



## REPORTS AND ENQUIRIES

### The Problem of the Unemployment of Young Persons

*In October 1932 the Governing Body of the International Labour Office decided that at its next Session (which was held in February 1933) it would consider whether the question of the "measures to be taken to remedy the special consequences which unemployment involves for young persons" should be placed on the agenda of the 1934 Session of the International Labour Conference. The International Labour Office accordingly drew up a summary report on the state of the question. If it had been decided that the question should be submitted to the 1934 Session of the Conference, the Office would have had to expand this summary report and to publish, according to the usual procedure, a "grey report" to serve as a basis for the discussions of the Conference. This not being the case, the systematic search for the supplementary information needed by the grey report will not be put in hand in the immediate future. In the circumstances, it has been decided to publish in the Review the preliminary report prepared for the Governing Body, with the reminder that the information it contains is far from being exhaustive.*

#### THE IMPORTANCE OF THE PROBLEM

The unemployment statistics published in the various countries seldom make a distinction between unemployed persons according to age, and give few details concerning unemployment among young persons. The investigations which the Office has so far been able to make have only furnished information concerning Czechoslovakia, Germany, Great Britain, Sweden, and Switzerland. This information provides nothing more than an indication of the general situation, but is nevertheless sufficient to show its gravity.

*Czechoslovakia.* At a conference held at the Ministry of Social Welfare on 2 November 1932, Mr. Weigel, a trade union representative, stated that in one place, Aussig, at the end of September, about 27 per cent. of a total of 7,162 unemployed persons were between the ages of 15 and 21. He estimated the total number of young unemployed persons throughout the country at over 100,000.

*Germany.* On 15 January 1932, there were 1,779,113 unemployed persons in receipt of ordinary insurance benefit, and these included 58,249 under 18 years of age and 188,361 between 18 and 21 years of age. To these figures should be added the much larger numbers of unemployed persons who are in receipt of emergency relief (*Krisenfürsorge*), those in receipt of communal relief (*Gemeindeunterstützung*),

and those not in receipt of relief at all. There is, however, no information concerning the distribution of these persons according to age.

A recent estimate based on various sources, mainly official, by Mr. Egon Bandman and published in *Wirtschaftsdienst*<sup>1</sup> gives the total number of juvenile workers (under 21) as about a million, of whom 250,000 are supposed never to have had a job.

*Great Britain.* Statistics are published each month showing the number of juveniles (14-18) on the registers of the employment exchanges; recent figures are as follows:

Date	Insured, 16-18		Uninsured, 14-18		Total, 14-18	
	Boys	Girls	Boys	Girls	Boys	Girls
Oct. 1932	40,115	20,660	30,722	28,198	70,837	48,858
Dec. 1931	36,036	18,887	23,747	22,101	59,783	40,988
Dec. 1930	38,268	27,811	22,193	21,674	60,461	49,485
Dec. 1929	16,368	11,269	14,303	15,807	30,671	27,076

The Ministry of Labour estimates that the number of unemployed juveniles who do not register is about a third of those who do register and that "on this basis there would have been about 134,000 juveniles under 18 unemployed in Great Britain at the end of 1931" (170,000 at the end of 1930 and 90,000-100,000 at the end of 1929).

For insured juveniles (i.e. 16 to 18) figures are available showing percentages unemployed. The number of insured juveniles is about 1,000,000. The monthly figures generally show about 7-8 per cent. of the boys and 5-6 per cent. of the girls (or about 7½ per cent. of juveniles) as unemployed. The rate of unemployment among juveniles "has remained about one-third of the adult rate, as it has done for a number of years".

A special investigation carried out in February 1931, covering a representative sample of 5 per cent. of the young unemployed persons under 18 years of age<sup>2</sup>, furnished the following information concerning the percentages of unemployed young persons of different ages:

	14 years	15 years	16 years	17 years	Total
Boys	17.9	9.6	25.2	47.3	100
Girls	21.9	11.8	24.8	41.5	100

About 5 per cent. of the total number of insured persons of 16 years of age were unemployed, while for persons of 17 years of age the corresponding proportion was about 10 per cent.

<sup>1</sup> Herausgegeben vom Hamburgischen Welt-Wirtschafts-Archiv an der Universität Hamburg in Verbindung mit dem Institut für Weltwirtschaft und Seeverkehr an der Universität Kiel. Heft 15, XVII. Jahrgang.

<sup>2</sup> Results published in the *Ministry of Labour Gazette*, Sept. 1932.

Of the total number of young unemployed persons covered by the enquiry, 15 per cent. of the boys and 21 per cent. of the girls had never been employed at all.

As regards those who had been employed, the following table shows the proportion of instability of their employment :

Percentage who had held :	Boys	Girls
1 post	33	39
2 posts	26	28
3 posts	17	16
4 posts or more	24	17
	100	100

*Sweden.* A census of unemployed persons carried out in 1927 showed that out of a total of 59,922 unemployed, 19.6 per cent., or 11,723, were not more than 20 years of age. Further details are as follows : 524 (0.9 per cent.) were from 14 to 15 years of age, 3,046 (5.1 per cent.) from 16 to 17, and 8,153 (13.6 per cent.) from 18 to 20.

Another enquiry into unemployment among trade union members in 1929 produced the following figures :

Age group	Trade union members	Unemployed	
		Absolute figure	Percentage
15-17	4,641	2,316	49.9
18-20	22,463	11,185	49.8
Over 20	371,018	163,092	44.0
	398,122	176,593	44.4

*Switzerland.* Since 1926 the statistics of unemployed persons registered with the public employment exchanges have been divided into age groups for the end of January and the end of July of each year. Unemployed persons under 20 years of age represent a proportion of the whole varying at different dates from 6 to 10 per cent.

The highest proportion occurred in January 1927, when out of a total of 21,562 unemployed, 10 per cent. or over 2,000 were under 20 years of age. The lowest proportion occurred in July 1932, when out of a total of 39,781 unemployed, 6 per cent. or approximately 2,400 were under 20 years of age.

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It will thus be seen that the problem of unemployment among young persons is one of considerable extent. Although in certain countries, such as Great Britain, the proportion of unemployed among young persons under 18 years of age is less high than among adults, there are other countries, such as Sweden, where the proportion is higher.

It should also be noted that the abnormal decrease of the birth rate which occurred during the war should have resulted in recent years in a shortage of juvenile labour<sup>1</sup>, and that on the other hand

the increase in the birth rate which took place at the end of 1919 and in 1920 will shortly result in a larger influx of young persons of 14 years of age into the labour market. Thus, if other conditions remain equal, there may be a temporary increase in unemployment among young persons.

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The problem is a serious one not only on account of its extent but also on account of its special consequences which, in some respects, are even more serious than those of unemployment among adults. It is true that, in a family where the children who are of an age to work are in employment as well as the head of the household, the economic position of the family will not be as seriously affected if one of the children is unemployed as if the father were unemployed. From that point of view it would be desirable, if it could be done, to some extent to regulate the incidence of unemployment so as to let it fall on the young workers in order that fully trained adult workers may remain in employment. This object could, for example, be achieved by raising the age of compulsory school attendance by one or two years. This would leave more employment available for adult workers without increasing unemployment among young persons. The problem now under consideration is however that of the special consequences which unemployment involves for young persons. Those consequences are most serious in the moral sphere. Young persons are more likely than adults to be demoralised by a long period of inactivity. These are the effects of unemployment which should be combated by measures for ensuring a suitable use of the enforced leisure of unemployed young persons.

It is first necessary to consider to what extent young persons are covered by unemployment insurance or relief, and what unemployment benefit they receive, as this consideration affects the possibility of making use of unoccupied time. The possible means of making use of such time will then be considered, a distinction being made between measures which provide occupation for unemployed young persons by healthy amusements, by completing their general education, by undertaking or supplementing their vocational education, and by voluntary or compulsory labour service. Lastly, it will be necessary to consider what can be done to reduce the amount of unemployment among young persons by restoring them to normal employment.

### UNEMPLOYMENT BENEFITS

There are various ways in which young persons are specially affected by unemployment benefit schemes. The points that may be

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<sup>1</sup> In Great Britain and Northern Ireland, the decrease of the birth rate in 1915 and 1916 did in fact result in reducing the number of young persons between 16 and 18 insured against unemployment from 1,067,000 in 1930 to 1,037,000 in 1931 and 1,001,000 in 1932.

considered in this respect are : (1) limitations in the scope of benefit schemes due to age ; (2) special rates of contribution and of benefit on account of age.

### *Limitations in the Scope of Benefit Schemes due to Age*

In insurance schemes there is almost invariably a minimum age, fixed by law or by the rules of voluntary insurance funds, below which employed persons are not admitted. The age varies greatly in different countries. It is 15 in Bulgaria, Finland, and Italy, 16 in the Irish Free State, Luxemburg, Poland, and Spain, and 18 in Denmark and Queensland. In Austria the minimum age is 17, but unemployed persons under that age are also admitted if they have no relations responsible for maintaining them and able to do so, and in addition apprentices are liable to insurance in their last year of apprenticeship. In Switzerland the age varies from canton to canton. In Germany the minimum age is the same as the school-leaving age, but young persons under 21 years of age are not entitled to benefit unless their families are unable to comply with their legal obligation to support them. In Great Britain the minimum age is at present 16, but it is provided that when the school-leaving age is raised to at least 15 the minimum age will be lowered so as to be the same as the school-leaving age.

In non-contributory schemes, of course, the minimum age laid down applies to the payment of benefit.

No benefit is payable in contributory insurance schemes until the qualifying condition has been complied with. This condition requires that a certain number of contributions shall have been made or a certain number of weeks' employment shall have been accomplished, generally within a given period. Thus, to take a few examples : in Germany, the claimant must have been engaged in an employment liable to insurance for at least 52 weeks during the previous two years ; in Great Britain, not less than 30 contributions must have been paid during the previous two years ; in Italy, 24 fortnightly contributions must have been paid during the preceding two years ; and in Poland, a claimant must have been employed in an occupation covered by the Act for not less than 26 weeks during the preceding 12 months. A similar provision exists in all other insurance laws. If the young worker becomes unemployed before this qualifying period is completed, he is not entitled to benefit.

During the present economic depression there have, in fact, been a number of young persons in different countries who have either had no work at all during the qualifying period or have had so little that they have not been entitled to benefit. As unfortunately some of these persons may fail to find employment for a very long period, amounting in some cases to years, the situation for them is a very serious one.

Another point which is of great importance in this connection is the existence of a " gap " between the age at which children leave

school and the age of entry into insurance. It has been mentioned above that in Germany no such gap exists. In Great Britain, on the contrary, while the school-leaving age is 14, the minimum age of entry into insurance is 16. The result is that unemployed boys and girls between the ages of 14 and 16 are not brought into contact with any official machinery which can be of assistance to them unless they voluntarily register at the employment exchanges. Moreover, it has been stated that some of the boys and girls who obtain employment soon after leaving school are discharged on reaching the age of 16 because at that age the employer becomes liable for contributions to the insurance fund and this can be avoided by engaging boys and girls of 14 in place of those who have reached 16. It is interesting to note that the Royal Commission on Unemployment Insurance in Great Britain, which recently issued its report, recommended that the minimum age for insurance and the school-leaving age should coincide, and that unemployment insurance contributions should be credited in respect of voluntarily continued full-time education, subject to certain conditions.

#### *Special Rates of Contribution and of Benefit on account of Age*

Rates of contribution and benefit sometimes vary with the age of the insured person. The reason for this is that a young worker earns less wages, as a rule, than an adult worker and can therefore not be expected to pay the full adult contribution. On the other hand, when the young worker becomes unemployed he is not supposed to need such a high benefit because it is assumed that some support will be forthcoming from the parents or near relatives. Moreover, rates of benefit are fixed to some extent so as to correspond to the rates of contribution.

It has already been mentioned that in Austria and Germany unemployed persons under a certain age are not entitled to benefit if they have relatives responsible for maintaining them and able to do so. The number of other countries in which there are variations in the rate of benefit according to the age of the applicant is not large. These countries are : Belgium, where in respect of payments from the Emergency Fund those under 25 receive less than those over 25 ; Great Britain, where there are four age classes for males and four for females ; the Irish Free State, where there are two age classes for males and two for females ; and the Saar Territory, where there are three age classes for males and three for females.

#### UTILISATION OF SPARE TIME

In many places measures have been taken, either by private initiative or by the public authorities, to provide young persons who cannot obtain employment with a means of occupying their enforced spare time.

These measures may provide either amusements or means of obtaining general or vocational education. As regards amusements, a great deal can be done by athletic or travel organisations, musical societies, amateur dramatic societies, organisations possessing facilities for showing cinema films, and popular libraries. Cinema films and libraries are on the border line between amusements and general education. As regards education, the work has mainly been carried out in the form of supplementary courses in the State schools, and this work could be further developed. Much further action on more specialised lines has, however, been taken and could be increased. Measures in connection with vocational education are of course more practical and possibly more important. It should be noted in this connection that, side by side with a large amount of unemployment among young persons, a shortage of apprentices is reported from various quarters. This is due to the unfavourable economic situation of parents, who owing to the depression, unemployment, and wage reductions are no longer able to bear the expense of a two or three years' apprenticeship for their children.

The problem of the vocational training of unemployed young persons is different in the various cases of young persons who have never been able to obtain employment since they left school, young persons who have become unemployed before their vocational training is completed, young persons who had learnt a trade before they became unemployed and who are in danger of losing the skill they have acquired, and young persons who have been engaged in unskilled labour from the time they entered employment. Young persons of the first and the last classes need a chance of acquiring vocational training corresponding to their aptitudes, while those of the second and the third classes need to supplement or preserve the skill which they have already acquired.

In addition to the measures taken in some cases to raise the school age, either permanently or temporarily, with a view to improving general education, many measures for the continued education and vocational training of young unemployed persons have been taken in various countries and might well be taken everywhere. These include pre-apprenticeship schools or workshops, vocational courses, training in workshops, courses and workshops for vocational retraining, etc.

Attendance at such courses of instruction is greatly facilitated if institutions which administer unemployment benefit are allowed to make attendance a condition for the receipt of benefit. The legislation on unemployment benefit in various countries, such as Austria, Bulgaria, Germany, Great Britain, the Irish Free State, Italy, Queensland, and Yugoslavia, contains provisions of this kind. This is a means of rendering the provision of benefit to unemployed young persons really productive, since it helps to ensure that they shall either continue their general education or acquire, retain, or develop a vocational skill which will be of great value to industry when trade recovers, and the loss of which would mean a general decrease in the efficiency of the workers.

Many of the measures to provide occupation for young unemployed workers have been taken by private initiative or by local authorities. It is difficult at the present stage to give a general idea of what has been done in this way. The information which follows is thus of a preliminary character and is necessarily incomplete.<sup>1</sup>

*Austria.* In Austria, the measures taken to provide occupation for young unemployed persons are of many different kinds. As regards general and vocational education, Austrian legislation on unemployment insurance authorises the Minister of Social Administration to require unemployed persons under 17 years of age to undergo additional instruction. Those who devote their whole time to this are entitled to ordinary unemployment benefit. In addition, the Unemployment Office, in agreement with the District Industrial Commission, may require any unemployed person (though obviously this measure applies mainly to young persons) who has not the knowledge or skill for work in a suitable trade to attend a trade school or to supplement his education in some other suitable way. Unemployed persons who do this are entitled to unemployment benefit for the normal period of 12 weeks, and the District Industrial Commission may increase that period up to a maximum of 30 weeks. If the unemployed person refuses to avail himself of the prescribed instruction, or through his own fault renders it nugatory, his right to unemployment benefit is suspended for the following 12 weeks.

Various associations, particularly the "Urania" of Vienna (composed mainly of university professors and lecturers), have in recent years organised lectures for unemployed persons in order to provide instruction in various scientific subjects.

Various trade unions have placed their premises, halls, school buildings, and cinema and broadcasting apparatus at the disposal of young unemployed persons.

*Belgium.* A number of decisions relating to the occupation of the spare time of unemployed persons in general, and young persons in particular, have recently been taken by industrial organisations, local authorities, and the Government. The Federation of Socialist Trade Unions of the Centre (Hainault) and the Central Committee of Socialist Youth have organised special vocational courses for young unemployed persons at the *Institut des Arts et Métiers*, La Louvière. Since September, when these courses were opened, over 300 young unemployed persons have registered for them. By agreement with the Unemployment Funds, the necessary supervision of the unemployed can be carried out during the courses. The general inspection authorities for technical education in Hainault last August considered the possibility of instituting special vocational

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<sup>1</sup> The Office notes with satisfaction that the International Save the Children Fund has undertaken an enquiry into the effects of unemployment on children and young persons. This enquiry will represent a valuable contribution to the work of the Office.



courses for unemployed persons, with a special section for apprentices. The Provincial Council of Brabant decided in October 1932 to encourage the municipalities and vocational schools to organise courses and lectures for the unemployed, one-half of the cost to be borne by the Province. Unemployed persons who wish to attend these courses will be classified as follows : (1) young persons who have left the elementary schools and have not yet begun apprenticeship ; (2) young persons whose apprenticeship has been interrupted by unemployment ; (3) adult workers who have received a more or less complete vocational training. Unemployed persons in the first class will continue their elementary education ; unemployed apprentices, however, will be allowed to attend vocational courses. The Provincial Council of Liège in October 1932 devoted a sum of 25,000 francs to subsidising municipalities which set up courses for young persons. An additional credit of 25,000 francs has been granted to a provincial committee dealing with measures to provide occupation for the spare time of the unemployed. At Ghent, the *Collège Echevinal* has approved a proposal to organise courses and libraries for unemployed young persons. The central authorities of Belgium have also given consideration to the problem. At the request of the Minister for Science and Arts, the Higher Council for People's Education has undertaken an enquiry into utilisation of the time of the unemployed, and in particular into the measures taken to assist young persons above school age who are unemployed owing to the depression.

*Czechoslovakia.* Young unemployed persons in Czechoslovakia are able to attend the courses arranged by the public educational institutions, which, under the Act of 7 February 1919, are organised at the expense of the municipalities with a subsidy from the State and under the supervision of the Ministry of Education. In accordance with a decision taken by the Minister of Education in 1931, these courses and lectures are intended more particularly for unemployed young persons. The Minister of Education on 7 June 1932 issued a Decree instructing all public educational institutions to arrange facilities for the instruction and recreation of unemployed young persons by all suitable means. Special free courses for such persons were to be instituted in collaboration with municipal administrations, educational associations, trade unions, committees for the welfare of children and young persons, and the "homes" for young unemployed persons established at the suggestion of the Ministry of Social Welfare.

With a view to carrying out this Decree, various German organisations in Bohemia (German workers' educational institutions, the German National Federation for the welfare of children and young persons, the "homes" for young German unemployed persons, and the German trade unions) held a meeting at the Ministry of Social Welfare on 2 November 1932. In addition to various measures relating to accommodation in the "homes", accommodation to be provided during the daytime on special premises, free meals, supply of clothing, the finding of employment, and vocational guidance, the meeting recommended that courses, lectures, and discussions on general educational

subjects should be organised, that practical courses combined with lectures or purely practical work should be instituted, and that various educational institutions (reading rooms, theatres, concerts, lectures, courses) should be utilised for the benefit of young unemployed persons.

*Germany.* Much action of various kinds has been taken to provide the unemployed with means of occupying their spare time. The Prussian Ministry of Social Welfare has recommended that local committees representing all the organisations dealing with the question should be formed. In Saxony, a central office for the education of the unemployed has been set up in the Ministry of Social Welfare. As a general rule, the vocational training or retraining courses are organised by the employment offices in collaboration with various local institutions, such as the juvenile welfare offices, the educational authorities, and private associations. The employment offices bear part of the cost under section 137 of the Unemployment Insurance Act, which authorises the chairmen of these offices "to institute or subsidise supplementary or vocational training courses out of the funds of the Federal Institution for Employment Exchanges and Unemployment Insurance". A Decree of the President of the Institution, dated 30 September 1927, specifies that such courses may be attended not only by unemployed persons in receipt of relief, but also by unemployed persons who are too young to have completed the qualifying period. Further, the Unemployment Insurance Act allows unemployed persons who are following a special course to be exempted from the regular visits to the employment office which as a general rule are compulsory for all unemployed persons in receipt of relief. These measures have encouraged the establishment of a large number of courses suitable for all classes of unemployed young persons of either sex. Some courses are more fully developed than others. The number of hours worked per week may be anything up to 36; a course may not last for more than three months, but any unemployed person may attend a number of courses in succession.

The Federal Institution for Employment Exchanges and Unemployment Insurance states that in 1931 there were 11,700 courses of this kind attended by 330,885 young unemployed persons. It has further been stated<sup>1</sup> that from 20 to 40 per cent. of the persons who have followed certain courses have been restored to normal employment because their vocational skill has been maintained or increased.

*Great Britain.* A good deal has been done in Great Britain by voluntary organisations to help the unemployed. The Government has recently announced its intention of subsidising this work and encouraging it in every possible way. On 28 November 1932 the Parliamentary Secretary to the Ministry of Labour stated in the House

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<sup>1</sup> Ernst HERRNSTADT: *Die Lage der arbeitslosen Jugend in Deutschland*. Veröffentlichungen des Preussischen Ministeriums für Volkswohlfahrt. Berlin, 1931.

of Commons that the National Council of Social Service had been engaged for some time in co-ordinating and guiding voluntary efforts to provide occupation for the unemployed, and had recently taken steps to strengthen and widen its organisation still further. He added that the Government attached the greatest importance to the development of these voluntary efforts, and had invited the Council to act as the central national body for this purpose. The Government recognised to the full that there were many separate organisations doing useful work in this field, and they hoped that these organisations would always be prepared to co-operate with the Council in a common object.

The National Council promotes measures for the assistance of the unemployed on the following lines, among others : (1) the provision of occupation centres ; (2) physical training facilities ; (3) outdoor work on allotments and the improvement of local amenities ; and (4) educational activities, including music and the drama. Schemes of one kind or another have already been started in over 600 places.

There are two phases of the Council's work. It collects and distributes information about existing schemes, and it gives guidance and advice as to how similar schemes may be started. The various activities are undertaken by and on behalf of unemployed men and women for the purpose of preserving and promoting physical and mental fitness and enabling the unemployed to retain mechanical skill. In addition, attention is paid to the untrained youths who have never had a footing in industry and who consequently have never acquired a trade or the discipline of industrious habits.

Great activity has been shown by the Ministry of Labour in the organisation of courses of instruction and of vocational training for juveniles under 18 and for men and women over 18. These courses fall into three groups for home employment and one group for oversea employment, namely, courses for (a) male juveniles, (b) adult men, (c) women, and (d) special training courses for intending emigrants, which are temporarily suspended at the present time.

Attendance at such courses of instruction is to some extent compulsory under the Unemployment Insurance Acts. Under the 1920 Act an insurance officer may require a claimant to attend an approved course of instruction, and the Act of 1930 charged the Minister of Labour to make arrangements with local education authorities for the provision as far as practicable of such courses of instruction for juveniles. Wherever such a course is available juveniles must attend as a condition of receiving benefit. Since 1930, moreover, this provision has been applicable to adults, but an insurance officer cannot require a person over 18 to attend a training centre unless the question has first been considered by a local board of assessors consisting of a representative of the employers and a representative of the workpeople.

(a) *Male juveniles.* In areas where there is a substantial amount of juvenile unemployment there may be established juvenile instruction centres or classes, and in other areas unemployed juveniles may attend classes already attended by ordinary students. The following

figures show the total numbers in attendance and the number of centres open in recent years :

Date	Number of centres open	Claiming benefit		Not claiming benefit		Total
		Boys	Girls	Boys	Girls	
Dec. 1932	164	9,146	3,306	4,516	639	17,607
Dec. 1931	161	10,795	3,407	3,302	785	18,289
Dec. 1930	114	10,318	3,302	2,116	586	16,322
Dec. 1929	87	2,585	803	2,656	492	6,535
Dec. 1928	97	3,247	883	2,562	466	7,158

In addition to these special centres, about 3,000 juveniles were following courses of instruction at existing educational institutions (mostly in the evening).

(b) *Adult men* (over 18). For men over 18 years of age there are two kinds of training, which are given in (1) Government training centres, and (2) instructional centres.

(c) *Women*. This work is organised by the Central Committee on Women's Training and Employment, which provides (1) domestic training in home training centres, (2) training for certain individual women in shorthand and typewriting, nursing, etc., and (3) outfits for women who have secured resident domestic employment and are unable to obtain the necessary uniform. At the end of 1931 there were 341 adults and 558 juveniles in training.

(d) *Overseas training centres*. In these centres intending emigrants to the Dominions were trained for work on the land up to and including 1930. Since that time these centres have been closed or used for other purposes owing to the absence of requisitions from the Dominion Governments. Assistance is, however, given in the training of boys at 4 hostels in different parts of the country.

*Switzerland*. A special organisation for the assistance of unemployed young persons, known as the *Secours aux jeunes chômeurs* (*Hilfe für jugendlichen Erwerbslose*), has been set up at Zurich. Its work is closely co-ordinated with that of the public employment exchanges.

This organisation possesses a consulting office, a cheap restaurant, and comfortable premises where young unemployed persons can spend the day reading and attending lectures, cinema performances, etc. Visits to factories, exhibitions, and places of historical interest are also arranged, and there are courses in languages, shorthand and typing, and dressmaking, as well as elementary courses in geology, law, astronomy, etc. During 1932 the institution organised two

carpentry workshops and half-a-dozen labour camps. In each of these camps a group of 10 to 40 unemployed young persons was occupied for from one to three months under experienced supervisors. The work included road construction or repair, construction of sports grounds, mountain huts, watercourses, etc.

According to the reports published by the organisation, the results appear to have been everywhere satisfactory.

#### VOLUNTARY OR COMPULSORY LABOUR SERVICE

Between the measures taken to provide amusement or instruction to occupy the spare time of young unemployed persons and the measures to restore them to employment, which will be dealt with later, special reference should be made to voluntary or compulsory labour services, which are at the same time of an educational character and of immediate productive value. Labour services do not, however, constitute normal employment.

In *Germany* voluntary labour service was incorporated in the Act concerning employment exchanges and unemployment insurance, in the form of a new section 139 (a), by the Legislative Decree of 5 June 1931. This measure was taken as a result of a recommendation made by the Commission for the study of unemployment known as the Brauns Commission. The following are some of the considerations put forward by the Brauns Commission in support of its recommendation :

“ Prolonged unemployment almost inevitably results in a decline in capacity and willingness to work in younger workers whose character is not yet formed, a state of things which must be combated in every way possible.

“ Quite apart from the necessity of continuing to carry out relief works to the greatest possible extent . . . it appears that a voluntary labour service might lead to a display of versatility and initiative in the provision and performance of work, and might also be welcomed by the younger generation. . . .

“ Psychologically, the possibility of such work means that unemployed persons are freed from the feeling of being superfluous. It checks discouragement among the unemployed and confronts them with a task the fulfilment of which depends on their own will. They are perhaps even given an opportunity of using their own initiative in finding suitable opportunities of employment. ”

In order to prevent voluntary work from increasing unemployment by taking the place of normal employment, it was necessary to make it quite clear that the only work which might be done in this way was work which would in no case have been undertaken with ordinary labour. It was also clear that, in order to prevent general conditions of labour, and in particular the level of wages, from being unfavourably affected, voluntary work could not be allowed for the benefit of private undertakings carried on for purposes of gain.

Section 139 (a) of the Unemployment Insurance Act accordingly lays down that "the Federal Institution for Employment Exchanges and Unemployment Insurance shall not authorise voluntary work except in the case of work of public utility, which is moreover in the nature of additional work—i.e. work which, without the financial encouragement provided for the employment of voluntary workers, would not have been undertaken even as relief work. Such work includes in particular work connected with land improvement and settlement, local communications, and work likely to help to raise the general level of public health."

The competent departments of the Federal Institution for Employment Exchanges and Unemployment Insurance are therefore required to examine whether the proposed work is really in the nature of additional work. It was, however, laid down by a Ministerial Decree of 25 May 1932 that work intended to establish family farms, including improvements and the construction of buildings, approach roads, etc., is in all cases to be regarded as additional work.

As regards the character of public utility which the work must present, a circular issued by the President of the Institution on 29 July 1931 lays down that the expression "public utility" must not be taken in too narrow a sense. The fact that a given piece of work is likely to be to the direct advantage of a limited number of persons—members of a club or of a co-operative society, for instance—need not prevent its being done by voluntary service if it is at the same time beneficial to the community.

The practical working of the voluntary labour service was regulated by a Decree of the Minister of Labour dated 23 July 1931. The Decree makes a distinction between the institutions which recruit voluntary workers (*ad hoc* associations, athletic clubs, workers' and salaried employees' trade unions, young people's organisations, religious organisations, etc.) and the institutions for which the work is carried out (municipalities, districts, provinces, the State, development associations, co-operative societies, etc.). The same institution may fall simultaneously into both classes, e.g. an athletic club which wishes to prepare a sports ground and asks its unemployed members to undertake the work. Voluntary work is encouraged by a subsidy of 2 marks per day granted by the Institution for Employment Exchanges and Unemployment Insurance in respect of each unemployed person in receipt of unemployment benefit or emergency relief who is employed as a voluntary worker. In principle this subsidy replaces the unemployment benefit to which the worker would otherwise be entitled. The subsidy of 2 marks per day is, however, often higher than the rate of benefit, and moreover it may be granted for 20 weeks even if the unemployed person in the meantime exhausts his right to benefit. A similar subsidy may also be granted in respect of unemployed persons who are not entitled to emergency relief simply because they have not reached the age of 21. Even in this case the Reich repays the sum to the Institution for Employment Exchanges and Unemployment Insurance. The subsidies are generally paid in a lump sum to the association which recruits the workers, so that it may

provide collectively for their maintenance. The body for which the work is being done must find the necessary capital.

In order to give fresh impetus to voluntary labour service, two new Decrees were issued respectively by the Cabinet of the Reich on 16 July 1932 and the Minister of Labour on 2 August 1932. These Decrees simplified the administrative mechanism by centralising all the administrative work connected with voluntary labour service under the supervision of a Federal Commissioner assisted by a number of District Commissioners. Further, the idea of voluntary service was broadened by a new definition: "Its object is to give young men the opportunity to undertake together serious work which is useful to the community and at the same time of advantage to their own physical, intellectual, and moral development." This definition transforms the voluntary labour service from a mere means of aiding the unemployed into an institution open to the whole youth of Germany. The new provision throws voluntary service open not only to unemployed young men in receipt of benefit, but to all young men under 25 whether or not in receipt of wages or in need. (It is, however, understood, as before, that the available resources will be used first of all to give employment to registered unemployed persons.) Moreover, in view of the new general character of the voluntary service, unemployed men in receipt of benefit who take part in it will no longer have the days on which they are subsidised as volunteer workers deducted from the period during which they are entitled to unemployment relief. When their service is over, they recover their full right to benefit.

The following information, extracted from an article entitled "A year of voluntary labour service", which appeared in the *Reichsarbeitsblatt* for 5 December 1932, gives an idea of the results obtained from July 1931 when voluntary service was instituted until July 1932 when the new regulations came into force.

Up to 31 July 1932, 5,633 schemes involving the employment of about 166,000 unemployed persons for varying periods of time were authorised. At that date most of the schemes were still in process of being carried out. Of these 5,633 schemes, 1,416 dealt with the improvement of land for settlement or for making allotments, 559 with forestry work, and 972 with the improvement of means of communication. The remaining 2,686 schemes aimed at the improvement of public health by the preparation of sports grounds and other social measures. 247 schemes provided for the employment of women. Most of these were in connection with welfare work for children and poor people and the repair of clothing, but some schemes dealt with the cultivation of fruit and vegetables on land made available for the purpose.

The initiators of the schemes were of course for the most part public bodies (the State, provinces, municipalities, or unions of municipalities), which were responsible for more than half the schemes. Next came young people's associations and athletic clubs (24.7 per cent. of the schemes) and religious and charitable associations (10 per cent.). Co-operative societies of different kinds were responsible for

8 per cent. of the schemes, generally in collaboration with the public authorities, and 6.2 per cent. were initiated by employers' or workers' organisations and various other bodies.

The number of volunteer workers actually employed was 107 at the end of August 1931 but increased very rapidly, reaching 97,066 at the end of July 1932. At all stages, more than half the volunteer workers were under 21 years of age; of these, about half were unemployed in receipt of unemployment benefit, while the other half were not entitled to benefit.

The average period of employment was about 10 weeks, and the total number of days worked amounted to 6,820,963. After the introduction of the new system, the influx of volunteer workers was still greater. There are now over 200,000, which is the highest figure the available funds permit.

A voluntary labour service system similar in its main lines to that existing in Germany has been set up in *Austria*. At the end of August 1932 the Austrian National Council adopted a Government Bill under which voluntary work is open to all unemployed young workers in industry and forestry under the age of 25 as well as to students who have completed their secondary or higher studies. The Federal Council, however, refused to approve the Bill adopted by the National Council, and the Act could therefore not come into force until two months later, in November 1932. Moreover, as the work is for the most part to be done in the open air, the service cannot be effectively organised until the spring of 1933. A Decree issued last November by the Ministry of Social Administration lays down that bodies undertaking such work are to submit to the Unemployment Office a list of persons who have volunteered for work. The Unemployment Office will consider whether the voluntary workers should be granted insurance benefit (or emergency relief) or whether a lump sum subsidy should be granted to the body undertaking the work. The District Industrial Commissions will supervise the work and may withdraw the subsidy if the body undertaking the work repeatedly fails to observe the conditions which are required.

The system of compulsory labour service instituted in *Bulgaria* in 1920 was certainly not conceived as a means of combating unemployment. On the contrary, it was intended to enable the State to obtain labour which it found it difficult to procure for certain kinds of work. In practice, however, during periods of depression the Bulgarian system of compulsory labour service has produced similar effects to those of the voluntary systems established in Germany and Austria. As the number of persons who can be recruited each year is limited not merely by the law itself but also by the available credits, it is obvious that during periods of depression it is mainly unemployed persons who are recruited.

The purpose of the compulsory labour service is "to organise and utilise the labour power of the country on a social basis, in the interests of production and the welfare of the country; to awaken love of work in the service of the community and of physical activity; and to improve the moral and economic condition of the people."



The Act makes a distinction between the regular service required for a period of eight months of all able-bodied men between the ages of 20 and 40 who have no sufficient reason for exemption, and for a period of four months of all women between the ages of 16 and 30<sup>1</sup>, and the temporary service, the length of which may not exceed 21 days per year. Subject to certain conditions and limitations, persons liable for service may obtain exemption by making a money payment.

The number of workers recruited for regular service has varied in different years, but has in general been round about 20,000. In 1930-1931, however, the number of persons called on to perform their regular service exceeded 30,000. Of these persons 19,380 were directly employed by the Ministry of Public Works. Out of a total of 2,925,500 days worked, nearly half (1,261,359) were devoted to the construction and repair of roads and railways, while the remainder were divided between the State domains, institutions, and stud farms, workshops for skilled work, and forestry undertakings. In addition about 11,000 workers were lent to various public undertakings or private undertakings working in the public interest, these undertakings being responsible for the maintenance of the workers. The number of hours worked amounted to 1,252,000. Figures concerning the number of days worked by persons on temporary service are not available.

#### REDUCTION OF UNEMPLOYMENT AMONG YOUNG PERSONS : VOCATIONAL GUIDANCE AND PLACING

The most effective means of remedying the special consequences which unemployment involves for young persons would be to put an end to the unemployment itself. In this form, the question becomes part of the problem of preventing unemployment in general, which can only be mentioned here. There are, however, some aspects of the problem of the prevention of unemployment which apply more particularly to young persons. There has already been a reference to the possibility of raising the school age and thus correspondingly reducing the number of young persons in search of work. Another somewhat similar measure would be to lower the retiring age of workers ; this would increase the possibilities of employment for both adults and young persons.

There is also vocational guidance. If this is unsatisfactorily carried out it may, even apart from any economic depression, cause unemployment among young persons who have been induced to take up unsuitable work at the outset of their career. Unemployment nearly always results when young persons enter a blind-alley occupation, in which young workers are systematically employed only to be dismissed when they become " too old ", as they soon do. The information which follows relates both to vocational guidance and to the placing of young persons in employment.

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<sup>1</sup> An amendment passed in 1923 suspended compulsory labour for women, as the results were not satisfactory.

The primary function of employment exchanges is to put people in search of employment into touch with employers in search of labour. It is clear that, in a general way, this service is irrespective of the age of the applicant for work. But juveniles who have recently left school and are seeking work need help and guidance which adults do not require, and consequently special arrangements are frequently made for this purpose. This problem is an urgent one at the present time, not only in urban occupations but in rural occupations as well, for unemployment is on the increase in agriculture for juveniles as well as for adults.

The work of placing juveniles in suitable employment falls into two parts : (1) advising them on the selection of a career, and (2) helping them to find the employment they desire.

When boys and girls leave school it is very important that they should have satisfactory guidance on the choice of employment. It is often very difficult for boys and girls or their parents to know what they are fitted for, and it is even more difficult to know what are the prospects of employment in any particular occupation. It has therefore been considered necessary to set up special machinery for giving vocational guidance, in connection either with the local education authority or with the employment exchange.

During the last school year the school authorities can do much to give information on the main features of, and the prospects in, the local trades. This information can be usefully supplemented by visits to industrial undertakings in the district. School conferences may be organised during the final term, to which the parents, the head teacher, the members of any Juvenile Advisory Committee which may be attached to the employment exchange, and others are invited, for the purpose of interviewing juveniles. It is essential that those giving advice should be in possession of accurate information concerning the juvenile. The basis of this will normally be the school records ; a special examination to test physical or mental fitness for particular occupations may be found necessary to supplement the information furnished by the school. Accurate knowledge is also required concerning the prospects of employment in different occupations ; this can be supplied by the employment exchange. This close co-operation between the local school authorities and the employment exchange on the one hand and the juveniles and their parents on the other is of the greatest importance.

Closely associated with vocational guidance is the work of placing juveniles in employment ; special arrangements are sometimes made for this branch of work in employment exchanges, not merely in the case of the first post obtained but also for some years afterwards. Parents are naturally anxious to know what kind of post their children are taking, and they want to be assured that the employment exchanges make every effort to satisfy themselves as to the desirability of vacancies notified to applicants. Otherwise the reputation of the exchanges would suffer.

Posts may be undesirable either from an industrial or from a moral point of view. One of the principal evils of juvenile employment is

what is called "blind-alley" employment—that is to say, work such as that of errand boys, etc., which requires no previous training and leads nowhere. Boys and girls in such posts are usually discharged at the age of 16 or thereabouts on the ground that they are then too old for such work; and, as pointed out above, unemployment insurance legislation may tend in the same direction if—as is the case in Great Britain at the present time—the age of entry into insurance does not coincide with the school-leaving age. Juveniles discharged from blind-alley jobs at 16 or 17 have the greatest difficulty in obtaining further employment because they are quite unskilled and are therefore competitors in a particularly over-filled section of the labour market; and employers who are willing to train young workers prefer to take them when they leave school.

In the placing of girls, the moral aspect is of particular importance. If the work found is in the district in which the parents live, they may be able to exercise a certain amount of control; but if the work is in another district such control is almost impossible and a special responsibility is therefore placed on the employment exchange.

By way of example, some information is given concerning the situation in Germany, Great Britain, and the United States.

In *Germany* the Employment Exchanges and Unemployment Insurance Act of 16 July 1927 established an organic connection between vocational guidance and placing. According to this Act, the aim of the employment exchanges is to fill vacancies as far as possible with suitable labour. For this purpose the special conditions of the vacancies on the one hand and the industrial and physical qualifications, personal and family circumstances, and period of unemployment of the applicant on the other hand must be taken into account as far as the state of the labour market admits. With regard to vocational guidance, account must be taken of the physical and intellectual qualifications, the inclinations and the economic and family circumstances of the applicant, and also of the state of the labour market and the prospects in various trades. Vocational guidance must subordinate the interests of special trades to general economic and social considerations. The Act prohibits the carrying on of vocational guidance for gain, and requires the Federal Institution for Employment Exchanges and Unemployment Insurance to supervise agencies for vocational guidance which are not carried on for gain and are not connected with the employment exchanges. As a matter of fact vocational guidance is at present almost entirely in the hands of the employment exchanges, which work in close co-operation with the schools. The actual placing of juveniles is usually done in the general occupational section to which their trade or occupation belongs. Special departments for juveniles do however exist in a number of places in Germany; they appear to have given satisfactory results.

In *Great Britain* vocational guidance and the placing of juveniles are in most cases undertaken by the employment exchanges, to which Advisory Committees for Juvenile Employment are attached. The

purpose of these Committees is to advise the Minister of Labour on the working of the juvenile departments of the employment exchanges and to assist in advising boys and girls under 18 on the choice of a career, placing them in employment, and supervising them during their early working life. In some areas this work is undertaken not by the employment exchanges but by the Local Education Authorities, through special Juvenile Employment Bureaux, assisted by Juvenile Employment Committees having similar functions to those outlined above.

Every exchange which does placing work for juveniles has a separate department for them and a further subdivision is made between boys and girls. Special instructions are issued to exchange managers with regard to placings at a distance from the district in which the juvenile's home is situated. All juveniles after being placed in employment, whether near their homes or not, are kept under some kind of supervision. In the first place, they are encouraged to come back to the employment exchange to give information about their employment, and "open evenings" are organised at the exchange, all juveniles in the district being invited to attend and to ask for advice, whether they have been placed by the exchange or not. In the second place, visits are paid either to the homes of the juveniles or to their employers in order to find out whether they have been satisfactorily placed or not.

Placings of juveniles have risen from 109,000 in 1921 to 307,000 in 1931. The Ministry of Labour estimates that whereas in the case of adult men and women approximately 20 per cent. and 30 per cent. respectively of all vacancies arising in insurable employment are filled through the medium of the exchanges, in the case of juveniles the proportion is as high as 40 per cent.

Efforts have also been made to diminish unemployment among juveniles by organising emigration to other countries. There were formerly a number of schemes in Great Britain for training young people and helping them to emigrate with a view to work on the land in the Dominions of Canada, Australia, and New Zealand. This work was for the most part carried on by voluntary societies under the supervision of the Governments concerned, and was of course facilitated by the special relations existing between the different parts of the British Empire. These schemes have almost come to an end for the time being, but they will probably revive when the depression passes.

In the *United States* vocational guidance is almost entirely carried on by the schools and colleges and much less by the employment exchanges. This is no doubt due to the comparatively undeveloped state of the employment exchange organisation. A number of States have clauses relating to vocational guidance in their education laws. In New York State, for example, the authorities of each school district are authorised to employ one or more qualified persons for the purpose of providing vocational guidance for minors. Vocational guidance is, however, interpreted very broadly and includes helping pupils to obtain suitable employment on leaving school and following up pupils who have left school to enter employment. There is no Federal depart-

ment of education, but the Federal Government has nevertheless done a good deal of work in co-ordinating and standardising the practices of the different States. The United States Employment Service, which in 1928 had 170 offices distributed over 35 States and the District of Columbia, includes a Junior Placement Division which is concerned with the vocational guidance, placing, and supervision of young persons under 21. It co-operates with a certain number of placing offices working in connection with schools and State Labour Departments.

## Technological Changes, Productivity of Labour, and Labour Displacement in United States Industries

In an article published in a recent number of the *Monthly Labour Review*<sup>1</sup>, the Bureau of Labour Statistics of the United States Department of Labour has summarised the results of investigations, carried out mostly by the Bureau itself, on man-hour productivity of labour, as a means of measuring the effect on output of improvements in productive methods and industrial administration and other technological changes, and of determining the resulting actual displacement of labour. This digest, containing essential facts and figures from enquiries made into all the industries, except agriculture<sup>2</sup>, and based chiefly on first-hand information, provides valuable data which throw light on the effects of recent technical progress on labour. The most striking among these data are summarised below.

In the *amusement industry*<sup>3</sup> the introduction of sound in moving-picture theatres resulted in a complete displacement of musicians in small theatres and about 50 per cent. loss of employment among theatrical musicians in general. But the innovations have brought about some increase in the number of operators required to run the sound-picture machinery, and some displaced musicians have been absorbed by wireless broadcasting.

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<sup>1</sup> "Digest of Material on Technological Changes, Productivity of Labour, and Labour Displacement", in *Monthly Labour Review*, Vol. 35, No. 5, Nov. 1932, pp. 1031-1057.

<sup>2</sup> For a summary of a corresponding article on the mechanisation of agriculture as a factor in labour displacement, cf. *International Labour Review*, Vol. XXV, No. 4, April 1932, pp. 525-535: "A Further Examination of the Effects of Mechanisation in Agriculture in the United States".

<sup>3</sup> The industries are discussed in alphabetical order.