

INSURANCE AGAINST UNEMPLOYMENT

BY

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PREFACE

THE question of the proper methods to be adopted for the alleviation of the distress caused by unemployment presses for solution. Among such methods one of very great interest is that, under which provision is made against the loss consequent upon the temporary suspension of their earning power suffered by workpeople during periods of unemployment by a system of insurance. Under this system the arrangement made is, that, by means of premiums, contributed by the insurers, while they are in work, there is accumulated a Fund, out of which, in case of their becoming out of work, they have the right to receive allowances on a fixed scale. With the object of encouraging this form of thrift, and of supplementing the "unemployed benefits" paid to the insured workpeople out of the

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resources at the disposal of these Unemployment Insurance Funds, the practice has in recent years been adopted of supplementing those resources by subventions granted out of public moneys. This plan has been put into operation in a large number of European countries (including France, Belgium, Germany, Italy, Switzerland, Holland, Norway and Denmark), but has so far not been tried in the United Kingdom.

The only book published in this country, which gives an account of the various schemes of (assisted) Unemployment Insurance, is the *Report to the Board of Trade on Agencies and Methods for Dealing with the Unemployed in certain Foreign Countries*, by the present writer, which was issued in 1904 (Cd. 2304). Since that date, however, the practice here referred to has received a very great extension, and the present volume brings the information contained in the Report of 1904 up to date.¹

It appears to be generally supposed to be

¹ While the Report here referred to was, of course, an official publication, the present volume is a private venture, for which no Government Department is in any manner responsible.

highly probable, that, in the near future, proposals will be made for the adoption in this country of some measure in the nature of publicly assisted Insurance against Unemployment. Be that as it may, this form of public assistance is certain to be among those, the merits and demerits of which will at no distant date come up for discussion; and under these circumstances the publication of a short practical handbook of the subject will, it is trusted, be considered to serve a useful purpose.

So far as the contents of the book are concerned, it will be seen, that, while no attempt is made to discuss the question, whether it is desirable or practicable to introduce into the United Kingdom the method of Unemployment Insurance here under consideration, the pages, which follow, contain a concise account of what has been done in this direction by other nations, and set forth in detail the foreign legislation on this subject, and in particular, the text of the Unemployment Insurance Laws passed within the last few years in Norway and Denmark.

The rules in force in regard to the

administration of certain typical Unemployment Insurance Funds are also printed in the Appendices ; and a concise bibliography of the subject is added. It is hoped that the materials thus furnished may afford some assistance in forming a judgment as to the value and applicability of this method of insurance and as to the general lines, upon which, in the event of its being decided to adopt such a system in this country, it would be desirable to frame the necessary legislation.

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INSURANCE AGAINST UNEMPLOYMENT

CHAPTER I

WHAT IS MEANT BY INSURANCE AGAINST UNEMPLOYMENT

INSURANCE may for present purposes be taken to be a system, under which, in return for premiums paid by a number of persons, who, upon the occurrence of a specified contingency will incur financial loss, an indemnity (total or partial) is secured to the insurers against this loss. The particular form of insurance, of which it is the object of these pages to give a brief account, is that, in which the loss insured against is the loss caused to workpeople by their unemployment. It should, however, be explained that the contingency covered by this insurance is not co-extensive with all, but only with certain kinds of unemployment.

Different Types of Unemployment

Thus, unemployment arising from the voluntary act or default of the insured is not, as a rule,

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covered by this form of insurance. If a workman, who has effected an insurance against unemployment, and who, while out of work, is offered employment in his own trade at wages and generally under conditions accepted as "fair" by his trade union, refuses, with no good reason, to accept that employment, then his consequent unemployment will not entitle this insurer to receive any indemnity for the loss of the wages, which he might have received, had he accepted this offer. While this rule is universally accepted, a great deal of difficulty is caused by the contentions made on behalf of the members of trade organizations of workmen that, *e.g.*, an engineer is not bound to accept employment as a navvy, that a trade unionist ought not to be expected to take work offered on conditions inferior to those recognized by his trade union, and so on. Then as to lack of work arising from the voluntary cessation of the workman's labour in support of a trade dispute, the loss thereby entailed is, according to the view very generally accepted, a risk to be covered, not by unemployment insurance, but by a separate form of insurance under which, in such a case, the insurer receives "strike pay." When, again, unemployment is caused by the fact that an employer, in furtherance of a trade dispute, "locks-out" his workpeople, the risk in this case is in practice always treated on the same footing as in the case of a strike, it being usually considered that lock-outs ought to be treated like strikes, because a

lock-out is so often resorted to by the employer as his best defence to a strike, actual or threatened. On the other hand, in Germany, at any rate, many trade unionists claim, that unemployment caused by a lock-out, being involuntary on the part of the workmen, ought to be held to be covered by unemployment insurance.

Another form of unemployment is that caused by the disablement, total or partial, of the workman owing to either accident or sickness. There can be no question, that under any complete system of workmen's insurance the risk of unemployment caused by the workman's being thus rendered totally or partially incapable of performing labour, ought to be (as in Germany it is) covered, not by unemployment insurance, but by accident, sickness and invalidity insurance; and in fact all the existing types of unemployment insurance, in principle at least, confine their operations to insurance against the risk of unemployment incurred by able-bodied workpeople.

If, accordingly, we limit our conception of unemployment insurance in the manner just explained, we shall find that the risks to be covered by such insurance may conveniently be divided into five main classes.

A. First we have the case of workpeople, who find it impossible to obtain employment owing to the progress of invention accompanied by the introduction of new machinery or the adoption of new processes of manufacture, *e. g.*, labourers in the

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building trade displaced by the steam navy, bricklayers displaced owing to the introduction of ferro-concrete, hand-loom weavers displaced by the power-loom, whip-makers displaced, owing to the ever increasing number of motor vehicles. In these cases the workpeople thus displaced may in some cases learn to perform the new kind of labour required (a hand-loom weaver turning into a power-loom weaver, a coachman becoming a chauffeur, etc.); if not, they can only obtain employment by either taking up some other branch of their old trade, or else entering an entirely new occupation.

B. Next we have the workpeople, who are temporarily thrown out of work by a *spasmodic* depression affecting the whole of the industry in which they are engaged, *e. g.*, depression caused by the outbreak of war, or famine, or pestilence in a country to which we export largely, or from which we import the raw materials (*e. g.*, cotton) necessary for production, or affecting the particular factory in which these workpeople are employed (a mill fire, the breakdown of machinery, the flooding of a seam in a mine, etc.).

C. Then we have the case of workpeople thrown into involuntary idleness by trade depression of a *cyclical* nature—the antithetic aftermath of a *periodically recurring* “trade boom.” When “good times” return, all these workpeople will probably again find work.

D. In the fourth place, we have the workpeople

in the *season* trades, who are thrown out of work by the fact, that the processes of manufacture cannot be carried on conveniently or at all at certain times of the year, *e.g.*, some branches of the building trade, on account of frost in winter; fish-curing and hop-picking, on account of the raw material being only available at certain seasons; some kinds of clothing manufacture, on account of fluctuations in demand consequent upon weather conditions (light women's boots, for example, being mainly wanted in summer, dancing-shoes—made by a separate class of operatives—mainly in winter). These workpeople are fully employed, and, indeed, often work overtime in the busy season, but get little or nothing to do out of the busy season. Their unemployment is *intermittent*.

E. In the last place we have the casual labourers (mainly unspecialized), who in very many cases hardly ever get a full week's work, often get only a few days' work per week, and sometimes get none at all (*e.g.*, many dock labourers, shirt-makers, etc.). Here there is at no time work enough to go round. The condition of these workpeople is one of permanent *under-employment*.

Different Types of Unemployment Insurance

Such being the risks to be covered by unemployment insurance, it is to be observed, that this insurance may be of either a voluntary or a compulsory character, and that in either case the premiums paid under a scheme of unemployment

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insurance may be paid (*a*) entirely by the workpeople concerned, or (*b*) partly by the workpeople concerned and partly by their employers, or (*c*) wholly by their employers.

In addition, there are certain forms of unemployment insurance, which are distinguished from those just enumerated by the fact, that either the premiums paid by the insurers or the benefits received by such of them as become unemployed are supplemented either by charitable donations or by subventions granted by the Public Authorities (State or Municipal), or by both these kinds of subsidies.

With respect to voluntary insurance, the most important type is that organized in this and other countries by the unassisted efforts of trade union organizations ; no detailed explanation of this well-known form of insurance is required here ; nor, again, will any attempt be made in this place to deal with the various projects for the adoption of schemes of unemployment insurance (such, for example, as those, under which it has been proposed to establish a compulsory system, with contributions from employers as well as from workpeople and from the State) which have from time to time been put forward, but which have so far not been put to the test of actual experience.

It is, on the other hand, the various systems established in many countries, but so far untried in the United Kingdom, under which the thrift of the insured workpeople is supplemented by public

subventions, that will be described here. These are of two kinds. In the first place we have compulsory insurance maintained by premiums paid by the insured workpeople supplemented by a Municipal subvention. In the second place we have various types of voluntary insurance maintained by premiums paid by the insured workpeople supplemented by subventions paid in some cases (as a rule, not to any important extent) by charitable individuals or associations,¹ but in the main by Public Authorities—either Municipal, Provincial, or State, or by Municipal and State Authorities jointly.²

¹ In some cases these charitable individuals or associations are employers or organizations of employers; in one case the subsidies to the benefits granted by the organizations of the employees are, under a scheme adopted in 1906, entirely contributed by an association of employers in the embroidery industry in Eastern Switzerland (see *Reichs-Arbeitsblatt*, the journal of the German Labour Department, January 1907, pp. 39-45, and *Sociale Praxis*, October 3, 1907, cols. 19, 20).

² In a few cases Municipal subventions have been granted by way of supplement to the savings of individual workpeople. This supplement is payable only if these persons become unemployed, but in most cases they are allowed to withdraw their own deposits, whether they become unemployed or not. These cases are not examples of insurance, and will not be discussed here.

CHAPTER II

COMPULSORY INSURANCE

St. Gall

ALTHOUGH the solitary example of compulsory insurance against unemployment is one, from which, owing to the defective manner in which this experiment was carried out, it is not possible to draw any very definite conclusions with regard either to the advisability or the general practicability of this form of unemployment insurance, yet on certain important points so much is unquestionably to be learned from the experience gained in this case, that a fairly full account of the working of the St. Gall Municipal Unemployment Insurance Scheme (based mainly upon the account of it given in the *Report to the Board of Trade on Agencies and Methods for Dealing with the Unemployed in certain Foreign Countries* by the present writer),¹ will, it is believed, be of interest.

The scheme of compulsory insurance adopted

¹ Cd. 2304 of 1904, pp. 143-148. A few of the details in the text are taken from the Report on Unemployment Insurance by the German Labour Department, *Die bestehenden Einrichtungen zur Versicherung gegen die Folgen der Arbeitslosigkeit im Auslande und im Deutschen Reich*, Part I, pp. 97-114.

by the Municipality of the town of St. Gall was introduced by virtue of a Law passed on May 19, 1894, by the Great Council of the Canton of St. Gall, under which power was given to Municipal and other Communal Authorities to introduce a system of insurance against unemployment, which should be obligatory for all male wage-earning workmen whose average daily earnings did not amount to more than 4s. ; any men earning more than this amount might insure themselves, if they so wished, on the same terms as the persons for whom insurance was compulsory. On the other hand, if a man could show that he was already a member of an association providing unemployed pay at least equal in amount to that provided by the Compulsory Insurance Fund, he had a right to be released from the obligation to insure with the Compulsory Fund. Any Fund to be established by virtue of this Law could provide by its rules, that women should be insured with the Fund, either voluntarily or compulsorily.

The general conditions, under which any Fund established under this Law should be organized, were prescribed by the Statute. Among these conditions is the provision, that no one should receive unemployed pay unless it should be found impossible to offer him "work suitable to the trade to which he belonged, or to his strength, remunerated by the wages current in the district." The right to receive unemployed pay was to begin only after the insurer should have paid the premiums

fixed by the rules of the Fund for an uninterrupted period of six months at the least ; in the case of foreigners a longer period might be required.

The expenses of administration incurred in connection with the Insurance Fund were to be paid out of the moneys of the Police Force ; all other expenses of the Fund were to be met (*a*) by the premiums paid by the insured, (*b*) by voluntary subscriptions and donations, (*c*) by grants from the Municipalities or Communes concerned, not to exceed 1s. 7·2*d.* per insured person per year, (*d*) by subventions from the Canton, the amount of which was to be fixed in the Budget of that State, (*e*) by subventions, if any such should be granted, from the Swiss Federal Government.

It was at first proposed that a Compulsory Unemployment Insurance Fund should, under the provisions of this Law, be established by the three Municipalities of St. Gall, Tablat and Straubenzell jointly. But, upon the matter being brought before a town's meeting at Tablat, the scheme was rejected by a large majority—this decision being arrived at largely in consequence of the unsympathetic attitude towards these proposals taken up by the working-classes at Tablat ; and St. Gall determined to undertake the scheme by itself, as an experiment to be tried for two years.

The scheme, which was put into operation as from July 1, 1895, provided for the payment of weekly premiums varying with the daily earnings of the insured on the following scale :—

For men with earnings of 2s. 4'8d., or less .	1'4d.
For men with earnings of over 2s. 4'8d., up to 3s. 2'4d.	1'9d.
For men with earnings of over 3s. 2'4d., up to 4s.	2'9d.

In order to be entitled to claim unemployed pay, the insurer must have paid his premiums for an uninterrupted period of six months (or, if a foreigner, twelve months); but in certain cases the obligation to pay premiums was not to apply, viz. to insurers while receiving unemployed benefit from the Fund; to sick persons, upon production of a medical certificate; and to persons injured by accident, if such persons were not entitled to claim damages under the Employers' Liability Law.

The scale of unemployed pay provided was a daily sum payable for a *maximum* period of sixty "working" days in any one year, and varying with the amount of the weekly premium paid by the insured in the following manner:—

Amount of Premium.	Amount of Unemployed Pay, which men paying the Premiums shown in the preceding column were entitled to receive.
<i>d.</i>	<i>s. d.</i>
1'4 per week.	1 5'3 per day.
1'9 "	1 8'2 "
2'9 "	1 11'0 "

At times of industrial depression, and when there were large claims on the Fund, the Committee of Management was empowered to reduce

the unemployed pay of unmarried men, but not to a lower figure than 96*d.* per day. If, notwithstanding such reduction, and though the Fund was in receipt of full subventions on the part of the Municipality and the Canton, the available resources of the Fund should prove insufficient, the Committee was empowered to reduce the unemployed pay of those insurers, who were entitled to receive pay at the higher rates, and in case of extreme need might lower the entire scale.

The Municipality was to pay to the Fund a subvention at the rate authorized by the Law.

Insurers, whose unemployment was caused exclusively through their own serious misconduct, or to their having ceased work in consequence of a strike, or who refused to accept work offered to them without reasonable ground for such refusal, or who were incapable of working owing to accident, sickness, or other causes, or who were serving with the colours, could not claim unemployed pay.

Unemployment on any one occasion for less than five consecutive days within three months gave no right to unemployed pay; in special cases the decision rested with the Committee.

The Committee of Management was to consist of nine members, two appointed by the Municipal Council and seven chosen from the working-men insured with the Fund, of whom four were to be named by the Labour Federation of St. Gall, one was to be named by the same Federation (but

to be selected by that organization from among the non-unionist workmen), and two others by the Municipal Council, who should, in appointing these two members, have special regard to the branches of trade not otherwise represented on the Committee.

The compositors were released from the obligation to insure themselves, because their trade union already paid unemployed benefit; the messengers, commissionaires, etc., because it was said to be impossible to ascertain the facts as to their earnings or their unemployment; the employees of the Postal and Telegraph service and the railways, because they only lose their employment (as a rule) through their own serious misconduct, and in that case the rules of the Fund would have excluded them from all right to claim unemployed pay—an exemption, which, while it ought logically to have also been granted in the case of many other forms of employment, was beyond question altogether inconsistent with the provisions of the Law, under which this scheme was authorized to be carried out.

Women were never allowed to insure themselves with the Fund; this was in accordance with the rules of the scheme.

Very great difficulty was found in inducing the persons bound to insure with the Fund to enter their names on the register; and in the first six months no less than 155 persons were fined for not

registering themselves. Notwithstanding this pressure, even at the end of the first twelve months, 350 persons, who ought to have registered, had not done so.

The number of persons, who entered themselves as earning sums so small as to place them in the lower classes (paying lower premiums), was very much greater than was expected. Even so, the greatest possible difficulty was experienced in obtaining payment of the premiums due. In particular, the foreigners, who could not claim unemployed pay at all during the first twelve months, defaulted in large numbers, no less than 538 out of 1,027 dropping their premium payments in the first year ; most of these defaulters left the town, so far as could be ascertained. At the end of the second year no fewer than 1,396 insurers (the total number of the persons insured with the Fund being 2,800-3,000) owed the Fund between them £228 for arrears of premium.

The principal cause of unemployment appears to have been seasonal slackness, especially in the building trades. In January 1896 (before which date no one had any claim on the Fund), the number reporting themselves unemployed was 287 ; in February 1896, 78 ; in December 1896, 287 ; in January 1897, 111 ; and in February 1897, 48. No less than 118 of the unemployed in the first, and 183 in the second year were foreigners. This fact is stated to be due to the geographical position of St. Gall.

The percentage of the different classes of employees insuring themselves with the Fund, who reported themselves as unemployed, varied very much. In the first year 4,220 persons registered with the Fund, but 1,185 were struck off the register (having died, gone away, etc.). Trades represented by 764 registered persons did not report any unemployed, and many others reported but few. On the other hand, 43·2 per cent. of the navvies and day labourers, and 22·4 per cent. of the bricklayers, reported themselves unemployed. In all, 430 persons out of 4,220 reported that they had become unemployed; but 67 could not claim any payment, either because they had not lived long enough in St. Gall, or because they found work, and only 363 actually came on the Fund, of whom 42 received unemployed pay for 5 to 9 days, 58 for 10 to 19 days, 50 for 20 to 29 days, 59 for 30 to 39 days, 39 for 40 to 49 days, 38 for 50 to 59 days, and 77 for the *maximum* possible period of 60 days. On the average, the number of ("working") days, for which unemployed pay was disbursed, was 35·2 per man.

In the second year of the Fund's operations the number of persons reporting themselves as unemployed was 512, of whom by far the greatest number (189) were navvies and labourers, while 58 were bricklayers. The number actually coming on the Fund was 498, of whom 198 drew unemployed pay for more than 50 ("working") days.

The average amount of the unemployed pay

received by the insurers in the first year was just under 44s. and in the second just 60s. per man.

The total amount of the premiums paid in the first year was £867, and the total amount paid as unemployed pay was £940. (It will be remembered that no one could come on the Fund at all in the first six months of this year, and that no foreigner had any claim at all during this twelve months.) In the second year of the Fund's existence the premiums paid were £628, and the unemployed pay amounted to £1,535.

The total amount, which, during the two years of its being in operation, the Fund received by way of subventions out of public moneys was £1,125, of which sum £885 was granted by the Municipality of St. Gall, and £240 by the Canton; but in spite of these large subventions, when the expenses of administration (printing, salaries of clerks, etc.) were added to the amount of the unemployed pay distributed, the result was that a substantial amount still remained uncovered, the books of the Fund showing a deficit on the working of its second year of no less than £222.

The scheme was always unpopular with the St. Gall working-men, especially because under it no contributions were required to be paid by the employers; and at the earnest request of the work-people insured with the Fund, especially of the best workmen, who objected to going on paying premiums but never receiving benefits (all the more so as the amount of these premiums was

higher in proportion to their own relatively high earnings, and this, although these men were themselves only to a slight extent exposed to the risk of becoming unemployed), a resolution was, on November 8, 1896, passed authorizing the termination of the operations of the Fund, which came to a close on June 30, 1897, after an existence of two years.

With respect to the results achieved, it appears to be clear, that the benefits intended to be conferred by this scheme were, in fact, received by only a small class of workmen, principally by men engaged in trades affected by seasonal depression (mainly building trades). A very large proportion of the working-men at St. Gall were never insured at all (25 per cent. in the first year; as to the second year, no details on this point are available).

So far as concerns the method of administration, this was extremely defective. Not only (as has already been seen) was the Law governing the establishment of the Fund violated, but the rules of the Fund were at no time properly observed. Thus, in the first year of the Fund's existence, men, who had not fulfilled the requirement that they should have paid their premiums for an *uninterrupted* period of six months, and who were months in arrear with their payments, were allowed to receive unemployed pay, merely having their arrears, *plus* a fine of 1s. 7²d. per month, deducted from this pay; if the rules had been properly carried out with respect to this requirement,

not twenty among all the unemployed would have received any unemployed pay whatever.

No adequate attempt was made to verify the fact of unemployment, much less to inquire into the reasons for a man's having lost his work. Sick persons (who had no claim) received their pay until they were found out. Men, who might have got work by going away from the town to places where their labour was required, as they had done in other winters, preferred to stay in the town and draw their unemployed pay. If men were offered work not exactly in their own trades, they declined to take it. In other cases navvies and labourers, when offered work, declined to accept it on the terms offered. Many men much preferred to go on receiving as much unemployed pay as possible rather than take any job. A great part of the unemployed pay found its way into the tills of the public-houses.

The Report of the second year's working contains the following remarks:—"It must also be stated that in the second, as in the first year, a large number of men drew the full *maximum* of unemployed pay, and then at once left St. Gall.

"More than one-half of the men, who drew unemployed pay this year, 258 [out of 498], were men who had drawn such pay in the preceding year. If the scheme had been continued, these men would have formed the regular *clientèle* of the Fund.

"The worst men in regard to the payment of

premiums, with a few exceptions, drew unemployed pay again this year. Many of them never paid their premiums at all until they had actually become unemployed, and then they paid in four, five, six or even more monthly premiums in arrear, all in one lump sum, in order to be able to draw unemployed pay."

One reason for the failure of this scheme is said to have been, that the administration of the Fund was made part of the business of the Poor Law Department of the St. Gall Municipality—a fact, which gave the scheme at once an outdoor relief complexion, and added to the hostility of the better situated among the working-classes. What is more, the officer in charge of the Poor Law Department, though his work was thus greatly increased, received no extra pay for the performance of his duties in connection with the Fund.

Then, again, the task of supervising the distribution of the unemployed pay was entrusted to a sub-committee of five members, all of whom were working-men, a fact, which caused the action and decisions of this sub-committee to be regarded with prejudice, it being supposed that they must of necessity be unduly favourable to the working-classes.

In the last place the organization of the Labour Registry, worked in connection with the Unemployment Insurance Fund, was extremely defective.

CHAPTER III

VOLUNTARY INSURANCE

Different Types

THE different schemes of voluntary (assisted) insurance against unemployment divide themselves into two principal classes, according as the associations of insurers are or are not separate for separate trades, or at any rate, for separate groups of trades (each group comprising trades with generally identical risks of unemployment). There is also a type of unemployed insurance coming between the two just named, viz. that, in which, although different occupations are included in a common Fund, yet distinct rates of premium are charged to different persons according to the estimated risk of unemployment incurred by each.

Of the mixed risk type of unemployed insurance we have examples in Switzerland at Berne, established in 1893, and at Bâle (1901); in Italy at Venice (1901), and in Germany at Cologne (1896).

The only example of the intermediate type (in which different occupations are "lumped together," but different rates of premium are charged according to the estimated risk of unemployment) is to be found at Leipsic (1905). The largest class

among unemployment insurance schemes is that of the single, uniform-risk type, in which the organization carrying out the insurance is an association of workmen engaged in the same trade or in one or other of a group of allied trades—in practice always a trade union organization. This class comprises the schemes in force in Belgium at Ghent (1901), Antwerp (1902), and in a considerable number of other towns, and the system of State subventions introduced by Belgium in 1908, as well as the similar schemes in force in Italy at Milan (1905); in France, where in recent years the system has been introduced by the Local Authorities in a large number of places (including Amiens, Limoges and Rheims) and by the State under the Decrees of 1905, 1906, and 1908; in Germany at Strassburg (1907); and in Holland at Amsterdam, Arnhem, and Utrecht (1906), and a number of other places. Legislation providing for public subsidies to Unemployment Insurance Funds on the same lines has been recently enacted by Norway (1906, amended 1908), and by Denmark (1907).¹

Berne

The Berne Unemployment Insurance Scheme is a Municipally organized institution, with which, in

¹ The Municipality of Luxemburg, in 1904, voted a sum of £75 by way of subvention to the Unemployment Insurance Funds maintained by trade societies; but particulars as to this matter are not available.

theory at least,¹ workpeople engaged in any occupation are allowed to insure themselves, the funds required for the payment of the unemployed benefits, payable only in respect of unemployment during a *maximum* of seventy days in the winter months (December to March),² being provided to a small extent by the insurers, but mainly by a relatively large subsidy granted by the Municipality of Berne. The system is marked as one of a virtually Poor Law character by the fact that, although all insurers pay the same premium (6¾*d.* per month), the unemployed benefit is on a different scale for single men and for men with families (1*s.* 2½*d.* per day for men without, 1*s.* 7¼*d.* per day for men with dependants).

Originally there was no age limit and no right to refuse men with impaired working capacity; but since 1900, persons incapable of doing a fair day's work and persons over sixty years of age have been excluded from membership.

When this scheme was started in 1893, the Rules required that, in order to be entitled to claim

¹ Although not in accordance with the Rules of the Fund, it is the fact (as the present writer ascertained when personally investigating the Berne system on the spot) that the Managing Committee decline to insure any wood-choppers—a class of workpeople with very irregular employment and not overfond of work.

² Every person insured with the Berne Fund, who reports himself unemployed, is required to verify the fact by attending roll-call (at the Municipal Labour Exchange) twice a day. The Municipality specially reserves public works to be done in winter by persons insured with the Fund.

benefit if he became unemployed, a man must have paid his premiums regularly for six months at least; in 1900 this was raised to eight months. In 1897 a requirement was introduced that, in order to claim unemployed benefit, a man must show that he had been employed for at least six months in the preceding year. Up to 1903 the employees of the Municipality were compelled to insure themselves with the Fund; as soon as this compulsion was removed, they ceased to do so.¹

The net result of these alterations (it will be seen) is to exclude from membership persons whose employment is, even in the summer months, distinctly irregular. On the other hand, it is obvious, that persons, who feel fairly secure of regular employment all through the year, have nothing to gain by insuring themselves with the Berne Fund. The class of persons, who enjoy the advantages of the Berne scheme are, therefore, neither of the very casual class nor of the very regularly employed class, but of the class of men who in winter find it difficult to obtain really continuous employment. The percentage of the insured, who at some time or other in the winter have been unemployed, has in recent years varied between 38 and 51 per cent. In 1907-8 (a period of good trade except for painters and stone-

¹ In 1895 it was proposed to make insurance against unemployment at Berne compulsory; but this plan had to be abandoned on account of the opposition of the better-paid workpeople, who regarded it as an attempt to tax them for the benefit of their less highly-paid fellows.

carvers) out of the total number of 508 insured members of the Fund, 233 (46 per cent.) became unemployed, almost the whole of them being engaged in one branch or another of the building trade (60 per cent. of all unemployed being builders' labourers and navvies, 21 per cent. being bricklayers, masons, plasterers, etc.). The Report of the Fund states that "It was found possible to pay the full benefit provided by the Rules, viz. for the first 30 days¹ 1s. 7½*d.* to married men and 1s. 2½*d.* per day to men without dependants, and for unemployment lasting longer than thirty days the benefit was reduced to 1s. 2½*d.* and 7¾*d.* per day respectively. Twenty-one unemployed received benefits amounting in each case to over £4, the highest amount being £4 4*s.*, which was received by sixteen out of these twenty-one persons." In order to receive these small daily allowances the insured paid premiums amounting in the aggregate to £157, while the Municipal subvention was no less than £480, and various employers gave contributions amounting in all to a little over £40.

Within the limited sphere of its operations the Berne scheme, although partaking rather of the character of poor relief than of insurance, cannot be considered to be unsuccessful.

¹ Originally no benefit could be claimed until after a man had been unemployed for one week ; but by an alteration in the Rules made in Nov. 1907, the right to receive benefit commences at once.

The Rules and Administrative Regulations of the Berne scheme are printed in full in Appendix I, *post*, pp. 82-88.

Bâle

The Bâle experiment (commenced early in 1901) was somewhat on the same lines as that at Berne, also with a public subvention (from the Canton of Bâle); but both with respect to the premiums and the benefit, the Bâle scheme differed from that in force at Berne. The amount of the premium at Bâle varied in proportion to the earnings of the insured, *e.g.*, for earnings not exceeding 3s. 2½*d.* per day, 4¾*d.* per month; for earnings up to 4s., 5¾*d.*, and for earnings over 4s., 6¾*d.* (Up to 1906, the premiums were 3¾*d.*, 4¾*d.* and 5¾*d.* respectively.) The amount of the benefit (payable during not more than 42 days) was the same for married as for single men. This amount was at first 9½*d.* per day, then 1s. 0½*d.*, and in 1906-7 was raised to 1s. 2½*d.* At one time (in 1902-3) the membership was as high as 1,174; but in 1903-4 a rule was adopted for the exclusion of members more than six months in arrear with their subscriptions; no less than 274 were struck off the list for this reason in 1904-5; and in 1906-7 (the last year during which the fund was in operation) the number of members had fallen to 457, of whom 179 (39 per cent.) became unemployed. The total amount of the unemployed benefit received by these 179 unemployed persons was £291. The premiums

paid by the insured amounted to no more than £84, or 29 per cent. of the amount of the benefits paid. In 1906-7 the benefits could only be paid by resorting (as had been done in previous years) to the Reserve Fund ; and it was admitted by the Administration of the Fund that its finances were in hopeless confusion. The persons insured with the Fund were mainly men in the building trades ; the bricklayers, masons and labourers received between them much more than three-fourths of all the money spent in unemployed benefit.

The Bâle scheme, an acknowledged failure, is stated to have been definitely abandoned.¹

Venice

Of this scheme it is enough to say, that it was framed in 1901 upon the most unpractical lines, that the proportion of its members, who became

¹ There has also been an experiment in unemployment insurance at Geneva, established towards the end of 1904, somewhat on the Bâle lines, but with premiums of $9\frac{1}{2}d.$ per month for workpeople whose daily wages do not exceed 3s., and $11\frac{1}{2}d.$ for those with wages above 5s. a day, and with benefits at the rate of 1s. $2\frac{1}{2}d.$ per day for those who belong to the first, and of 1s. $4\frac{1}{2}d.$ per day for those who belong to the second of these two wage-classes ; but to these benefits is added an extra $9\frac{1}{2}d.$ per day for each child under 14 years of age. This experiment has almost totally failed, and its operations have been upon a quite microscopic scale. The Council of the Canton of Appenzell (Ausser rhodisch) on May 18, 1908, voted £20 for the payment of subsidies to Unemployment Insurance Funds ; this scheme is not yet developed (*Zeitschrift für Schweizerische Statistik*, 54th year, vol. i, pp. 20, 21).

unemployed, was enormously high, that the premiums paid by the insured covered only a minute proportion of the benefits paid, and that the necessary outlay had to be met indirectly by very large contributions from the Municipality of Venice and partly by donations from charitable individuals, and that the philanthropic society, by which it was founded, in a report issued by it in October 1904, admitted frankly, that it was a total failure.

Cologne

The scheme of Municipally subsidized Unemployment Insurance established at Cologne in 1896, provides against winter (December 1 to March 1 inclusive) unemployment only, and excludes from membership (1) all persons who have not resided at Cologne for at least one year, and (2) all persons with no definite, recognized occupation, and all casual labourers. A further exclusion of persons irregularly employed is maintained by the requirement made, that the premiums payable by the insured must be paid for 34 weeks in the year, and that all claim to receive unemployed benefit is forfeited by any man who is four weeks in arrear with the payment of his premiums. The present scale of the premium is $4\frac{1}{4}d.$ per week for unskilled, and $5\frac{1}{2}d.$ per week for skilled men (virtually all except labourers). The benefits paid are 2s. a day for the first 20 days of unemployment (after the first 3), and 1s. a day for a *maximum* of 28 further days; but persons, who in two following winters have

drawn 75 per cent. or more of the *maximum* benefit (£3 8s.), are in the third winter allowed to draw no more than 2s. a day for the first 20, and 1s. a day for 14 further days of unemployment.¹

In order to maintain the solvency of the Fund, the rules provide that, if the *maximum* possible claims on the insurances already effected with the Fund shall amount to two-thirds of the assets of the Fund, then thereafter no fresh members shall be accepted.

The resources at the disposal of the Fund available for the payment of benefits consist of the premiums paid by the insured (in 1907-8, £1,040), of subventions paid by the Municipality of Cologne (£1,000 in 1907-8), of voluntary donations (a decreasing source of income—in 1907-8, £122), and of the interest on capital belonging to the Fund, such interest amounting in 1907-8 to £336.

The number of the insured was in 1907-8, 1,382, of whom 1,127 (81·5 of all) reported themselves as unemployed. But of these, 21 obtained employment before their claim on the Fund became due, and three lost their rights because they gave wrong information, so that only 1,103 actually came upon the Fund. For 891 of these the Cologne Labour Exchange found temporary employment,² and six

¹ Every person reporting himself unemployed is required, if so directed, to present himself twice a day, at such times as he may be instructed, at the office of the Fund.

² It seems probable, that some of this was employment on *relief* works provided by the Municipality; for the great amount of assistance in finding employment for the persons

others were excluded from further benefit for untruthfulness ; and thus the total number of days of unemployment, for which the Fund was liable to pay benefit, was reduced to 29,899, in respect of which a total of £2,433 was paid as unemployed benefit. It will be remarked, that of this total of £2,433, no more than about 42½ per cent. was provided by the premiums paid by the insured.

It should be added, that out of the 1,103 members of this Fund, who became unemployed in 1907-8, 295 are classed as "unskilled workmen"; practically all the others were craftsmen engaged in one branch or another of the building trades. It will be seen, that the field of operation covered by the Cologne scheme is narrow (being mainly confined to meeting the case of seasonal unemployment so far as it affects the more regularly employed men in the building trades); but within these limits the scheme must be considered to be a good example of what it is possible to effect by a well-organized scheme of Unemployment Insurance, in close connection with a well-managed Labour Exchange.

Leipsic

Coming now to the solitary example of the intermediate type of Unemployment Insurance (that, in which men of different occupations insured with one common Fund are charged varying

insured with the Fund given by "the superior authorities" is gratefully acknowledged in the annual report.

premiums in accordance with the varying risks of unemployment present in different cases), we have in the Leipsic scheme, which was started in March 1905, an experiment of great interest, but which, both because of the extreme shortness of the experience gained and of the absence of available information upon important points, is of no practical value for present purposes.

Ghent

Under the Ghent scheme, first established in 1901 and reorganized in 1904, a system of assistance to unemployed workpeople is provided, under which the Ghent Trade Unions are enabled to increase the unemployed benefit, which they pay to their members, by receiving from the Municipality a sum equivalent to a certain percentage on the benefits which they pay.¹ What shall be the ratio, which the Municipal subvention shall bear to the trade union benefit, is settled each month by the Managing Committee of the Fund, but this subvention must not exceed 100 per cent. of the trade union benefit, cannot in any case be

¹ It was hoped, that the grant of these Municipal subsidies would afford a stimulus to the development of trade union insurance against unemployment ; but according to Dr. Leo, of the German Labour Department, this hope has not been realized (see his article in *Bulletin du Comité Permanent des Congrès Internationaux des Assurances Sociales*, January-April 1908, p. 38).

more than 9½*d.* per day per man, and can only be paid for sixty days at most in any one year.

Other Belgian Municipalities, etc.

A system virtually identical with that in force at Ghent is in operation in 26 other Belgian Municipalities. These 27 towns in 1907 paid in all to 284 trade unions subventions amounting to £2,968. This amount, which was distributed among 9,750 unemployed persons in respect of an aggregate of 113,726 days of unemployment, was equivalent to 46 per cent. of the total sum paid as unemployed benefit by the trade unions themselves. Out of the total number of 113,726 days of unemployment, in respect of which these Municipal subsidies were paid, 22,191 occurred in the group of occupations classed as "industries of art and precision," 17,454 in the textile trades, 16,004 in the metal trades, and 14,290 in the building trades, and 10,663 in tobacco manufacture.

In regard to workpeople not belonging to trade unions, various attempts have been made in Belgium to confer upon these people benefits similar in their nature to those provided by the Ghent system described above. But these attempts (none of which are in the nature of insurance) have not produced any but the most insignificant results.

The Belgian Provinces of Antwerp, Brabant, Flandre Orientale, Hainaut, Liège and Namur also make annual grants, mostly of insignificant

amount, for the encouragement of insurance against unemployment, the greater part of which is paid by way of subsidy to trade unions.

Belgian State Subvention

In the Budget for 1908 the Belgian Legislature included in the amount allotted to the Ministry of Industry and Labour a sum of £800 as a grant in aid of (a) Labour Registries available free of charge for the use of workpeople seeking employment, and (b) thrift and other Funds, by means of which provision is made against the distress caused by involuntary unemployment. According to the information, which the General Director of the Belgian Labour Department has been so good as to furnish to the present writer, one-half of this amount (£400) is intended to be devoted to the latter purpose. Writing on November 28, 1908, M. Dubois observes, that "the only institutions of this nature, which, up to now, have been admitted to share in these State subsidies are:—

- (1) The Communal Unemployment Insurance Funds;
- (2) The Unemployment Insurance Funds affiliated to these Communal Funds;
- (3) The legally recognized trade associations, which maintain a Fund for insurance against involuntary employment, and which are not affiliated to Communal Unemployment Insurance Funds."

The manner, in which these State subsidies are

to be distributed between the various Communal Unemployment Insurance Funds and the several Unemployment Insurance Funds affiliated to these Communal Funds, is explained in Circulars of the Ministry of Industry and Labour, dated August 27, 1908, and November 25, 1908.

Communal Unemployment Insurance Funds, which grant subsidies to unemployed persons, who, either individually or collectively, make savings in order to meet the necessities arising out of involuntary unemployment, will, once in every six months, receive from the Ministry subventions, the amount of which will be proportionate to the aggregate of the sums which such Funds shall have expended for this purpose during the preceding half-year. These subventions are intended to be used, in the future, by the recipient Funds for similar objects.

The conditions, which the Funds carrying out insurance against unemployment must fulfill, in order to be entitled to participate in the Belgian State subvention are as follows :—

(a) Such funds must keep a distinct set of accounts in relation to, and must have in force special rules for the administration of the arrangements for allotting to their members compensation in the event of involuntary unemployment.

(b) They must address to the Ministry, in advance, a formal application for these grants.

(c) The grants will take the form of additions by way of supplement to the compensation allotted

to their unemployed members by those Funds, whose applications shall have been granted.

These supplements will be calculated on the basis of a *maximum* rate of compensation equivalent to 9½*d.* per person per day, and will not be paid in respect of any one unemployed person for any longer period than sixty days in any one year.

The amount of such supplements will be determined by the ratio, which the aggregate of the sums payable by way of compensation and in respect of which supplements shall be due, shall bear to the total amount available for distribution.

(*d*) The Communal Funds shall once in every six months furnish to the Ministry all such information as shall be necessary in order to enable the Ministry to determine the amount payable in respect of the State supplements to each Fund in relation to the half-year just expired.

(*e*) Once in every six months the amount due in respect of the State subvention to each Fund shall be fixed upon the basis of the operations of the half-year just expired, and such amount shall be forwarded to such Fund by the Ministry.

Each Communal Unemployment Fund shall receive a notification of the amounts allotted in manner aforesaid to the different Unemployment Insurance Funds affiliated to such Communal Fund.

The Minister of Industry and Labour adds, that in order that, by knowing as much as possible as soon as possible about the actual facts, he may have data enabling him to frame his future course

of action in relation to the distribution of the State subvention, and also in order, that, at this period of industrial crisis, the Unemployment Insurance Funds shall receive, with the smallest possible delay, the assistance that is to be provided for them, he has determined that in 1908—by way of exception—the entire amount of the credit voted in respect of this subvention shall be distributed at the end of the first half-year, on the basis of the operations of the six months in question.¹

Milan

The Milan scheme, established in 1905, is a fairly close copy of the Ghent system ; but in this case the subsidy to the trade unions is granted, not by the Municipality, but by a Philanthropic Association. This scheme provided that the subsidy of the "Humanitarian Society" should be at the rate of 50 per cent. of the trade union benefit, but must not exceed 4½*d.* per day and should not be payable if the trade union benefit by itself was in excess of 1*s.* 2½*d.* per day, nor for a longer period than sixty days in any one year. The number of persons insured with this Fund in May 1908 was 11,264 workmen and workwomen engaged in various skilled trades, the trade which is by far the most largely represented being the printing trade. But the available details with respect to the brief

¹ See *Revue du Travail* (the organ of the Belgian Labour Department), October 15, 1908, pp. 1054, 1055 ; November 30, 1908, pp. 1207, 1208.

experience gained in the working of this fund are not sufficient to form the basis of comment here.

Strassburg

At the end of December 1906, the Municipal Council of Strassburg voted the adoption of a scheme of insurance against unemployment for that city, the operation of which commenced on January 1, 1907. The rules of this scheme are, speaking generally, on the lines of that in force at Ghent. They provide for the grant, out of a sum voted by the Municipality, of a supplement at the rate of 50 per cent. on the unemployed benefit paid to its members by trade associations (in practice, trade unions); but this supplement can be claimed only by persons, who have resided at Strassburg for at least one year. Every trade union receiving the advantage of this scheme is required to administer its Unemployed Fund separately from its other operations.

The Rules of the Strassburg scheme provide that "the Municipal supplement shall cease to be paid, if the unemployed person is referred to suitable work in his own trade. Single persons are required to take work offered to them whether in Strassburg or away from that city, save under exceptional circumstances."

In order to verify the fact of their being unemployed, all insured persons, who are out of work, are required by the Rules to report themselves daily at the Municipal Labour Exchange.

As is shown by the Report of the working of this scheme for 1907, the unemployed "were ordered to report themselves at the Labour Exchange, not at the same hour each day, but at a time frequently varied, and not always in working hours, in order to prevent them, as far as possible, from being at work while claiming to be unemployed"; in some cases men were required to report themselves as often as thrice in the day.¹

The sum voted by the Strassburg Municipality for the first year was £250; but, in fact, of this sum only £94 was actually expended in paying these subsidies in the course of 1907. The aggregate membership of the twenty trade unions affiliated under this scheme at the beginning of 1908 was 3,867; practically all of the insured were workpeople engaged in various skilled trades. The number of the unemployed members, who, during 1907 received the Municipal subsidy, was 153. Of the total amount of this subvention, one-half was received by workpeople engaged in the printing and bookbinding trades, between one-fourth and one-fifth by the wood-workers, carpenters and upholsterers, and about one-sixth by men engaged in the metal trades.

¹ The Report states that "in spite of this thorough verification, it is, of course, impossible to prevent or discover all purely occasional work done by men who report themselves as being unemployed. For instance, it was only by accident that the discovery was made, that a joiner, who had become unemployed, at one time assisted in removing goods, and at another time helped at the market, being hired by the hour."

The Report for the year 1907 states, that the total number of working-men at Strassburg is about 24,000; as to that of the workwomen no recent statistics are available. It will be seen, that the new Unemployment Insurance scheme has not as yet succeeded in covering more than a quite inconsiderable part of the field.

In the Report of the scheme already referred to it is stated that "the modified Ghent system adopted at Strassburg comprises only a fraction of the skilled workpeople, the organized workers, and at present this is only a quite small fraction"; that the Insurance scheme is not intended to deal in any way with "the 2,000-3,000 day labourers, navvies and other unskilled workpeople" of Strassburg, and that in fact "the entire army of the unskilled is excluded" from the operation of the scheme.

The Rules governing the operation of the Strassburg scheme are printed in full in Appendix II, *post*, pp. 89-92.

Holland

Within the last few years the practice of encouraging insurance against unemployment by granting, out of Municipal Funds, subsidies by way of supplement to benefits paid by trade unions has begun to be adopted in Holland. This has been done by Amsterdam, Utrecht and Arnhem since 1906, and at Hilversum since 1907, and similar schemes are now in force or about to be put into

operation also at Zaandam, the Hague, Amersfoort, Leyden, Haarlem, Dordrecht, Zeist, Groningen, Bussum, Delft and Nymegen. These Dutch schemes were, like that in force at Strassburg, modelled upon the Ghent system, and may, speaking generally, be stated to resemble the Strassburg scheme so closely, that detailed description of their provisions is not necessary in this place.

The number of workpeople insured against unemployment with the trade unions affiliated to the various Municipal schemes in Holland does not appear to be, as yet, considerable. Thus, according to the latest available information (relating to October 1908, as to Amsterdam, and to November 1908, as to the other places named), the trade unions, which receive subsidies from the Municipality of Amsterdam, have a membership of 3,640, while at Arnhem the number is 489; at Utrecht, 636; at Groningen, 143; and at Hilversum, 33; practically the whole of these are skilled workpeople, those engaged in the printing trade, in the building trades, and in cigar-making predominating, while a large number of shop assistants are included.

France

Municipal and Departmental Subsidies

The practice on the part of Local Authorities of making grants to Funds paying unemployed benefit has existed in France, though at first only to a

very small extent, for some years. The first of the French Local Authorities to take action of this nature were those of Dijon and Limoges, in 1896, followed by Issoudun in 1897 ; by Narbonne and Amiens, and by the Departments of Aude and Cher in 1903 ; by Albert, Asnières, Lunel, Mâcon, Lyons, Rheims, Vierzon-ville and Vierzon-village in 1904 ; by Agen, Castres, Châlons-sur-Marne, Cherbourg, Roanne, Saint-Junien, and Tarbes, and the Department of Gard in 1905 ; by Alais, Beziers, Champigny, Ganges, Montluçon, Neuville-sur-Saône, La Roche-sur-Yon and La Rochelle, and the Department of Loire in 1906 ; and by Armentières, Haubourdin and Roubaix in the early part of 1908. In 1907, thirty-two Local Authorities (Communal or Departmental) included in their budgets as available for this purpose a total sum of £2,776 ; but how much of this sum was actually distributed in subsidies to Unemployment Insurance Funds cannot be stated. (In 1905, £2,222 was voted by eighteen Local Authorities ; but only seventeen of these authorities actually applied the amounts voted, expending between them £1,444, of which the following occupations, in the order named, received the largest amounts :—Printing, metal trades, and building trades.)

With respect to the conditions, under which these Municipal subsidies are paid, in those cases, in which the subsidies granted are on anything like a considerable scale, the plan adopted is generally framed on lines approximately identical with those

of the Ghent system, *i. e.*, the money is devoted to paying a supplement to the sums paid as unemployed benefit by trade associations of workpeople, which appear to be virtually in all cases trade unions; but in these cases (a feature not found in the Ghent scheme) the funds of the trade unions available for the payment of unemployed benefit are required to be kept distinct from the general assets of these organizations.

State Subsidies

When the French budget for the ensuing financial year was voted in April 1905, the Government included an amount of £4,400, out of which subsidies might be granted to funds providing for their members assistance in case of their becoming "involuntarily" unemployed, otherwise than through sickness; and a similar amount was voted in the budgets of 1906, 1907, 1908 and 1909.

The Regulations governing the distribution of these subsidies were set forth in a Presidential Decree dated September 9, 1905, which was accompanied by a Report explaining that the object aimed at was to supplement the existing system of local (Communal) subventions by State subsidies to Funds, whose operations covered areas wider than local, extending to one or more districts of France, or to the entire country. This decree was by similar decrees dated April 20, December 31, 1906, and December 3 and 28, 1908, amended in certain particulars, and these Regulations are

stated here in their final form, as thus amended. They define the class of Funds, to which this scheme is to apply, as those Funds, which grant assistance of the nature just specified to their members either in the form of ordinary unemployed benefit, or of travelling or migration pay, and are either—

1. Funds, whose members are engaged in the same or in allied occupations, and the number of whose "financial"¹ members (not being more than three months in arrear with their contributions) is at least a hundred.

2. Local Funds, also for one trade or a group of allied trades, having a membership ("financial") of at least fifty, provided that these Funds shall be in receipt of subsidies either from Communal Authorities or from those of Departments.

3. Local Funds, operating in Communes of less than 50,000 inhabitants, whose members are engaged in diverse occupations, provided that such Funds shall be in receipt of subsidies from Communal Authorities, and that they have a membership ("financial") of at least fifty.

4. Funds organized for the purpose of paying travelling benefit by Federations of Associations, and supported by lump sum contributions paid by each of the affiliated

¹ *I.e.*, having fulfilled their obligations to the Fund so as to be entitled to benefit, if they should become unemployed.

Associations, provided that the ordinary funds of such associations are raised by means of the contributions paid by their members.

In order to be entitled to claim the State subsidy, a Fund must have been in operation for at least six months, and must maintain a labour registry available for the unemployed, free of charge.

The rules of any such Fund must provide that no one shall be allowed to be, in respect of one and the same form of benefit, a member of more than one Fund ; nor shall any one be entitled to benefit until he shall have been a member of the Fund for at least six months.

The fact of unemployment is to be verified by the unemployed member signing the vacant book at least three times in every week, such signing to take place within the working hours of the day ; but some other method of verification, especially for men travelling in search of work, may be accepted.

An unemployed member of the Fund is required to accept any offer of employment in his own trade, which may be notified to him by the Fund.

In all cases the accounts of the Unemployed Fund must be kept entirely distinct from those of any other branches of the activity of the Fund or Association concerned.

No subsidy shall be paid to any Fund, which cannot show that in the last six months the total amount received by it as members' contributions in respect of unemployment insurance was at least

equal to one-third of the total amount paid as unemployed benefit to members out of employment. But by way of exception, sums paid by a Fund out of its reserve funds may be treated (for the purposes of this provision) as if they had been paid into it as members' contributions.

The method adopted in the distribution of the State subsidy is that of refunding to those Unemployed Funds, which are entitled to participate in this subvention, a certain proportion of the unemployment benefit paid by them out of their own resources¹ to their members. What this proportion shall be, is decided twice a year (on each occasion as to the preceding half-year) by the Government; but this subvention shall in no case exceed 20² per cent. of the amount paid for such benefit during the preceding six months by the Fund itself, except that in the case of a Fund, whose operations extend to at least three Departments, and whose membership ("financial") is not less than 1,000, this limit is raised to 30³ per cent. In the next place, if the unemployed benefit paid by a Fund is of greater amount than 1s. 7¼d. per day, then no subsidy is to be paid in respect of such excess (over 1s. 7¼d.). In the last place, if such benefit is paid for a longer period than sixty days

¹ *I.e.*, not counting in any subventions received from Communes or Departments.

² Increased from 16 to 20 per cent. by the Decree of December 3, 1908.

³ Increased from 24 to 30 per cent. by the Decree of December 28, 1908.

in any twelve months, then the State subsidy is payable only in respect of the sum received by an unemployed member of the Fund in regard to such period of sixty days. It is also provided, that in no case shall the State subsidy be claimed if the amount payable as subsidy for a half-year would have been less than 8s., or if the total amount of unemployed benefit paid during a half-year by the Fund itself shall have been less than 24s.

The Decrees here referred to provide for the formation in connection with this scheme of an Unemployment Insurance Funds Commission, whose duty it is to supervise their execution. This Commission consists of one member of each of the two Houses of Parliament, five Government officials, four representatives of Unemployment Insurance Funds, and one representative of the Friendly Societies.

Although, as already stated, the amount voted as applicable to the payment of subventions in aid of Unemployment Insurance has in each year been £4,400, and although in each year the rate of these subsidies has been fixed at the *maximum* permissible, viz. 16¹ per cent. for the local Funds and 24² per cent. in the case of the "federal" Funds (operating in at least three Departments), yet only a comparatively small part of this sum has actually been applied in this manner, viz. in 1905, £1,108; in 1906, £1,700; and in 1907, £1,290.

¹ See note 2 at p. 44, *ante*.

² See note 3 at p. 44, *ante*.

When we come to examine the details of the application of these State subventions, two facts appear to deserve special mention. In the first place, while all the Funds which have received these subsidies, except three, are *local* Funds, these three exceptions have between them received by far the largest part of the total amount of the Government subsidy. In the next place, the attempt to encourage the formation of *general* (diverse trades together) Unemployment Insurance Funds has been a complete failure.

As to the first point, in 1905, out of the total of £1,108, the two large Federations of the Printers and of the Engineers together received £667 (60 per cent.); in 1906, out of the total of £1,700 paid by the State as subsidies to Unemployment Insurance Funds, no less than £1,327 (78 per cent.) was received by the two Federations above mentioned, and by the Federation of Lithographers; while in 1907, the Federation of the Printers (with 170 local unions affiliated to it), the Federation of the Engineers (comprising 58 local societies), and the Federation of the Lithographers (composed of 35 local unions) accounted for more than one-half of the total membership of all the Funds, which during that year received the subsidies paid by the French Government; and out of the total of £1,290 paid in respect of these subsidies, the share taken by these three powerful organizations was no less than £877 (68 per cent.), and this although, on account of the prevalence of better conditions

in the printing and lithography industries, the two Federations of those trades received in 1907 only £826, as against £1,195 in 1906.

As to the second point above referred to, practically the whole of the local Funds are composed of members engaged in similar occupations ; in addition to these trade societies there are only two Funds, whose members belong to different trades, and these are quite insignificant, their aggregate membership being less than 200.

So far as concerns the number of the workpeople, who have derived a greater or smaller degree of advantage from this system of assisting Unemployment Insurance Funds by State grants, it is to be observed that, if (excluding the membership of Funds, which in each year participated during six months only) we confine ourselves to those, which were comprised in the operation of this Insurance Scheme during the whole twelve months, we shall find that the number of the members of the Funds thus assisted has risen from 24,233 in 1905, to 34,063 in 1906, and to 34,342 in 1907.

When we proceed to investigate, by means of the figures given in the last (1907) Report, the extent, to which each class of labour is represented in these figures, we shall remark that the only occupational groups included with a membership exceeding 1,000 are the "pottery, etc." group, with 1,150 members ; the textile industries, with 1,264 ; the well-organized metal workers, with 6,584 ; the group of "commerce, transport, and warehousing," with

11,298 members, of whom 8,275 belong to the Paris Clerks' Trade Union ; and the "polygraphic industries," the best organized of all French trades, with 12,162 members.

Proceeding now to examine the extent, to which each group of trades has actually participated in the money granted by the State in France for the encouragement of Unemployment Insurance, and now excluding (because we are without information as to the occupations followed in these cases) both the Funds, which participated during six months of the year only, and also a very small number of "mixed" and other very unimportant Funds, we find that in 1907 (as in preceding years) the great bulk of the State subvention has fallen to the share of the very well-organized workers in the printing and bookbinding trades (67 per cent. in 1905, 76 per cent. in 1906, 67 per cent. in 1907) and a fairly substantial proportion to the also well-organized metal trades (11 per cent. in 1905, 13 per cent. in 1906, 11 per cent. in 1907), while the less highly skilled trades and the unspecialized labourers do not on the whole appear to have derived any considerable advantage from the State subvention. In short, the system established under this French legislation may, speaking broadly, be said to have conferred a certain amount of benefit upon a very small section indeed of the French working-classes—a section consisting, in the main, of just those members of trade union organizations, who stand in the least need of

assistance, but to have left unaided that very large class of labour, mainly unskilled and unorganized, which has to endure the greatest degree of suffering owing to unemployment.

Norway

In 1906 the Norwegian Legislature passed an Act dated June 12, 1906, for the establishment of a system of Unemployment Insurance, assisted by State and Communal subsidies. This Law, which came into operation on October 1, 1906, and which is to remain in force until the end of 1911, was subsequently amended by an Act passed on July 25, 1908. As thus amended, the Norwegian Law contains provisions of the following nature.

All Norwegian Unemployment Insurance Funds, which shall fulfill the conditions specified in this Act, are, upon making request in that behalf, empowered to obtain an acknowledgment of their right to receive from the Treasury a refund equivalent to one-third¹ of the amount paid by them to such insured persons as are resident in the Kingdom, provided that such persons shall either be Norwegian citizens, or shall have resided in Norway during the last five years.

The whole amount of the subsidies here referred to does not, however, as a rule, fall upon the State; for this Law enacts, that two-thirds of the amount paid by the State in respect of these subsidies is to be reimbursed to the Treasury by those Local

¹ Originally one-fourth, see *post*, p. 55.

Authorities (Municipal or Communal), within the areas of which such insured persons as receive these subsidies shall have resided for a continuous period of six months in the last five years. (By way of exception, no reimbursement is required from Local Authorities in respect of persons, employed either as members of the permanent staff, or as workmen temporarily taken on, in the construction of public roads, railways, or similar works, who have resided within the area of a Local Authority for the purposes of such employment only.)

In order to enjoy the advantage of this public subsidy, an Unemployment Insurance Fund must fulfill the conditions specified in the Law. Its accounts relating to its operations in connection with unemployment insurance must be kept distinct ; and its assets for the purpose of such insurance must be kept separate from any other assets, which it may possess, and in particular, if the Fund is attached to a Society, from the other assets of such Society. Its assets for such purpose may be used exclusively for that object, and may not be otherwise applied. At least one-half of the funds at its disposal must arise from contributions paid into it by its members ; and its rules must include the following provisions :—

(a) No member is to be entitled to receive benefit unless he shall have been a member of the Fund for the last six months at least, and shall, subsequently to the date on which he shall last

have reported himself as unemployed, have paid his contribution to the Fund for at least twenty-six weeks.

(b) Unemployed pay (other than travelling pay) shall not be payable in respect of unemployment lasting less than three days.

(c) The amount of the unemployed pay (not including travelling pay) shall not exceed one-half of the average daily wages of the occupation which the recipient of such pay shall follow.

(d) No one shall be entitled to receive benefit for a longer period than ninety days in any one year.

(e) Such members of the Fund as may have become unemployed, shall be required to accept such work as shall, in the opinion of the Administration of the Fund, be suitable for them to undertake.

(f) If and when occasion shall arise necessitating such action, it shall be permissible, if the ordinary contributions prove insufficient, to levy extraordinary contributions, and also to reduce the amount of the daily sums payable as benefit.

(g) No benefit shall be payable in those cases, in which a member of one Fund is at the same time a member of another Fund, or in case he shall receive sick pay from a Sick Fund.

(h) Unemployed, travelling, and migration benefit are claimable only by able-bodied unemployed, whose unemployment shall be caused otherwise than through their own act or default. Unemployment caused by a strike or a lock-out

shall not be considered as having been caused otherwise than through the act or default of the unemployed concerned.

The Law requires that, in places in which a Public Labour Exchange exists, the receipt of unemployed benefits shall be conditional upon the unemployed having first registered themselves at such Labour Exchange as applicants for employment. (An Act for the establishment of a system of Public Labour Exchanges in Norway was passed on the same day as the original Unemployment Insurance Act.)

Specially deserving of attention are the provisions contained in this Norwegian legislation with the object of extending the benefits thereby provided to the unorganized sections of the working-classes. With this aim in view, the Act requires, that every Unemployment Insurance Fund, which is attached to an Association, shall prior to receiving any refund, grant to any persons, who, not being members of the Fund, are engaged in the same trade as its members, permission to effect with the Fund an insurance upon the same terms as its own members. But such non-members shall nevertheless not possess the right of voting in relation to the framing of the Rules of the Fund or of taking part in the administration of its property, save in cases in which the Association shall otherwise decide. In addition, in those cases in which the Association defrays the necessary administration expenses in relation to the Unemployment Insur-

ance Fund, such Fund shall be empowered to require such non-member insurers to pay, for the purpose of defraying such expenses, contributions higher by 10 per cent. than the ordinary contributions of its members ; or, in the event of such extra contributions proving insufficient for this purpose, such additional extra contributions, not exceeding 15 per cent., as shall be approved by the Ministry charged with the execution of this Act.

But up to the present time the attempt thus made to secure the organization for the purpose of insurance against unemployment of the unorganized workpeople by the trade unions has met with no success. The official organ of the German Labour Department in its issue of July 1908, after pointing out that the Norwegian law had been for over a year on the statute-book, observes that "nevertheless up to now there is little to report in the way of results, and this for the reason that one feature of the Law has evoked opposition, and in consequence there has been a temporary standstill in its execution. The point here referred to is the obligation imposed by the Law upon the trade unions of carrying out the insurance of the unorganized workpeople. Soon after the Law was introduced, a number of Federations of Trade Unions announced their readiness to take part in carrying its provisions into effect. But in the meantime at the general elections of 1906 the Social Democrat Members of Parliament induced the great National Labour Union to approach the Federations, affili-

ated to this body [a powerful *political* organization] with a request that, on account of the provisions of the Unemployment Insurance Law above referred to, these Federations should order all the federated trade unions to abstain from sending in their adhesion under the Law, or where this had already been done, to withdraw their adhesion. The Social Democrat Members of Parliament brought in an amending Bill, under which they proposed to repeal section 6 of the Act (the provision requiring the trade unions to admit non-members for the purposes of unemployment insurance); and this Bill has recently been thrown out. Consequently, the way is now left clear for the carrying into execution of this Law. If this takes place then the benefits to be conferred by the Law will be enjoyed by the Unemployment Insurance Funds, which are already maintained by eight National Federations and five local Trade Unions. In addition, six other National Federations with about 27,000 members, have announced that they desire to establish Unemployment Insurance Funds. If these intentions shall be carried into effect, then the number will be increased to 42,000 organized workpeople. Information of a statistical nature on this subject is up to now not forthcoming" (*Reichs-Arbeitsblatt*, July 1908, p. 673).

It would appear, although definite information on this point cannot be obtained, that the 42,000 workpeople here referred to, whose trade unions either have established or have resolved, if possible,

to establish for their members a system of unemployment insurance, must comprise the great bulk of the organized workpeople of Norway, who would thus constitute a little over 7 per cent. of the total working-class population.¹

It would, however, seem that even after the failure of this attempt to repeal the provisions of the Unemployment Insurance Act of 1906, the Norwegian trade unions still declined to accept the advantages offered to them by this Law on the conditions attached thereby to the receipt of the proposed State and Communal subventions, and that, not until their demand for an increase in the amount of these subsidies had been granted by the Legislature, did these organizations take steps towards enabling the Act to be carried into effect. For in a recent number of *Sociale Praxis* (an organ of well-known authority in matters of "social politics") we read, that "in July 1908 the Norwegian Law was, in accordance with proposals made by the trade unions, amended by making the State's subvention one-third, instead of one-fourth, of the benefits paid. Thereupon the trade unions declared themselves ready to organize the system of unemployment insurance in conjunction

¹ The latest available figures (published in *Correspondenzblatt der Generalkommission der Gewerkschaften Deutschlands*, May 2, 1908, p. 270) give the number of trade unionists in Norway on October 1, 1907, as 35,814. The population of Norway in 1907 was 2,321,088, of whom it has been stated, that approximately 580,000 are persons who might be members of trade union organizations.

with the State and the Communes, and have entered into negotiations on the subject with the Ministry of Commerce" (*Sociale Praxis*, October 22, 1908, col. 95). As is stated in the *Labour Gazette*, December 1908, p. 372, the result of these negotiations is that the Ministry has written to several of the larger Unemployment Insurance Funds stating that their right to receive a refund from the Treasury is, for the present, acknowledged. "It is understood that the subsidies began to be paid to these Funds as from November 1."

A translation of the Norwegian Unemployment Insurance Laws is printed in Appendix III, *post*, pp. 93-99.

Denmark

In Denmark an Act providing for the establishment of a system of Insurance against Unemployment assisted by State and Communal subventions was passed on April 9, 1907. This Law came into operation in August 1907, and is to be revised in 1912.

Subject to the fulfilment of the conditions laid down in the Law, all associations of wage-earners (including agricultural labourers and also clerks, shop assistants, etc.) engaged either in the same or in several distinct specified occupations, which, by means of the receipt of fixed contributions,¹ carry out the mutual insurance of their members

¹ In addition to its ordinary members any Unemployment Fund may admit honorary members, paying contributions, but not entitled to claim benefits.

so as to secure to them benefits payable in the event of their becoming unemployed, and which exist for this sole purpose, are empowered to apply for official recognition, such recognition carrying with it the right to receive the subventions out of public moneys authorized by this Act.

The subventions authorized by the Law are, in the first place, those, which under its provisions the State undertakes to pay out of the Royal Exchequer, and, in the next place, those, which the Local Authorities (Municipal and Communal) are authorized to grant, if they shall think fit.

The State subvention consists in an annual subsidy, paid to the Funds annually after the close of each financial year (ending March 31), which is equivalent to one-third of the contributions payable by way of premium by the persons insured with the officially recognized Unemployment Insurance Societies. The Law provides, that the total amount of such subsidies shall not exceed £13,889 per annum; but since it is certain that this amount will prove insufficient, credit has been taken in the estimates with respect to these subventions payable in 1909 for the sum of £22,222, and it is stated that probably a further sum will be voted in the supplementary estimates.

With respect to the subventions in aid of Unemployment Insurance, which this Act confers power upon the Local Authorities to grant, the Act provides, that any Local Authority, within whose area a member (of an officially recognized Unem-

ployment Insurance Fund) has his right of residence or is entitled to public relief, is empowered, without having to obtain the sanction in that behalf of any superior Authority, to pay a proportion of this member's contribution (premium) for the current year, which shall not in any case exceed one-sixth part of such premiums. The fact, that such part of his premiums shall have been paid for him under this Act by the Local Authority, shall not entail upon him those penalties, which are entailed by the receipt of Poor Law relief. Local Authorities, within whose area officially recognized Unemployment Insurance Funds have their chief or branch offices, are empowered, in this case also without having to obtain superior sanction, to grant to such Fund or Funds a subvention, the amount of which, however, shall not in regard to any Fund exceed one-sixth of the contributions of such of its members as shall have had their right of residence within such area on the 31st day of March then last.

Applications by Unemployment Insurance Funds for official recognition are to be granted upon the following conditions :—

No one can become a member of a Fund, unless he is a wage-earner qualified to claim assistance provided by the State through an officially recognized Sick Fund.¹ The Fund must (save by

¹ These are Funds, the total membership of which in 1907 was 552,962, and which in that year received State subventions amounting in the aggregate to £93,955. For a full

special permission of the Minister of the Interior) have at least fifty members, who must not be under eighteen or over sixty years of age, and must confine its operations to one or more specified occupations (*Trade Insurance Funds*), in which case its operations must either extend to at least one Province of Denmark, or else its operations must be confined, irrespective of the occupations followed by its members, within limits of locality only (*Local Insurance Funds*). Funds, whose operations are confined to specified occupations, are required to be sub-divided into local branches. (Each such branch is, in relation to the Communal subsidies above mentioned, treated as if it were a *local* fund.)

No person is allowed to be at the same time a member of more than one officially recognized Unemployment Insurance Fund, nor, in the event of his being a member of any such Fund, and at the same time of one or more non-recognized Funds, to receive from all such Funds together daily allowances in case of unemployment, amounting in the aggregate to more than two-thirds of the average daily wages current in the occupation or occupations or in the locality, in relation to which such recognized Fund is established.

In the case of every officially recognized Fund the amount of the annual premium (including both the contributions payable by the insured and the subsidy payable by the State and that, if any,

account of these Funds see *Sygekassenloven*, 1892-1907, by Clara Black.

granted by Communal authorities) shall be fixed at such an amount as experience shall have shown to be sufficient to provide the benefits claimable by the members of the Fund. In case of necessity, extraordinary contributions, in addition to the regular premiums, may be levied by the Fund from its members.

The benefits, which the Law permits an officially recognized Fund to pay to its unemployed members, may take the form of (1) a daily allowance as unemployed pay, (2) travelling pay, (3) migration pay, (4) assistance in paying rent, and (5) assistance in kind. The sum total of all daily allowances payable in respect of these forms of benefit (not including travelling or migration pay) must not exceed in the case of Trade Insurance Funds, two-thirds of the average daily wages current in the occupation or occupations, or, in the case of Local Insurance Funds, two-thirds of the common daily wages of labour current in the locality, in relation to which the Fund, of which the recipient is a member, is established; but in either case the amount of such benefits must not be less than $6\frac{2}{3}d.$ nor more than $2s. 2\frac{2}{3}d.$ per day.

In addition, it is provided that, if a member of an Unemployment Insurance Fund, who is entitled, by reason of his being unemployed, to receive any such benefit as above mentioned, shall accept employment (either found for him by the Administration of the Fund, or obtained by his own search for work), the wages for which amount to a smaller sum than

the *maximum* benefits payable under the Law, then the Fund in question is empowered to pay to this man the difference between what he actually earns in wages for this work, and what he would have got had he been in receipt of such *maximum* benefits.

No officially recognized Fund is allowed to pay any unemployed benefit during the continuance of a strike or lock-out to any persons taking part in the dispute, nor may such benefit be paid to any member, whose unemployment is caused by illness or incapacity to perform labour, so long as such illness or incapacity shall continue, or to any member, whose unemployment is caused by his having, without adequate cause, thrown up his existing employment, or by his excessive consumption of alcohol, or by his quarrelsomeness displayed either towards his employer or towards his fellow-workmen, or who refuses to take up work suited to his capacity, which may be offered to him through the Administration of the Fund.

No one is entitled to claim any benefit unless he shall have been a member of the Fund concerned for at least twelve months, and shall have paid up his contributions to such Fund.

No unemployed benefit is in any case to be paid for the first six days of unemployment; and this "waiting time" may, by the rules of any Fund, be made longer, but not exceeding fifteen days as a *maximum*. But this provision does not apply in cases, in which the only benefit paid by a Fund is travelling pay.

With respect, however, to Funds, among whose members are included workers in season trades, the Ministry of the Interior is empowered to issue an Order authorizing the Funds altogether to withhold the payment of benefit during any specified parts of the year (either in regard to the whole of the members of the Fund, or to the particular seasonal workers concerned, as the case may be) unless their unemployment shall have lasted more than fifteen days; and in this case the number of waiting days is fixed specially.

The amount received as travelling pay by any member of a Fund must not exceed the amount fixed by its rules as the *maximum* amount receivable as daily allowances within a period of twelve successive months.

With respect to the *maximum* amount of benefit, which an unemployed member shall be allowed to receive within any period of twelve successive months, the rules of an officially recognized Fund shall fix this in such a manner, that this amount shall be equivalent to at least seventy times the daily allowance payable in respect of unemployed benefit.

By way of exception only, the Ministry may authorize a Fund to fix this *maximum* at fifty times the daily allowance only, but if so, that allowance must not be less than 10*d.* per day.

If for three years in succession a member shall have drawn the *maximum* benefits, then he shall not be entitled to receive any further benefit until he shall have been a member of, and paid up his contribution to the Fund for a full financial year.

Every Unemployment Insurance Fund must, as a condition of enjoying official recognition, keep its receipts and property received and held for the purpose of unemployment insurance absolutely distinct from its other assets, and shall apply such receipts and property for that purpose alone.

With respect to the question of the inclusion within the Danish Unemployment Insurance scheme of the unorganized workpeople, it should be noted, that in Denmark this question is likely to cause a smaller degree of practical difficulty than in most countries. For in no nation in the world is the proportion of the working-classes, who are members of trade unions, so large as in Denmark, where it is estimated to be between 40 and 50 per cent.¹ The manner, in which this matter is dealt with by the Danish Law, is by providing that admission into an officially recognized Unemployment Insurance Fund, as a full member (entitled to benefit) of such Fund, cannot be refused to any person, if he shall fulfill the conditions specified in the Law (see *ante*, p. 58), and if he shall follow the occupation or occupations, or shall reside within the locality in relation to which the Fund has been established.

At the same time, although the inclusion of non-

¹ Dr. Zacher, the head of the German Labour Department, has estimated the total working-class population of Denmark at 200,000 (*Die Arbeiterversicherung in Dänemark*, 1903, pp. 40, 41). The membership of all the Danish trade unions together at the end of 1907 was 90,000 (*Sociale Praxis*, April 9, 1908, col. 745).

unionists is provided for by the section just cited, every Fund is left at liberty to exercise a reasonable discretion with regard to the persons whom it shall admit to membership, and is accordingly allowed to reject persons, who, whether from physical or moral defects, appear unlikely to obtain and keep regular employment, or to remain on good terms with the foremen under whom, or the fellow-workmen with whom they work ; and a similar discretionary power is given to the Administration of the Fund as to expelling persons who, after being admitted to membership, are found to labour under the disqualifications just mentioned.

The supervision of the working of this Insurance scheme, as a whole, is entrusted to an officer termed "Inspector of Unemployment." In addition, the working of the scheme is submitted to an annual meeting of representatives of the various Funds, the Inspector of Unemployment presiding over its deliberations. This meeting has to appoint an Executive Committee of six members, this body also being presided over by the Inspector. To this Committee important duties are entrusted. In the first place it acts as a Court of Appeal, in regard, for example, to a decision of the Administration of a Fund excluding a person from membership as disqualified through one or other of the causes mentioned above, and as to cases, in which the authorities administering a Fund refuse to pay benefit to one of its members, because he is found to be a man on strike or locked-out. From the judgments given by this Committee in such

cases an appeal lies to the Minister of the Interior.

It is also provided, that, if in any case this Committee shall be of opinion that any officially recognized Unemployment Insurance Fund, without actually infringing any of the provisions of the Law, nevertheless acts in relation either to its own members or to other Unemployment Insurance Funds in such a manner as to cause prejudice to the Unemployment Insurance system as a whole, then it shall be the duty of the Inspector of Unemployment to make a report on the subject to the Minister of the Interior, in which he shall advise, whether it is desirable that the official recognition accorded to the Fund in question shall be cancelled.

As already mentioned, the Danish Unemployment Insurance Law came into operation in August 1907. From a Report by Mr. Soerensen, the Inspector of Unemployment, presented to the International Congress on Workmen's Insurance held at Rome in October 1908, it appears, that between that date and the end of the first financial year (March 31, 1908), 34 Funds received official recognition under the Law, and that subsequently (up to the date of this Report) 3 more Funds were recognized. Out of these 37 Funds, 36 are Trade Funds (their membership being confined to particular trades), and 1 only is a Local Fund (comprising various occupations within a specified area). All of the 36 Trade Funds except 3 are national, *i. e.*, cover by means of their various branches the whole of Denmark; the three exceptions cover only the

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island of Seeland (on which are situated Copenhagen and about twenty smaller towns and villages) and the neighbouring islands. The area covered by the one Local Fund is three rural Communes in Seeland.

The occupations and areas covered by the 36 Trade Insurance Funds and their membership at the date when they respectively received recognition are shown below :—

Date of official recognition.	Name of Fund.	Area covered.	Number of members at date of recognition.
Sept. 1, 1907.	Coopers.	Denmark.	680
"	Bakers and Confectioners.	"	1,950
"	Wood-workers.	"	1,900
"	Builders' Labourers.	Seeland.	1,600
Oct. 1, 1907.	Paviors.	Denmark.	130
"	Cork-workers.	"	190
"	Textile operatives.	"	3,500
"	Cabinet-makers.	"	6,400
"	Moulders.	"	1,400
"	Printers.	"	3,200
"	Boot and Shoe-makers.	"	2,500
"	Millers.	"	450
"	Day Labourers.	"	20,000
"	Brush-makers.	Seeland.	160
Nov. 1, 1907.	Carpenters.	Denmark.	4,000
"	Saddlers and Upholsterers.	"	1,000
"	Tobacco-workers (chewing tobacco).	"	335
"	Bookbinders.	"	750
"	Printers on metal.	"	65
"	Hat-makers.	"	140
"	Stokers.	"	1,160
Dec. 1, 1907.	Sugar Workers, Chocolate and Biscuit-makers.	"	90
"	Metal Founders.	"	360
"	Bricklayers.	"	4,000
Jan. 1, 1908.	Tanners.	"	200
"	Workers in iron and other metals.	"	9,800
"	Polishers of iron and other metals.	"	80
"	Sculptors.	"	130
"	Tobacco-workers.	"	3,880
"	Stone-cutters (marble and granite).	Seeland.	90
Feb. 1, 1908.	Stucco-workers.	Denmark.	140
"	Lithographers, etc.	"	300
"	Glove-makers.	"	100
"	Turners.	"	320
April 1, 1908.	Butchers, Sausage-makers, etc.	"	1,250
"	Ship Carpenters.	"	350

Total 72,600

It will be seen that these 36 Trade Funds have an aggregate membership of 72,600, and that among their members are included not alone the work-people engaged in a great variety of skilled trades, but also a very large number of less specialized forms of labour (day labourers, 20,000 ; builders' labourers, 1,600).

Out of the total of 37 Funds (36 Trade and 1 Local) here referred to, 34 are Funds attached to trade unions, which had established these Funds before the Law came into operation. The remaining 3 Funds, being formed after the Law came into force, could not, owing to the conditions laid down in the Law and mentioned above, begin to pay benefits during the first financial year—1907-8 (see *ante*, p. 61 ; also *post*, p. 70, note).

According to information, which Mr. Soerensen has been good enough to furnish, the amount paid by the State in respect of the subvention to the officially recognized Unemployment Insurance Funds (payable under the Unemployment Insurance Law) in respect of so much of the financial year 1907-8 as elapsed between September 1, 1907, when the first of these Funds received recognition, and the end of that year (March 31, 1908) was £8,338.

The Inspector of Unemployment also reports that on November 15, 1908, the number of officially recognized Unemployment Insurance Funds was 41. Of these only one is *Local*, the other 40 being *Trade Funds*, of which 37 cover the whole of

Denmark and 3 cover only part of the Kingdom (Seeland). The total number of persons insured against unemployment with these 41 Funds is 77,000. So far as can be ascertained, the organization of all these Funds is of a trade union character.

With regard to the subventions, which the Law empowers the Danish Local Authorities (Municipal and Communal) to grant as subsidies to Unemployment Insurance Funds, although it is known that a good deal has already been done in this direction, the Municipality of Copenhagen, for example, having voted £2,778 by way of subvention for the year 1908,¹ full particulars as to all that has been done are not at present available. But from information given by the Danish newspaper *Politiken* in its issue of November 18, 1908, it would appear, that the question of these subventions is still, to a great extent, unsettled. For on November 17, 1908, a meeting of the Association of Danish Local Authorities, at which 24 mayors and other representatives of various Local Authorities attended, was held at Copenhagen, at which the whole subject was discussed. At this meeting the Inspector of Unemployment delivered an address, in which he endeavoured to remove the doubts, which were felt as to the position of the Local Authorities in regard to this matter.

¹ This information is given by the *Politiken* of November 20, 1908; that newspaper states, that this Municipal grant will probably be increased in 1909 to £7,222.

In order to remove these doubts, an official circular had been sent to the different Local Authorities, and the Inspector took this opportunity of adding his verbal explanations. In the course of his address Mr. Soerensen deprecated the idea of paying these subsidies directly into the hands of unemployed workpeople, on the ground that, if this were done, no certainty could be felt that the money would be used for the objects for which it was intended. A long debate followed, in which the principal subject of discussion was, whether the proper course to pursue would be to grant to the various Unemployment Insurance Funds the *maximum* subvention allowed by the Law. Several representatives, while in favour of the adoption of this course, expressed the opinion, that it would have been better if the State had dealt with the question of subsidizing Unemployment Insurance itself and exclusively out of its own resources, without leaving any part of the subsidies to be provided by the Local Authorities. A representative then proposed a resolution to the effect, that the Local Authorities should grant the *maximum* subventions. It was urged by another speaker, that the amount of the subvention in each case ought properly to be made to depend upon the financial situation of the particular Authority concerned. But the resolution to grant the *maximum* subventions was carried by 13 votes to 1, a number of the representatives present abstaining from voting either way.

As to the extent to which it will ultimately be found possible to secure the benefits provided by the Law for the unorganized workmen, this remains to be seen. Writing to the author on December 1, 1908, Mr. Cordt Trap, the Director of the Statistical Office of the Municipality of Copenhagen, states, that it must be assumed that the members of the Unemployment Funds, which up to that date had received official recognition under the Law, were all trade unionists.

A translation of the Danish Unemployment Insurance Law is printed in Part I of Appendix IV (*post*, pp. 100-111)¹, while in Part II of that Appendix (*post*, pp. 112-125) will be found a translation of the Model Rules for an Unemployment Insurance

¹ A law of May 27, 1908 (of which, since it is only of temporary interest, it has not seemed necessary to give a translation), provides, that any Unemployment Insurance Fund, which received official recognition in the course of the financial year 1907-8, but which had not at the date, when the principal enactment came into operation, existed for twelve months, should, notwithstanding the provisions of that enactment, be entitled to pay benefits to such persons as were already members of the Fund when it received recognition, provided that it should be shown to the satisfaction of the Inspector of Unemployment, that such Fund was in possession of means adequate to enable it to commence paying benefits in accordance with its rules. Local authorities were empowered, at any time within the financial year in question, to grant to any such Fund an extra subvention in excess of the *maximum* specified in the original Law; and the Minister of the Interior was empowered to make to any such Fund an advance by way of prepayment of the subvention of the State for the current year.

Fund enjoying official recognition, and the consequent right to claim the public subsidies contemplated by this Law. These Model Rules, as has been stated by Mr. Soerensen in his Report to the Rome Congress already referred to, were drawn up by the Minister of the Interior and the Inspector of Unemployment in consultation with a Committee appointed by the Central Federation of Danish Trade Unions ; and " the result of this collaboration has been, that all the officially recognized Unemployment Insurance Funds have adopted, almost in their entirety, the provisions contained in these Model Rules, with such modifications as were rendered necessary by the different forms of benefit paid by the different Funds, and the more or less simplified method obtaining in their administration in each case."

Appendix V (*post*, pp. 126-129) contains a concise list of principal publications dealing with the subject of Unemployment Insurance in all countries.

CHAPTER IV

CONCLUSIONS

THE various forms, in which insurance against unemployment assisted by subventions paid out of public moneys has been established in different Continental countries, having been described, it remains for those interested in this subject to consider, in the first place, whether it is advisable and practicable for this country to adopt some method of Unemployment Insurance, and, in the second place, what should be the lines, upon which, if it should be determined to introduce in the United Kingdom a system of insurance of this nature, it would appear desirable to frame the scheme under which this system shall be carried out. The first of these two questions it is not proposed to discuss here. With respect to the second question, it is submitted, that the system to be adopted should follow fairly closely the legislation enacted in Norway and Denmark, that is to say, (1) that the resources at the disposal of Funds maintained by the contributions of workpeople associated together for the purpose of enabling their members, if they become unemployed, to draw benefits on an agreed scale should be supplemented out of public

moneys, the Funds to be thus subsidized being so far as possible, organized separately for separate trades or groups of allied trades, and (2) that these arrangements should possess a national (inter-local) character.

It also appears desirable, (3) that any scheme of publicly assisted unemployment insurance should be operated in close connection with an efficiently organized system of Labour Registries.

The reasons for the conclusions just stated are, briefly, of the following nature :—

I. THE SYSTEM MUST BE ORGANIZED PER TRADE

When it is submitted that the system of (assisted) insurance against unemployment, the establishment of which is now under consideration, should be one, under which the public subventions shall be paid for the supplementation of the benefits provided by *trade* associations—that is to say, associations each of which is composed of members engaged in the same trade or in one or other of a group of allied trades—the reasons for this contention are of a twofold nature.

In the first place, it is abundantly clear that the alternative plan—that of a *general* Insurance Fund for all trades together—must tend to drive away the better class of insurers, the “good lives” who, under any well-devised system of insurance, pay for the “bad lives.” It is obvious, that a workman engaged in a trade, in which the risk of unemploy-

ment is small, will be strongly disinclined to insure himself against unemployment with an Insurance Fund, with which are similarly insured, simultaneously and upon equal terms, a more or less considerable number of persons engaged in trades, in which a very large probability of unemployment exists. But any scheme of insurance, under which all or most of the insurers are relatively "bad lives," is foredoomed to failure.

It is, of course, possible to establish a general Fund for the insurance of workpeople in all trades together, and to charge different rates of premium, *e.g.*, to railway servants, who suffer comparatively little from unemployment, and to builders' labourers, who are often out of work. But the establishment of premium rates, which shall at once correspond with the actual risk in each case and at the same time not give rise to a great deal of dissatisfaction, would be found to be a task, the performance of which would inevitably involve the authorities called upon to administer a scheme of unemployment insurance subsidized by public grants in very serious difficulties.

In the second place, the trade association method of insurance tends to reduce the chances of fraud—the "simulation" of unemployment by men, who, during the whole or part of the time during which they are drawing unemployed pay, are, in fact, earning money by their labour. For since men in the same trade know a good deal about the movements and occupations of each other, a trade

association, which insures its members against unemployment, is in many cases in a fairly good position for ascertaining the true facts; and of course every such association has in all cases a direct incentive to prevent, so far as lies in its power, the receipt of unemployed benefit by a fraudulent claimant.

At the same time, in considering the rival merits of general insurance (for all trades together) on the one hand, and trade association insurance on the other, it must be borne in mind, that trade associations carrying out this business of insurance already exist, and command to a large extent the confidence of the working-classes; and it is at any rate beyond question, that any scheme of assisted unemployment insurance, under which it should be proposed, that the public subvention should be granted upon terms, which would involve a railway servant, for example, in the necessity (if he wished to secure the benefit of this subvention) of either paying two sets of premiums (*i. e.*, his weekly payments to the Amalgamated Society of Railway Servants, and also his contributions to a subsidized all-trades-together Unemployment Insurance Fund) or throwing up his membership in his trade union, would incur the irreconcilable hostility of the members of our trade union organizations, and provoke much unfriendly criticism on the part of a numerous section of the community.

II. THE SYSTEM MUST BE NATIONAL

The next point, to which it is proper to call attention, is the serious defects, which, in this country at any rate, would be present in any scheme of unemployment insurance, which, like the Ghent, the Strassburg, and other Continental schemes, was of a *local*, as distinguished from a national nature. In the first place, since one principal object, which those, who advocate the development by means of grants of public money of insurance against unemployment, consider it possible to achieve, is the encouragement of this form of thrift on the part of the working-classes, any scheme of this kind not framed upon lines fully inter-local (*i. e.*, upon national lines) will, in the United Kingdom, meet with serious difficulty in the achievement of this object, owing to the fact, that (unlike the great majority of the Belgian and the French trade unions) most of our British trade union organizations (including the most important among them) are not local, but national organizations. Take, for example, the Amalgamated Society of Engineers, with its six hundred and odd branches spread all over the United Kingdom (and indeed all over the British Empire, and in the United States); can it be supposed, that, if a dozen, or even a score of Municipalities in the United Kingdom shall offer to pay to such of the members of this great Society as may

happen to belong to its branches in these various cities, sixpence for every shilling paid to these men as unemployed benefit by the A.S.E., then this Society will in consequence, be induced to augment its existing scale of unemployed benefit, and arrange in future to levy from all its members in all its branches such additional contributions as may be necessary to enable the Society to increase its unemployed pay from ten shillings to, say, twelve shillings a week?

If, to take another instance, the Municipalities of London, Liverpool, Manchester, and even twenty or thirty other British towns, should, by offering to pay sixpence for every shilling paid as unemployed benefit by the trade union to its members resident in these localities, try to tempt the National Association of Operative Plasterers, which now pays no unemployed benefit at all (but only a small sum as travelling pay), to commence levying extra contributions from all its members in all its branches (nearly two hundred in number) in order to be able in the future to pay unemployed benefit, can it seriously be supposed, that this attempt would succeed? ¹

¹ It would of course be possible for the branches in the particular towns concerned to start a *local* unemployed benefit, receiving for that purpose an extra weekly contribution. But, in almost every case the payment of such contributions would, under the rules of the trade union, be voluntary; consequently, only those members, who were most often out of work, would insure themselves in this manner, and this local Fund would soon be bankrupt.

Another grave defect of any merely local system of assisted unemployment insurance is to be found in the fact that, of necessity, any such system offers a serious impediment to the complete mobility of labour. Supposing that a workman insured against unemployment with the Berne Municipal Unemployment Fund, and for whom no efforts of the Berne Labour Exchange can succeed in obtaining employment in that city, is offered employment at Lausanne (where no such system of Unemployment Insurance is in operation), will this man not be reluctant to throw away (by leaving Berne) all the advantage, which he had gained by paying in to the Berne Fund regularly for at least eight months, and possibly much longer, the premiums exacted under its rules? In the same manner the German schemes in force at Cologne and Strassburg (since under the rules of these schemes no man is allowed to claim unemployed pay *plus* the Municipal subsidy unless he can show that he has resided in the town for at least one year) must be perceived to accord a specific premium on permanence of residence, and of necessity to entail upon the man, who moves from one place to another in order to obtain employment, a distinct pecuniary sacrifice.

Nor, again, is the matter different in those cases, in which a subsidy in aid of insurance against unemployment is granted to Funds of a merely local character, not by a Municipality, but by the Central Government. Thus, in France, if a workman insured with one of the local Insurance Funds

subsidized by the State is offered employment in another town, then, even if there should happen to be in operation in that place an Unemployment Insurance Fund, in which this man can enrol himself, he will enter it as a new member, and will have to wait six months or longer before he is again in a position to claim benefit if he loses his employment.

In this connection it is worthy of remark, that in Denmark (where, as in this country, the organizations of workpeople are, for the most part, national, rather than local in character) the importance of maintaining the inter-local character of Unemployment Insurance has not escaped attention. For the special Unemployment Insurance Committee, established to supervise the execution of the Law in relation to State and Municipal subventions to Unemployment Insurance Funds, is, by that Law, specifically directed to "act as a link between the different Funds," and to "draw up proposals for co-operation between them, including a proposal for facilitating the transference of members from one Fund to another," and also (no doubt in order to make this suggested interchangeability of membership easier to carry out) "as far as possible, to secure uniformity in the rules of the Funds with respect to the benefits payable" (see Section 18 of the Law at p. 109, *post*, and Rule 14 in Appendix IV, *post*, p. 118).

It is submitted that, if any system of publicly assisted Unemployment Insurance is to attain a

full measure of success, care must be taken to ensure, that this system shall, so far as possible, cover the whole country, so that a working-man insured under this scheme shall not, in the absence of inter-local arrangements, be discouraged from removing from a place, where his labour is not wanted, to another place, where his services are required. So far as the organizations, to which the public subventions would be given, were of a national character, no difficulty on this point would arise. With respect, however, to organizations, whose operations are confined to particular localities, the grant of the public subvention should be made conditional upon the consent of the local Fund in each case to permit, upon reasonable terms, a transference of membership whenever a workman insured with another similar institution may, in consequence of receiving an offer of employment, remove to the locality covered by the operations of the Fund in question.

III. THE SYSTEM MUST OPERATE IN CONNECTION WITH LABOUR REGISTRIES

The universal experience gained in the working of the Continental schemes of unemployment insurance points to the conclusion, that the successful operation of any such scheme is greatly facilitated, if a very close connection is maintained between the Insurance Funds and some systematic agencies for securing employment in the nature of

a Labour Registry. On the one hand, such a registry is most useful as a means of preventing the "simulation" of unemployment; for it is usual to require those members of the Unemployment Insurance Funds, who allege that they are unable to obtain work, to prove the fact of their unemployment by reporting themselves, during the ordinary working hours, at the Labour Registry. On the other hand, it is obviously highly important in the interests of the finances of the Unemployment Insurance Funds, that, for the purpose of finding work for their unemployed members in the speediest possible manner, the fullest use should at all times be made of the most effective agencies for securing employment.

APPENDIX I

RULES AND BYE-LAWS OF THE BERNE MUNICIPAL UNEMPLOYMENT INSURANCE FUND

RULES

1. THE expenditure of the Unemployment Insurance Fund shall be defrayed by means of—

- (a) The contribution of the Municipality ;
- (b) The contributions of its members ;
- (c) The contributions of employers ;
- (d) Voluntary donations.

The Municipality pays an annual contribution of £480, subject to the proviso that in the event of the accounts of the Fund showing a surplus, such surplus shall accrue to the Fund, and shall be carried forward in the balance-sheet of the following year. On the other hand, in the event of such accounts showing a deficit, no liability in respect thereof shall fall upon the Municipality, and such deficit shall be met out of the resources of the Fund itself.

2. Every Swiss citizen resident, temporarily or permanently, within the Municipal area of Berne, who is capable of performing labour and is under sixty years of age, can claim admission as a member of the Fund.

Such admission shall take place by his making application to his employer, or to the President of his Trade Society, or directly to the Manager of the Institution.

3. On and after the 1st of April in each year a list of the admissions of new members shall every month be furnished by the admission offices receiving the

applications for membership to the Manager of the Institution.

4. As from his admission as a member of the Fund, each such member becomes liable to pay to the Fund a monthly contribution of $6\frac{3}{4}d.$ A workman admitted in the course of any given month [*i. e.*, otherwise than on the 1st of the month] must at the end of such month pay the monthly contribution for the entire month.

5. Each admission office has to forward to the Fund, together with the monthly lists of members, the amount of their monthly premiums.

6. The Administration of the Fund, in the event of the occurrence of unemployment, endeavours, in conjunction with the Municipal authorities, to find work for the unemployed. With this object in view, the Municipal Administration will, so far as may be practicable, reserve such kinds of work, the execution of which it is possible to defer, to be done in winter by unemployed members of the Unemployment Insurance Fund.

If and when actual unemployment shall take place, the Managing Committee¹ once in every month fixes the daily allowance payable to the unemployed.

Such allowance shall be an amount not exceeding $1s. 2\frac{1}{2}d.$ per day in the case of single persons (with no dependants) or $1s. 7\frac{1}{2}d.$ per day for persons with families dependent upon them. The payment of such allowances shall take place only after the recipient shall have been a member of the Fund for at least eight months, and shall have paid all his contributions to the Fund and only in the case of his being proved to be genuinely unemployed.

¹ The Berne Unemployment Insurance Fund is attached to the Municipal Labour Exchange, which is under the supervision of a Committee of nine members, of whom three are chosen by the workmen, three by the employers, and three by the Municipal Council; this Committee appoints two Sub-Committees, each composed of three members, one of which takes charge of the Labour Exchange, the other of the Unemployment Insurance Fund. The Manager of the Labour Exchange attends all meetings in a consultative capacity, and acts as secretary of the Committee and of both Sub-Committees.

The date, upon which the payment of the daily allowance shall commence and terminate respectively, shall be fixed by the Committee.

7. The payment of the allowances to the members of the Fund shall take place in accordance with the terms of the preceding Rule and subject to the following conditions:—

- (a) The resources at the disposal of the Insurance Fund may not be employed for the relief of members, whose unemployment is due to their laziness or disorderly conduct, or who shall, without sufficient cause, have refused work offered to them.
- (b) Such resources may also not be employed for the support of strikers.
- (c) All complaints with respect to the payment of unemployed relief shall be settled by reference to the Committee.

The Sub-Committee for the Insurance Fund shall assist the staff of the Institution in the performance of their duties.

8. In the event of disputes arising between the Administration and the Members of the Fund, such disputes shall be settled by the judgment of the Commercial Court of the City of Berne, acting as a Court of Arbitration.

BYE-LAWS

ADMINISTRATIVE REGULATIONS OF THE BERNE MUNICIPAL UNEMPLOY- MENT INSURANCE FUND

For the purpose of carrying into execution the provisions of the Rules made by the Municipal Council for the governance of the Unemployment Insurance Fund, the regulations, which follow, have been drawn up by the Managing Committee authorized in that behalf.

1. The members of the Berne Municipal Unemployment Insurance Fund are required to pay in *regularly* their monthly contributions.

Membership commences with the beginning of that month, in which the first contribution shall be paid.

2. Members of the Unemployment Insurance Fund, upon their admission, receive a special member's book, which shall contain the Rules, the Administrative Regulations, and space in which to affix the Insurance Stamps.

3. The payment of the contribution shall take place by means of the purchase of Insurance Stamps at the rate of 6 $\frac{3}{4}$ d. per month, and the affixing thereof in the member's book.

4. The stamps of the Berne Municipal Unemployment Insurance Fund may be purchased :

- (a) At the Office of the Municipal Labour Exchange ;
- (b) At the Office of the Workman's Secretary and at the head-quarters of the Labourers' Union ;
- (c) From such employers as receive applications for admission ;
- (d) From any Trade Society, whose members are members of the Insurance Fund.

5. At the Municipal Labour Exchange stamps may be procured between 9 a.m. and 11 a.m. on any weekday.

On Sundays the Labour Exchange is open for the purchase of stamps, and for the inspection of members' books from 10 a.m. to 11 a.m.

Should any alteration take place in these arrangements, notification thereof shall be made in the *Municipal Gazette*.

6. Members' books must, not less than once in every two months, be presented at the Municipal Labour Exchange for the purpose of inspection and of the cancellation of the stamps. But this requirement shall not apply in cases, in which the insurance contributions are paid for a year or for six months at a time in advance.

Members, who, by reason of their failure to pay their monthly contributions, shall have been struck off the register of members, must, in case of re-admission, pay all arrears in full, except in the event of their proving, that they had been absent from Berne during the period in question.

7. Such members as shall have paid their insurance contributions regularly, and can prove, that during the year they have worked for at least six months for wages in the employment of another person—an employer—(sickness and military service are the only excuses, that will be accepted as valid reasons to the contrary), are entitled, in the event of their becoming unemployed at any time within the months of December, January and February, to receive from the Insurance Fund daily allowances, but not during a longer period than ten weeks at the most in any winter.

The right to receive such allowances (which commences as from December 1) accrues only after the member has belonged to the Insurance Fund for eight months, and is in other respects subject to Rules 5 and 6 [see *ante*, p. 83]. With unemployment arising out of incapacity to perform labour the Insurance Fund is in no way concerned.

Members, who in any year shall be more than five months in arrear with their contributions, shall, so far as concerns that year, be excluded from the receipt of daily allowances.

The date, as from which the payment of daily allowances shall cease, shall be determined by the Managing Committee.

8. For the purpose of verifying the right of members to receive allowances, the unemployed members of the Fund shall elect two Delegates, whose duty it shall be to certify the correct payment of such allowances.

9. The payment of daily allowances (in accordance with Rule 6) shall be made to those entitled to receive the same at the end of each week.

10. In respect of the first thirty days of unemployment the amount of the daily allowance shall be the *maximum* amount provided by the Rules, that is, 1s. 2½d. for members with no dependants, and 1s. 7½d. for those members who have families dependent on them.

In respect of days later than the first thirty, the amount of the allowance shall be fixed, according to the state of the Fund's resources, by the Managing Committee.

11. Persons, who shall have reported themselves as being unemployed, are required to present themselves for roll-call twice in every day. Time and place shall be fixed by the Managing Committee. If a member shall be absent from roll-call, or shall give incorrect information, he shall be deprived of his daily allowance, as also if he shall refuse to take up sufficiently remunerated employment.

12. Admission to the Fund is free of all charge.

In the event of a member's ceasing to be a member, he shall thereupon lose all his rights as against the Insurance Fund. Persons re-admitted shall be required to pay the contributions payable in respect of the whole year.

13. The financial year of the Insurance Fund begins with April 1, and ends with March 31 of the following year. On May 1, in each year, the Managing Committee shall, in accordance with the rule [in regard to

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their duties] present to the Municipal Council a full report with respect to their work and the position of the Insurance Fund.

The report and amounts must be brought before the members of the Fund in open meeting assembled ; and at such meeting any expression of their wishes, which it may be desired to make, shall take place.

Printed copies of the annual report, together with an abstract of the accounts shall be placed in the hands of the members.

14. The power of making alterations in these Regulations shall rest with the Managing Committee.

APPENDIX II

REGULATIONS RELATING TO THE SCHEME OF INSURANCE AGAINST UNEMPLOYMENT ESTABLISHED BY THE MUNICIPALITY OF STRASS- BURG

1. THE City of Strassburg grants, in the first instance as an experiment for the duration of one year, a sum not exceeding £250 for the purpose of encouraging insurance against unemployment.

2. This sum is to be used for the purpose of granting to every unemployed person, who belongs to an unemployed benefit fund of a Trade Society of workpeople, clerks, etc., a supplementary amount by way of addition to the amount paid to him by such fund.

3. The addition shall be made only for benefit given on the spot¹ in the case of involuntary unemployment. If the unemployment is due to strikes and lock-outs or their consequences, or to sickness, accident or invalidity, the Municipal supplement shall not be granted. The same holds good, if unemployed persons, who originally had a right to assistance, are subsequently unemployed owing to strikes or lock-outs.

4. The supplement shall be paid only to such unemployed persons as, at the commencement of the period of unemployment, shall have resided in Strassburg for an uninterrupted period of at least one year.

5. The supplement amounts to 50 per cent. of the benefit received by the unemployed person from his Trade Society; the *maximum* amount of the Municipal

¹ *I. e.*, benefit other than travelling or migration pay.

supplement shall, however, be 1s. per day for which benefit is paid. As soon as it shall be seen that the granting of 50 per cent. would cause the Municipal contribution of £250 to be exceeded, a proportionate decrease in the supplement shall be made.

6. The supplement shall cease to be paid, if the unemployed person is referred to suitable work in his trade. Single persons must also accept work away from Strassburg, except in special circumstances.

7. Those Trade Societies of workpeople, clerks, etc., which grant to their members unemployed benefit, have a claim to the Municipal supplement, so far as they make a proposal to that effect at the Municipal Office, and undertake to abide by the provisions of these Regulations.

8. All such Trade Societies must deliver at the Municipal Office a copy of their rules and of the regulations for the time being in force, in relation to their Unemployment Benefit Fund, and must administer this fund separately from the other objects of the Society. They must keep a current register, in which shall be regularly entered—

- (a) Surname, Christian name, dwelling and occupation of all members who receive unemployment benefit.
- (b) The amount of the benefit paid from the funds of the Society to the person concerned in accordance with its rules.
- (c) The amount added by the Municipality per day and per head of the unemployed persons concerned.
- (d) The date of the commencement of unemployment, as also of the commencement of the right to receive benefit.
- (e) The number of days of unemployment, and the number of days in respect of which a claim to receive benefit exists.

9. The Trade Societies bind themselves to do all in their power to restrict unemployment as much as possible. In case of unemployment, therefore, the members

must register themselves at the Municipal Labour Exchange, at the latest on the first working day after the commencement of the unemployment, and must report themselves there daily at the appointed time in order to verify the fact of their unemployment.

So far as concerns the period, which according to the Regulations must elapse before a man's right to receive unemployment benefit shall commence to accrue, that period shall in all cases be deemed to begin as from the date of his first registration at the Municipal Labour Exchange.

The Municipal supplement will be paid in respect of those days only, on which it is proved that the person has reported himself at the Labour Exchange.

10. The Trade Societies shall pay to their members the amount of the Municipal supplement in advance. In the first half of every month they shall present at the Municipal Office the account of the past month, with a copy of their list of unemployed members.

If the account is not presented at the proper time, the Municipal supplement shall be paid only in the following month.

11. The Trade Societies shall allow any persons authorized to that effect by the Municipal Office to inspect their account books for the purpose of verifying the due observance of the provisions of these Regulations.

12. Every act of deception on the part of a member committed with the object of receiving a supplement, to which he has no right, shall be followed by the exclusion of the person concerned from the grant of the supplement for a period of one year.

If it is proved, that an official of the Trade Society has acted in collusion with the impostor, the Society can be excluded from drawing the Municipal supplement for a year.

13. Disputes arising out of these Regulations are to be decided by a Sub-Committee of the Committee of Management of the Municipal Labour Exchange acting as a Court of Arbitration. This Sub-Committee shall consist

of the president of the Committee of Management and of one employer and one workman selected from those elected by the Municipal Council to sit on that Committee.

The two last-named members shall be elected by the Committee as a whole.

14. These Regulations shall come into force on January 1, 1907. On December 1, 1907, a detailed report shall be made to the Municipal Council showing the results of the working of this scheme.

APPENDIX III

NORWEGIAN LAWS CONCERNING STATE AND COMMUNAL SUBSIDIES TO UNEMPLOYMENT INSURANCE FUNDS

I. ACT relating to State and Communal subventions to Norwegian Unemployment Insurance Funds, dated June 12, 1906.

§ 1. All Norwegian Unemployment Insurance Funds, which fulfill the conditions specified in the present Act, shall, upon making application in that behalf, obtain an acknowledgment of their right to be reimbursed one-fourth part of the moneys expended by them in relieving persons insured with such Funds, who have their residence in Norway, provided that such persons are Norwegian subjects or shall have resided in Norway during the last five years. Such reimbursements shall be made quarterly by the Government Department, to which the King may entrust the administration of this Act. The day, on which the reimbursement shall be made to each Fund, shall be fixed by the Department.

§ 2. In order that a Fund may be qualified to receive such reimbursement, at least one-half of its income must be derived from contributions paid by its members. In addition, the rules of the Fund must include the following provisions :

- (1) Members shall only be entitled to receive relief if they have been associated with the Fund during at least the last half-year, and have paid their contributions for at least twenty-six weeks subsequent to the last notification of unemployment.

- (2) Benefit on the spot ["unemployed benefit"]¹ shall not be given until the unemployment has lasted at least three days.
- (3) No member shall receive, as unemployed benefit, a sum exceeding one-half of the average daily wage current in the trade followed by him.
- (4) Benefit shall not be paid for more than ninety days in any one year (financial or calendar, as the case may be).
- (5) Unemployed members shall be obliged to accept such work as the Administration of the Fund shall consider suitable for them.
- (6) In the event of the ordinary contributions proving to be insufficient, an extraordinary contribution may be levied ; further, if necessary, a reduction may be made in the scale of the benefit authorized by the rules of the Fund.
- (7) Benefit shall be refused to any member, who is at the same time a member of another Unemployed Fund, or who is in fact in receipt of benefit from a Sickness Insurance Fund.
- (8) Unemployment benefit, travelling benefit, and migration grants shall only be paid to such insured persons as are capable of work and are unemployed otherwise than through their own act and default. Unemployment occasioned by a strike or a lock-out shall not be considered as being within that category.

Funds already in existence may obtain provisional authorization even though their rules are not in accordance with the conditions above stated. But such authorization shall only hold good during the period, which, according to the rules of the Fund, must elapse before an alteration in the rules can lawfully be made.

§ 3. An application for the recognition of a claim to reimbursement shall be sent in to the Department con-

¹ *I. e.*, ordinary unemployed benefit as distinguished from travelling pay and migration grants.

cerned accompanied by a copy of the rules of the Unemployment Insurance Fund. If the Department shall find that the said rules satisfy the conditions specified in the preceding section, and are in other respects not inconsistent with the provisions of the present Act, the application may be granted. Subsequent alterations in the rules of the Fund shall not be made without the sanction of the Department.

§ 4. Two-thirds of the sum provided by the State in accordance with the provisions of the present Act shall be reimbursed yearly by the Authorities of the several rural and urban districts, in which those persons, who have received unemployed benefit, shall have resided for at least six consecutive months in the course of the last five years, reckoning from the first day on which the benefit was granted. Notwithstanding the provisions hereinbefore contained, no liability for reimbursement shall exist on the part of any Local Authority in relation to any persons, who shall have been employed as permanent or temporary workmen in the construction of public roads, railways or similar works, and have resided in the locality only by reason of this work.

The State shall bear the entire cost :

- (a) If no proof is forthcoming that the conditions as to length of residence necessary to entitle a claim for reimbursement being made have been fulfilled ;
- (b) If the persons in receipt of benefit shall not have resided in a Norwegian district for six consecutive months during the last five years ;
- (c) If the district, in which persons in receipt of relief have last resided during six consecutive months, is freed from the obligation of reimbursement by reason of the second sentence of the present section.

The decision, whether any, and which, district is responsible for reimbursement shall rest with the Department concerned.

§ 5. Every Unemployment Insurance Fund, which is entitled to reimbursement, shall keep separate accounts.

Its assets shall be kept distinct from other assets and from the other funds of the Association, if any, to which it may be affiliated, and may only be applied to meet the special obligations of the Fund. If the Fund is affiliated to an Association, its assets cannot be seized, attached, or held as security by the creditors of the Association. No person shall have the right to obtain satisfaction for the debts due by an insured person out of any moneys, to which such person shall be entitled by reason of his claims on the Fund.

§ 6. Any Unemployment Insurance Fund affiliated to an Association must, in order to be entitled to reimbursement, allow persons engaged in the same trade as the members of the Fund, to insure themselves therewith, on the same conditions as such members, even though they are not members of the Association. Such last-mentioned insured persons shall, however, not be entitled to take any part in any decision with respect to the rules of the Fund or in the administration of the Fund, unless the Association shall pass a special resolution on this subject. Further, in so far as the cost of administration of the Fund shall be defrayed by the Association in question, the Fund may impose upon such members a contribution increased by 10 per cent. to cover such cost, and should this prove to be insufficient, the Fund may, with the consent of the Department, further increase such contributions by an amount which shall not exceed 15 per cent.

§ 7. Any person either actually insured, or having applied to be insured with an Unemployed Fund coming under the present Act, who shall consider, that any decision made by the Administration of the Fund in his case is contrary to law, shall have the right to appeal against such decision to the Department concerned.

§ 8. An Unemployment Insurance Fund, whose claim to reimbursement shall have been allowed, shall not pay benefit to any unemployed persons residing in a district, in which a Labour Exchange exists, until such persons shall have registered themselves at such Exchange as applicants for employment. In regard to any benefits paid

without such registration at a Labour Exchange having taken place, the Unemployment Insurance Fund in question shall forfeit all claim to reimbursement. Directly the unemployed persons shall have found work, information of the fact shall be given by the Unemployment Insurance Fund to the Labour Exchange.

§ 9. Unemployment Insurance Funds receiving reimbursement under the present Act shall send in to the Department concerned at the end of every quarter an account of their expenditure on unemployed benefit during that quarter, together with such vouchers and explanations as the Department may require. As soon as the account has been found to be in order, the reimbursement mentioned in Section 1 shall take place.

§ 10. Every Unemployment Insurance Fund shall send to the Department once in every year a report of its operations and a summary of its accounts.

§ 11. Unemployment Insurance Funds referred to in the present Act shall send in monthly reports to the Local Authorities of those districts, in which unemployed benefit is paid; such reports shall be drawn up in accordance with a scheme framed by the Department.

The Local Authority shall, after examining the reports, transmit them as soon as possible to the Department concerned, together with such observations as the reports may call for. Any items in the expenditure of the Funds, which have not formed the subject of any remarks on the part of the Local Authority, shall be regarded as approved by that authority, provided that the liability for reimbursement shall, according to the present Act, rest with the Commune whose duty it is to check such reports.

§ 12. The Local Authority shall have power, either by its own officials or through an Auditor or a Board of Auditors appointed by it, to subject to a critical examination the reports received by it, and to decide that such reports shall be sent direct to the Auditor or Board of Auditors. If a special Auditor or Board of Auditors shall be appointed for this purpose, the appointment

shall be made for a period of three years, and it shall be open to any person to refuse to serve again during a period of time as long as the period during which he shall have already served as Auditor. It shall be the duty of the Local Authority, or of the Auditor or Board of Auditors appointed by such authority, to see to it that the rules of the Unemployment Insurance Funds are, so far as concerns the provisions contained in Section 2, sub-section 8, strictly observed; the Local Authority shall also have power to examine, so far as may be necessary, the books and accounts of the Unemployment Insurance Funds, and further, to require from the Administration of the Funds all such explanations as may appear necessary. The Auditor or Board of Auditors shall fulfill the duties of his office in accordance with a code of regulations drawn up by the Local Authority with the approval of the Department. In case of disagreement between the Local Authority or the Auditor or Board of Auditors and an Unemployment Insurance Fund concerning the legality of the relief paid, the matter shall be referred to the Department for decision.

§ 13. The reports referred to in Section 9 must be sent in to the Department within six weeks after the end of the quarter, and those referred to in Section 11 must be sent in to the Local Authority within fourteen days after the end of the month, in default whereof the right to receive reimbursement shall be forfeited.

§ 14. In the event of repeated contravention in material points of its rules, or of the reports sent in by it being continuously through a considerable period of time seriously defective, it shall be in the power of the Department to withdraw from any Unemployment Insurance Fund or from a section of any such Fund the right to receive reimbursement.

§ 15. This Act shall come into force on October 1, 1906, and shall cease to be in operation at latest at the end of the year 1911.

II. Act to amend Section 1 of the Act of June 12,

1906, with respect to State and Communal subventions to Norwegian Unemployment Insurance Funds, dated July 25, 1908.

Section 1 of the Act of June 12, 1906, with respect to State and Communal subventions to Norwegian Unemployment Insurance Funds shall hereafter read as follows :—

“ 1. All Norwegian Unemployment Insurance Funds, which shall fulfill the conditions specified in the present Act, shall, upon making application in that behalf, obtain an acknowledgment of their right to be reimbursed one-third part of the amount expended by them in relieving persons insured with such Funds, who have their residence in Norway, provided that such persons are either Norwegian subjects, or shall have resided in Norway during the last five years. Such reimbursements shall be made quarterly by the Government Department to which the King may entrust the administration of this Act. The day, on which the reimbursement shall be made to each Fund, shall be fixed by the Department.”

APPENDIX IV

PART I

DANISH LAW CONCERNING STATE AND COMMUNAL SUBVENTIONS TO UNEMPLOYMENT INSURANCE FUNDS

I. Act relating to recognized Unemployment Insurance Funds, dated April 9, 1907.

§ 1. IN this Act the term "Unemployment Insurance Funds" shall mean associations of persons working for a wage in one or more specified occupations (such as commerce, office work, industry, handicraft, agriculture, hotel work, transport or mining), who have combined in order to provide, by means of the payment of a specified contribution, mutual assistance in case of unemployment, other than unemployment arising out of any of the causes specified in § 13.

An Unemployment Insurance Fund must have no other purpose than that specified above.

§ 2. Every Unemployment Insurance Fund shall have a claim to State recognition and the consequent grant from the public funds, if it shall fulfill the conditions specified in the present Act, and shall upon the proposal in that behalf of the Inspector of Unemployment, be recognized by the Minister of the Interior. Nevertheless, when any Unemployment Insurance Fund, established for one or more particular trades or for any particular district, shall already have been recognized, the Minister of the Interior shall, after making the necessary

inquiries, and in conformity with the report of the Unemployment Insurance Committee established under § 18, have power to refuse recognition to any other Unemployment Insurance Fund in the said trades or district.

The act of recognition shall be communicated by the Minister of the Interior, and shall be published by the said Minister. Recognized Unemployment Insurance Funds shall be entitled to accept as members persons who pay contributions without having any claim to relief from the Fund.

§ 3. Applications for recognition shall be transmitted to the Inspector of Unemployment accompanied by—

- (1) A copy of the rules of the Fund ;
- (2) A register of the members containing their names and callings, and in addition showing how far they may be considered to be seasonal workers.
- (3) A copy of the resolution, in accordance with which the recognition is applied for ; and
- (4) A financial report for the past year, except when the Fund making application is newly founded.

§ 4. In order to receive public recognition, an Unemployment Insurance Fund must have at least fifty members. Under special circumstances the Minister may also sanction the recognition of such Funds as have a smaller membership.

An Unemployment Insurance Fund must operate either in one or more particular trades, in which case it must include at least one province, or else it must be exclusively confined to one locality. A Trade Fund may be divided into local sections.

A local section of a Trade Fund shall, with respect to the contribution of the Commune, be in precisely the same position as a local Fund.

§ 5. Only workmen, whose circumstances are such as to entitle them to State aid from an officially recognized Sick Fund, can be full members (*i. e.*, members entitled to benefit) of recognized Unemployment Insurance

Funds. Nevertheless, Funds already in existence previous to the passing of the present Act may obtain recognition by making the necessary application within six months, with the proviso that those members, to whom the above conditions do not apply, but who were admitted to membership in the Fund before the passing of the present Act, may become full members of the Fund. Nevertheless, the Fund shall not be entitled to receive State grants in respect of the premiums paid by such members.

The age-limit for admission to membership in a recognized Unemployment Insurance Fund shall be laid down in the rules, but no person under eighteen or—except in case of transference from one Fund to another—over sixty years of age, may be admitted to membership.

Admission to membership in a recognized Unemployment Insurance Fund as a full member cannot be refused to any person fulfilling the conditions specified above (but cf. § 6) and belonging to the trade or trades, or residing within the locality for which the Fund is established. Such persons as are not workmen, and whose circumstances are not such as to entitle them to draw State aid from a recognized Sick Fund, shall, if they possess the necessary qualifications in other respects, be entitled to become contributing members of a recognized Unemployment Insurance Fund, and shall acquire the rights of full members, so soon as all the conditions qualifying them for such rights shall be present. Any person hitherto a full member of a recognized Unemployment Insurance Fund, who no longer fulfills the prescribed conditions in this respect, may become a contributing member with the right again to revert to the status of full member, if he complies with all the required conditions with the exception of that with respect to the age-limit. The extent of the yearly contributions to be paid by such members shall be determined by the rules of the Fund. When contributing members become full members, they shall pay the contribution due from full members. The Sick Fund Committee mentioned in § 7, of Act 85, April 12,

1892, shall, with respect to § 1, sub-section 1, decide whether any particular persons may, in accordance with the conditions prescribed in this paragraph, be accepted as member in a recognized Unemployment Insurance Fund, and under what category he may be admitted. With respect to other qualifications, the decision shall rest with the Inspector of Unemployment. An appeal against any particular decision may be lodged with the Minister of the Interior, whose decision shall be final.

§ 6. A provision may be inserted in the rules of a recognized Unemployment Insurance Fund, which shall give the Administration of the Fund power to refuse admission to such persons as appear to be physically or morally incapable of continued self-support or of working [on good terms] with foremen or fellow-workmen. Similarly, it may be provided in the rules, that the Administration of the Fund shall have power to exclude such persons from membership in the Fund. Nevertheless, an appeal against any decision of the Administration of the Fund coming under this Section may be lodged with the Unemployment Insurance Committee mentioned in § 18 of the present Act, which shall give its decision after due consideration of the special circumstances of the case. Similarly, an appeal against the decision of the Unemployment Insurance Committee may be lodged with the Minister of the Interior, against whose decision there shall be no appeal.

§ 7. No person shall at one and the same time be a member of more than one recognized Unemployment Insurance Fund. If any person, at the time of his joining a recognized Unemployment Insurance Fund, is at the same time member of a non-recognized Unemployment Insurance Fund, he must, on applying, at once inform the Managing Committee of the fact. Similarly, if a member of a recognized Unemployment Insurance Fund is, or becomes, at the same time member of a non-recognized Unemployment Insurance Fund, notification must immediately be made. No member of a recognized Unemployment Insurance Fund may, by joining several such Funds, secure daily allow-

ances amounting in the aggregate to more than two-thirds of the average wage current in the trade or trades for, or in the districts within which the Fund operates.

The contravention of any of the provisions of the foregoing paragraph, as also dishonest conduct towards the Fund, shall be punishable by expulsion.

§ 8. The yearly premium in a recognized Unemployment Insurance Fund (including the contribution out of public Funds referred to below in § 9) shall be fixed at such a sum as shall appear, from an examination of the available evidence, to be sufficient, in all cases, which may arise, to supply members with the unemployed benefit provided for in the rules, the amount of which must in all cases be such that this benefit will be of some real service to them. An additional contribution corresponding to the varying needs of the Fund may, if necessary, be levied.

The income and the capital of the Fund shall be kept strictly separate from the funds of other Associations, and may not be transferred by way of loan or gift, to any other Association or in any way be used for any unauthorized purpose.

§ 9. Recognized Unemployment Insurance Funds shall receive a yearly grant from the Exchequer to the extent of one-third of the total premiums of the Funds as laid down in § 8 (but cf. § 5, 1); but in no case shall such grants exceed the sum of £13,889. The grant shall be distributed amongst the Funds in proportion to the amount of their respective premiums.

The Commune, in which a member has his settlement, shall, without its being necessary to obtain the sanction of any higher authority, have power to give a contribution towards defraying his premium for the current financial year; such contribution, however, must not exceed one-sixth of the premium. The receipt of such contribution shall not carry with it for the person, for whose advantage the contribution is paid, the consequences entailed by the receipt of Poor Relief. Communes, in which recognized Unemployment Insurance Funds have their head-quarters or branch offices—for which purpose

Copenhagen and Fredriksborg shall be considered as one Commune—shall likewise have power, without its being necessary to obtain the sanction of any higher authority, to pay a contribution to the Fund, or Funds concerned ; but such contribution may not exceed one-sixth of the yearly premium of those members of such Funds, who had their settlement in that Commune on March 31 then last.

§ 10. In order to receive a grant out of public Funds for the past year, it shall be necessary to send in to the Inspector of Unemployment a financial report for that year, reckoning from April 1 to March 31 inclusive, also a report on the operations of the Fund during that period, and a register of the members of the Fund showing the proportion of the premium paid by each member, and by the Commune in which he has his settlement. The form for such a register shall be drawn up by the Inspector of Unemployment. The Inspector of Unemployment shall, after examining the reports, cause the State grant for the past year to be paid out of the proper funds to every Unemployment Insurance Fund.

§ 11. The decision as to the extent and character of the relief to be paid in any particular case, shall rest with the Administration of the Fund.

The relief may consist of :—

- (1) Travelling benefit ;
- (2) Assistance in paying rent ;
- (3) Daily allowance in cash ;
- (4) Assistance in kind.

With respect to a trade Fund, not more than two-thirds of the average wage current in the particular trade or trades, and with respect to a local Fund, not more than two-thirds of the common daily wages of labour current in the locality, for which the Fund is established, shall be paid by way of daily relief, whether for lodging benefit, daily allowance in cash, or assistance in kind. In no case shall the relief paid amount to a smaller sum than 6 $\frac{3}{4}$ d. or a greater sum than 2s. 2 $\frac{3}{4}$ d. If any member of a Fund, who is entitled to receive relief, shall find employment, either offered to him by the Administration

of the Fund or procured by his own efforts, of which the remuneration is less than the *maximum* relief specified above, the Fund may add to his wages a sum, which shall bring his total earnings up to that *maximum*.

Benefit shall not be paid to any person, who shall not have been a member of the Fund for at least twelve months, and shall not have paid the contribution due from him for that period. Such persons as shall be performing military service shall be freed from the obligation of paying contributions during their period of service, but shall nevertheless be qualified to receive relief after they shall have finished their service, providing that, at the time when the relief shall be granted, they shall have been members of the Fund for at least twelve months, and shall have paid the contributions due from them for at least three months during that period. Relief shall not be paid during the first six days of unemployment, a "waiting time" which may be increased by the rules up to a *maximum* period of fifteen days. This provision shall not apply when only travelling pay is claimed.

With respect to Funds, which include seasonal workmen among their full members, the Minister of the Interior may, after hearing the views of the Committee mentioned in § 18, direct that in certain specified seasons no relief shall be granted by the Funds to such of their members as are seasonal workers, unless their unemployment lasts longer than 15 days, and in that case the number of days shall be separately fixed.

§ 12. The travelling pay, to which any person is entitled under the preceding paragraph, shall not exceed the whole sum, which, by the rules, is allowed to be paid in the shape of daily benefit during a period of twelve consecutive months (cf. § 14).

§ 13. A recognized Unemployment Insurance Fund may not give relief to :—

- (1) Persons taking part in strikes or lock-outs ;
- (2) Members, whose unemployment is due to illness or infirmity, for as long as such illness or infirmity shall last ;
- (3) Members, whose unemployment is due to their

having left their situations on insufficient grounds, or whose unemployment is caused by quarrelsomeness towards their employers or fellow-workmen;

- (4) Members undergoing judicial detention after conviction ;
- (5) Members, who are in prison pending trial ;
- (6) Members, who are in receipt of Poor Law Relief; and
- (7) Members, who refuse to accept work suitable to their capacities, which shall have been offered to them by the Administration of the Fund.

In addition, a recognized Unemployment Insurance Fund may not give relief to such members as are performing military service.

If with respect to the provisions laid down above in 1-3 and 6-7, the Administration of the Fund shall refuse to grant relief to an unemployed member, the person concerned may, within a period of one month, bring the decision of the Administration in this matter before the Committee mentioned in § 18, which shall give its decision after due consideration of the facts of the particular case. Appeal against the decision of the Committee may, within a period of one month, be lodged with the Minister of the Interior, against whose decision there shall be no appeal.

§ 14. The amount of relief, which may, during twelve consecutive months, be paid by a recognized Unemployment Insurance Fund, shall be determined by its rules in such a way that it shall amount to a sum corresponding to at least 70 days' daily allowance on the scale laid down in the rules.

The Minister of the Interior shall have power to recognize Unemployment Insurance Funds, which, during twelve consecutive months pay a sum corresponding to only fifty days' allowance ; such recognition shall, however, be exceptional, and may only be granted in cases in which the benefit provided under the rules of the Fund shall amount to at least 10*sch.* per diem.

If a member, during a period not exceeding three

consecutive financial years, shall have received relief amounting to 210 days' benefit, or—in cases in which the provision contained in the preceding paragraph of the present section is applied—to three times the number of days' benefit specified in the official certificate of recognition, the Fund may not pay him any further benefit until he shall have been a member of the Fund for the whole of the succeeding year, and shall also have paid the contributions due for that period.

§ 15. The supervision of recognized Unemployment Insurance Funds shall be entrusted to an "Inspector of Unemployment," who shall draw a yearly salary of £167. In so far as the present Sick Fund Inspector may have to undertake the duties of Inspector of Unemployment, he shall be dealt with according to the provisions of § 3 of the Act of January 5, 1851.

The sum required for staff and office expenses of the Inspector of Unemployment shall be voted in the annual budget. In the event of the appointment of Inspector of Unemployment being vacant, it may be determined by Royal Decree, that such appointment shall not be filled, but that the supervision over the Unemployment Insurance Funds shall be entrusted to a Director, who shall exercise it in conjunction with the supervision over the Sick Funds established by the Act No. 85 of April 11, 1892, and also with the supervision over the Burial Funds created by the Act No. 55 of April 1, 1903.

The said office shall be taken over by the Sick Fund Inspector mentioned in § 23 of Act 85 of April 12, 1892, whose office shall at the same time be abolished.

The Director shall receive a yearly salary of £278, rising every fourth year—reckoning from the date of his appointment as Sick Fund Inspector—by £28, until it shall reach a maximum of £361.

The sum required for the assistance of the Director and for his office expenses shall be voted in the annual budget.

§ 16. Every recognized Unemployment Insurance Fund shall send one delegate to the annual meeting; if a Fund shall contain more than 1,000 members, it shall have the

right to send two delegates, and a further delegate for every additional 1,000 members. The delegates shall be chosen by the Board of Management concerned from among the members of the Fund.

The annual meeting, under the presidency of the Inspector of Unemployment, shall discuss the operations and the co-operation of the Funds; furthermore, six persons shall be chosen from among the delegates to be members of the Unemployment Insurance Committee and also six substitutes (§ 17). The members of the Unemployment Insurance Committee and the substitutes shall be elected for a period of six years, the first election taking place at latest at the second annual meeting after the present Act shall have come into force, in such a manner that one-half of the Committee and their substitutes shall retire after holding office for three years. The question, as to which members shall retire after the first three years, shall be decided by lot.

A member of the Committee or a substitute shall retire automatically, when he ceases to be a member of a recognized Unemployment Insurance Fund; the election of a new member (or substitute) in his stead shall take place at the following general meeting.

§ 17. Until the election can be held in the manner prescribed in § 16, the Minister of the Interior shall nominate the requisite number of persons to be members of the Committee and their substitutes.

§ 18. The Unemployment Insurance Committee shall consist of the members indicated above in § 16 (cf. § 17) and of the Inspector of Unemployment, who shall preside.

Besides having the rights and obligations expressly laid down in the present Act, the Committee shall act as a link between the different Funds, and shall draw up proposals for co-operation, including a proposal for facilitating the transference of members from one Fund to another, and shall, as far as possible, secure uniformity in the rules of the Funds with respect to the benefits payable. The necessary funds for the Committee, including the daily allowances and the travelling

expenses of its members, shall be voted in the annual budget.

If the Committee shall consider that a recognized Unemployed Insurance Fund, without exactly contravening the provisions of the Act, is acting towards its members or towards the other Unemployed Insurance Funds in such a way as to impair the whole institution, the Inspector of Unemployment shall advise the Minister of the Interior as to how far it may be advisable to cancel the recognition of such Fund.

§ 19. The rules of a recognized Unemployment Insurance Fund shall give information on the following points :—

- (1) The name, address, object of, and locality covered by the Fund, the admission of new members, their rights and duties, including their mutual obligations and the provisions relating thereto.
- (2) The general meeting and Board of Management, and the powers of the latter.
- (3) The system of accounts and audit, the employment of the property of the Fund, and the application of the balance in the event of the Fund going into liquidation.
- (4) Alterations in the rules.

Resolutions with respect to the application of the balance in case of the Fund going into liquidation, which have been made in accordance with the rules of the Fund, shall only be valid after they have received the sanction of the Inspector of Unemployment. The distribution of such balance amongst the members of the Fund shall not be permitted.

Every modification in the rules shall require the sanction of the Inspector of Unemployment. Nevertheless an appeal against his decision may be lodged with the Minister of the Interior.

§ 20. The Inspector of Unemployment shall examine the annual financial reports sent in by the Funds, and shall generally supervise the recognized Unemployment Insurance Funds. In addition, he shall provide them with the necessary information and guidance, and shall assist

in the establishment of new Funds. He shall have authority to examine, at any time, the books, accounts, and the general administration of the Funds.

The Inspector of Unemployment shall lay before the Minister of the Interior an annual report of the operations of the Funds. An extract from this report may be published by the Minister of the Interior.

§ 21. If the Board of Management of any Fund does not punctually carry out the requirements of the present Act, or if its actions are not in accordance with the provisions of the Act, or if the Funds are lacking in the necessary organization and supervision, and do not in this respect comply with the directions of the Inspector of Unemployment, the Minister of the Interior shall have power to cancel the recognition of any such Fund.

§ 22. Documents required for the execution of insurance contracts between recognized Funds and their members shall be free of stamp duty.

§ 23. This Act, which shall not apply to the Farøe Islands, shall come into force three months after its publication in the official *Gazette of Laws*; nevertheless § 15 can, in accordance with definite instructions to be issued by the Minister of the Interior, be put into force at an earlier date.

The proposal for the revision of the Act shall be laid before the ordinary meeting of Parliament in the year 1912,

PART II

MODEL RULES FOR UNEMPLOYMENT
INSURANCE FUNDS (TRADE FUNDS)

RULES OF THE . . .
UNEMPLOYMENT INSURANCE FUND
AT . . . (DENMARK)

Object and Address

§ 1. THE . . . Unemployment Insurance Fund, which has its principal office at . . . has for its object to secure to its full members [members entitled to benefit] mutual assistance in case of unemployment other than unemployment due to any of the causes specified in § 11 of these Rules.

Admission

§ 2. Only such workmen, whose economic position does not prohibit them from being full members [members entitled to benefit] of an officially recognized Sick Fund, and who are engaged in the trade of . . . and reside at . . . (Denmark), may be admitted as full members of the Unemployment Insurance Fund.

No person, who is under eighteen or over sixty years of age, may be admitted as a full member.

Admission to full membership of the Fund cannot be refused to any person who shall fulfill the conditions above specified (but cf. § 6).

§ 3. Persons possessing private means, admitted to the membership of the Unemployment Insurance Fund before April 9, 1907, can, if the Fund shall apply for official recognition prior to February 1, 1908, remain full members of such Fund. In respect of the contri-

bution (premium) paid by such last-named members the Fund in the meantime receives no subvention from public moneys.

§ 4. In addition, the Fund also admits to membership such men and women as may desire to support the Fund without having any right to claim assistance for themselves. Such members may subsequently become full members if they shall fulfill the necessary conditions, but irrespective of their age, if they have been contributing members before their . . . th year.

Full members, who cannot be considered to be persons not possessing private means, must either become contributing members (preserving the rights incidental to membership), or must retire from the Fund.

Contributing members (preserving their membership rights) pay a yearly contribution of . . . kr. As and when any person, who is a contributing member, shall become a full member, such person shall be required to pay the ordinary contribution payable by full members.

§ 5. If any person shall be admitted to membership by a branch, such admission shall be subject to the ratification of the Head Office. If a man is refused admission on the ground that he is in possession of private means, he can demand, that the question of his right to be admitted shall be settled by the Committee mentioned in the Sickness Insurance Law of April 1892.

§ 7. The question, whether any person shall or shall not be allowed to retain his membership, as not being without such means (cf. § 4) shall be decided by the same tribunal.

In the event of admission being refused to any person, or of any person's membership being terminated on the ground that such person does not fulfill the other conditions specified in paragraphs 2-4, he can demand, that the question shall be referred to the Inspector of Unemployment.

From any decision by a Sick Fund Committee, or by the Inspector of Unemployment, appeal shall lie to the Minister of the Interior, whose decision shall be final.

§ 6. The Managing Committee of the Fund shall be

empowered to refuse admission to any persons, who either on physical or moral grounds must be considered to be unfit for regular work or unlikely to remain on good terms with the foreman under, or the fellow-workmen with, whom they work. In the event of any such persons being already Members of the Fund, the Managing Committee shall have the right to terminate their membership. Any decision by the Managing Committee of this nature may within one month be appealed against to the Committee mentioned in Section 18 of the Unemployment Insurance Law, which shall consider the matter with reference to the special circumstances of the case. From the decision of the said Committee an appeal may within one month be brought to the Minister of the Interior, whose decision shall be final.

§ 7. Any person, whose membership shall be terminated by reason of his having got into arrear with his contributions, but who in other respects fulfills the conditions laid down by the Rules, may be re-admitted by paying the arrears, together with the contributions due subsequently to the termination of his membership, but in no case shall be required to pay more than . . . kr.

Any persons, who shall have retired from membership, and who in the meantime shall have worked in the same occupation, who owe nothing to the Fund, and who fulfill the conditions required in the case of full members, shall on re-admission to membership be required to pay . . . kr.

Rights and Duties

(The object of this paragraph is to assist the different Funds in the compilation of their Special Rules.)

§ 8. The various forms, in which assistance can be given, are as follows:—

1. Travelling pay.
2. Assistance in paying rent.
3. Daily cash allowances.
4. Assistance in kind.

The amount to be granted by means of daily payments (assistance in paying rent, daily cash allowances, and assistance in kind) shall in the aggregate and on the average correspond with the amount of the daily allowance payable according to the Rules of the Fund (*e.g.*, 1s. 1½*d.*)¹ The amount and kind of the benefit payable shall be fixed separately for each Fund. But in any case, whatever be the form in which it shall be given, the benefit must be kept within the limits specified in § 9.

If a member, who, by reason of his being unemployed, is entitled to benefit, shall undertake work, either found for him by the Managing Committee (*cf.* § 11, sub-section 7) or obtained by his own efforts, the remuneration received by him for which is smaller in amount than the benefit, then the Managing Committee shall make good to him the difference between such remuneration and the benefit.

§ 9. No person shall, in twelve successive months, receive benefit to an amount, which exceeds . . . kr. (*minimum* £3 17s. 9½*d.*).²

If a member shall, in each of three successive years have received benefit to a total amount of . . . kr. (*minimum* £11 13s. 4*d.*),³ it shall not be permissible for

¹ The average daily benefit must not, if the Fund is one established for a particular trade or group of trades, exceed two-thirds of the average earnings in the trade or trades in question, or if the Fund is established for a particular local area, then two-thirds of the usual earnings of labour in such locality. In any case the benefit must not be less than 6½*d.* nor more than 2s. 2½*d.* per day; it shall, however, be permissible to make the amount and duration of the benefit vary according to the date of a member's admission to membership.

² By way of exception only, the *minimum* limit (in regard to the amount receivable within any twelve months) may be fixed at an amount corresponding to a daily cash allowance for fifty days at the rate of 10*d.* per day; but, as a general rule, it shall be equivalent to a daily cash allowance of such amount as may be fixed by the rules of the Fund for seventy days.

³ This amount shall correspond with a daily allowance of such amount as may be provided by the rules of the Fund payable in respect of the number of days, for which benefit can be claimed within any twelve months, multiplied by three.

such member to receive any further benefit unless during the whole of the year next following he shall have been a member of the Fund, and shall have paid the contribution payable by full members for this period.

Members, who during each of three successive years shall not have worked at their trade for at least twenty-six weeks in all, lose their right to benefit, and cannot regain that right until they shall have worked at their trade for at least twenty-six weeks in the course of twelve months, and shall have paid their contribution as full members during twelve entire months.

§ 10. (1) No benefit shall be paid to any person unless and until he shall have been a member during the last twelve months and shall have paid his contribution as a full member.

(2) Apprentices, who are admitted to membership of the Fund as contributing members, and who shall during one year have paid their contribution of (5) kr. [1 kr. = 1s. 1 $\frac{1}{3}$ d.], shall, six weeks after they shall have completed their apprenticeship, be allowed to receive from the Fund travelling pay, if at that time they shall be eighteen years of age.

So far as concerns workmen not specialized (unskilled), such workmen shall, on attaining the age of eighteen years, be treated as if they had then completed an apprenticeship.

(3) Persons, who are liable to bear arms, shall, during their period of service, be exempt from paying contribution, but shall nevertheless, after they shall have completed their service, possess the right to receive benefit, if, at the time when such benefit is claimed, they shall have been members for at least twelve months, and during this period shall have paid the contribution payable in respect of three months at the least.

(4) No right to receive benefit shall exist in respect of the first . . . ¹ days of unemployment. This, however, does not apply to cases, in which the only benefit

¹ The number to be inserted here must be at least six, and not more than fifteen days. With regard, however, to workmen engaged in seasonal trades, this may be fixed at more than fifteen days.

provided is travelling pay, or to cases, in which the member shall, during a period of unemployment, after the commencement of the payment of the benefit, have obtained work of a temporary nature.

§ 11. No benefit shall be paid by the Fund in any of the following cases :—

(1) During the pendency of strikes or lock-outs to any persons taking part in the same.

(2) To any members, whose unemployment is due to illness or incapacity to perform labour, during the continuance of such illness or incapacity.

(3) To any members, who, without sufficient cause, shall have thrown up their existing employment, or whose unemployment is due to alcoholic excess or to overbearing conduct towards the foreman under, or the fellow-workmen with, whom they work.

(4) To members, who are undergoing a judicial sentence.

(5) To members, who are under arrest.

(6) To members, who receive any form of regular Poor Law Relief.

(7) To members, who refuse to accept work suited to their capacity, which may be offered to them through the Managing Committee.

No benefit shall be paid to members during their service with the colours.

If the Managing Committee shall refuse to grant benefit to an unemployed member under any of the above provisions (1-7), an appeal against such decision may, within one month, be made to the Committee mentioned in § 18 of the Unemployment Insurance Law, which, in giving its decision, shall take into account the particular circumstances of the case; from the decision of that Committee an appeal may, within one month, be made to the Minister of the Interior, whose decision shall be final.

§ 12. In accordance with the provisions of Section 7 of the Unemployment Insurance Law, no person may at one and the same time possess rights of membership in more than one officially recognized Unemployment

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Insurance Fund. If it should occur, that any person, at the time of his admission, is already a member of another non-recognized Fund ; or that he shall, subsequently to his admission, acquire membership rights in such a Fund, he is required to notify this fact to the Local Administration, which shall see to it, that no member in this way secures for himself a daily cash allowance exceeding two-thirds of his average earnings in the occupation in which he is engaged.

Any contravention of the provisions just stated, and also any fraud shall entail the loss of membership rights.

§ 13. In connection with the branch or head offices of the Fund, Labour Registries may be established, at which it shall be the duty of the members to notify the beginning and the end of their unemployment. The member is required to comply with the rules in relation to the operation of any such registry, which may be made by the Administration of the Fund.

§ 14. If the Fund shall have made an agreement with another Society with respect to the reciprocal transference of members (cf. Rule 26 below and Section 18 of the Unemployment Insurance Law), and if its members shall obtain employment at any place within the local area covered by the operations of that Society, then this member shall be required to join such Society. In case he shall fail so to do, then upon his return he can only be admitted as a new member in accordance with Rule 7 above.

§ 15. No full member can refuse to accept office as a member of the Administration of the Fund, or as auditor ; but this duty is imposed only in relation to one single election period.

§ 16. (a) If a member shall desire to cease being a member of a Fund, he is required to give notice to the Administration of the Fund in the course of the week (month) as from the end of which his retirement is to take effect.

(b) If any member shall cease to work at his trade, he shall be allowed only to remain a member with rights preserved (cf. Rule 4).

§ 17. The weekly (monthly) contribution for full members is . . . kr.

Extraordinary contributions shall, as and when occasion shall arise, be levied of such amounts as may correspond with the requirements for the time being of the Fund.

§ 18. The members are bound to pay their contributions every week (month). If in . . . successive weeks, they shall fail to make such payments, then their membership shall cease, and shall only begin again in such manner as is provided by Rule 7.

§ 19. The Commune, within which a member shall reside, or where he shall be entitled to Poor Law relief, shall have the right, without requiring to obtain the sanction of any Higher Authorities, to grant assistance towards the payment of such member's contribution for the current year, but not to a greater amount than one-sixth of such contribution. Its grant of such assistance does not entail upon the recipient the consequences, which follow upon the receipt of Poor Law relief. Communes, in which officially recognized Unemployment Insurance Funds have their head office or branches, shall have the right, also without requiring to obtain the sanction of any Higher Authorities, to grant assistance to such Fund or Funds, but so that in no case shall such assistance amount to more than one-sixth part of the contributions payable in the course of the year in respect of such members of the Fund concerned as shall have resided within the Commune on the 31st day of March then last.

Branches

§ 20. In places, in which at least . . . members are employed, there may, with the consent of the Head Office, be formed Local Branches. In places, in which less than . . . members are employed, there shall be sub-branches only.

§ 21. Local Branches shall be administered by a Director, a cashier and . . . other persons (Committee-

men), who shall be elected at the general meetings of the Branch, to hold office for (one) year. In addition (two) auditors shall be elected for the same period. The Administration of a Branch chooses its own substitute to take charge in the event of the Director's being prevented by inability to do so in his absence. If the cashier retires, a new one must be elected forthwith.

It shall be the duty of the Local Administration to see to it, that the laws are duly carried out, and that the instructions given by the Head Office are obeyed, and to forward to the Head Office at the end of each month a general report with respect to the unemployment, which may have occurred within the area of a Branch during the past month. At the end of each financial year the Local Administration shall forward a concise report with respect to the operations during the preceding year and a list of its members, who on the 31st of March resided within the area covered by the operations of the Branch. It shall be the duty of the Local Administration to see to it, that application shall be made to the Municipality for assistance in accordance with Section 9 of the Unemployment Insurance Law, and that such assistance as may be received shall be sent to the Head Office of the Fund. The Local Administration shall be responsible to the members of the Branch, and will have to replace any money, the loss of which defective administration may have caused to the Fund.

The members of the Branch are responsible for the contributions, which they have paid into the Branch Office, being duly delivered to the Head Office.

Sub-Branches are not required to keep accounts, but are subordinated to the nearest Branch; and the contributions of their members are to be sent by the end of each month to the cashier of such Branch.

§ 22. If the amount, which shall have been received by means of the payment of members' contributions and of the grant (if any) made the Municipality, shall not be sufficient to defray the expenditure of the Branch, then this fact must be reported to the head cashier, who then forwards to the Branch, taking a receipt for the same,

the amount of such deficiency. All requests for assistance from the Head Office must be counter-signed by both auditors, and no such request shall in any case be made in relation to a deficiency caused by arrears of contributions.

§ 23. Within (two) weeks after the end of each quarter a meeting of the Branch shall be held, at which the accounts of the Branch for the last quarter, duly audited, shall be laid on the table for the approval of the members, after which such accounts shall at once be forwarded to the Head Cashier. It is the duty of the local auditors to assure themselves (*e. g.*, by production of the Post Office receipt) that the cash balance has been sent to the Head Office, together with the balance-sheet.

§ 24. Extraordinary general meetings may be called, if either the Head Office or the Branch Administration shall so desire, or if . . . members shall in writing, addressed to the Directors of the Branch and explaining the reasons for such demand, so request.

The Head Office

§ 25. The Head Office Administration shall consist of one Director, one chief Cashier and (3) Committeemen chosen by the meeting of delegates, by which also the (2) auditors shall be appointed, together with substitutes for all the positions. All persons so elected hold office until the next meeting of delegates. The Administration of the Head Office chooses the substitute director. The members of the Head Office Administration and the auditors must reside in (Copenhagen) at which place the Head Office of the Fund is situated.

§ 26. The Head Office Administration, which settles its own methods of procedure, shall meet as often as it shall find necessary, and if at least (2) of its members shall so request. The Head Office Administration conducts the current business, and deliberates on all the affairs of the Fund, always in strict accordance with the Law and with the instructions of the Inspector of Unemployment. It is empowered, subject to confirmation

by the meeting of delegates, to make agreements with other Societies in relation to reciprocal assistance for members on travel in accordance with the rules laid down by the Unemployment Insurance Committee (cf. Section 18 of the Unemployment Insurance Law); all such agreements require the sanction of the Inspector of Unemployment, who shall have power to cancel the same. Between one meeting of delegates and another, it shall be lawful for the Head Office Administration to take, in relation to questions, which demand speedy settlement, a general vote of the members of the Fund.

The Meetings of Delegates

§ 27. Once in every three years the Head Office Administration shall summon a general meeting of delegates, with which meeting shall rest the supreme authority in relation to the internal administration of the Fund. Such meetings shall alone have power to make or alter (in all cases with the sanction of the Inspector) the rules of the Fund. A report shall be made to the meeting in relation to the operations and finances of the Fund for the period, which shall have elapsed subsequent to the preceding meeting, and such proposals, of which notice has been given, shall be considered. Each branch shall be empowered to bring forward proposals, which must be forwarded to the Head Office Administration at least two months prior to the meeting. The different proposals are sent to the branches one month at least prior to the meeting.

§ 28. Each Branch shall be allowed to send to the meeting of delegates one delegate for each . . . members, and one for each subsequent . . . members, and one for each further . . . up to . . . members, and one for each . . . members in excess of . . .¹ All matters shall be decided by a simple majority vote (but see Rule 38).

The members of the Head Office Administration are *ex-officio* members, but shall not have the right to vote

¹ The numbers to be inserted are to vary according to the circumstances existing in each trade concerned.

in relation to the confirmation or otherwise of the proceedings of the Fund.

§ 29. In the meeting of delegates there shall be elected . . . representatives for Jylland, . . . for Fyn, . . . for Sjælland-Bornholm, . . . for Lolland-Falster, and . . . for Copenhagen. These representatives shall once in every year in the month of . . . have a conference with the Head Office Administration, and at such conference resolutions concerning the operations and finances of the Fund during the past year shall be voted upon.

These representatives shall choose from among their own number the persons, whom the Fund is entitled to send to represent it, in accordance with the Section 16 of the Unemployment Insurance Law, at the annual meeting mentioned in that Section.

§ 30. The expenses incurred in connection with the different meetings, including the journey-money of the delegates and representatives, compensation for the loss of earnings, and the fees paid to them in respect of their attendance, must be paid by the Head Office, the amount thereof being decided at the meeting of delegates.

In the same manner the salaries of the Director and of the Head Cashier and all other wages and salaries, as also the grants in aid for administration purposes to the Branches, shall be settled by the meeting of delegates, subject to the sanction of the Inspector of Unemployment.

Accounts

§ 31. The Head Cashier receives all the cash, which comes in to the Head Office, and keeps the books. He has to enter in the cash book every item of receipt and expenditure with the respective dates of such receipts and expenditure.

The cash in hand must not exceed (100) kr. [£5 11s. 1½d.]; any sums in excess of that amount must be paid into a bank of good standing, or else be employed in the purchase of safe interest-bearing securities. Both the revenue and the capital of the Head Office must be kept

strictly separate from the funds of other Societies, and cannot be parted with, either by way of gift or loan, to any other Societies, or be used for any unauthorized purpose.

§ 32. The Head Cashier can only draw money from the savings-bank of the Fund, if he shall, together with (one) member of the Head Office Administration appointed by that Administration, have signed a cheque made out for the amount required. The amount drawn shall on each occasion be debited in the savings-bank book.

§ 33. It shall be the duty of the Head Cashier, every month, on the basis of the information with respect to unemployment, which he shall have received from the branches, to draw up a general report with respect to unemployment. In the month of April in each year he shall draw up a balance-sheet for the preceding year (April 1 to March 31). In order to receive the subvention of the State, the accounts must, prior to the 31st day of May, be sent to the Inspector of Unemployment, together with a report concerning the operations of the Fund during the same period, and a list of the members of the Fund, with a return of the contributions paid, and a statement showing the Commune of residence of each member on the 31st day of March. Prior to this, the auditors must have critically examined and revised the accounts, and must assure themselves that the securities and the cash-balance are forthcoming, and certify accordingly. Once at least in such quarter an extraordinary cash-inspection must take place. Together with the accounts, the Head Cashier must draw up a balance-sheet.

§ 34. If the accounts are found to be in disorder, the Head Cashier must immediately deliver to the Head Office Administration all that belongs to the Fund. The Head Office Administration is in such case entitled to suspend the cashier and provisionally to employ another in his stead.

§ 35. The Head Office Administration shall at all times have the right to investigate the accounts and

cash in hand and to examine and supervise the book-keeping in the branches as well as in the Head Office.

§ 36. It is the duty of the Branches to send in the contributions and accounts every quarter (month).

§ 37. The reserve fund is formed of the yearly surplus, including any extraordinary income. The reserve fund shall be applied towards making good any deficit which may occur in a year of depression.

If the deficit is too large to be met out of the reserve fund alone, any excess of such deficit shall be met by means of extraordinary contributions levied from the full members prior to the accounts being sent in to the Inspector of Unemployment.

§ 38. The capital assets of, and any surplus belonging to the Fund shall not under any circumstances be divided up between the members. With respect to the manner, in which, if the Fund should be dissolved, its property shall be used, the consent of the Inspector of Unemployment must be obtained.

The . . . Unemployment Insurance Fund can only be dissolved, if a resolution to that effect shall have been passed, by a majority of at least three-fourths, at a meeting of delegates, such majority having been obtained by means of a written poll of all the members of the Fund.

§ 39. These Rules shall come into operation upon the day, on which the Fund shall obtain official recognition under the Law of April 9, 1907.

The consent of the Inspector of Unemployment is required with respect to any alteration of these Rules.

APPENDIX V

LIST OF PRINCIPAL PUBLICATIONS DEALING WITH THE QUESTION OF INSURANCE AGAINST UNEMPLOYMENT

- ADLER. Article "Arbeitslosigkeit," in *Handwörterbuch der Staatswissenschaften*.
- Belgian Labour Department. *Revue du Travail*. Successive volumes.
- Bellom, Maurice. "L'assurance contre le chômage en Danemark," in *Économiste français*, November 9, 1907, ii, p. 659.
- Cormier, Crosson du. *Les caisses syndicales de chômage en France et en Belgique*, Paris, 1905.
- Curti. "Die Arbeitslosenversicherung in St. Gallen und Bern," in Braun's *Archiv*, vol. x.
- Danish Inspector of Unemployment's Report to the Ministry of the Interior for the year 1907-8. (*Arbejdsloshedsinspektorens Indberetning til Indenrigsministeriet for Regnskabsaaret, 1907-8—1. August-31. Marts*), Copenhagen, 1908.
- David, P. *L'assurance contre le chômage en Suisse*, Liège, 1903.
- Dupont, P. *L'assurance contre le chômage*, Paris, 1908.
- Dutch Statistical Office. *Maandschrift van het Centraal Bureau voor de Statistiek*. Successive volumes.
- Fagnot, E. *Le chômage*, Paris, 1905.
- Falkenberg. In the Publications of the Amsterdam Statistical Office.
- French Labour Department. *Bulletin de l'Office du Travail*. Successive volumes.
- Freund, Richard. *Materialen zur Frage der Arbeitslosenversicherung*, Berlin, 1903.

German Labour Department. *Die bestehenden Einrichtungen zur Versicherung gegen die Folgen der Arbeitslosigkeit*, 3 vols., Berlin, 1906.

„ *Reichsarbeitsblatt*. Successive volumes.

Guttknecht. *Arbeitslosenversicherung in der Schweiz*. Zacher's Collection (*Die Arbeiterversicherung im Auslande*), part xia (vol. v), p. 45, Berlin, 1908.

Hofmann. "Die Arbeitslosenversicherung in St. Gallen and Bern," in Braun's *Archiv*, vol. xiii.

International Unemployment Congress. "La Disoccupazione; Relazione e Discussione del primo Congresso Internazionale per la lotta contro la disoccupazione," 2-3 Ottobre, 1906, Milan, Società Umanitaria, 1906.

Italian Labour Department. *Bollettino dell' Ufficio del Lavoro*. Successive volumes.

Jäger, Oskar. *Die Arbeitslosenversicherung in Norwegen*, Zacher's Collection, part iiib (vol. iv), p. 43-84, Berlin, 1908.

Kruger, E. *Bibliographie der Arbeitslosenfürsorge*, Berlin, 1904.

Landsberg, Otto, "Die bisherigen Erfahrungen auf dem Gebiete der Arbeitslosenversicherung," in *Mitteilungen des Statistischen Amtes der Stadt Magdeburg*, Magdeburg, 1908.

Las Cases, Ph. de. *L'assurance contre le chômage en Allemagne*, Paris, 1906.

Leo, Victor. "Die Grundprobleme der Arbeitslosenversicherung," in *Zeitschrift für Versicherungswissenschaft*, October 1906.

„ "Zur neueren Entwicklung der Arbeitslosenversicherung," in the same Journal, October 1907.

„ "Die Hauptprobleme der Arbeitslosenversicherung," in *Zeitschrift für Vergleichende Staats- und Rechtswissenschaft*, December 1906.

„ "Les derniers essais d'Assurance—Chômage," *Bulletin du Comité Permanent des Congrès Internationaux des Assurances Sociales*, January-April 1908.

„ "Examen critique de l'évolution contemporaine en

- matière d'assurance contre le chômage," in *Revue économique internationale*, May 1908.
- Lindberg. "Forsikring mod Arbejdsloshed i Danmark."
 ,, "Arbejdsloshedsforsikringen i Danmark," in *Tidsskrift for Arbejderforsikring*, 1905 and 1906.
- Magaldi, Vincenzo. "Arbeitslosenversicherung in Italien," in Zacher's Collection, part vi^b (vol v), pp. 14-16.
- Mangold. "Die Arbeitslosigkeit in Basel," 3 Reports.
- Marchetti, Livio. *Sistemi di difesa contro la disoccupazione*, Milan, 1908.
- Matschappij tot Nat vant Algemeen. *Verzettingen tegen de gevolge van Werkloosheid*, Amsterdam, 1903.
- Millerand. *Rapport à la Chambre des Députés fait au nom de la Commission d'assurance et de prévoyance sociales*, October 21, 1905. Parl. Doc. No. 1982.
- Reichesberg. "Arbeitslosenversicherung," in *Handwörterbuch der Schweizerischen Volkswirtschaft*.
- Roussel, E. "Municipalités et chômage involontaire," in *Aide Sociale*, 1907-1908, p. 219.
- Schanz, Georg. *Zur Frage der Arbeitslosenversicherung*, Bamberg, 1895; *Neue Beiträge*, Berlin, 1897; *Dritter Beitrag*, Berlin, 1901.
- Schloss, D. F. "Report to the Board of Trade on Agencies and Methods for dealing with the Unemployed in certain Foreign Countries," (Cd. 2304), London, 1904.
- Séguin, J. *L'assurance contre le chômage*, Paris, 1903.
- Singer, K. *Die Schaffung eines gemeindlichen Fonds zur Förderung der Arbeitslosenversicherung*, i, Munich, 1903; ii, Munich, 1905; *die Arbeitslosenversicherung der Bauarbeiter*, Munich, 1905.
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- Trap, Cordt. *Arbejdsloshedsforsikring*, Copenhagen, 1907.
- United States. *Bulletin of the Bureau of Labour*, No. 76, May 1908, pp. 829-843.
- Varlez, Louis. *Ville de Gand. Commission spéciale*

pour l'étude de la question du chômage. Rapport et projet de règlement, Ghent, 1901.

„ “Die Kommunalversicherung gegen Arbeitslosigkeit in Gent,” in Braun's *Archiv*.

„ *Les formes nouvelles de l'assurance contre le chômage*, Paris, 1903.

„ “Die Bekämpfung der unfreiwilligen Arbeitslosigkeit,” in *Soziale Kultur*, 1908.

„ “L'assurance contre le chômage,” in *Bulletin de la Fédération des Industriels et Commerçants français*, No. 56, May 1908, p. 291.

„ Annual Reports of the Ghent Municipal Unemployment Insurance Fund.

Vivier, P. *L'assurance contre le chômage involontaire*, Paris, 1908.

Zacher. “Die Arbeiterversicherung in Dänemark,” in his Collection already referred to, part 1a (vol. ii), pp. 30-45, Berlin, 1908.