

eight instalments of 7s. 6d. each. Each coupon is of a different colour, and bears the due date of the instalment. On presentation of an instalment at any money-order office the relative coupon is detached by the Postal official, who receipts and date-stamps the counterfoil.

Payment of the first instalment of the levy, due on the 1st December, 1930, was effected by approximately 415,000 persons, and of the second instalment, due on the 1st March, 1931, by approximately 386,000 persons. Departmental machinery provides an effective check on defaulters, and these are gradually being brought to book. More than 20,000 persons elected to pay the June and September, 1931, instalments in advance.

Exemptions.

Section 7 of the Act wholly exempts from payment of the unemployment levy persons who are in receipt of war pensions under the War Pensions Act, 1915, in respect of their *total disablement*; persons in receipt of pensions under the Pensions Act, 1926; and Natives within the meaning of the Native Land Act, 1909, with the proviso that any Native may elect, with the consent of the Board, to become a contributor to the fund.

Exemption from payment of individual instalments of the levy is provided under this section for inmates of public hospitals, mental hospitals, public and private charitable institutions, prisons, and reformatories; also for students enrolled at educational institutions and not in receipt of salaries or wages.

The Post and Telegraph Department provided the necessary machinery for recording exemptions. A declaration or other proof of exemption on the specified form must be produced at a money-order office, together with the person's coupon-book if he has been issued with one. The coupon is detached, and the relative counterfoil date-stamped and marked "Exempt." Persons wholly exempt are not issued with coupon-books, but are required to make a declaration of total exemption.

As the first instalment of the unemployment levy fell due on the 1st December, 1930, the thousands of persons who considered they were eligible under the provisions of the Act for exemption from payment of the levy naturally took steps to ascertain the necessary procedure which would protect them from the penalties provided for non-payment. Although machinery for declaration of exemption was provided, it soon became evident that the exemptions provided in the Act did not go far enough, and that it would be necessary for the Governor-General, by Order in Council, to exempt other classes of persons on the grounds of public policy. After serious consideration by the Board, regulations were made and gazetted on the 18th December, 1930, providing exemption for certain classes of aged, infirm, and unemployed men whose financial status was such that they could not reasonably be expected to pay the levy; also for members of religious bodies whose rules forbid the possession by its members of any personal property other than clothing and similar personal effects. In addition, the regulations provided that exemption from payment of an individual instalment of the levy might be granted to any person if in the opinion of the Board the payment of such instalment would, by reason of sickness or poverty, impose undue hardship on that person or his dependants.

In the first few months of the Unemployment Board's existence several thousands of letters dealing with the question of exemption alone were received and dealt with. Applications on the grounds of hardship, which are still coming to hand in considerable numbers, require careful investigation of the applicants' financial position, &c. The applications are then considered periodically by a committee of Board members, which makes its recommendation to the Board. Up to the 31st March, 1931, some 581 applications were dealt with, and in 378 cases exemption was granted, whilst in the remaining 203 cases it was refused. After the Board's decision is made, each applicant is advised of the result so far as he is concerned, and arrangement is made with the Post and Telegraph Department for recording the exemption in the case of successful applicants.

Exemptions recorded to the end of March, 1931, are as follows:—

Total exemptions	9,927
Partial exemptions—	
Inmates of mental hospitals	December Instalment. 3,344
Inmates of prisons, reformatories, &c.	March Instalment. 3,575
Inmates of hospitals, charitable institutions, &c.	1,071
Students	957
Cases of mental and physical disability or unemployed	480
and destitute	735
Hardship	3,581
	1,971
	365
	10,053
	8,221

Utilization of Existing Organizations in connection with the Administration of the Act.

On the constitution of the Unemployment Board, the Government intimated that, as far as possible, the creation of a separate Department of State to carry out the work of the Board was to be avoided, and that the Board was to use existing Government organizations wherever these were suitable. In accordance with this direction, the Labour Department and the Post and Telegraph Department have acted for the Board in the registration of unemployed and in the payment of wages and subsidies for relief work. The services of the Departments of Public Works, Lands and Survey, Industries, Commerce, and Publicity, and Census and Statistics also have been availed of in connection with the work of the Board.