1,266,382; commerce and insurance, 518,766; and the remainder in various smaller groups. Inasmuch as the largest labor group, agriculture, is excluded from the compulsory-insurance system, it is estimated that not over 25 per cent of the workers (both skilled and unskilled) are covered by the State unemployment insurance.

Receipts and expenditures.—Contributions paid in during the past six years by workers and employers and by the State are shown in Table 52:

TABLE 52.—Contributions paid by the workers and employers and by the State, 1925 to 1930

[Conversions into United States currency on basis of zloty=11.22 cents]

Year	Contributions					
	Workers and employers		State		Total	
	Polish currency	United States currency	Polish currency	United States currency	Polish currency	United States currency
	<i>Zloty</i>		<i>Zloty</i>		<i>Zloty</i>	
1925.....	13,790,514	\$1,547,296	6,895,257	\$773,648	20,685,771	\$2,320,944
1926.....	15,941,756	1,788,665	7,970,878	894,333	23,912,634	2,682,998
1927.....	25,578,267	2,869,882	12,789,133	1,434,941	38,367,400	4,304,822
1928.....	32,072,772	3,598,565	16,036,386	1,799,283	48,109,158	5,397,848
1929.....	34,057,500	3,821,252	17,028,750	1,910,626	51,086,250	5,731,877
1930.....	31,964,952	3,586,468	15,982,476	1,793,234	47,947,428	5,379,701

The decline in contributions during 1930 was due to the decrease in the number of persons insured.

Table 53 shows the disbursements for benefits since 1925, together with the average contribution for each insured person:

TABLE 53.—Disbursements for benefits and average allowance and contribution per person, 1925 to 1930

[Conversions into United States currency on basis of zloty=11.22 cents]

Year	Total benefits paid		Average benefit per person		Average contribution per person	
	Polish currency	United States currency	Polish currency	United States currency	Polish currency	United States currency
	<i>Zloty</i>		<i>Zloty</i>		<i>Zloty</i>	
1925.....	23,169,140	\$2,599,578	493	\$55.31	36	\$4.04
1926.....	18,864,368	2,116,582	507	56.89	38	4.26
1927.....	16,055,170	1,801,390	634	71.13	49	5.50
1928.....	20,890,480	2,320,350	731	82.02	50	5.61
1929.....	49,794,663	5,586,961	837	99.52	53	5.95
1930.....	104,453,000	11,719,627	(¹)	-----	(¹)	-----

¹ Not yet compiled.

The years 1925 and 1926 show only a moderate variation, while the figures for 1927, curiously enough, disclose an increase in the average benefits paid, but a still greater increase proportionately in average contributions per person; this year (1927) appears to be the most successful one of the system's operation since adoption. The steady increase in average contributions per person since 1925 reflects the steady gain in wages which has taken place. During the present year, however, there is a downward trend in wage levels. Extremely cold weather (the most severe in over 100 years) accounts for the unusual increase in disbursements in 1929, while the figure for 1930 represents more than a fourfold increase over the disbursements for 1925 and is attributable to the severe economic depression and its concomitant of severe industrial unemployment.

Administrative costs.—The development of administrative costs during the past six years and their relation to aggregate disbursements may be seen from Table 54:

TABLE 54.—Administrative costs and per cent of total disbursements, 1925 to 1930

[Conversions into United States currency on basis of zloty=11.22 cents]

Year	Total administrative costs		Per cent of total disbursements
	Polish currency	United States currency	
	<i>Zloty</i>		
1925.....	3,150,394	\$353,474	6.59
1926.....	4,424,960	496,481	5.41
1927.....	5,254,871	589,597	6.51
1928.....	5,422,795	608,438	8.10
1929.....	5,768,749	647,254	9.85
1930.....	9,081,106	1,018,900	7.92

The percentage costs of administration shown above for the years prior to 1929 do not correspond proportionally with the amount of disbursements for such years as indicated in the preceding section of this report. This is due to the fact that considerable sums of so-called "emergency relief" funds appropriated by the State were distributed through the unemployment insurance administrative organizations to unemployed persons after the expiration of the 13 or 17 weeks' regular benefit, such additional disbursements being added to the total amount of regular disbursements by the Central Unemployment Insurance Bureau in arriving at the percentage of administrative costs for the years in question. Emergency unemployment relief by the State was discontinued on January 1, 1929.

The heavy increase in total administrative costs in 1930—9,081,106 zloty (\$1,018,900), as against 5,768,749 (\$647,254) in 1929—was occasioned by an increase of over 100 per cent in the amount of disbursements. Administrative costs in the central bureau and district offices were not greatly augmented, but those by the local agencies of district offices, which receive 3 to 5 per cent of the benefits disbursed as administrative costs, gained in the proportion that disbursements increased.

The financial situation of the Polish unemployment-insurance system is highly unfavorable from the standpoint of self-support. During 1930 disbursements were over twice the amount of workers' and employers' contributions plus the State share fixed by law; this deficit of over 50,000,000 zloty (\$5,610,000) was paid from the public treasury. During the present year this situation has become more aggravated, the legal contributions now covering less than one-fifth of the actual disbursements, according to the Director of the Central Unemployment Insurance Bureau, on account of the heavy decrease in industrial employment.

Actuarial Basis of System

When compulsory unemployment insurance was established in Poland in 1924 it was based on an expected annual average of 5 per cent unemployment in the classes to which it was to apply. This calculation of 5 per cent industrial unemployment was based on the available unemployment statistics in the various industrial branches in previous years. It proved sufficient until the end of the year 1929, and especially so for the years 1927 and 1928 when contributions were more than twice the amount paid out in benefits.

The heavy industrial unemployment of 1930 and that of the present year had not been foreseen, and the basic law contains no flexible provisions for increasing the percentage of contributions after reserves have become exhausted, which was the case early in 1930. As mentioned previously, the rate of contributions was raised from 2.7 to 3 per cent, effective April 1, 1931, but this will have no practical effect in reducing the heavy deficit made up by the public treasury as long as unemployment remains within the range of its present high level.

Attitude of Various Groups to the System

The trade-unions are staunch supporters of the present system of compulsory unemployment insurance. In general, the employers are not favorably disposed thereto on account of the extra cost, 1½ per cent of the workers' wages, which they must contribute. In general, it may be said that public opinion in Poland is favorable toward the system on account of the inevitable social hardship when industrial workers lose their employment, and especially so, as the wage level is not greatly above the minimum of existence, which makes it difficult for workers when employed to set aside reserves from their regular wages to provide for hard times.

Shopkeepers and traders benefit from the system, as there would be a heavy drop in purchasing power in the industrial districts in periods of depression were the workers not assured of something like one-half their regular earnings in case of unemployment during such periods. The present economic depression would be still more intense were it not for the existence of compulsory unemployment insurance.

Abuses of System

There are no widespread abuses of the system, such as there are alleged to be in certain other countries, where workers may prefer the

benefit to regular employment on account of the small difference between the allowance and the actual wages. Since the scale of benefits in Poland is from 33 to 55 per cent of the regular wage, and since, as already stated, wages are only moderately above the minimum of existence and much lower than in western European countries, the Polish worker in general is impelled to seek employment, if work is available, in preference to drawing unemployment insurance.

Contemplated Changes in System

No important changes in the present system are contemplated by the legislative authorities or urged by important groups.

Salaried Workers

As previously stated, the Polish system of compulsory unemployment insurance was extended to include, beginning January 3, 1926, salaried workers—all persons in administrative and executive positions in industry, trade, or commerce; office employees (above messengers and janitors); members of the liberal professions; persons devoted to the liberal arts, etc.

Contributions

A 10 per cent assessment of actual wages received by salaried workers insures them against illness, accident, invalidity, unemployment, and entitles them to a pension at the age of 65 years. On monthly salaries below 60 zloty (\$6.73) the employer pays the entire 10 per cent assessment. On salaries from 60 to 400 zloty (\$6.73 to \$44.88) the employer pays three-fifths and the employee two-fifths; on salaries from 400 to 800 zloty (\$44.88 to \$89.76) the employer and employee bear the cost in equal shares; and on salaries in excess of 800 zloty (\$89.76) monthly the employer pays two-fifths and the employee three-fifths. Of the 10 per cent assessment, 2 per cent is applied to claims for unemployment, which so far has been sufficient to meet all demands in this connection. It would appear therefore that salaried workers have been much less affected by unemployment than has been the case with respect to industrial workers. The Government does not contribute anything toward unemployment insurance for salaried workers, as this branch so far has been on a self-supporting basis.

Benefits

For the purpose of computing benefits there are 14 basic salary groups ranging from 60 to 720 zloty (\$6.73 to \$80.78) and over, monthly. An unmarried salaried worker receives 30 per cent of his basic salary; for those with families, 10 per cent is added to the foregoing for each dependent person (not engaged in a gainful occupation) up to an aggregate maximum of 100 per cent of the basic wage. The scale of benefits for unemployed salaried workers with two or more dependents is more liberal than that in

the case of wage earners, where the maximum allowance is 55 per cent of the basic wage.

Salaried workers out of employment who have paid contributions for six months immediately preceding their unemployment are entitled to benefits for a period of six months; and those who have paid 12 months' contributions are eligible to benefits up to 12 months.

Administration

From January 3, 1926, to December 31, 1927, unemployment insurance for salaried workers was administered by the Central Unemployment Insurance Bureau and its agencies on the same basis as that pertaining to industrial (physical) workers, but beginning January 1, 1928, a separation was made, the administration being transferred to the Salaried Employees' Insurance Office, which also has charge of sickness, accident, old-age, and invalidity insurance for salaried workers.

Statistics of Operation

There were approximately 306,000 salaried workers covered by compulsory unemployment insurance on January 1, 1931, and disbursements during 1930 aggregated close to 15,000,000 zloty (\$1,683,000), or slightly less than the contributions paid in. In 1929, disbursements amounted to about one-third of the contributions and in 1928 to about one-eighth.

Queensland⁶²

Unemployment insurance in Queensland was established by the unemployed workers' insurance act of 1922, assented to by the Queensland Parliament on October 18, 1922, and placed in operation by proclamation of the governor on March 1, 1923. All wage earners of 18 years of age or over whose wages are fixed under collective agreements or by arbitration decisions, as well as employees of the Queensland Government, are included in the act.

An amendment to the unemployed workers' insurance act of 1922 was assented to by the Parliament of Queensland on November 26, 1927. The amendment became effective immediately and provided for a slight increase in the scope of the original act.

The second amendment to the unemployed workers' insurance acts was assented to by the Queensland Government on December 24, 1930, and provided that no person is entitled to receive benefits whose earnings exceeded £220 (\$1,071)⁶³ during the 12 months preceding date of application for allowance.

Unemployment insurance in Queensland is on a compulsory basis.

Coverage of System

The unemployed workers' insurance acts apply to every worker over 18 years of age employed within Queensland whose rate of wages, salary, or allowance is fixed by award or industrial agreement, and provide that every employer of any such worker shall be liable to pay contributions to the fund at the prescribed rates.

Due to the fact that practically all workers in Queensland are employed under an award or industrial agreement, the application of the act is almost universal. At the present time the groups of workers not included under the act are: Rural workers, with the exception of those engaged in sugar and pastoral industries; employees of the Commonwealth (Australian) Government; small groups of workers employed under Commonwealth arbitration agreements.

Contributions

Contributions are not related to wage earnings but are made on the basis of a flat rate. The act of 1922 provided for the creation in the treasury of a fund called the unemployment insurance fund. This fund is contributed to by workers, employers of such workers, and by the Government. When the fund was first established in 1923 each worker contributed an amount of 3d. (6.1 cents) per week and equal amounts were required from the employers and from the Gov-

⁶² Report prepared by F. Vernon Schweitzer, American vice consul, Brisbane, as of Apr. 28, 1931.

⁶³ Conversions into United States currency made on basis of £=\$4.8665; shilling=24.33 cents; penny=2.03 cents.

ernment. On July 1, 1927, the weekly contribution was increased to 4d. (8.1 cents) per week, and on July 1, 1928, this amount was further increased to 6d. (12.2 cents), which rate is in effect at the present. Thus it is seen that for each week the worker is employed contributions to the fund on his behalf amount to 1s. 6d. (36.5 cents).

Benefits

The schedule of benefits under the unemployed workers' insurance acts, as amended March 26, 1931, is shown in Table 55:

TABLE 55.—Schedule of unemployment benefits, by districts

[Conversions into United States currency on basis of shilling=24.33 cents; penny=2.03 cents]

Class of workers	Southern district		Mackay district	Northern district	
	Subdivision 1	Subdivision 2		Subdivision 1	Subdivision 2
<i>English currency</i>					
Individual workers, male or female, unmarried, or widowers, or widows.....	s. d. 14 0	s. d. 15 3	s. d. 15 0	s. d. 15 9	s. d. 17 0
Married workers—male worker supporting wife.....	24 0	26 3	25 9	27 0	29 6
Each child under 16 years (not exceeding 4 children) wholly supported by male or female worker.....	4 0	5 0	4 0	4 0	5 0
<i>United States currency</i>					
Individual workers, male or female, unmarried or widowers, or widows.....	\$3.41	\$3.71	\$3.65	\$3.83	\$4.14
Married workers—male worker supporting wife.....	5.84	6.39	6.28	6.58	7.18
Each child under 16 years (not exceeding 4 children) wholly supported by male or female worker.....	.97	1.21	.97	.97	1.21

Conditions for receipt of benefit.—In order to benefit from the operation of the fund, the worker must be unemployed for a period of two weeks or more prior to filing application for benefits. Payments are made at intervals of a week; therefore, the first benefit would be payable one week after making application or at least three weeks from date of becoming unemployed.

The act of 1922 provides that when a worker leaves employment of his own accord the unemployment council may delay payments of benefits for two months.

The unemployment council has ordered that in order to receive a single benefit payment a worker must have been employed for at least two weeks during the previous year. In order to claim benefit from the unemployment insurance fund a worker must be a resident of Queensland for at least six months prior to making application.

The amendment of December 24, 1930, provided that workers in receipt of more than £220 (\$1,071) during the preceding 12 months are not entitled to the benefits of unemployment insurance.

Workers participating in a strike are not entitled to receive sustenance allowances.

Periods for which paid.—The maximum period for which benefits can be received is 13 weeks in any 12-month period. Prior to August

1, 1930, the maximum period for which benefits could be received was 15 weeks in each year. In order to claim benefits for the maximum period of 13 weeks, the worker must be able to show employment for at least 26 weeks during the previous 12 months. Workers employed for less than 26 weeks during the preceding year are entitled to benefits computed on the basis of one week's allowance for each two weeks employed.

Provision for persons dropped from regular benefits.—The unemployed workers' insurance acts make no provision for persons not entitled to the regular benefits. However, the Department of Labor and Industry administers an outdoor relief scheme for the assistance of such individuals.

Administration

Machinery for administration.—The unemployed workers' insurance acts provide for the maintenance of labor exchanges in all towns throughout Queensland. These exchanges are authorized to sell unemployment insurance stamps, accept applications for benefits, and make payments of benefits. Stamps are also sold by clerks of petty sessions throughout Queensland.

The act is administered by the Minister for Labor and Industry. Immediate supervision is in the hands of the director of labor. The act also provides for the establishment of an unemployment council composed of the Minister for Labor, who shall act as chairman of the council, the registrar of friendly societies, the director of labor, a workers' representative elected by the executives of the industrial unions of employees, and an employers' representative elected by the executives of organizations of employers in Queensland. The unemployment council supervises the administration of the acts and from time to time issues orders which determine the policy of administration.

Method of contribution.—Contributions are made through the medium of stamps purchased from the labor exchanges by the employers. These stamps represent the workers' and employers' contributions to the fund. Periodic appropriations, equivalent to one-half of the total sale of unemployment insurance stamps, are made by the Queensland Parliament.

Each employer secures a contribution book from the labor exchange for each person in his employ. The acts authorize the deduction of 6d. (12.2 cents) a week from salaries or wages. For each 6d. so withheld the employer must affix a 1s. (24.3 cents) stamp in the space provided in the contribution book. At the time the worker is discharged he receives his contribution book containing unemployment-relief stamps which represent his and his employers' contributions during the time the worker was employed.

Distribution of benefits.—Considerable difficulty is encountered in distribution of benefits to agricultural classes. Payments to workers in the sugar industry present serious administrative problems. The sugar industry is distinctly seasonal, and during 1929-30 payments from the unemployment-insurance fund to workers in sugar fields amounted to £54,257 (\$264,042), or 12 per cent of total, and payments to sugar-mill workers amounted to £39,594 (\$192,684), or 8.8 per cent of total. Many of the field and mill workers are also sugarcane

growers with widely varying amounts of land under cultivation. The officer in charge of administration of unemployment insurance is called upon in numerous individual cases to discriminate between an unemployed field worker tilling a small allotment of land and a sugarcane grower who occasionally accepts other employment.

Provisions Against Fraud by Claimant

The unemployed workers' insurance acts provide that if any claimant is guilty of fraud the officer in charge may delay payment of benefits for a period up to three months without impairing right of prosecution. Cases of fraud are infrequent, due to the fact that books containing unemployment stamps must be indorsed by the employer at the time the worker is dismissed. At the same time the employer states whether the worker is being discharged or is leaving of his own accord. At intervals the various labor exchanges address inquiries to employers shown on the stamp books of those receiving benefits in order to verify the existence of alleged employer, length of time worker was employed, and reason for discharge.

Grievances and Disputes

All disputes arising from the administration of the acts may be appealed to the unemployment council. Their decision in all cases is final.

Statistics of Operation

Number of persons covered by system.—Exact information regarding the total number of workers contributing to the unemployment-insurance fund is not available. Officials of the Department of Labor estimate the number to vary from 160,000 to 170,000, but state that their estimate may be in error to the extent of 10,000 to 15,000 persons.

Annual statistics.—Table 56 shows the number of applicants for unemployment-insurance benefits and amounts paid during 12-month periods ending March 31:

TABLE 56.—Number of applicants for benefits and amount paid, by years, 1925 to 1930

[Conversions into United States currency on basis of pound=\$4.8665]

Year ending Mar. 31—	Males			Females		
	Number of applicants	Amount of benefits		Number of applicants	Amount of benefits	
		English currency	United States currency		English currency	United States currency
1925.....	22, 335	£134, 675	\$655, 396	1, 872	£9, 145	\$44, 504
1926.....	34, 766	194, 708	947, 646	2, 773	12, 152	59, 139
1927.....	45, 594	299, 302	1, 456, 553	3, 388	12, 532	60, 987
1928.....	47, 728	357, 135	1, 737, 997	4, 498	20, 014	97, 393
1929.....	51, 409	398, 722	1, 940, 381	4, 751	21, 584	105, 039
1930.....	50, 651	426, 265	2, 074, 419	5, 252	24, 201	117, 774

Table 57 shows the number of applicants and amounts of unemployment-insurance benefits paid during the 12-month period ending March 31, 1930, grouped according to industries:

TABLE 57.—*Number of applicants for benefits, total paid, and average amount per worker, year ending March 31, 1930, by industry*

[Conversions into United States currency on basis of pound=\$4.8665]

Industry	Number of applicants	Amount of benefits paid	Average amount drawn per worker	
			English currency	United States currency
Agriculture.....	203	£2, 164	£6. 2	\$30.17
Boot manufacturing.....	471	1, 719	3. 6	17. 52
Brickmaking and pottery.....	318	2, 692	8. 4	40. 88
Brush and broom making.....	10	97	9. 6	46. 72
Building.....	4, 830	36, 961	7. 6	36. 99
Clerical and professional.....	462	3, 288	7. 1	34. 55
Clothing.....	1, 233	5, 929	4. 8	23. 36
Coach and motor body building.....	244	1, 503	6. 1	29. 69
Cotton.....	240	1, 259	5. 2	25. 31
Dentistry.....	19	86	4. 6	22. 39
Engineering:				
Electrical.....	155	1, 185	7. 6	36. 99
Mechanical.....	2, 726	22, 045	8. 0	38. 93
Food and drink:				
Baking and confectionery.....	482	3, 199	6. 6	32. 12
Brewing and distilling.....	214	1, 794	8. 3	40. 39
Butter, cheese, ice, milk, etc.....	293	2, 097	7. 1	34. 55
Canning and preserving.....	179	935	5. 2	25. 31
Hotels, clubs, cafés, etc.....	2, 457	12, 436	5. 0	24. 33
Wheat milling.....	102	955	9. 3	45. 26
Furniture manufacturing.....	454	3, 227	7. 1	34. 55
Gas manufacturing.....	126	1, 465	11. 6	56. 45
Glass manufacturing.....	44	420	9. 5	46. 23
Hairdressing.....	57	304	5. 3	25. 79
Hospitals.....	298	1, 798	6. 0	29. 20
Irrigation, water supply, and sewerage.....	135	833	6. 1	29. 69
Jewelry manufacturing.....	31	320	10. 3	50. 12
Laundries.....	57	333	5. 8	28. 23
Local authorities and main roads commission.....	3, 962	36, 720	9. 2	44. 77
Meat:				
Export.....	2, 302	26, 290	11. 4	55. 48
Retail.....	601	5, 620	9. 3	45. 26
Mining:				
Coal.....	1, 335	4, 635	3. 4	16. 55
Metalliferous.....	814	6, 281	7. 6	36. 99
Miscellaneous.....	304	1, 876	6. 1	29. 69
Pastoral:				
Cattle.....	845	5, 893	6. 9	33. 58
Sheep.....	3, 468	21, 790	6. 2	30. 17
Printing.....	329	2, 182	6. 4	31. 15
Railway construction and maintenance.....	3, 790	38, 554	10. 1	49. 15
Rope and twine making.....	14	82	5. 8	28. 23
Rubber manufacturing.....	115	387	3. 3	16. 06
Saddlery and leather goods.....	138	1, 020	7. 3	35. 53
Shearing.....	1, 837	16, 623	9. 0	43. 80
Shipping.....	473	3, 214	6. 7	33. 61
Stores:				
Retail.....	1, 753	11, 771	6. 7	33. 61
Wholesale.....	1, 297	9, 986	7. 6	36. 99
Sugar:				
Field.....	6, 754	54, 257	8. 0	38. 93
Mill.....	3, 935	39, 594	10. 0	48. 67
Textiles and woollens.....	37	228	6. 1	29. 69
Theatrical.....	149	952	6. 3	30. 66
Timber.....	1, 476	11, 426	7. 7	37. 47
Transportation.....	446	3, 770	8. 4	40. 88
Waterside workers.....	3, 889	39, 192	10. 0	48. 67
Total.....	55, 903	450, 465		
Total United States currency.....		£2, 192, 188		

Table 58 gives a comparison of numbers of applicants, total benefits paid, and average amount paid to each worker during the year ending March 31, for the five years, 1926-1930:

TABLE 58.—Number of applicants, total benefits paid, and average amount per worker, 1925-26 to 1929-30

[Conversions into United States currency on basis of pound = \$4.8665]

Year ending—	Number of applicants	Total benefits paid	Average benefit paid each worker	
			English currency	United States currency
Mar. 31, 1926.....	37, 539	£209, 860	£5. 5	\$26. 77
Mar. 31, 1927.....	48, 980	311, 834	6. 4	31. 15
Mar. 31, 1928.....	52, 226	377, 149	7. 2	35. 04
Mar. 31, 1929.....	56, 160	420, 306	7. 5	36. 50
Mar. 31, 1930.....	55, 903	450, 465	8. 1	39. 42

Financial condition.—The seventh annual report on operations under the unemployed workers' insurance acts gives the balance to the credit of the unemployment insurance fund at June 30, as £35,785 (\$174,147). During the year receipts amounted to £490,568 (\$2,387,349), while disbursements were £494,484 (\$2,406,406) for benefits and £23,297 (\$113,374) for administrative and general expenses. A comparison of receipts and disbursements for the five years 1925-26 to 1929-30, is given in Table 59:

TABLE 59.—Receipts and disbursements, 1925-26 to 1929-30

[Conversions into United States currency on basis of pound = \$4.8665]

Year	Receipts		Disbursements		Excess of receipts over disbursements		Balance in fund June 30	
	English currency	United States currency	English currency	United States currency	English currency	United States currency	English currency	United States currency
1925-26.....	£256, 977	\$1, 250, 579	£248, 301	\$1, 208, 357	£8, 676	\$42, 222	£177, 638	\$864, 475
1926-27.....	263, 524	1, 282, 440	360, 959	1, 756, 607	1 97, 435	1 474, 167	80, 204	390, 313
1927-28.....	342, 682	1, 667, 662	412, 220	2, 006, 069	1 69, 538	1 333, 407	10, 666	51, 906
1928-29.....	491, 503	2, 391, 899	439, 171	2, 137, 226	52, 332	264, 674	62, 998	306, 580
1929-30.....	490, 568	2, 387, 349	517, 780	2, 519, 776	1 27, 212	1 132, 427	35, 785	174, 148

1 Deficit.

The rise in receipts during the year 1928-29 was a result of the increase in the rate of contribution from 4d. (8.1 cents) to 6d. (12.2 cents) on July 1, 1928.

As a result of the high level of unemployment, heavy demands have been made on the unemployment-insurance fund during the past few years. The claims on the fund were exceptionally heavy during the first six months of 1930, the amount of £68,665 (\$334,158) paid in February, 1930, constituting a record. The unemployment council examined the financial position of the fund, and as it was not considered an opportune time to increase the rates of contribution, it was decided to decrease the rates of benefit in an endeavor to keep

disbursements within the amount of available revenue. Downward revisions of the schedule of the benefits were made on August 1, 1930, and again on March 26, 1931. In spite of these revisions, the demands on the fund continued to increase. This may be illustrated by Table 60, which gives a comparative statement of benefit payments during the years 1929-30 and 1930-31:

TABLE 60.—Benefits paid, 1929-30 and 1930-31, by months

[Conversions into United States currency on basis of pound=\$4.8665]

Month	1929		1930	
	English currency	United States currency	English currency	United States currency
July.....	£27,660	\$134,607	£42,706	\$207,829
August.....	21,226	103,296	32,148	156,448
September.....	20,743	100,946	31,064	151,173
October.....	25,259	122,923	30,758	149,684
November.....	26,634	129,614	29,630	144,146
December.....	37,242	181,238	38,934	189,472
	1930		1931	
January.....	£58,818	\$286,238	£60,625	\$295,032
February.....	68,665	334,158	61,657	300,054
March.....	61,623	299,888	57,276	278,734
April.....	54,529	265,365	-----	-----
May.....	49,589	241,325	-----	-----
June.....	42,498	206,817	-----	-----

On March 31, 1931, the balance to the credit of the unemployment insurance fund had been decreased to £10,706 (\$52,101). By April 10, 1931, the unemployment fund was entirely depleted and the benefit payments are now available only as a result of a bank overdraft authorized by the Government. It is reported to be the intention of the unemployment council to carry an overdraft until such time as revenue will exceed disbursements. Under present conditions this appears to be the only course open. An additional levy of 3d. (6.1 cents), bringing the amount payable to treble the original assessment, is hardly possible at this time, due to the fact that there have been two recent decreases in the award rates of wages. A further reduction in disbursements is not possible since benefit payments have already been reduced to a very nominal rate.

Attitude of Various Groups

Attitude of employers.—At the time the unemployment-insurance act came before the Queensland Parliament for consideration in 1922, there was considerable protest from the employers' section. At that time the Labor Party had a decided majority and was able to secure a passage of the act.

Employers consider the unemployment relief as a direct tax on industry, from which, however, industry receives no benefit. Although workers, employers, and the Government contribute equally to the fund, the workers are the only ones who receive benefit from the op-

eration of the fund. It is more than eight years since the act was placed in operation and organized employers have ceased to voice their objections to the unemployment relief scheme.

Attitude of workers.—Each reduction in the benefits paid by the unemployment relief fund has been protested by the various workers' unions. It is maintained by these organizations that the present unemployment relief benefits do not even approximate a minimum standard of living.

An alteration in the present method of obtaining revenue is advocated by some workers' organizations, which claim that the theory of the present system is fallacious.

Under present arrangements the Government contributes in the same proportion as the workers and the employers, so that in times of general employment all contributions are at a maximum and in times of depressed conditions the revenue from all sources is impaired. In order to remedy this situation it is suggested that the unemployment relief fund be maintained at a fixed amount by a variation of the Government subsidy. When good business conditions prevail the Government appropriation will be reduced to a minimum and in times of depressed business conditions, when employers' and workers' contributions decline and demands for benefits increase, the Government subsidy would be proportionately increased.

Attitude of general public.—There has been some favorable comment from the general press regarding the operation of the unemployment relief fund. It is said that during the recent depressed business conditions many workers who lost jobs through no fault of their own were assisted through a period of unemployment by the operation of the fund.

Opposition to particular items.—Prior to the amending act of December 24, 1930, there was considerable opposition expressed because there was no provision limiting income. Skilled workers employed in seasonal industries, though receiving a comparatively high annual income, were entitled to benefit under the act. The 1930 amendment remedied this situation by providing that a worker in receipt of more than £220 (\$1,071) during the preceding 12 months would not be entitled to unemployment-insurance benefits.

Abuses Under System

The most frequent abuse under the present system is that workers frequently continue to draw benefits after accepting employment. This abuse can only be detected at such a time as claimant may make application for benefits at a later date.

Another abuse which is not infrequent results when more than one member of a family is a worker. Oftentimes the head of the family may be unemployed and receive benefits while at the same time the wife or other members of the family remain employed. There is no adequate safeguard against this abuse.

A third abuse which is very common is among the agricultural classes. It is said to be not uncommon for farmers, pastoralists, or employees in the sugar industry to accept positions as laborers during slack periods and after terminating their temporary employment make application for benefits of the unemployment insurance fund.

During the year ending June 30, 1930, proceedings were instituted against 54 employers for breaches of the regulations and convictions were secured in all but 2 cases. In 20 cases proceedings were taken against applicants and convictions were secured for obtaining benefits under false pretenses.

Contemplated Changes

In so far as can be determined there are no important changes in the present system contemplated by the legislative authorities or advocated by important groups.

Spain ⁶⁴

Although the Spanish Government has for some years shown an interest in measures to protect the workingman who is unable to find employment, and although Spain adhered to the Washington Convention relative to unemployment, there has been no law definitely setting up a system and machinery for the relief of the unemployed by the State until the decree of May 25, 1931, which is set forth below. Although the National Welfare Institute (*Instituto Nacional de previsión*) has been established for nearly 50 years and has acted as an advisory body to the Government on social matters, having at its disposal certain funds for use in connection with old-age insurance, it has never been authorized to act in the matter of unemployment insurance. The institute functions under the Ministry of Labor and with its 20 affiliated savings banks provides a convenient medium through which the Government may act in this matter, and it is so employed under the new decree.

The decree creates a new service in the institute which will be called the National Fund for Involuntary Unemployment (*Caja Nacional contra el Paro Forzoso*). This fund, besides exercising its cultural, advisory, and instructive functions in the prevention of unemployment, will be in charge of and administer the grants made by the State to stimulate the creation or development of institutions for the employment and aid of the unemployed, and will complement the benefits paid by such institutions.

Institutions which may be financially assisted by the Government are the employment offices and those which give financial assistance to the unemployed, gratuitously, or which are subject to public or social bodies operating without profit. The workers' associations and joint committees ⁶⁵ (*Comités Paritarios*) are especially indicated to utilize the allowances granted by this decree. Such allowances may be granted only within the limitations set forth in the decree; they are to be used to alleviate normal unemployment, and may not be used in strikes, lockouts, acute crises, and other exceptional cases.

The national fund will have a special organization governed by a council of its own. The employment offices will be regulated and inspected by the Ministry of Labor.

It is stated in the preamble to the decree that the system established thereby is not definite nor complete. It is not definite because it is expected that with its operation will be obtained a clearer knowledge, especially in statistics, of the nature and extent of normal unemployment in Spain, and a study made of the experience of other countries in the matter. It is not complete because it is based on the supposition that the provision against unemployment rests on sound national economy and good social organization. The establishment

⁶⁴ Report prepared by Curtis C. Jordan, American consul, Barcelona, as of June 3, 1931.

⁶⁵ I. e., of workmen and employers.

of this service is expected to stimulate the efforts to increase employment as well as afford financial aid to the unemployed.

It is to be noted in article 2 that the decree does not go into effect immediately, and is to be supplemented and amplified by regulations.

A translation of the text of the decree is given below:

ARTICLE 1

Social provision against involuntary unemployment will be established in conformity with the following sections:

SECTION 1. As a development of one of the purposes of the organic law of articles 7 and 8 of the statutes of the National Welfare Institute of February 27 and December 24, 1908, respectively, and in conformity with the royal decree of November 20, 1919, there is created in said institute a service for the development and regulation of the provision against involuntary unemployment. The new organization will be entitled "National Fund for Involuntary Unemployment."

SEC. 2. The National Fund for Involuntary Unemployment will be organized and will function in the National Welfare Institute but with complete separation from the functions, estate, and responsibilities already existing or that may exist in the same.

SEC. 3. The National Fund for Involuntary Unemployment will have the following functions:

(1) To extend and enforce the special measures against unemployment by all appropriate means.

(2) To advise the Government and the institutions proposing to fight against the causes of unemployment, or employ those without work, or furnish them with the means of supplying their needs while they are without work.

(3) To administer the moneys of the fund and apply them to the purposes for which they were intended.

(4) To cooperate in gathering and arranging statistical data on involuntary unemployment in compliance with article 1 of the Washington convention relative to compulsory unemployment, ratified and approved by the law of July 13, 1922.

(5) To study the definite organization of a system of insurance against unemployment and of any other adequate means to prevent, reduce, or correct it and apply it in its case.

SEC. 4. Once constituted to attend in a permanent manner to the manifestations of involuntary unemployment in the natural course of work, the National Fund for Involuntary Unemployment will function entirely independently from the measures that the Government may deem opportune or necessary to take on account of acute and exceptional labor crises.

SEC. 5. Involuntary unemployment will be understood as that arising from causes outside the control of the unemployed who can not find employment similar to his customary work, and excluding, therefore, causes arising from the physical disability of the workman (accident, occupational disease, disability and old age) and from controversies (strikes and lockouts).

SEC. 6. The action of the State for the development of the prevention of involuntary unemployment, by means of the national fund, will be carried out in the meantime by means of subsidies granted to organizations which pay unemployment benefits and which comply with the conditions laid down in these sections.

SEC. 7. In order that the National Fund for Involuntary Unemployment may grant subsidies to the organizations mentioned in the previous section, it is imperative that said organizations, besides conforming to the legal requirements established by the regulations covering these sections, shall fulfill the following conditions:

(1) They must be legally constituted and be specially authorized to alleviate compulsory unemployment by means of allowances granted to their members in conformity with their statutes or regulations, or with the resolutions adopted to conform with these sections.

(2) They shall not operate for profit, nor be branches of any other body which does so operate.

(3) They shall carry a separate account of the funds destined for the prevention of involuntary unemployment.

(4) They shall contribute toward the formation of the solidarity fund to which reference is made in section 9, in the proportion fixed by the regulations.

(5) They shall follow the procedure established by the National Fund for Involuntary Unemployment for making application for grants and show that such grants should be made.

(6) They shall provide the national fund with any data or information it may deem necessary for the studies of unemployment and shall organize technical insurance against the unemployment.

In the case of joint committees (*Comités Paritarios*) which pay unemployment benefits on the basis of contributions from both employers and workmen, the respective committees shall be competent to ascertain that the conditions contained in paragraphs (1) to (4) of this section have been complied with and shall also carry out the provisions of paragraphs (5) and (6).

Subsidized bodies shall exercise freely their legal or statutory rights to establish the system of aid, administer their funds, fix and collect the contributions to the funds, pay subsidies, etc.

Said subsidized bodies may agree with the National Welfare Institute or its cooperating savings banks under the conditions accorded freely, within the general statutory provisions governing them, as to the administration of their own funds destined for the prevention of unemployment, the collection of employers' or workmen's contributions, and the payment of benefits to the unemployed, as well as any other functions of an economic or financial character.

SEC. 8. The National Fund for Involuntary Unemployment may intervene in the activities and accounts of all subsidized bodies in all matters that may relate to benefits to unemployed.

SEC. 9. With the purpose of compensating to the greatest possible extent the temporary losses that within the normal course of industry may be suffered on account of involuntary unemployment in certain places or professions, there is created a solidarity fund. This fund shall be supported by contributions from the subsidized bodies and the State; the amount of the former's contribution shall be fixed in the regulations, while that of the latter shall be fixed at a proportion of the contribution of the subsidized body not less than that established for the subsidies specified in section 11. This fund will be administered by the National Fund for Involuntary Unemployment and will be the subject of special regulations.

When the subsidized bodies form part of a corporate organization and have established benefits for unemployment on the basis of employers' and workmen's contributions, the amounts they will be required to pay to the solidarity fund created by this section shall be determined by the national fund.

SEC. 10. Unemployment benefits shall be granted to wage earners between 16 and 65 years of age, irrespective of sex, employer, kind of work, and the form of remuneration, provided the last mentioned does not exceed 6,000 pesetas per year.

Exception is made of public officials and servants.

As regards foreign workers, the granting of a subsidy by the national fund shall be conditioned upon a reciprocal agreement in accordance with No. 3 of the Washington convention before mentioned. If the foreigners are citizens of Andorra, Portugal, of the Spanish-American Republics or of Brazil, the reciprocity shall be understood to exist.

SEC. 11. The subsidies granted by the national fund shall consist (1) in the granting of an increase, up to the limit that may be legally determined and in a proportion never less than 30 per cent nor more than 100 per cent of the amount that the bodies mentioned in section 6, carrying out the prevention of involuntary unemployment, have paid in benefits to their members in accordance with the following conditions:

(a) The amount granted by the national fund plus the benefits paid by the organization receiving the subsidy shall not exceed 60 per cent of the ordinary wages of the unemployed member.

(b) The benefits shall be paid for not to exceed 60 days within 12 consecutive months.

(c) There shall be an uncompensated waiting period of 6 days before benefits begin.

(d) To be eligible for benefit the applicant must have been a member of the organization receiving subsidy for six months previous to the loss of employ-

ment. This affiliation must be certified to the National Fund for Involuntary Unemployment.

The proportions specified in paragraph (1) of this section shall be fixed for the first time by the regulations and may be modified by ministerial order following the report of the National Fund for Involuntary Unemployment.

(2) In the payment, during the period in which the unemployed is receiving benefits, of the contributions required to be paid by the unemployed for the compulsory social insurance.

SEC. 12. The right to compensation will be lost, during the term fixed by the regulations, if the unemployed does not accept adequate employment offered him in accordance with the provisions of the regulations, or if he leaves his employment without just cause. Neither will compensation be paid during the time the unemployed resides abroad.

SEC. 13. The resources of the National Fund for Involuntary Unemployment will be formed—

(a) By appropriations in the State budgets of funds to be used as subsidies for compulsory unemployment to which reference is made in section 6, increased in the percentage that may be determined for the support of the fund;

(b) By gifts and subsidies given to the fund by private or public persons; and

(c) By the amounts that the subsidized bodies may pay to the solidarity fund in accordance with the provisions of section 8.

SEC. 14. The new service will be directed by a board constituted as follows:

(a) The president of the National Welfare Institute, who will also be president of this board;

(b) Representation, to be determined in the regulations, of the National Welfare Institute, designated by its "Consejo de Patronato";

(c) The director general of the Ministry of Labor in charge of the employment service;

(d) Two workmen and two employers, designated by the advisory committee on social legislation;

(e) Representation, to be determined in the regulations, of the unemployment insurance organizations;

(f) A person of recognized competence in matters of unemployment, designated by the board of directors of the National Fund for Involuntary Unemployment;

(g) The representative of the Spanish Government in the Council of Administration of the International Labor Office; and

(h) A representative of the Spanish section of the International Association for Social Progress.

There will also be an executive committee formed by the president and the members of the board of directors designated by the board.

ARTICLE 2

The Minister of Labor, upon the proposal of the National Welfare Institute and after hearing the advisory committee on social legislation and the labor council, will dictate the rules developing these provisions within the term of three months.

Switzerland⁶⁵

Federal System

Switzerland has been experimenting for many years in connection with matters relating to unemployment. The first endeavors to provide useful measures against unemployment in Switzerland are believed to have originated in 1884. At that time several workers' organizations created, in favor of their members, unemployment insurance funds which were known locally as "caisses d'assurance chômage." These funds, which were regulated by by-laws without supervision on the part of the State, had as their only resources the assessments of the insured. Neither the Confederation nor the Cantons were interested in such measures until a later date.

In 1893 the city of Berne created a communal fund. This was followed two years later by the formation of a similar organization at St. Gall. The experiments were not successful, largely by reason of defective organization and ineffective control, but they served to draw attention to the problem of insurance against unemployment.

Later the Federal Government endeavored to adopt measures having as their object relief against unemployment and ensuing circumstances. These measures took the form of the establishment of an employment bureau which was organized upon the basis of insurance against unemployment. The first step was the promulgation of the Federal decree of October 29, 1909, under the terms of which the Confederation granted subsidies to employment offices complying with certain conditions. In this way the decree contributed to making uniform and centralizing the public service for employment.

The solution of the problem of insurance against unemployment was delayed by the proposed elaboration of insurance measures against sickness and accidents, and also by the World War, but the subject came up for more serious consideration immediately following the war, when the economic situation in most countries of Europe was in chaos and unemployment was rife. The first steps by the Swiss Government were taken in August, 1918, and the first measures to relieve industrial unemployment were supported by both cantonal and Federal authorities. The most common means of aid was legislation authorizing the construction of public works, but an inevitable concomitant was the raising of construction costs to extraordinary heights and the certainty that not all of the deserving idle were really being aided by the expenditure of huge public funds.

The expenses involved were met by contributions by the Confederation, Cantons, communes, and employers. By the end of 1924 the cost had amounted to approximately 515,000,000 Swiss francs (\$99,395,000),⁶⁶ the Confederation contributing 296,000,000 francs

⁶⁵ Report prepared by Hugh F. Ramsay, American vice consul at Zurich, as of May 1, 1931.

⁶⁶ Conversions into United States currency on the basis of Swiss franc at par=19.3 cents.

(\$57,128,000) thereof, the Cantons and communes 201,000,000 francs (\$38,793,000), and private employers 18,000,000 francs (\$3,474,000).

It soon became apparent to the Swiss authorities that this system of assistance should be discontinued and it was proposed to replace it, as soon as the abnormal conditions resulting from the war had disappeared, by insurance against unemployment. It was believed that such insurance would have the advantage of safeguarding the dignity of the employee by permitting him to contribute, during periods of employment, toward the benefits to be received during idleness. Furthermore, it was demonstrated that abuses are more frequent under a system of assistance than under a system in which the workers participate.

The conviction that an unemployment insurance system was the best way of gathering a surplus fund to aid unemployment in times of crisis became sufficiently strong in 1924 to result in the abandonment of the extraordinary measures of relief in June of that year, and on October 17, 1924, the Federal law setting up regulations for an unemployment insurance system on a permanent basis became effective.

Basis of System

Switzerland is a federated State, consisting of 25 Cantons, each of which has the right to legislate upon all questions which have not been expressly reserved to the Confederation. The various Cantons therefore were permitted much latitude in the framing of regulations for the carrying out of the insurance plans. The chief features of the Federal law were the conditions to be fulfilled by the insurance companies, insurance funds, or mutual funds, in order to obtain Federal subsidy. The Federal law, for instance, did not prescribe minimum or maximum age limits between which insurance must be carried, nor did it specify by classes those persons who might be required to insure themselves. These and a number of other questions were left to the cantonal legislatures for regulation. As a consequence, while most of the Cantons have made unemployment insurance compulsory for factory workers, insurance for nearly all other classes of labor is voluntary, and in a few of the Cantons no worker is compelled to carry the insurance. Through the system of subsidies only, the Confederation avoided the establishment of a costly system of administration, while permitting existing funds the opportunity to develop without unnecessary expense.

Essential Features of Law

The subsidies provided by the law are granted only to funds devoting themselves solely to insurance against unemployment, and which keep separate accounts and provide guaranties that their funds are employed in a proper manner. The by-laws of the funds must prescribe exact rules governing contributions of the insured and payments on the part of the organization. No minimum is fixed for the benefit, but it must not exceed 60 per cent of the wages lost, insured members with family obligations receiving 10 per cent more than those without such obligation. The benefit may be paid only to those who are without work through no fault of their own and who have been unable

to find employment. The insured must produce a statement from his last employer establishing the cause of his discharge, and must, in addition, register at the public employment exchange. In the case of certain trades the insured may register at a private employment office specializing in furnishing work for his trade. Benefits are payable only to those who have been members of a fund for at least 180 days and who have paid their contributions without interruption, and are payable at the earliest three days after registration at the labor exchange.

When unemployment is the result of a strike no benefit may be paid during the period of the strike and for at least 30 days thereafter. Benefits are payable not to exceed 90 days in any 360 days; in times of extraordinary depression, however, the Federal Council may extend this period. The law also requires that the by-laws of the funds shall provide for the withdrawal or refusal of payments to any unemployed individual who will not avail himself of any suitable offer of work, or who may attempt to obtain benefits fraudulently. Finally, the question of partial unemployment is treated, permitting payments of benefits under certain conditions.

The Federal subsidy is fixed according to the amount of the daily benefits paid by funds to members who qualify for relief, and amounts to 40 per cent of the benefit paid by public funds and similar organizations and to 30 per cent for all others. The Federal Assembly may temporarily increase the foregoing rates by 10 per cent at the maximum. The subsidy is paid to the funds only after verification of their annual accounts. Officials of the Federal Bureau of Labor have supervision over the funds and are vested with the right to examine the accounts of all funds, public or private, at any time.

Certain other provisions of the law relate to the free transfer of membership from fund to fund and fix a minimum of 200 members for those funds which are to receive Federal aid.

By law, foreigners domiciled in Switzerland are placed upon the same legal basis as Swiss citizens. However, under the unemployment insurance law, the Federal Council may deny or lower the subsidy paid to foreigners from a State which does not accord similar treatment to unemployed people of Swiss nationality, or which does not provide equivalent measures against unemployment. Any convention concluded by Switzerland with any other State, according to the terms of which the nationals of both States are to receive insurance against unemployment, are obligatory upon all recognized funds.

Cooperation of the Cantons

Soon after the passage of the Federal law of October 17, 1924, the various Cantons began to legislate upon the subject. Of the 25 Cantons, all but one have passed laws based upon and supplementing the Federal law; this Canton, Unterwalden, is an agricultural region and no legislation on the subject is anticipated in the near future.

The basis of the cooperation offered by the Cantons in every instance is that of additional subsidies to either private or public insurance funds or companies. The conditions imposed in every Canton are practically the same as those defined by the Confederation. The amount of subsidy granted to the funds varies from 10 to 45 per cent of the amount of unemployment benefits paid out by the funds.

In addition, certain Cantons have assisted the setting up, by the funds, of reserves, for periods of economic stress, and have granted money for the establishment of such reserves. Also the cantonal laws in certain cases made the insurance compulsory for certain classes of labor, and created for this purpose public cantonal funds. Others left it to the communes in the Canton to decide whether the insurance should be compulsory or voluntary. Thus there are really four groups of Cantons from the standpoint of the execution of the Federal law regarding unemployment insurance:

Group 1, comprising Cantons which have made the insurance compulsory for all or part of their workers, or which have instituted a public cantonal fund, and which pay subsidies to this fund as well as to other funds which are qualified to receive the Federal subsidy. This group includes the Cantons of Glarus, Neuchatel, Schaffhausen, Uri, Zug, Solothurn, and Basel-Stadt.

Group 2, consisting of the Cantons which subsidize recognized funds and allow the communes to decide as to whether the insurance shall be compulsory. This group includes St. Gall, Lucerne, Ticino, Vaud, Valais, Zurich, and Appenzell Outer Rhodes.

Group 3, consisting of those Cantons which subsidize recognized funds, leaving the insurance to be sought voluntarily by the workers. This group includes the Cantons of Aargau, Appenzell Inner Rhodes, Basel-Land, Bern, Geneva, Grisons, Schwyz, and Thurgau.

Group 4, including the Cantons which have as yet passed no laws on the subject of unemployment insurance. The twin Canton of Unterwalden, with its two sections of Nidwalden and Obwalden, is the only one in this category.

Number of Funds and Scope of System

As a result of the legislative measures and regulations adopted in rapid succession by the Confederation, the Cantons, and their communes, a large number of organizations having as their sole object the carrying on of this type of insurance came into being. In French-speaking Switzerland these are known as "caisses de chômage," and in German-speaking sections as "Arbeitslosenversicherungskassen." These organizations are of three kinds: The public fund, set up and administered either by a Canton or a commune; the private mutual fund set up and administered through cooperation of employers and workers; and the private workers' or trade-union fund, which is administered and financed entirely by workers' associations.

Table 61 shows the distribution of the various types of funds:

TABLE 61.—*Number of unemployment insurance funds of each type in Switzerland, 1925 to 1929*

Year	Public funds	Private workers	Private mutual (factory) funds	Total number of funds
1925.....	18	37	5	60
1926.....	53	33	19	105
1927.....	65	37	57	159
1928.....	65	39	63	167
1929.....	65	40	70	175

Table 62 shows the number of members of unemployment funds for the past six years:

TABLE 62.—Number of persons with membership in unemployment insurance funds in Switzerland, 1925 to 1930

Year	Men	Women	Total
1925.....	123, 280	26, 370	149, 650
1926.....	128, 138	37, 358	165, 496
1927.....	178, 275	62, 627	240, 902
1928.....	195, 453	69, 194	264, 647
1929.....	221, 143	71, 856	292, 999
1930.....	.....	.....	323, 754

At the end of the year 1929 it was calculated that 39.4 per cent of all salaried workers in Switzerland who could be considered as eligible for unemployment insurance were members of some kind of insurance fund.

In all Cantons in which there is legislation covering unemployment insurance any salaried individual is entitled to become a member of an organization which would grant him the benefits of such insurance. In addition to covering workers in factories and in the trades, and salaried employees, insurance against unemployment may extend to persons engaged in agriculture. The sole exclusion covers persons working on their own account, but even such persons may insure if their activity is of the same character as that of a salaried worker.

Contributions

The contributions of the workers vary according to the type of insurance fund to which they belong, to the occupational group to which they are assigned, and to the risk involved. For instance, a higher rate of contribution is required in the case of road workers, inasmuch as such work is seasonal and classified as a poor risk, whereas a clerk in a financial institution would be considered as an unusually good risk and would be charged a lower rate.

Contributions in almost every case are related to both wages and earnings of the worker, and are divided into two classes. These are as follows: Persons in class 1 (the factory system) pay from two-tenths to three-tenths of 1 per cent, deducted from salary or wages. Class 2 has three divisions (on a wage basis); those in division (a) pay 2 francs (38.6 cents) per month, division (b) 1.50 francs (29 cents) per month, and division (c) 1 franc (19.3 cents) per month. Thus, those in division (a) would contribute 24 francs (\$4.63) per year and would be entitled to a benefit of 7 francs (\$1.35) per day.

In Cantons in which compulsory insurance is in force there are actually two obligatory classes: (a) All workers subject to the factory inspection laws, and (b) those receiving from 4,000 to 6,000 francs (\$772 to \$1,158) per annum.

As a general rule, the insured must contribute at the rate of at least 30 per cent of the daily benefits paid, even if the total contributions to the insurance fund should exceed 70 per cent of the benefits paid out. For example, in many Cantons the contributions are divided as follows:

	Per cent
Confederation.....	40
Canton or commune.....	30
Workers.....	30
Total.....	100

The fund must place any contribution in excess of 100 per cent in its reserve fund.

Table 63 shows the contributions of the Cantons to the three different types of funds, in terms of percentage:

TABLE 63.—Per cent Canton's contribution forms of total contributions to various types of funds

Canton	Per cent of total contribution made by Canton to—					
	Public funds		Private workers' funds		Private mutual (factory) funds	
	Ordinary rate	Crisis rate	Ordinary rate	Crisis rate	Ordinary rate	Crisis rate
Basel-Stadt.....	45		45		45	
Geneva.....	40		40		40	
Grisons.....	40		30		40	
Glarus.....	30		30		30	
Appenzell Outer Rhodes.....	25-35		25-35		25-35	
Solothurn.....	25	35	25	35	25	35
Fribourg.....	30		15		30	
Zurich.....	25		25		25	
Thurgau.....	(1)	(1)	25		25	
Valais.....	20-30		10		20-30	
Basel-Land.....	25		20		20	
Zug.....	20	30	20	30	20	30
Schwyz.....	20	30	20	30	20	30
Uri.....	20	30	20	30	20	30
Aargau.....	20		20		20	
Appenzell Inner Rhodes.....	20		20		20	
Lucerne.....	20		20		20	
Vaud.....	20		15		20	
Neuchatel.....	20		15		20	
Bern.....	10	20	10	20	10	20
Ticino.....	10	15	10	15	10	15

¹ No public fund.

² Maximum.

Period of contribution.—As already stated, the period of contribution must be uninterrupted, except in case of illness or military service. In the latter case the number of days of such illness or military service is added to the period of 180 days required for unemployment benefit.

Benefits

A benefit may be paid only in the case of unemployment on the part of the worker through no fault of his own. The beneficiary must have registered at an employment office and must show that he has been unable to find suitable employment. A statement must be submitted from the last employer giving the reason for the discharge and showing the salary received by the worker.

The right to benefit starts only when the insured has become a member of the fund and when he has paid his contributions for a period covering 180 days. Before benefit begins there is a waiting period of three days after his registration at the employment office, except in case the worker has already observed a similar waiting period during the course of the year, and has been unemployed for at least three months.

When unemployment is the result of a collective labor dispute, no benefit may be paid during that period or during the following

30 days. In case the worker is incapable of working, no indemnity may be paid to him during the period of such incapacity. It may be mentioned here that a worker incapacitated by sickness becomes a beneficiary of the sickness insurance, which is compulsory for many classes of labor.

While the Federal law states that no more than 90 days' benefit may be paid during a period of 360 days, it also states that the period may be extended by Federal decree. During 1930 and 1931 benefit periods have lasted as long as 210 days.

Benefits are allotted according to a classification based upon the wage or salary. In some Cantons the maximum is fixed, and in such cases, irrespective of the rules of the fund, the cantonal maximum can not be exceeded. However, as a rule, based on figures of some of the largest workers' funds, the unmarried beneficiary who contributed the maximum of 2.10 francs (40.5 cents) per month would be entitled to 8 francs (\$1.54) per day benefit, and the married worker, 9.60 francs (\$1.85). The majority of the benefit payments range from 6 to 7 francs (\$1.16 to \$1.35) per day, plus 1 franc (19.3 cents) for each child. In the textile industry the beneficiary receives a minimum of 2 francs (38.6 cents) per day. In no case, however, may the benefit exceed 50 per cent of the normal wage in the case of an unmarried person or 60 per cent in the case of a beneficiary with dependents.

In case of partial unemployment, the total benefit must not exceed 80 per cent of the normal wage, including the amount actually earned, for a married worker, nor more than 70 per cent including the earned sum, in the case of a beneficiary with no dependents. The right to benefits for partial unemployment ceases as soon as the insured has received an amount equal to 90 full days' benefits within a period of 360 days.

If unemployment should manifestly be due to the fault of the beneficiary, but the fault was slight, benefit may be paid at the expiration of a period of at least four weeks.

If an insured worker who is receiving benefit should refuse an offer of employment, the arbitration commission of his fund or the labor bureau of the commune, Canton, or the Federation shall decide whether such proposed work is suitable. In the case of fraud no benefit shall be paid. Any member failing through his own fault to pay such contribution as may be due shall no longer be entitled to receive a benefit under the insurance system.

Benefit may not be granted to the following classes of workers: (a) Any worker who does not avail himself of a suitable offer of employment, or who fails to seek work by reason of his own fault; (b) any worker who does not comply with the regulations of the law or of his recognized fund; and (c) any worker who gives inaccurate or incomplete information regarding his employment status, or who otherwise attempts to secure undue benefits.

Transfer of benefit.—Any worker who is employed may transfer from one fund to another, whether leaving voluntarily or dropped by a recognized fund through no fault of his own, provided he has fulfilled his obligations to the first fund. Thereupon, the fund to which such worker transfers must confer the same rights upon him after a period of affiliation of four weeks, and as soon as he has paid contributions for that period. In this case, the statutory

waiting period necessary before the benefits commence is to be reduced by a period equal to that for which the insured has paid contributions to the former fund; however, in no case is the fund obliged to reduce the waiting period to less than four weeks. A worker must be credited at the new fund in the amount paid to the fund from which he may transfer.

No worker going from one fund to another fund may leave the latter without having paid the total of one year's contributions after having enjoyed insurance benefits from the first fund.

Administration

Federal subsidies are granted only to unemployment funds which have at least 200 members, except in certain cases when the fund is just started. These funds, as mentioned heretofore, are of three general classes, which are here described more in detail.

The first comprise the public funds, formed by different Cantons or communes, sometimes having only a few members. It will be seen by reference to Table 61 that during the past four years there has been practically no growth in the number of these funds, as their purely local character is a disadvantage.

The second group includes the private workers' funds (*Privat einseitige Kassen* or *Caissees Mutuelles Privées*), which are funds organized and financed by workers, and under the management of committees of workers or hired officials. Some of these belong to trade-unions, some to socialistic organizations, and some to organizations of a partly social and partly religious character. Among these is the large group, Schweizerischer Verband Evangelischer Arbeiter und Angestellter.

The third group is that of the private mutual organizations, usually referred to as the factory system (*Privat paritätische Kassen*, or *Caissees Paritaires Privées*). These are operated in common by employers and workers, each paying a contribution.

Referring again to Table 61, it will be seen that the second group is also failing to grow in numbers, while the third group, or the mutual societies belonging to both workers and employers—the factory system—is growing in numbers each year. Starting in 1925 with only 5 funds, there were 70 such funds in 1929, and there are more in existence now. Their disadvantages, however, are that they are only local in character and that through the withdrawal or failure of the firm the membership of the workers is also extinguished.

The number of workers insured with the public funds is, in round figures, 15 per cent of the total, with the third group, or factory mutuals, around 20 per cent, and with the workers' associations, around 65 per cent or nearly twice the number insured with the other two groups combined.

As the 1930 figures showed 323,754 insured workers, and as it is safe to say that there are at least 800,000 workers in the country, it will be seen that about 3 out of 8 workers enjoy this protection.

The funds are required to keep strict account of all money received and disbursed, and to submit a report annually to the Confederation before any subsidy may be allotted. The Federal subsidy amounts to 40 per cent of the daily benefits in the case of the public funds and the funds administered in common by employers and

employees, and 30 per cent of the daily benefits in the case of the workers' associations. The Federal Council may temporarily increase the rate of the subsidy by a maximum of 10 per cent.

In the case of the mutual societies, or factory system funds (*Caisses Paritaires*) contributions are deducted weekly by employers from the wages or salaries of the employees. The payments made to the workers' associations are sometimes made in cash, and sometimes in the form of stamps which are purchased either direct from the fund or from the post office. The public funds rarely collect the contributions from their members in cash, but use the special stamps which are pasted on the insurance book or card.

Statistics of Operation

The following table shows the total number of people in Switzerland insured against unemployment in 1930, and the number of persons who drew insurance benefits during the same period.

TABLE 64.—Number insured and number of beneficiaries of Swiss unemployment insurance funds in 1930

Type of fund	Total number of persons insured	Beneficiaries		
		Men	Women	Total
Public funds.....	67,137	13,208	7,692	20,900
Workers' funds.....	187,644	30,038	8,741	38,779
Factory funds.....	68,973	6,653	7,609	14,262
Total.....	323,754	49,899	24,042	73,941

The total receipts and disbursements and cost of administration in 1930 were as follows:

TABLE 65.—Receipts and disbursements of Swiss unemployment insurance funds in 1930

[Conversions into United States currency on basis of franc=19.3 cents]

Class of funds	Receipts		Disbursements		Cost of administration	
	Swiss currency	United States currency	Swiss currency	United States currency	Swiss currency	United States currency
Public funds.....	<i>Francs</i> 4,540,779	\$876,370	<i>Francs</i> 3,843,422	\$741,781	<i>Francs</i> 141,327	\$27,276
Workers' funds.....	14,055,967	2,712,802	11,229,365	2,167,267	223,271	43,091
Factory funds.....	2,722,014	525,349	2,166,508	418,136	82,485	15,920
Total.....	21,318,760	4,114,521	17,239,295	3,327,184	447,083	86,287

It is the endeavor of all classes of funds to limit the cost of administration to not more than 15 per cent of the paid-in contributions. However, during prolonged periods of economic depression such as in 1930, it is impracticable to maintain administration costs at such a low level.

No truly accurate information in regard to surplus, deficits, etc., for the entire system, is available at the present time. It is believed, however, that the unemployment insurance expenditures will amount to 30,000,000 francs (\$5,790,000) in 1931, of which the share of the Confederation will be 12,000,000 francs (\$2,316,000). In nearly all of the Cantons, however, there are clauses in the cantonal laws which call for the making up of yearly deficits in the public or private funds by the cantonal treasury.

Attitude Toward the System

When insurance against unemployment was first introduced in Switzerland there was a certain amount of discontent and distrust on the part of the public in view of the possibility of abuse. This feeling was especially prevalent during the economic crisis of 1922-1924, when there were many people in Switzerland without employment. These conditions led to the enactment of the law of October 17, 1924, which has since been interpreted by means of ordinances.

Since the enactment of the initial legislation and the systematization of the operation of the contributions and benefits, distrust has gradually dissipated. At the present time insurance programs against unemployment are well received on the part of the public, employers, and employees. However, the opinion seems to prevail that existing legislation can be improved.

The principle of government subsidy for organizations engaged in social work is well established in Switzerland, and although various groups are vocal in recommending changes, such changes will not be put into effect without very careful consideration.

Further remarks concerning the attitude of various groups and political divisions of the country are made later on in this report in the section dealing with each Canton as a unit.

Changes Under Contemplation

Recommendations on the part of funds, as well as by cantonal authorities, have been made from time to time. These include the following: (1) More uniform regulations for the whole of Switzerland and unification of the system; (2) greater benefits for married beneficiaries; (3) equalization of the Federal subsidy for all funds; (4) extension of the period of 90 days for benefits, with a fixed limit; and (5) an amendment which will avoid any chance of unemployed workers' having to accept charity.

Other recommendations have been for a single insurance fund or company for all Switzerland, operated as a public fund. Another would make compulsory the setting up of public insurance groups by each Canton. Still another would make obligatory the subsidizing of all the existing companies by the Federal Government and put them all in the category of public organizations.

A very large workers' fund has set out as a program the following: The increase of the daily allowance, in case of small wages, where the legal amount is not equal to the needs of the family; an increase in the daily allowance according to the number of members in the family; a regulation of the amount of subsidy paid by each Canton

to the insurance funds, so that the amount of cantonal subsidy will be the same in each Canton; and finally the introduction of obligatory insurance for every worker, in order to reduce the potential risk.

As a general thing, no single class except the farmers is inimical to the principle of unemployment insurance, and even the most conservative of employers are reported to believe that it tends to lower labor turnover, and keeps idle workers from the temptation of crime and revolutionary political intrigues.

Fraud and Abuses

Fraud on the part of members of insurance groups is rare. One of the large mutual companies, with 15,000 members, states that fraudulent claims by members do not involve even one-half of 1 per cent of the membership. Another, even larger, states that fraud does not come into its statistical review at all, as attempts are very rare. The law itself provides quite adequate measures to prevent and punish fraud. Still, some of the insurance companies have adopted checks other than those provided by the law against fraud, and maintain special investigators.

Grievances and Disputes

Grievances and disputes are settled in different ways according to cantonal regulations and the rules of the various insurance groups. In the case of public insurance organizations, the cantonal courts (or the cantonal legislature itself) are the high authority in case of disputed claims or disagreements between the worker and his fund. The decision of the Federal Labor Department is the supreme authority for the entire country. The various insurance funds have in most cases set up courts of arbitration which decide disputes between the members and the management regarding all matters except actual claims for benefits. These claims, when disputed, are usually settled by the cantonal labor bureaus, with the Federal Labor Bureau acting as the appeal court. Some funds leave the settlement of all disputes to the cantonal courts, and in some Cantons this means of arbitration is compulsory. In these cases the cantonal court decision is final and can definitely settle claims arising from undeserved discharge and other administrative troubles, as well as claims for benefits which are in dispute. The decisions of the cantonal courts are recognized by the Federal Labor Bureau.

Canton of Appenzell Inner Rhodes

This Canton by its law of December 27, 1927, obligated itself to reimburse both public and private unemployment organizations which are recognized by the Confederation, up to 20 per cent of the daily benefits paid to unemployed workers.

A further provision of the law states, however, that the poor funds of the various political districts or communes must return to the cantonal treasury a portion of this subsidy, in case payments of unemployment benefits are made to residents of the communes. Although the law permits each commune to set up a public insurance organization, none of them has as yet done so as far as could be

learned. The Canton is largely agricultural, however, and the need for unemployment insurance is relatively very slight.

Canton of Appenzell Outer Rhodes

The Canton of Appenzell Outer Rhodes was the first of the two Appenzell Cantons to enact a law based on the Federal unemployment insurance measure; its law was passed April 25, 1926, and went into effect January 1, 1927.

The Canton grants subsidies not only to the public insurance organizations or funds but also to private funds which are recognized by the Federal Government. The rate of the cantonal subsidy is from 25 to 35 per cent of the benefit payments made to insured members residing in the Canton. The cantonal legislature may also vote from 20,000 to 30,000 francs (\$3,860 to \$5,790) to this end, and in times of crisis the outlay may reach 50,000 francs (\$9,650). Any portion of the yearly credit voted which is not needed is paid into a reserve fund destined to be drawn on in times of extreme crisis.

Each political district or commune in the Canton is directed by the law to set up a public insurance organization as soon as 12 or more workers register their wish to be insured, although two or more districts may unite in forming an insurance fund if they desire. Each commune may make insurance obligatory for all of its workers, or for certain classes only.

Canton of Aargau

The revision of unemployment legislation by the Canton of Aargau took place on November 4, 1926, and originally provided for an operation period of two years. This has been extended since, and the regulations promulgated in 1926 will be in effect until the end of 1932. Before that date it is expected that an entirely new law will be enacted, providing for a limited liability insurance corporation, managed by the Canton.

In the meantime the Canton is subsidizing the private insurance groups to the extent of 20 per cent of the total benefits paid by them.

In 1926, 16 cooperative insurance groups were operating under Federal approval in Aargau. At the end of 1927, nine groups were receiving cantonal subsidies, and the total for the year which the Canton contributed was 9,534 francs (\$1,840). The table following shows the number of persons covered by insurance for the years 1926, 1927, and 1928, together with the amounts paid out by the insurance organizations:

TABLE 66.—*Unemployment benefits paid in Canton of Aargau, 1926 to 1928*

[Conversions into United States currency on basis of franc=19.3 cents]

Year	Number of persons insured	Number receiving benefits	Amount of benefits		Average benefit per person	
			Swiss currency	United States currency	Swiss currency	United States currency
1926.....	7,118	592	<i>Francs</i> 47,671.31	\$9,200.56	<i>Francs</i> 80.52	\$15.54
1927.....	7,582	509	48,057.06	9,275.01	94.41	18.22
1928.....	13,097	456	33,298.61	6,426.63	73.02	14.09

Canton of Basel-Land

The first legislation creating an unemployment insurance system in the Canton of Basel-Land was enacted June 23, 1930, and became effective January 1, 1931. A cantonal office for unemployment insurance was established by the law, and provision is made for the regulation and subsidy of certain private funds, which are allowed to continue operations in conjunction with the cantonal office. Only private institutions having more than 300 members can be granted a subsidy by the Canton. There are 27 such institutions in operation now. Compulsory unemployment insurance is established for certain classes of workers, and it is provided that certain other classes are not permitted to be insured.

The contribution prescribed for all classes of workers insured by the cantonal public fund is five-tenths of 1 per cent of the wages or salary received. Contributions are to be paid monthly in cash.

Employers of insured persons have to contribute a sum equal to fifteen-hundredths of 1 per cent of the wages paid out to insured persons. Government administrations and certain other classes of employers are exempt from this provision.

The subsidy of the Canton to the cantonal public fund amounts to 25 per cent of the total sum paid out annually as benefits to members, while for the private organizations the subsidy is 20 per cent of the annual benefits paid out. A 10 per cent contribution is required from the municipalities or communes.

Benefits by members may be drawn after 180 days of membership and contribution payments. In the first year of membership benefits may be paid for a maximum period of 50 days. This period may be increased by 10 days annually until the maximum of 90 days set by Federal law is reached. The minimum benefit granted daily is 3 francs (57.9 cents) in the case of persons without dependents, while for persons having others to support the rate is from 5 to 7 francs (96.5 cents to \$1.35) daily.

The administration of the cantonal public fund and the regulation and control of the private funds are under the direction of the cantonal labor office.

The contributions of all insured persons in the Canton of Basel-Land are deducted by employers from the wages. Employers deduct the contributions monthly, but remit them semiannually to the labor office, which in turn makes the distribution according to the institution or association in which the persons concerned are insured. According to an official of the Basel-Land Labor Office, the Canton Basel-Land is the first in Switzerland to introduce the system of collecting contributions through the employer.

As in the Cantons of Basel-Stadt and Solothurn, the law provides punishment and fines for cases of fraud committed by insured persons. As the law has been in operation for such a short time there are no data available as to the frequency of fraud, but as there is no city in the Canton of more than 10,000 inhabitants, it is believed that control will be easy, and fraud almost nonexistent.

Appeal in cases of dispute or grievances can be made to a special commission composed of five members, two being employers, two employees, and the fifth being the president of the cantonal supreme court as chairman.

The total number of persons insured against unemployment in the Canton is said to be from 18,000 to 20,000, of whom about half are insured with the cantonal public fund. No statistics are as yet available with respect to receipts and expenditures, or cost of administration. It is understood that administration expenses are borne by the Canton independently of contributions and subsidies received.

No important changes in the system are contemplated by the legislative authorities, or urged by any important groups.

Canton of Basel-Stadt

The first legislation of the Canton of Basel-Stadt relating to unemployment insurance was enacted on December 16, 1909, and became effective May 2, 1910. This law established a cantonal office for unemployment insurance, and provided for the regulation and subsidy of private unemployment insurance organizations which might continue to operate in conjunction with the cantonal office. Unemployment insurance was not compulsory under this law, which remained in force until the enactment of entirely new legislation on February 11, 1926.

The law of February 11, 1926, makes it compulsory for certain classes of workers to be insured, either with the cantonal office, or with officially recognized private organizations. Inhabitants of the Canton who are capable of working, are over 16 years of age, and not engaged in independent occupations, must be insured, with the exception of persons in the following classes: (a) Personnel of the Federal offices, and administrations and officials and employees of foreign governments, as well as the permanently employed personnel of the cantonal and municipal offices; (b) domestic and agricultural servants; (c) home workers, persons who work by the hour or day in households, and porters; (d) house-to-house salesmen and travelers on commission; (e) apprentices coming under the law concerning apprenticeship; and (f) workers whose regular income (salary, wages, regular fixed additional sums) is in excess of 6,000 francs (\$1,158) per year.

There are at present 23 officially recognized private organizations in the Canton of Basel-Stadt which undertake unemployment insurance and receive cantonal and Federal subsidies in accordance with the laws of the Federal and cantonal governments. As stated, workers subject to compulsory insurance may be insured by either the cantonal institution or by one of the officially recognized private funds. Employed persons belonging to classes exempted from compulsory insurance may as a rule be voluntarily insured with the cantonal fund or with one of the private funds. The majority of the private funds are administered jointly by employers and workers, the employers usually paying part of the contribution; but some of the private organizations are administered by trade-unions, and in such cases the workers, of course, pay all the contributions.

The law of February 11, 1926, is still in force, but has been twice amended as follows: An amendment of January 27, 1927, made certain changes of minor importance with regard to the payment of contributions and conditions for granting the cantonal subsidy, and an amendment of March 1, 1929, authorized the executive council of the cantonal government to increase the usual rates of assistance for certain trades and in times of economic crisis.

The cantonal subsidy for private unemployment insurance associations as well as for the cantonal fund amounts to 45 per cent of the amount paid annually as benefits. All employers in the Canton of Basel-Stadt are requested to contribute to a so-called "crisis fund" two-tenths of 1 per cent of the amount of wages paid out to their employees. This fund is not used unless the cantonal subsidy to all of the unemployment insurance institutions, public and private, exceeds five times the contribution of the employers.

Contributions paid by members of the cantonal insurance fund are related to wages or earnings according to the following classification:

TABLE 67.—Contributions of members of unemployment insurance fund of Basel-Stadt

[Conversions into United States currency on basis of franc=19.3 cents]

Wage class	Daily wage	Monthly contribution	
		Swiss currency	United States currency
		<i>Francs</i>	<i>Cents</i>
Class 1.....	Up to 6 francs (\$1.16).....	0.70	13.5
Class 2.....	6.01 to 9 francs (\$1.17-\$1.74).....	1.00	19.3
Class 3.....	9.01 to 12 francs (\$1.75-\$2.32).....	1.50	29.0
Class 4.....	12.01 to 14 francs (\$2.32-\$2.70).....	2.00	38.6
Class 5.....	Over 14 francs (\$2.70).....	2.50	48.3

Persons insured by the cantonal insurance institution are entitled to a benefit only when they have been members for a period of 180 days and have paid their premiums for this period. The maximum period during which members may receive benefits is 90 days annually, but this period may be extended under exceptional conditions. The usual amount of daily benefit for each of the five classes described above is as follows:

TABLE 68.—Daily benefits of unemployment insurance fund of Basel-Stadt

[Conversions into United States currency on basis of franc=19.3 cents]

Class	Persons with dependents		Persons without dependents	
	Swiss currency	United States currency	Swiss currency	United States currency
	<i>Francs</i>		<i>Francs</i>	
Class 1.....	1 60	1 60	1 50	1 50
Class 2.....	5.00	\$0.97	4.00	\$0.77
Class 3.....	5.75	1.11	4.50	.87
Class 4.....	6.50	1.25	5.00	.97
Class 5.....	7.00	1.35	5.50	1.06

¹ Per cent of wage.

There is no right to benefit under the following circumstances:

(a) When the employee leaves his employer without definite assurance of other work, unless he has reasons which entitle him to leave, such as being forced to continue under conditions contrary to the contract, or being forced to accept wages lower than those usually paid for the specific kind of work.

(b) When the unemployment is due to the conduct of the insured and dismissal is permitted according to the Federal factory law and the cantonal laws.

(c) When unemployment is due to collective labor disputes, during the duration of the conflict and the succeeding 30 days.

(d) When unemployment is the consequence of sickness or accident of the insured, during the time of invalidity.

(e) When the insured does not comply with the regulations concerning control.

(f) When the insured refuses, without sufficient reason, to accept work which has been offered to him, or when he can not find work due to his own fault or negligence.

(g) When the insured knowingly makes untrue statements with respect to the claim for insurance or the class of premium to be paid.

The administration of the cantonal unemployment insurance office and the control of private unemployment insurance organizations are under the direction of a bureau of the cantonal department of the interior. A special board has been created for the supervision of the affairs of this bureau. The bureau itself has six employees—one manager and five clerks. The expenses of administration amount to approximately 45,000 francs (\$8,685) annually.

Contributions must be paid monthly in cash, and evidence of payment is shown by stamps attached to membership books. The law provides punishment and fines for cases of fraud committed by insured persons. In every instance when benefit is granted, either by the cantonal institution or by a private organization, a careful investigation is made. The number of cases of fraud discovered has averaged about 10 in each of the recent years.

Disputes and grievances are first brought before the manager of the cantonal office and may be appealed to higher authority, eventually to the executive council and the cantonal legislature.

The cantonal insurance office had 11,095 members at the end of 1929. There were on the same date 23 private organizations in the canton, and these had 25,757 members.

According to the manager of the Basel labor office, the attitude of employers, workers, and the public as a whole in Basel-Stadt is generally favorable to the principle of unemployment insurance, and to the particular system now in force. Officials of the cantonal government, it is said, would greatly prefer a system providing for government monopoly, because they find that private associations, the trade-unions in particular, are in many cases too lenient in applying their own, the cantonal, and the Federal regulations. It is considered unlikely, however, that proposals to establish a government monopoly would meet with the approval of the cantonal legislature, and even if passed by the legislature there would be still less chance of a favorable referendum vote by the people.

Abuses under the system are few, however. As stated above, the number of cases of fraud discovered is only about 10 annually. A great difficulty in collecting contributions is reported; the number of reluctant contribution payers brought before court amounts to approximately 500 per year.

There are no important changes in the system contemplated by the legislative authorities or urged by any important groups.

Canton of Bern

Under the law of May 9, 1925, and the ordinances of April 24 and October 6, 1926, the Canton of Bern allots to public and private unemployment insurance funds having their headquarters or branches within the Canton a subsidy equal to 10 per cent of the benefits paid to the unemployed domiciled in that territory, which may be increased by a maximum of 10 per cent during a crisis. In addition, the commune in which the beneficiary is living must grant to the fund which receives a subsidy from the Canton an amount equal to at least 10 per cent of the benefits paid. Several communes pay subsidies at a higher rate. All funds are exempt from cantonal and communal taxes.

At the end of September, 1930, 39.4 per cent of the people receiving salaries in the Canton of Bern were entitled to unemployment insurance. In 1929, with a total population of 706,900, there were 36,128 insured people, and of the total insured 8,448, or 23.3 per cent, received benefits aggregating 1,363,971 francs (\$263,246). The average daily benefit was 5.60 francs (\$1.08), and the average period of benefits was 29 days.

It has recently been recommended to the cantonal authorities that a new law be enacted providing for compulsory insurance. The Canton now pays nearly the lowest subsidy in the Confederation, and it is not improbable that a new law may be enacted, whereby the amount of the cantonal subsidy will be changed from the existing rate of 10 per cent to 10, 15, 20, and 25 per cent, according to the insurance risk.

City of Bern

An unemployment fund has existed in the city of Bern since 1893, and under regulations promulgated October 2, 1925, and modified March 11, 1927, the city grants a subsidy to public funds equal to 25 per cent of the benefits paid, which may be temporarily increased to 35 per cent. In the case of private insurance organizations, the city refunds to them, under certain conditions, 20 per cent of the benefits paid, which may be increased, in time of need, to 30 per cent.

In common with nearly all other subsidy regulations, these grants of the city are limited in duration, the maximum being 80 days for each worker during a period of 360 days.

Funds appropriated by the city council which are not utilized during the course of the year are transferred to a reserve, which may be drawn upon to meet deficits or extraordinary contingencies during periods of crisis.

Under provisions of the communal law whereby suburban communes may be affiliated with the fund of the City of Bern, agreements have already been concluded between the city of Bern and the following communes: Belp, Bolligen, Bremgarten, Diemerswil, Frauenkappelen, Jegenstorf, Kehrsats, Kirchlindach, Kosnitz, Moosedorf, Munchenbuchsee, Neueneck, Stettlen, Vechingen, Wohlen, and Zollikofen.

City of Bienne

By a decree of June 13, 1926, the city of Bienne instituted a public fund and provided for the granting of subsidies to private funds.

The public fund receives an annual subsidy equal to 25 per cent of the benefits paid, which during a period of crisis may be increased to 40 per cent. The recognized private funds are entitled, under certain conditions, to a subsidy of 20 per cent, which may be increased to 30 per cent during periods of crisis. In the case of both private and public funds the subsidy is granted for a maximum of 80 days of unemployment during the course of 360 days.

As in the regulations of the city of Bern, funds which are appropriated but not expended during any given year are placed in a special reserve for use during periods of exceptional unemployment.

Canton of Fribourg

Unemployment insurance in the Canton of Fribourg is provided for in the law of November 13, 1928. The cantonal subsidy is determined by the amount of daily benefits paid by the insurance organizations.

In the case of public funds and insurance funds operated jointly by employers and employees the subsidy amounts to 30 per cent of the benefits paid, and for the other funds (those managed and financed by trade-unions or workers) the subsidy amounts to 15 per cent of the benefits paid.

Benefits may not be paid to insured persons who have not attained the age of 16 years or who live outside of the Canton.

Canton of Geneva

The first law enacted in the Canton of Geneva based upon the Federal law of October 17, 1924, was dated September 26, 1925, and became effective January 26, 1926. Under this law the cantonal government pays an amount equal to 40 per cent of the total benefits paid to persons domiciled in the Canton by those private organizations which receive contributions and pay benefits under a system similar to ordinary insurance.

The most recent law on the subject, dated September 27, 1930, which was adopted by the Geneva council on the 7th and 8th of February, 1931, to become effective on the 18th of February, 1932, makes insurance against unemployment obligatory. Under this law such insurance must be taken out by persons between the ages of 18 and 65 years, who have been domiciled for at least one year in the Canton and are working regularly for another, either with the Geneva Cantonal Unemployment Insurance Fund (*Caisse Cantonale Genevoise d'Assurance-Chômage*) or with one of the recognized private organizations.

The status of the cantonal organizations has not yet been worked out by the Council of States and the contributions to be paid by workers have not yet been decided. The administration of the cantonal system will be under the direction of the department of hygiene.

At present there are approximately 3,500 persons covered by unemployment insurance in the Canton of Geneva, of which number 3,100 are men and 400 are women.

Canton of Glarus

Under the law providing for unemployment insurance in the Canton of Glarus, passed by the legislature May 3, 1925, put into force January 1, 1926, and modified by order of the superior council December 2, 1926, all workers in factories or concerns subject to the Federal factory inspection service are required to insure themselves against unemployment in a recognized insurance organization. This requirement is also held to apply to workers in industries under the jurisdiction of the cantonal laws regarding workmen's welfare.

There is a cantonal public fund, maintained by the Federal subsidy, the cantonal subsidy, and contributions of the workers and their employers. The Canton grants a subsidy of 30 per cent of the amount of benefits paid and also bears the cost of administration.

All differences between workers and their insurance organizations are to be settled by the president of the civil court of the Canton.

All employers of labor required to be insured must pay a contribution equal to two-tenths of 1 per cent of their salaries. In case a factory-system insurance fund is operated, the contributions paid to the cantonal fund are refunded to the employers contributing to the factory-system fund.

The contributions for the cantonal public fund are based on 2 per cent of the yearly wages paid to insured workers. The Federal support comes to 40 per cent of the yearly costs, and the cantonal support to 30 per cent, so that the fund itself must provide 30 per cent from the contributions.

At the end of 1930 there were 7,600 persons insured against unemployment in this Canton, 7,172 of whom belonged to classes for which insurance is compulsory; 6,960 were members of the cantonal organization; and 212 were in private funds.

The usual precaution of requiring a certificate from the employer stating the cause of discharge is followed when applications for benefits are made, and since 1926 only four cases of attempted fraud have been discovered.

The principal classes of workers who have received benefits from the cantonal fund are employees of cotton-spinning plants, weaving plants, and cotton-goods printing factories. Unemployment in these industries is growing, and it is anticipated that the year 1931 will see an important increase in the number of benefits paid.

During the month of January, 1931, 766 persons were receiving benefits, amounting to 31,927.05 francs (\$6,161.92) for the month and in February the beneficiaries amounted to 1,046 and the cost was 42,771.85 francs (\$8,254.97). The payments made during the year 1930 to unemployed workers, listed by industries, are as follows:

TABLE 69.—Total benefits paid to unemployed workers in Canton of Glarus, 1930, by industries

[Conversions into United States currency on basis of franc=19.3 cents]

Industry	Swiss currency	United States currency
	<i>Francs</i>	
Cotton spinning and weaving.....	51,304.25	\$9,908.67
Printing on cotton and silk.....	81,023.95	15,637.62
Silk weaving.....	7,246.80	1,398.63
Other industries.....	11,385.55	2,197.41
Total.....	150,996.55	29,142.33

The total sum was paid to 616 men, for a total of 17,299 working days, and to 1,273 women for 24,310 working days, during which they were unemployed.

A change in the cantonal law is anticipated for 1932, when it is believed that compulsory insurance will be voted for all workers in the Canton, and not simply those employed in plants which are subject to Federal inspection.

Canton of Grisons

In accordance with the Federal law of 1924, a cantonal law was passed in the Canton of Grisons in 1926, creating regulations governing both public and private unemployment insurance organizations. These regulations were simple, stating only that such organizations should be approved by the Federal insurance authorities and receive the lawful financial support of the Federal Government. The original law provided for a cantonal contribution of 40 per cent of the amount of the Federal subsidy, but this was altered within the year to provide for a cantonal contribution of 30 per cent of the insurance benefits paid. The system is one of voluntary insurance.

At the end of the year 1930 there were 14 private insurance organizations operating in the Canton and having a claim on cantonal support. No public fund has so far been organized.

No reliable figures are obtainable for the Canton as a whole concerning the number of insured workers and their periods of unemployment, but the entire amount paid out by these private insurance groups during the year 1930 was not quite 30,000 francs (\$5,790), of which the Canton paid a little less than 10,000 francs (\$1,930).

This Canton is largely agricultural; it is the largest of all in area, but contains much land that is worthless for cultivation or grazing. The great winter resorts of Arosa, St. Moritz, Davos, and Pontresina are located in Grisons, and the income from the tourist trade is large. No changes in the cantonal law are anticipated in the near future.

Canton of Lucerne

The Canton of Lucerne first took cognizance of the Federal law regarding unemployment insurance by issuing a set of regulations to the various district labor offices on November 25, 1925. By the end of 1928 over 4,000 workers in the Canton had insured in private trade-union or mutual factory-system unemployment insurance companies or groups.

On November 25, 1929, the first comprehensive law governing unemployment insurance was passed by the cantonal legislature. This law made insurance of certain classes of workers in the Canton obligatory, and the communes of the Canton in which these classes of workers were employed were permitted to set up public insurance funds should they so desire.

The law provides that the Canton shall subsidize both public and private funds to the extent of 20 per cent of the benefits paid, and requires the communes to supply a further 10 per cent. No public funds have been organized so far, however.

Full regulations concerning the above law were put into effect by the legislature on May 1, 1930. These set the contributions which workers should pay to the public funds as follows:

TABLE 70.—*Monthly contributions of workers to public unemployment insurance funds in Canton of Lucerne*

[Conversions into United States currency on basis of franc=19.3 cents]

Class	Daily wage	Monthly contribution	
		Swiss currency	United States currency
Class 1.....	Up to 5 francs (97 cents).....	Frans 0.50	Cents 9.7
Class 2.....	From 5 to 9 francs (97 cents to \$1.74).....	1.00	19.3
Class 3.....	From 9 to 13 francs (\$1.74 to \$2.51).....	1.50	29.0
Class 4.....	Over 13 francs (\$2.51).....	2.00	38.6

Benefits for the four classes were specified as follows:

TABLE 71.—*Daily benefits paid by public unemployment insurance funds in Canton of Lucerne*

[Conversions into United States currency on basis of franc=19.3 cents]

Class	Workers without dependents		Workers with dependents	
	Swiss currency	United States currency	Swiss currency	United States currency
	Frans	Cents	Frans	Cents
Class 1.....	2.00	38.6	3.00	58
Class 2.....	3.00	57.9	4.50	87
Class 3.....	4.00	77.2	6.00	116
Class 4.....	5.00	96.5	7.50	145

The period for which benefits may be paid were set as follows: For the first year of membership, 40 days; for the second, 50 days; for the third, 60 days; for the fourth, 70 days; for the fifth, 80 days; for the sixth, 90 days.

There is no cantonal public fund being operated, but the cantonal subsidy is granted to the private funds, whether they be trade-union or factory system.

At the end of 1928 there were 4,511 workers carried on the rolls of the various unemployment insurance funds in the Canton, but this number dropped to 4,508 in 1929. The private trade-union funds are much the more popular, with 3,991 members, only 517 workers belonging to mutual or factory-system organizations.

Canton of Neuchatel

The Canton of Neuchatel passed a law on May 17, 1926, adopting a compulsory system of unemployment insurance. It provides for subsidies to recognized funds, and imposes contributions on the part of employers.

All persons of the ages of 16 to 60 years, of Swiss nationality and domiciled in the Canton of Neuchatel for at least one year, who are

working regularly for one or more employers, are subject to unemployment insurance. Compulsory insurance does not apply to the following classes of workers, however:

(a) Those whose total annual income exceeds 6,000 francs (\$1,158), and those who possess property exceeding 40,000 francs (\$7,720) according to tax assessments.

(b) The personnel of the Federal, cantonal, and communal administrations, and of licensed transportation enterprises.

(c) Apprentices.

(d) Household domestics.

(e) Casual workers by the day or hour.

(f) Workers (not proprietors) engaged in agriculture, horticulture, and viticulture.

(g) Seasonal workers, such as carters, road makers, drainers, fishermen, and boatmen.

(h) Peddlers.

All three types of insurance organizations are recognized by the Canton, but subsidies in the case of the public funds and the factory-system funds are 20 per cent of the benefits paid, while that to the trade-union funds is but 15 per cent. However, the cantonal subsidy in the case of public funds may be increased to 25 per cent, provided the Federal Government takes similar action. In the case of the two other types of fund the cantonal subsidy may be increased by an amount equal to 50 per cent of the supplementary Federal subsidy.

Employers are required to contribute annually 6 francs for every worker coming under the compulsory insurance system. If, however, a worker is employed by more than one person or concern, each employer must contribute annually the sum of 3 francs. The employers' contributions are collected by the communes and paid by the latter into the cantonal insurance fund. The communes, however, may require employers to collect contributions from their employees and generally to supervise the administration of the system regarding their own employees.

The communes of La Chaux-de-Fonds and Le Locle, which are the principal centers for the manufacture of watches in the Canton of Neuchatel, also subsidize unemployment funds for benefits paid to their inhabitants. These communes refund to the cantonal public fund and to the factory-system funds 10 per cent of the benefits paid, whereas 20 per cent is refunded to trade-union organizations. This is the reverse of the policy followed by most Cantons and communes, which grant smaller subsidies to the trade-union funds than to the other two classes.

Certain changes have recently been made in the cantonal law, which are not yet published, having been voted on February 27, 1931. These relate to the by-laws of the cantonal public fund.

Contributions of insured persons are determined according to daily wages, without distinction as to family status, and are as follows:

TABLE 72.—*Monthly contributions of insured persons in Canton of Neuchatel*

[Conversions into United States currency on basis of franc=19.3 cents]

Daily wages	Monthly contributions	
	Swiss currency	United States currency
	<i>Frances</i>	<i>Cents</i>
Up to 6 francs (\$1.16).....	1.50	28.9
6 to 8 francs (\$1.16 to \$1.54).....	1.70	32.8
8 to 10 francs (\$1.54 to \$1.93).....	2.60	50.2
10 francs (\$1.93) and over.....	3.20	61.8

It will be noted that these are among the highest contributions specified by any Canton.

In case of total unemployment the maximum benefit is fixed as follows:

TABLE 73.—*Daily maximum benefits under unemployment insurance in Canton of Neuchatel*

[Conversions into United States currency on basis of franc=19.3 cents]

Daily wages	Workers without dependents		Workers with dependents	
	Swiss currency	United States currency	Swiss currency	United States currency
	<i>Frances</i>	<i>Cents</i>	<i>Frances</i>	
Up to 6 francs (\$1.16).....	3.00	57.9	3.60	\$0.69
6 to 8 francs (\$1.16 to \$1.54).....	3.50	67.5	4.80	.92
8 to 10 francs (\$1.54 to \$1.93).....	4.50	85.9	6.00	1.16
10 francs (\$1.93) and over.....	5.00	96.5	7.00	1.35

The benefit may not exceed 50 per cent of the loss of normal wages in the case of insured members without dependents, and 60 per cent for those having dependents. Total unemployment is understood to mean that the insured can not find work during normal hours of labor within a period of 12 days.

Certain other changes relating to benefits and partial unemployment were recently made in the cantonal law in order to make it comply with the Federal law.

Canton of St. Gall

The law of the Canton of St. Gall concerning unemployment insurance was passed by the legislature November 17, 1925, and took effect December 21, 1925, being one of the first cantonal laws enacted for the furtherance of the Federal law. A former cantonal law dating from 1894 dealing with unemployment relief was repealed at the same time.

One feature of the law is that it enables each political district of the Canton to make insurance obligatory for all workers in the district or commune.

All workers from 16 to 60 years old, living in the commune for more than three months, and who were not members of private or cooperative insurance societies at the time the law was passed, may be compelled to take out insurance.

Each district fund is under the full control of the communal government council (*Gemeinderat*), with the cantonal government council acting in an advisory capacity.

Each unemployed worker is entitled to not more than 90 days' benefits in each 360-day year, and benefits must not amount to more than 60 per cent of the normal wage, and for those workers who have no dependents, 50 per cent, thus conforming to the Federal law.

The following are the means of support for the authorized insurance associations: Entrance fees of the insured workers and their contributions; aid of the cantonal treasury, up to 50 per cent of the yearly payments made to the unemployed; subsidy of the Federal treasury; contributions of the political subdivisions or communes; gifts and other free-will contributions and interest thereon.

Surplus moneys over the yearly needs and which have been contributed by the communes are used to set up a reserve fund, to be drawn against at need.

It has been learned that at the next session of the legislature it is proposed to make several changes in the present law. These changes, it is believed, will have to do primarily with the methods of financing the system.

Canton of Schaffhausen

The present law of the Canton of Schaffhausen governing unemployment insurance dates from July 9, 1928, and went into effect April 1, 1929. The system adopted is a compulsory one, requiring all workers who are over 18 and under 60 years of age to insure against unemployment.

Certain exceptions to this general law are made, namely those persons possessed of property of over 30,000 francs (\$5,790), or a yearly income of more than 6,000 francs (\$1,158), as well as employees and officials of the Federal or cantonal Government, of foreign public offices, and international transport concessions, such as employees of international dining-car companies. Further exceptions are domestic servants, agricultural workers, foresters and apprentices, seasonal workers, peddlers, and itinerant workers without homes.

Workers under 18 but over 16 years of age may insure voluntarily until the age of 18 is reached.

No one may be insured in more than one fund, and if a worker does not choose a private fund in which to insure within two months of the date on which he is legally required to be insured, he is arbitrarily made a member of the cantonal public group, with contributions due for the two months in arrears.

At the time of passage of the law the Canton set up its own unemployment group or fund, with resources announced as being derived from: (1) Contributions of the workers; (2) contributions of the employers; (3) contributions of the Canton; (4) contributions of the communes or municipalities; (5) contributions of the Federal Government; (6) a guaranty of all deficits from reserve funds or from the cantonal treasury; (7) gifts, fines, or other sources.

Every member of the cantonal public fund, irrespective of his wage or family needs, pays a contribution of 50 centimes (9.65 cents) per week. Every employer must contribute two-tenths of 1 per cent of the total wages paid to the workers in his employ who are by law required to be insured. However, if he contributes to a private or mutual factory-system fund for his employees, his contribution to the public fund is reduced by that amount.

The contribution of the Canton amounts to 2 francs (38.6 cents) per year for each member of an insurance group or fund, whether it be a private or public one. Besides this contribution per member, the Canton is liable for all deficits incurred by the cantonal public fund.

The district or commune must contribute 1 franc (19.3 cents) per year for each worker liable to insurance who has his residence in that commune.

The cantonal public fund is required to contribute, to private funds which have been approved, subsidies amounting to 60 per cent of that granted by the Federal Government. The subsidy of the Federal Government can be used only for the purposes prescribed by its regulations—that is, payment of benefits—but 30 per cent of all other contributions are intended by the terms of the law to go into a reserve fund set up by a gift of 100,000 francs (\$19,300) from the cantonal treasury. It is hoped that this fund will grow large enough to enable other contributions to be reduced.

On December 31, 1929, the public fund had 5,734 members, and the 14 approved private funds operating in the Canton had 2,922, or a total of 8,656 members. By the end of 1930 the public fund had grown to 6,460 members, while the private funds had only 2,803, a total of 9,263.

No changes in the present law are contemplated.

Canton of Schwyz

The law respecting unemployment insurance in the Canton of Schwyz, under the Federal law of 1924 was passed by the cantonal legislature on November 28, 1928. It provided for a subsidy of 20 per cent of the total payments to unemployed who were insured in either public or private insurance organizations, provided these groups also were being subsidized by the Federal Government. A provision was also made for a possible increase in the cantonal subsidy of 10 per cent in time of need.

The first year of operation in the Canton was 1929. Eight cooperative groups, most of them national trade-union associations, applied for the cantonal subsidy, and the total payments made by them to the unemployed amounted to 12,109.35 francs (\$2,337.10), of which the Canton paid 2,421.85 francs (\$467.42). Fewer than 100 persons received payments during the year. The system is a voluntary one.

No changes in the present cantonal laws are anticipated. The legislature appropriated 3,000 francs (\$579) to cover its share of the 1929 payments, and the surplus of 578.15 francs (\$111.58) was set aside as a contribution to an emergency relief fund authorized in the cantonal law on unemployment insurance.

Canton of Solothurn

The law of the Canton of Solothurn relating to unemployment insurance dated October 31, 1926, was made effective with regard to certain sections as of January 1, 1926, but the principal features of the law became effective from January 1, 1927. The law is at present in full force, and no important amendments have taken place since its enactment. There are a few changes contemplated, however, which would increase the amount of the contributions somewhat and provide for a larger emergency subsidy by the Canton. The present standard subsidy is 25 per cent, with a 10 per cent emergency increase. It is proposed to make this emergency increase 20 per cent.

Unemployment insurance is compulsory for certain classes of workers, and voluntary for others. It is left optional with workers, in the case of compulsory insurance, whether they will be insured through the cantonal unemployment insurance institution, or through one of the officially recognized private funds. The law provides that all inhabitants of the Canton who are between the ages of 16 and 65, and are capable of working, and dependent upon others for employment, must be insured, with the exception of the following classes of persons:

(a) Officials and permanent workers in the administration and establishments of the Confederation or of any of the Swiss Cantons and municipalities.

(b) The permanent personnel of the Government licensed transportation firms and of the electricity and gas works.

(c) Female household servants.

(d) All female and male workers on farms who work in this capacity during at least six months of the year.

(e) Home workers whose home work is irregular, being on the average less than one-third of their weekly capacity for work, and when their earnings amount to less than 600 francs (\$115.80) per year.

(f) Persons dependent upon others for employment, whose regular yearly income is in the case of women more than 4,000 francs (\$772), and in the case of men more than 5,000 francs (\$965).

(g) Foreigners for whom the Federal subsidy is not obtainable, no agreement being made with the country of which they are nationals.

The exemption of further groups of persons from compulsory insurance may be made by decree of the cantonal council in such cases where the insurance seems superfluous or impracticable.

In the Canton of Solothurn there are at present 24 officially recognized private organizations which undertake unemployment insurance. Most of these were in existence previous to the passage of the cantonal law of 1926. They receive cantonal and Federal subsidies in accordance with the law of the Federal Government and the cantonal law. Some of them are factory-system funds, administered jointly by workers and employers, while others are trade-union funds, administered entirely by the workers who pay all the contributions.

No person may be insured by two funds at the same time, but as a rule those persons exempt by law from compulsory insurance are permitted to insure themselves with either the cantonal public fund or the private institutions.

Contributions to the cantonal insurance fund are related to wages or earnings, according to the following classifications:

TABLE 74.—*Monthly contributions to cantonal insurance fund of Solothurn*

[Conversions into United States currency on basis of franc=19.3 cents]

Class	Daily wage	Monthly contributions	
		Swiss currency	United States currency
		<i>Francs</i>	<i>Cents</i>
Class 1.....	Up to 5 francs (97 cents).....	0.50	9.7
Class 2.....	From 5 to 9 francs (97 cents to \$1.74).....	1.00	19.3
Class 3.....	From 9 to 13 francs (\$1.74 to \$2.51).....	1.50	29.0
Class 4.....	Over 13 francs (\$2.51).....	2.00	38.6

The waiting time required before benefit can be received is 180 days, in accordance with Federal law. In the first year of membership benefits may be drawn for 40 days, which is increased by a period of 10 days per year, until a maximum of 90 days is reached. The amount of benefit regularly granted daily is as follows:

TABLE 75.—*Daily benefits paid by cantonal fund of Solothurn*

[Conversions into United States currency on basis of franc = 19.3 cents]

Class	Persons without dependents		Persons with dependents	
	Swiss currency	United States currency	Swiss currency	United States currency
	<i>Francs</i>	<i>Cents</i>	<i>Francs</i>	
Class 1.....	2.00	38.6	3.00	\$0.58
Class 2.....	3.00	57.9	4.50	.87
Class 3.....	4.00	77.2	6.00	.97
Class 4.....	5.00	96.5	7.50	1.45

The usual provisions regarding the refusal of benefits to workers who are unemployed through their own fault or negligence are enforced.

The administration of the law is by a special cantonal office created for this purpose. There is a manager and seven clerks. The 132 municipalities or communes of the canton assist in the administration of the law and operate branch offices for the collection of contributions and the payment of benefits. Contributions must be paid monthly in advance in cash, and receipt is made by placing a stamp in a membership book.

Punishment and fines are provided for fraud, but no instances of fraud were discovered in 1927, 1928, and 1929. In 1930 there were four cases in the Canton, amounting to a total sum of 358 francs (\$69.09).

Machinery for the adjustment of disputes and grievances is provided through a special commission. Complaints and grievances on the part of members must be presented in writing.

According to the manager of the cantonal unemployment insurance office, the receipts and expenditures of the cantonal unemployment insurance fund in 1930 were as follows:

TABLE 76.—*Receipts and expenditures of cantonal unemployment insurance fund of Solothurn, 1930*

[Conversions into United States currency on basis of franc=19.3 cents]

Item	Swiss currency	United States currency
<i>Receipts</i>		
	<i>Francs</i>	
Interest.....	8,000	\$1,544
Premiums.....	122,000	23,546
Subsidies:		
Municipal (voluntary).....	26,000	5,018
Cantonal.....	116,000	22,388
Federal.....	170,000	32,810
Total.....	442,000	85,306
<i>Disbursements</i>		
Benefits paid out.....	365,000	70,445
Surplus.....	77,000	14,861

The cost of administration, amounting to approximately 42,000 francs (\$8,106) annually, is borne by the cantonal government.

An attempt was made to base contributions and benefits on actuarial calculations, such as those established by Professor Mangold of Basel, but the present economic crisis, which has particularly affected the watch industry, overthrew all such calculations.

Canton of Thurgau

The basic law of the Canton of Thurgau was passed by the legislature December 30, 1930, and adopted by popular referendum February 8, 1931. Naturally, no statistics of importance covering the Canton have as yet been collected by the labor department, but it is estimated that there are about 30,000 workers in the Canton who will be affected by the law, most of whom are already insured in factory-system or trade-union funds.

The law provides for the establishment of a public cantonal unemployment insurance fund. There are the usual provisions adopted by other Cantons having compulsory insurance systems as to the classes of workers which are exempted. The ages at which insurance must be taken are from 16 to 65 years.

The cantonal subsidy is set at 30 per cent of the amount of benefits paid, and can be given alike to both public and private organizations.

Canton of Ticino

The law of the Canton of Ticino regarding unemployment insurance was passed on November 25, 1929. It has the usual features prescribed by the Federal law regarding the length of time benefits may be paid, namely, 90 days in each 360-day period. However, due to the existing crisis, benefits have been paid to the unemployed in a few trades for from 120 to 150 days continuously.

The Canton has no public insurance organization of its own, but the law provides for cantonal subsidy for all public, private, or mutual insurance funds.

The amount of the cantonal subsidy is set at 10 per cent of the amount paid by the funds in benefits, which may be increased in time of crisis to 15 per cent. To become eligible for unemployment benefits, members must have paid in at least 26 weekly contributions, as specified by the Federal law.

The control of the operation of the various insurance organizations is vested in the cantonal labor office, which has power to settle all disputes between members and their insurance groups, and to punish all cases of fraud. There are no changes in the law now anticipated.

There are no statistics available regarding the number of active members of insurance groups, nor of the number who have availed themselves of insurance benefits.

Canton of Uri

The Canton of Uri passed its unemployment insurance law on September 29, 1928, setting up a compulsory system similar to that of most of the other Cantons having compulsory systems. Uri is an agricultural Canton, and there are only about 250 workers who are required to take out insurance. About 20 workers are now (1931) receiving benefits, most of them weavers.

The Canton has its own public fund, and contributed 20,000 francs (\$3,860) to this organization to set up a reserve fund, which it is hoped will grow large enough to enable contributions to be reduced.

No changes in the basic law are contemplated at the present time.

Canton of Valais

Unemployment insurance is regulated in the Canton of Valais by the law of January 11, 1928, adopted by popular vote on March 11, 1928, and put into execution April 17, 1928.

The Canton grants to both public and private funds a maximum subsidy of 30 per cent of the unemployment benefits paid, and to the workers' funds a maximum of 10 per cent.

The cantonal council votes the credit destined each year for the subsidy to the insurance funds. If the credit is not entirely used, the balance serves to enrich a cantonal reserve fund to be drawn against only in time of severe crisis.

The communes, either separately or in groups, are permitted to create public funds, and if they do so they may require the cantonal council to decree unemployment insurance as compulsory for certain classes of workers domiciled in the communal territory.

These communal funds are empowered to demand from each employer a contribution equal to that paid by workmen employed by them. If the worker belongs to a public fund, the employer's contribution must be paid to that institution, but if the worker belongs to a private or factory-system fund, the employer is permitted to make his contribution to that fund.

Insurance funds of every kind are exempt from all taxes except the cantonal real-estate taxes.

Canton of Vaud

The unemployment insurance act of the Canton of Vaud was passed on November 27, 1928, and became effective on December 28, 1928. It does not make insurance compulsory, and in common with most of the other voluntary types of cantonal laws, it authorized each municipality or commune in the Canton to pass obligatory insurance regulations should it so desire. To date, the only municipality which has passed even voluntary regulations is the commune of Vevey.

Any person of Swiss nationality domiciled in the Canton for at least a year and working for wage or salary is entitled to insurance against unemployment after reaching the age of 16 years. The usual exceptions to the classes which could be required by communal laws to take out insurance are included in the law, and cover persons earning more than 6,000 francs (\$1,158) per year, or possessing property amounting to 20,000 francs (\$3,860) or more. Federal, cantonal, and municipal employees, employees of licensed transportation companies and apprentices, domestic servants, day laborers, and seasonal workers are also excepted.

The cantonal subsidies may be granted to either public or private insurance organizations, and are equal to 50 per cent of the Federal subsidies, or 20 per cent of all payments made by public insurance funds and factory-system funds, but only 15 per cent of the payments made by trade-union funds.

The regulations concerning length of time benefits may be paid, the percentage of the normal wage to be paid in benefits, and the number of payments which must be made before benefits can be drawn, are in accordance with the Federal law.

All disputes between insurance groups and their members are first submitted to an arbitration board in the case of factory-system funds and to a central committee in the case of trade-union funds. The cantonal legislature has final jurisdiction over disputes of this character.

To date there are but seven members of the only public fund in the Canton, that of Vevey, while there are 5,564 members of trade-union funds and 4,402 members of factory-system funds. During the year 1930 there were 674 cases of unemployment in which benefits were paid for a total period of 17,448 days, or an average of 25.88 days of unemployment per person. The cost of the relief amounted to 14,220 francs (\$2,744).

No changes in the present law are contemplated, and it may be said that the feeling in this Canton is general against any form of compulsory unemployment insurance.

Canton of Zurich

The law governing the operation of the cantonal and communal funds in the Canton of Zurich was passed by the legislature January 30, 1928, and adopted by referendum of the voters in May of the same year.

The principal features of the law are as follows: The Canton allows a subsidy to both public and private funds equal to 25 per cent of the amount paid yearly as benefits to residents of the Canton. As a rule these payments are made annually at the end of the fiscal

year, but in case of special requests, advances for each half of a fiscal year may be made.

No subsidies are granted except to those funds which have met all the conditions necessary to obtain Federal aid. In addition the cantonal legislature made some special conditions, such as the following: Members of funds who are not heads of families or who have no dependents must pay the same contributions as members having dependents, if they are in the same salary class. When the daily wage exceeds 16 francs (\$3.09) per day, whatever is in excess of this maximum is not included in the basis on which benefits are paid. Decisions as to claims for benefits made by public funds may be reviewed by higher communal or cantonal labor authorities, but differences between private funds and their members must be settled by the ordinary courts.

The different political subdivisions or communes of the Canton may also grant subsidies, but only to those funds which have previously been approved by the Canton, and all of them must be treated on an equal basis.

Any commune may make unemployment insurance obligatory, either for all workers, or for certain classes of workers, or for persons whose salary does not reach a certain maximum.

Those communes introducing compulsory insurance are required, however, either to create a public fund or to join a public fund operated by another commune. Groups of communes are permitted to unite for the purpose of instituting a public fund. The cost of administration must in such cases be borne by all the communes on a pro rata basis.

Employers of insured labor are required to render exact information to the funds of which their employees are members regarding the causes of discharge, and at the same time to notify public and private employment offices of any vacant positions they may have to offer. They are allowed liberty to choose any applicants whom they desire from among those who may apply for the positions.

All unemployment insurance funds recognized by the Canton are exempt from cantonal and communal taxation.

A special fund for extraordinary crises amounting to 500,000 francs (\$96,500), which is being increased by the interest thereon and which may be further increased by additional contributions from the Canton, has been set up. It may be drawn upon by any approved fund in time of need.

Various communes have taken advantage of the law to organize public funds. The largest is that of the city of Zurich, which is affiliated with several communes which are in reality suburbs of the city. The second largest communal public fund is that of the city of Winterthur. Both of these cities grant subsidies both to their own public funds and to private funds, varying from 30 to 50 per cent of the yearly total benefits paid.

Exact statistics regarding the operation of the system on a cantonal basis are not published, but certain figures in the report for 1929 (the latest) are given below.

At the end of 1929, there were in round numbers 50,000 members of public and private insurance groups. The number of recognized funds in operation in the Canton was as follows:

Public funds:	
1928-----	2
1929-----	2
Private trade-union or workers' funds:	
1928-----	25
1929-----	24
Private mutual or factory-system funds:	
1928-----	5
1929-----	7

Forty-five communes are represented in the system regularly, and these pay subsidies as follows: 7 communes pay each 40 per cent of the benefits; 14 pay 35 per cent; 13 pay 30 per cent; 1 pays 25 per cent; 8 pay 20 per cent; 2 pay 15 per cent.

At the end of 1929 the capital investments and guaranties of the various communes and the reserves of the cantonal fund itself reached a total of 1,074,796 francs (\$207,436).

Canton of Zug

An unemployment insurance law for the Canton of Zug was passed by the legislature October 13, 1927, and put into execution January 7, 1928. Regulations for the carrying out of the law were set up on December 16, 1929.

The carrying of unemployment insurance is obligatory for all workers from 16 to 65 years of age who are employed by concerns subject to the control of the Federal factory-inspection service, and the law has made provision for extending the compulsion to other classes of workers should it be deemed wise.

The Canton set up its own public insurance fund, open to workers who do not come within the classes required by law to take out insurance, and guaranteed to the fund 20 per cent of the yearly benefit payments, which is automatically increased to 30 per cent in times of need. The costs of organization and administration are also borne by the Canton.

In connection with the cantonal public fund there is a bureau of arbitration which has full power to regulate any disputes arising between the fund and insured workers.

The same subsidy which is paid to the cantonal public fund is paid to private funds of both kinds which have been recognized by the Federal Government.

The members of the public fund must pay regularly a contribution of 6 per cent of the normal wage. All employers of labor who are compelled to carry insurance must pay an annual contribution of 6 francs (\$1.16) for each person, whether they be insured in the public or in private funds.

Benefits are paid for the term set forth in the Federal law, namely 90 days in each 360, and consist of 50 per cent of the daily wage in the case of members having no dependents, and 60 per cent to those supporting families. The highest rate of daily benefit, however, is not to be more than 8 francs (\$1.54) unless the worker has four or more minor children, when it can be increased to 10 francs (\$1.93).

The provisions for part-time unemployment benefits are the same as those set forth in the Federal law.

LIST OF BULLETINS OF THE BUREAU OF LABOR STATISTICS

The following is a list of all bulletins of the Bureau of Labor Statistics published since July, 1912, except that in the case of bulletins giving the results of periodic surveys of the bureau only the latest bulletin on any one subject is here listed.

A complete list of the reports and bulletins issued prior to July, 1912, as well as the bulletins published since that date, will be furnished on application. Bulletins marked thus () are out of print.*

Conciliation and arbitration (including strikes and lockouts).

- *No. 124. Conciliation and arbitration in the building trades of Greater New York. [1913.]
- *No. 133. Report of the industrial council of the British Board of Trade on its inquiry into industrial agreements. [1913.]
- No. 139. Michigan copper district strike. [1914.]
- *No. 144. Industrial court of the cloak, suit, and skirt industry of New York City. [1914.]
- *No. 145. Conciliation, arbitration, and sanitation in the dress and waist industry of New York City. [1914.]
- *No. 191. Collective bargaining in the anthracite-coal industry. [1916.]
- *No. 198. Collective agreements in the men's clothing industry. [1916.]
- No. 233. Operation of the industrial disputes investigation act of Canada. [1918.]
- No. 255. Joint industrial councils in Great Britain. [1919.]
- No. 283. History of the Shipbuilding Labor Adjustment Board, 1917 to 1919.
- No. 287. National War Labor Board: History of its formation, activities, etc. [1921.]
- *No. 303. Use of Federal power in settlement of railway labor disputes. [1922.]
- No. 341. Trade agreement in the silk-ribbon industry of New York City. [1923.]
- No. 402. Collective bargaining by actors. [1926.]
- No. 468. Trade agreements, 1927.
- No. 481. Joint industrial control in the book and job printing industry. [1928.]

Cooperation.

- No. 313. Consumers' cooperative societies in the United States in 1920.
- No. 314. Cooperative credit societies (credit unions) in America and in foreign countries. [1922.]
- No. 437. Cooperative movement in the United States in 1925 (other than agricultural).
- No. 531. Consumers', credit, and productive cooperative societies, 1929.

Employment and unemployment.

- *No. 109. Statistics of unemployment and the work of employment offices in the United States. [1913.]
- *No. 172. Unemployment in New York City, N. Y. [1915.]
- *No. 183. Regularity of employment in the women's ready-to-wear garment industries. [1915.]
- *No. 195. Unemployment in the United States. [1916.]
- *No. 196. Proceedings of Employment Managers' Conference held at Minneapolis, Minn., January 19 and 20, 1916.
- *No. 202. Proceedings of the conference of Employment Managers' Association of Boston, Mass., held May 10, 1916.
- *No. 206. The British system of labor exchanges. [1916.]
- *No. 227. Proceedings of Employment Managers' Conference, Philadelphia, Pa., April 2 and 3, 1917.
- *No. 235. Employment system of the Lake Carriers' Association. [1918.]
- *No. 241. Public employment offices in the United States. [1918.]
- *No. 247. Proceedings of Employment Managers' Conference, Rochester, N. Y., May 9-11, 1918.

Employment and unemployment—Continued.

- *No. 310. Industrial unemployment: A statistical study of its extent and causes. [1922.]
- No. 409. Unemployment in Columbus, Ohio, 1921 to 1925.
- No. 520. Social and economic character of unemployment in Philadelphia, April, 1929.
- No. 542. Report of the Advisory Committee on Employment Statistics. (In press.)

Foreign labor laws.

- *No. 142. Administration of labor laws and factory inspection in certain European countries. [1914.]
- No. 494. Labor legislation of Uruguay. [1929.]
- No. 510. Labor legislation of Argentina. [1930.]
- No. 529. Workmen's compensation legislation of Latin American countries. [1930.]

Housing.

- *No. 158. Government aid to home owning and housing of working people in foreign countries. [1914.]
- No. 263. Housing by employers in the United States. [1920.]
- No. 295. Building operations in representative cities in 1920.
- No. 524. Building permits in the principal cities of the United States in [1921 to] 1929.

Industrial accidents and hygiene.

- *No. 104. Lead poisoning in potteries, tile works, and porcelain enameled sanitary ware factories. [1912.]
- No. 120. Hygiene of painters' trade. [1913.]
- *No. 127. Danger to workers from dusts and fumes, and methods of protection. [1913.]
- *No. 141. Lead poisoning in the smelting and refining of lead. [1914.]
- *No. 157. Industrial accident statistics. [1915.]
- *No. 165. Lead poisoning in the manufacture of storage batteries. [1914.]
- *No. 179. Industrial poisons used in the rubber industry. [1915.]
- No. 188. Report of British departmental committee on the danger in the use of lead in the painting of buildings. [1916.]
- *No. 201. Report of the committee on statistics and compensation insurance costs of the International Association of Industrial Accident Boards and Commissions. [1916.]
- *No. 209. Hygiene of the printing trades. [1917.]
- *No. 219. Industrial poisons used or produced in the manufacture of explosives. [1917.]
- No. 221. Hours, fatigue, and health in British munition factories. [1917.]
- No. 230. Industrial efficiency and fatigue in British munition factories. [1917.]
- *No. 231. Mortality from respiratory diseases in dusty trades (inorganic dusts). [1918.]
- *No. 234. The safety movement in the iron and steel industry, 1907 to 1917.
- No. 236. Effects of the air hammer on the hands of stonecutters. [1918.]
- No. 249. Industrial health and efficiency. Final report of British Health of Munitions Workers' Committee. [1919.]
- *No. 251. Preventable death in the cotton-manufacturing industry. [1919.]
- No. 256. Accidents and accident prevention in machine building. [1919.]
- No. 267. Anthrax as an occupational disease. [1920.]
- No. 276. Standardization of industrial accident statistics. [1920.]
- *No. 280. Industrial poisoning in making coal-tar dyes and dye intermediates. [1921.]
- *No. 291. Carbon-monoxide poisoning. [1921.]
- No. 293. The problem of dust phthisis in the granite-stone industry. [1922.]
- No. 298. Causes and prevention of accidents in the iron and steel industry, 1910-1919.
- No. 306. Occupation hazards and diagnostic signs: A guide to impairments to be looked for in hazardous occupations. [1922.]
- No. 392. Survey of hygienic conditions in the printing trades. [1925.]
- No. 405. Phosphorus necrosis in the manufacture of fireworks and in the preparation of phosphorus. [1926.]
- No. 427. Health survey of the printing trades, 1922 to 1925.
- No. 428. Proceedings of the Industrial Accident Prevention Conference, held at Washington, D. C., July 14-16, 1926.
- No. 460. A new test for industrial lead poisoning. [1928.]

Industrial accidents and hygiene—Continued.

- No. 466. Settlement for accidents to American seamen. [1928.]
- No. 488. Deaths from lead poisoning, 1925–1927.
- No. 490. Statistics of industrial accidents in the United States to the end of 1927.
- No. 507. Causes of death, by occupation. [1929.]

Industrial relations and labor conditions.

- No. 237. Industrial unrest in Great Britain. [1917.]
- No. 340. Chinese migrations, with special reference to labor conditions. [1923.]
- No. 349. Industrial relations in the West Coast lumber industry. [1923.]
- No. 361. Labor relations in the Fairmont (W. Va.) bituminous-coal field. [1924.]
- No. 380. Postwar labor conditions in Germany. [1925.]
- No. 383. Works council movement in Germany. [1925.]
- No. 384. Labor conditions in the shoe industry in Massachusetts, 1920–1924.
- No. 399. Labor relations in the lace and lace-curtain industries in the United States. [1925.]
- No. 534. Labor conditions in the Territory of Hawaii, 1929–1930.

Labor laws of the United States (including decisions of courts relating to labor).

- No. 211. Labor laws and their administration in the Pacific States. [1917.]
- No. 229. Wage payment legislation in the United States. [1917.]
- No. 285. Minimum wage laws of the United States: Construction and operation. [1921.]
- No. 321. Labor laws that have been declared unconstitutional. [1922.]
- No. 322. Kansas Court of Industrial Relations. [1923.]
- No. 343. Laws providing for bureaus of labor statistics, etc. [1923.]
- No. 370. Labor laws of the United States, with decisions of courts relating thereto. [1925.]
- No. 408. Laws relating to payment of wages. [1926.]
- No. 517. Decisions of courts and opinions affecting labor, 1927–1928.
- No. 528. Labor legislation, 1929.

Proceedings of annual conventions of the Association of Governmental Officials in Industry of the United States and Canada. (Name changed in 1928 from Association of Governmental Labor Officials of the United States and Canada.)

- *No. 266. Seventh, Seattle, Wash., July 12–15, 1920.
- No. 307. Eighth, New Orleans, La., May 2–6, 1921.
- *No. 323. Ninth, Harrisburg, Pa., May 22–26, 1922.
- *No. 352. Tenth, Richmond, Va., May 1–4, 1923.
- *No. 389. Eleventh, Chicago, Ill., May 19–23, 1924.
- *No. 411. Twelfth, Salt Lake City, Utah, August 13–15, 1925.
- *No. 429. Thirteenth, Columbus, Ohio, June 7–10, 1926.
- *No. 455. Fourteenth, Paterson, N. J., May 31 to June 3, 1927.
- *No. 480. Fifteenth, New Orleans, La., May 21–24, 1928.
- No. 508. Sixteenth, Toronto, Canada, June 4–7, 1929.
- No. 530. Seventeenth, Louisville, Ky., May 20–23, 1930.

Proceedings of annual meetings of the International Association of Industrial Accident Boards and Commissions.

- No. 210. Third, Columbus, Ohio, April 25–28, 1916.
- No. 248. Fourth, Boston, Mass., August 21–25, 1917.
- No. 264. Fifth, Madison, Wis., September 24–27, 1918.
- *No. 273. Sixth, Toronto, Canada, September 23–26, 1919.
- No. 281. Seventh, San Francisco, Calif., September 20–24, 1920.
- No. 304. Eighth, Chicago, Ill., September 19–23, 1921.
- No. 333. Ninth, Baltimore, Md., October 9–13, 1922.
- *No. 359. Tenth, St. Paul, Minn., September 24–26, 1923.
- No. 385. Eleventh, Halifax, Nova Scotia, August 26–28, 1924.
- No. 395. Index to proceedings, 1914–1924.
- No. 406. Twelfth, Salt Lake City, Utah, August 17–20, 1925.
- No. 432. Thirteenth, Hartford, Conn., September 14–17, 1926.
- *No. 456. Fourteenth, Atlanta, Ga., September 27–29, 1927.
- No. 485. Fifteenth, Paterson, N. J., September 11–14, 1928.
- No. 511. Sixteenth, Buffalo, N. Y., October 8–11, 1929.
- No. 536. Seventeenth, Wilmington, Del., September 22–26, 1930.

Proceedings of annual meetings of the International Association of Public Employment Services.

- No. 192. First, Chicago, December 19 and 20, 1913; second, Indianapolis, September 24 and 25, 1914; third, Detroit, July 1 and 2, 1915.
*No. 220. Fourth, Buffalo, N. Y., July 20 and 21, 1916.
No. 311. Ninth, Buffalo, N. Y., September 7-9, 1921.
No. 337. Tenth, Washington, D. C., September 11-13, 1922.
No. 355. Eleventh, Toronto, Canada, September 4-7, 1923.
No. 400. Twelfth, Chicago, Ill., May 19-23, 1924.
No. 414. Thirteenth, Rochester, N. Y., September 15-17, 1925.
No. 478. Fifteenth, Detroit, Mich., October 25-28, 1927.
No. 501. Sixteenth, Cleveland, Ohio, September 18-21, 1928.
No. 538. Seventeenth, Philadelphia, September 24-27, 1929, and eighteenth, Toronto, Canada, September 9-12, 1930.

Productivity of labor.

- No. 326. Productivity costs in the common-brick industry. [1924.]
No. 360. Time and labor costs in manufacturing 100 pairs of shoes, 1923.
No. 407. Labor cost of production and wages and hours of labor in the paper box-board industry. [1926.]
*No. 412. Wages, hours, and productivity in the pottery industry, 1925.
No. 441. Productivity of labor in the glass industry. [1927.]
No. 474. Productivity of labor in merchant blast furnaces. [1928.]
No. 475. Productivity of labor in newspaper printing. [1929.]

Retail prices and cost of living.

- *No. 121. Sugar prices, from refiner to consumer. [1913.]
*No. 130. Wheat and flour prices, from farmer to consumer. [1913.]
*No. 164. Butter prices, from producer to consumer. [1914.]
No. 170. Foreign food prices as affected by the war. [1915.]
No. 357. Cost of living in the United States. [1924.]
No. 369. The use of cost-of-living figures in wage adjustments. [1925.]
No. 495. Retail prices, 1890 to 1928.

Safety codes.

- *No. 331. Code of lighting: Factories, mills, and other work places.
No. 336. Safety code for the protection of industrial workers in foundries.
No. 350. Rules for governing the approval of headlighting devices for motor vehicles.
*No. 351. Safety code for the construction, care, and use of ladders.
No. 375. Safety code for laundry machinery and operations.
No. 382. Code of lighting school buildings.
No. 410. Safety code for paper and pulp mills.
*No. 430. Safety code for power presses and foot and hand presses.
No. 433. Safety codes for the prevention of dust explosions.
No. 447. Safety code for rubber mills and calendars.
No. 451. Safety code for forging and hot-metal stamping.
No. 463. Safety code for mechanical power-transmission apparatus—first revision.
No. 509. Textile safety code.
No. 512. Code for identification of gas-mask canisters.
No. 519. Safety code for woodworking plants, as revised, 1930.
No. 527. Safety code for the use, care, and protection of abrasive wheels.

Vocational and workers' education.

- *No. 159. Short-unit courses for wage earners, and a factory school experiment. [1915.]
*No. 162. Vocational education survey of Richmond, Va. [1915.]
*No. 199. Vocational education survey of Minneapolis, Minn. [1917.]
No. 271. Adult working-class education in Great Britain and the United States. [1920.]
No. 459. Apprenticeship in building construction. [1928.]

Wages and hours of labor.

- *No. 146. Wages and regularity of employment and standardization of piece rates in the dress and waist industry of New York City. [1914.]
*No. 147. Wages and regularity of employment in the cloak, suit, and skirt industry. [1914.]
No. 161. Wages and hours of labor in the clothing and cigar industries, 1911 to 1913.

Wages and hours of labor—Continued.

- No. 163. Wages and hours of labor in the building and repairing of steam railroad cars, 1907 to 1913.
- *No. 190. Wages and hours of labor in the cotton, woolen, and silk industries, 1907 to 1914.
- No. 204. Street-railway employment in the United States. [1917.]
- No. 218. Wages and hours of labor in the iron and steel industry, 1907 to 1915: With a glossary of occupations.
- No. 225. Wages and hours of labor in the lumber, millwork, and furniture industries, 1915.
- No. 265. Industrial survey in selected industries in the United States, 1919.
- No. 297. Wages and hours of labor in the petroleum industry, 1920.
- No. 356. Productivity costs in the common-brick industry. [1924.]
- No. 358. Wages and hours of labor in the automobile-tire industry, 1923.
- No. 360. Time and labor costs in manufacturing 100 pairs of shoes, 1923.
- No. 365. Wages and hours of labor in the paper and pulp industry, 1923.
- No. 394. Wages and hours of labor in metalliferous mines, 1924.
- No. 407. Labor costs of production and wages and hours of labor in the paper box-board industry. [1926.]
- *No. 412. Wages, hours, and productivity in the pottery industry, 1925.
- No. 416. Hours and earnings in anthracite and bituminous coal mining, 1922 and 1924.
- No. 476. Union scales of wages and hours of labor: Supplement to Bulletin 457.
- No. 484. Wages and hours of labor of common street laborers, 1928.
- No. 497. Wages and hours of labor in the lumber industry in the United States, 1928.
- No. 498. Wages and hours of labor in the boot and shoe industry, 1910 to 1928.
- No. 499. History of wages in the United States from colonial times to 1928.
- No. 502. Wages and hours of labor in the motor-vehicle industry, 1928.
- No. 503. Wages and hours of labor in the men's clothing industry, 1911 to 1928.
- No. 504. Wages and hours of labor in the hosiery and underwear industries, 1907 to 1928.
- No. 513. Wages and hours of labor in the iron and steel industry, 1929.
- No. 514. Pennsylvania Railroad wage data. From report of Joint Fact Finding Committee in wage negotiations in 1927.
- No. 516. Hours and earnings in bituminous coal mining, 1929.
- No. 522. Wages and hours of labor in foundries and machine shops, 1929.
- No. 523. Hours and earnings in the manufacture of airplanes and aircraft engines, 1929.
- No. 525. Wages and hours of labor in the Portland cement industry, 1929.
- No. 526. Wages and hours of labor in the furniture industry, 1910 to 1929.
- No. 532. Wages and hours of labor in the cigarette manufacturing industry, 1930.
- No. 533. Wages and hours of labor in woolen and worsted goods manufacturing, 1910 to 1930.
- No. 535. Wages and hours of labor in the slaughtering and meat-packing industry, 1929.
- No. 537. Wages and hours of labor in the dyeing and finishing of textiles, 1930.
- No. 539. Wages and hours of labor in cotton-goods manufacturing, 1910 to 1930. (In press.)
- No. 540. Union scales of wages, May 15, 1930. (In press.)

Welfare work.

- *No. 123. Employers' welfare work. [1913.]
- No. 222. Welfare work in British munitions factories. [1917.]
- *No. 250. Welfare work for employees in industrial establishments in the United States. [1919.]
- No. 458. Health and recreation activities in industrial establishments, 1926.

Wholesale prices.

- *No. 284. Index numbers of wholesale prices in the United States and foreign countries. [1921.]
- No. 453. Revised index numbers of wholesale prices, 1923 to July, 1927.
- No. 543. Wholesale prices, 1930. (In press.)

Women and children in industry.

- No. 116. Hours, earnings, and duration of employment of wage-earning women in selected industries in the District of Columbia. [1913.]
- *No. 117. Prohibition of night work of young persons. [1913.]
- *No. 118. Ten-hour maximum working-day for women and young persons. [1913.]
- No. 119. Working hours of women in the pea canneries of Wisconsin. [1913.]
- *No. 122. Employment of women in power laundries in Milwaukee. [1913.]
- *No. 160. Hours, earnings, and conditions of labor of women in Indiana mercantile establishments and garment factories. [1914.]
- *No. 167. Minimum-wage legislation in the United States and foreign countries. [1915.]
- *No. 175. Summary of the report on condition of woman and child wage earners in the United States. [1915.]
- *No. 176. Effect of minimum-wage determinations in Oregon. [1915.]
- *No. 180. The boot and shoe industry in Massachusetts as a vocation for women. [1915.]
- *No. 182. Unemployment among women in department and other retail stores of Boston, Mass. [1916.]
- No. 193. Dressmaking as a trade for women in Massachusetts. [1916.]
- No. 215. Industrial experience of trade-school girls in Massachusetts. [1917.]
- *No. 217. Effect of workmen's compensation laws in diminishing the necessity of industrial employment of women and children. [1918.]
- *No. 223. Employment of women and juveniles in Great Britain during the war. [1917.]
- No. 253. Women in the lead industries. [1919.]
- No. 467. Minimum-wage legislation in various countries. [1928.]

Workmen's insurance and compensation (including laws relating thereto).

- *No. 101. Care of tuberculous wage earners in Germany. [1912.]
- *No. 102. British national insurance act, 1911.
- No. 103. Sickness and accident insurance law in Switzerland. [1912.]
- No. 107. Law relating to insurance of salaried employees in Germany. [1913.]
- *No. 155. Compensation for accidents to employees of the United States. [1914.]
- *No. 212. Proceedings of the conference on social insurance called by the International Association of Industrial Accident Boards and Commissions, Washington, D. C., December 5-9, 1916.
- *No. 243. Workmen's compensation legislation in the United States and foreign countries, 1917 and 1918.
- No. 301. Comparison of workmen's compensation insurance and administration. [1922.]
- No. 312. National health insurance in Great Britain, 1911 to 1921.
- No. 379. Comparison of workmen's compensation laws of the United States as of January 1, 1925.
- No. 477. Public-service retirement systems, United States and Europe. [1929.]
- No. 496. Workmen's compensation legislation of the United States and Canada as of January, 1929. (With text of legislation enacted in 1927 and 1928.)
- No. 529. Workmen's compensation legislation of the Latin American countries. [1930.]

Miscellaneous series.

- *No. 174. Subject index of the publications of the United States Bureau of Labor Statistics up to May 1, 1915.
- No. 208. Profit sharing in the United States. [1916.]
- No. 242. Food situation in central Europe, 1917.
- No. 254. International labor legislation and the society of nations. [1919.]
- No. 268. Historical survey of industrial action affecting labor. [1920.]
- No. 282. Mutual relief associations among Government employees in Washington, D. C. [1921.]
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