

This supplementary portion is presented under two main headings, the first of which deals with the serious position that has arisen through the rapid depletion of the finances available for unemployment relief and the steps taken to meet the position, particularly as regards the operation of Scheme No. 5. Under the second heading the Board avails itself of the opportunity to review what has been done in the direction of reducing unemployment in the primary and secondary industries, together with a brief reference to miscellaneous items of the Board's activities since the end of March.

#### Reduction in Rate of Expenditure under Scheme No. 5.

It has already been shown that the expenditure by way of refund of wages paid to relief workers under Scheme No. 5 had assumed such proportions that a continuance of the scheme on the existing scale was quite impossible. Apart from the various specialized schemes for providing certain classes of useful work for a section of the unemployed, Scheme No. 5 had developed into the mainstay of the Board's efforts to alleviate unemployment.

On the 31st March, 1931, the Chairman of the Unemployment Board issued for publication an important statement on the Board's financial position, and indicated that the Board had been obliged to consider by what means its expenditure might be reduced.

*Reduction of Wage-rates on Government Relief Works.*—Reference may be made here to the action of the Government in reducing, on and from 1st April, 1931, the rates of wages paid on Government relief works. These rates were reduced from 14s. per day for all men to 12s. 6d. per day for married men and 9s. per day for single men, in each case for a working-day of eight hours, or to 1s. 6½d. and 1s. 1½d. per hour respectively on an hourly basis.

In accordance with its stated policy of not exceeding Government relief rates in connection with the subsidy on wages paid under its schemes, the Unemployment Board issued instructions that the reduced rates would operate from the 1st April under Scheme No. 5 so far as refund of wages was concerned. This relieved the strain on the Board's funds to a certain extent, but was not by any means sufficient to bring the expenditure within the confines of the Board's income.

*Temporary Cessation of Scheme No. 5.*—Steps were taken, therefore, to effect a drastic curtailment of the relief formerly provided, and this curtailment, in the first place, took the form of a complete cessation of Scheme No. 5 for two weeks after the 11th April. So that the unemployed workers themselves should not suffer unduly, the Board appealed to all local governing authorities to employ as many as possible of these men until the scheme resumed on the 27th April. It is pleasing to record that many local bodies responded to this appeal.

*Reclassification of Unemployed.*—Reference has already been made to the institution of an amended system of registration of the unemployed. This was made to coincide with the suspension of Scheme No. 5, thus giving Employment Bureau officers an opportunity to put their registers on a satisfactory working-basis. In co-operation with the Labour Department, the Board issued confidential inquiry sheets to all bureaux, with instructions that each applicant for relief would be required to complete one of these forms. Inquiry officers attached to bureaux in the larger centres were authorized to make personal investigations into the circumstances of all applicants, particularly those whose eligibility for relief was doubtful.

With the information obtained by means of the inquiry sheets, Certifying Officers and local committees were enabled in most cases to decide the eligibility of applicants for relief before the resumption of the scheme. In the larger centres, where it was not possible to investigate all cases prior to resumption, men whose circumstances had not been investigated were allowed to commence work pending their cases being finalized, and the investigation was carried on until completed. The amended rules of Scheme No. 5 had been approved and circulated to all Certifying Officers, local committees, and local bodies prior to the 11th April, and it was expected that the amendments incorporated would result in a decided falling-off in the Board's expenditure.

*Reduction in Rationing Scale.*—The essential points on which the amended rules differed from those previously in force are as follows:—

- (1) A further rationing of relief by the provision of work on two, three, or four days per week for three weeks only out of every four successive weeks; also a reduction from four to three days' work per week in the case of married men and widowers with two dependent children.
- (2) The elimination from participation in the benefits provided by the scheme of all men who were not genuinely unemployed workers and who had not previously worked for wages when employment was available.
- (3) A similar elimination of all those who were considered, by reason of the possession of money or other resources, not to be urgently in need of relief.
- (4) The adoption of the principle, "No levy, no relief," providing that payment of the March instalment of the levy *must* be effected by all men before being eligible to resume relief work on the 27th April.
- (5) A much stricter supervision over the expenditure by local bodies of wages which were to be refunded by the Board.

With the curtailment and further rationing of relief under the amended rules the Board came in for a certain amount of criticism, particularly regarding the exclusion of unemployed men possessing sufficient means to enable them to subsist for a time without having recourse to relief work. The Board had no desire to place at any disadvantage the worker who had practised thrift in the past, or the man who possessed a small pension or other private means, but the Unemployment Fund at this time was subjected to such demands that the Board was perforce obliged to provide relief to the most necessitous cases amongst unemployed wage-earners, particularly those with no resources other than relief work, with the object of making its funds last for as long a period as possible.