

REPORTS AND ENQUIRIES

Employment Service Organisation

The International Labour Office published in 1946 a preliminary report on employment service organisation¹ in preparation for the fifth item on the agenda of the Thirtieth Session of the Conference to be held at Geneva in June 1947. The report, in accordance with the Standing Orders of the Conference, sets out the law and practice in different countries and includes a questionnaire for the attention of Governments.² In an appendix to the report a number of "national monographs" were published, to give a general idea of employment service organisation in various countries. Since the publication of the report, further material has become available concerning employment service organisation in non-metropolitan territories, the United States of America, Austria, China, Poland and Yugoslavia. This material is summarised below.

Another appendix to the report reproduced the text of a draft Convention adopted by Denmark, Iceland, Norway and Sweden concerning the establishment of a common Northern European Employment Market. As the result of ratification by Denmark and Sweden, the provisions of the Convention are now in force for these two countries. A note on the Convention is also given below.

NON-METROPOLITAN TERRITORIES

The differences in employment organisation policies in non-metropolitan areas as compared with policies in most metropolitan countries are mainly the result of differences in economic and social organisation.

For example, wage-earning employment is much less common in the non-metropolitan areas; only in a few areas, such as Hawaii, Ceylon and the Caribbean territories, is wage-earning employment usual, and even here there is a great deal of casual employment. In most non-metropolitan territories, and particularly in African dependencies, regular wage-earning employment is the exception

¹ International Labour Conference, Thirtieth Session, Geneva, 1947, Report V (1): *Employment Service Organisation* (I.L.O., Montreal, 1946).

² A further report has now been published, containing the replies of the Governments to the questionnaire, with a brief survey of the replies, and proposed conclusions for a Convention and a Recommendation on the subject of employment service organisation: Report V (2) (I.L.O., Geneva, 1947).

rather than the rule. In French West Africa, for example, with a population of 16 million and an area of some 1,500,000 square miles, it is estimated that less than 2 per cent. of the community are in wage-earning employment, either urban or rural.

In non-metropolitan territories generally, the introduction of wage-earning employment has been determined by the impact of Western economic relations on cultures in which the wage-earning system was previously absent. Where that impact has been of recent origin or much limited in its incidence, two further characteristics mark the present stage of economic organisation—a deficiency in the local labour supply and a migrant labour system. In tropical Africa as a whole, the development of undertakings requiring employed labour has outpaced the creation of the desire, on the part of the African, to engage in wage-earning employment.¹ At the same time, the demand for labour on the scale required by the forms of undertaking introduced from the West has brought the danger of a collapse of the village subsistence economy which is still the mainstay of life on the African continent.

The positive role played by some Government agencies in the past in promoting the recruiting of indigenous workers, without sufficient regard to the economic and social dislocation such recruiting might cause, has led to the general recognition of the need, in Africa and in other areas where similar conditions prevail, for curtailment of Government activity in the field of employment organisation. The international regulations stipulating the directions in which such curtailment is advisable are those contained in the Recruiting of Indigenous Workers Convention, 1936. *Inter alia*, the Convention prohibits recruiting by Government officers. It is true that in this context recruiting offices are contrasted with public employment offices, the former relating to recruited labour and the latter to labour spontaneously offered. Nevertheless, in the case of primitive workers it may prove difficult for an employment office to operate unless its administrator takes an active interest in the stimulation of the labour supply. When, therefore, the administrator is a Government official, the distinction in practice between a recruiting office and an employment office would be slight. The principle of establishing public employment offices has been accepted in the 1944 Recommendation on Social Policy in Dependent Territories; but the necessary safeguards to meet conditions such as those indicated above have yet to be examined.

In metropolitan areas, the development of employment services has often tended to be closely correlated with machinery for payment of unemployment benefits. Only in one non-metropolitan area, Hawaii, is there provision for unemployment benefit. The limited use made of existing employment service machinery in non-metropolitan areas is also related, generally, to limited industrial employment opportunities in many of the more westernised non-metropolitan areas and to generally inadequate information about the employment market.

The comparatively recent origin of any specialised Government labour supervision or administrative services is also a factor in the

¹ Reversion in wartime to the use of compulsory labour for private employment is one indication of the relative inelasticity of the supply of labour in tropical Africa.

development of employment organisation. In 1937, there were separately organised services of this kind in only eleven British dependencies; over twenty other British territories have since established such services. In most cases, the legislation establishing such Labour Departments has assigned to the new institutions wide general powers which cover employment organisation functions. The staffs of most of the departments concerned are, however, small; in some of the smaller territories, such as St. Lucia, there is only one senior official. In general, few non-metropolitan territories have specialised legislation or staff dealing with employment questions.

The brief notes that follow on the machinery and legislation in individual territory reflect this general background.

British Territories

(a) Caribbean.

In all but a few British Caribbean territories, legislation of a general character exists, assigning to the Labour Departments duties which include employment service activity. To give one example, the Leeward Islands Federal Department of Labour is required, *inter alia*:

- (i) to keep Government informed of the labour situation generally through permanent contact with industry by means of regular inspections and the analysis of statistics;
- (ii) to prepare and maintain statistics of wages, employment, etc.;
- (iii) to regulate the movements of labour so far as is practicable and desirable.

Legislation establishing employment exchanges has been enacted in Trinidad and British Guiana. The Trinidad Labour Exchanges Ordinance, 1919, is simple permissive legislation providing for the establishment of such exchanges. Under the British Guiana Employment Exchanges Ordinance, 1944, the Governor is empowered to establish and maintain employment exchanges for the purpose of collecting and furnishing information regarding employers requiring workpeople and workpeople seeking engagement or employment. All such exchanges are to be under the control and general superintendence of the Commissioner of Labour, the head of the local Labour Department. Their expenses are to be met from funds voted by the Legislative Council. The Governor in Council may make regulations for the management of employment exchanges or to authorise the making of advances to meet the expenses of workpeople desiring to travel to places where work has been found for them by the employment exchange, to prescribe limits and conditions for any such loans and generally to give effect to the Ordinance. Persons knowingly making false statements to officers of an employment exchange for the purpose of obtaining employment are liable to a fine. It is specifically provided that no person shall suffer any disqualification or be otherwise prejudiced on account of refusal to accept employment found for him through an employment exchange on the grounds that a trade dispute exists which affects his trade, or that the wages offered are lower than

those current in the trade in the district where the employment was found.

Although an attempt has been made to use these exchanges to provide indices of employment and unemployment, the absence of any requirement or particular inducement to register with the exchanges has meant that any statistics that the exchanges can provide cannot be adequate for this purpose. No fee-charging private employment agencies are known to exist.

Specialised placement facilities are provided in five territories: Barbados, British Guiana, Jamaica, St. Vincent and Trinidad. There is no compulsory registration of workers or job vacancies, and direct engagement remains the rule.

In *Barbados*, there is a single public central employment agency in the capital, Bridgetown. This agency existed before the establishment of the Department of Labour in 1940, but was brought under the direct control of the latter in 1944. Apart from its normal placement functions, the agency was used during the second World War as a selecting organisation for the emigration-for-employment programme adopted to recruit workers for temporary employment in the United States of America. The data collected by the agency is one basis for the work of the Barbados Standing Committee on Unemployment which advises the Government of Barbados on measures for unemployment relief. Registration with the agency is voluntary except that, during the war and up to the present, workers wishing to migrate for employment under Government schemes have been required to be registered. During 1941 and 1942, 10,114 applicants for work were registered; 3,751 were placed, including emigrants, and at the end of 1942, 2,683 names remained on the live register as having applied or renewed their application within the previous three months. The following table illustrates the work of the agency in the first half of 1946:

	Quarter ending	
	31 March 1946	30 June 1946
Number placed in local employment. . . .	23	25
Number unfit for work (for health or other reasons)	11	9
Number of unemployed	3,998	3,353
Total registration	4,032	3,362

The Department of Labour has emphasised that "most labour [in Barbados] is casual and the fact that a man is registered at the employment agency does not mean that he is wholly unemployed".

In *British Guiana*, placement facilities were provided by a Government employment bureau in Georgetown until an employment exchange system was set up in 1944. One of its main objectives has been the collection of adequate unemployment statistics, but placement activity has also been stressed. The Employment Exchange Service is an integral part of the Labour Department.

The headquarters office was opened in Georgetown in October 1944 and four branch offices between April 1945 and February 1946. Applications for registration from areas other than these centres may be made by post. Up to June 1946, the exchanges provided for men only, but since that date, the placement of women has been begun in two centres. The placement of returned servicemen has also been organised. The following table summarises the activity of the Service from its inception to 30 March 1946:

	Number registered		Notified found work	Vacancies notified	Number submitted	Number placed	Number of vacancies cancelled
	Men	Boys					
Georgetown	4,585	470	609	3,019	2,133	866	1,101
Other areas	448	43	25	46	46	30	—
Total	5,033	513	634	3,065	2,179	896	1,101

The dock labour industry has an employment service arrangement of its own. In October 1943 a Port Labour Registration Scheme came into operation under an agreement signed by the waterfront employers and the British Guiana Labour Union, representing the waterfront workers. The objects of the scheme are to decasualise port labour in the port of Georgetown and to provide an adequate and efficient labour force for waterfront work in the port. The scheme is operated by a joint committee of representatives of employers and workers in equal numbers, with the Commissioner of Labour as chairman during the early stages. At the end of December 1945, there were 370 stevedores and 506 wharf workers.

Jamaica has a single public employment office, the Kingston Employment Bureau. The Annual Report of the Jamaica Department of Labour for the year 1940 gives the following account of its establishment and functions:

The Kingston Employment Bureau was established at the commencement of the financial year (April 1940) for the purpose of registering unemployed persons, and finding employment for them where possible. During the year, 13,381 persons registered at the bureau as having little or no employment. Of this number, approximately 3,800 have been placed . . . Government required all public as well as parochial departments to draw their labour supply from the bureau, and the demand from these sources, together with the recruitment of workers for the Canal Zone, comprise to a large extent the number of positions that have been filled.

As in other British Caribbean areas, registration is voluntary. The bureau is largely autonomous as regards its internal administration, but policy is directed by the Labour Department. In addition to local placement work, the recruitment of Jamaican workers for employment overseas during the war years and the screening of armed forces volunteers was undertaken.¹ An analysis of registration

¹ Up to the end of 1944, over 25,000 workers had migrated to the United States of America for employment on farms or in industry; over 4,000 to Britain for munitions work or war service; and nearly 6,000 for employment in Panama and other areas.

with the bureau to the end of 1943 revealed that since its inception over 60,500 persons had used its placement services, of whom approximately 10,000 were placed in employment either in Jamaica or overseas. In January 1944, over 17,000 applicants were on the live register, but in December of the same year the number was under 13,000. During 1944 the bureau secured employment for over 2,400 workers on Government and quasi-Government undertakings; only 330 were placed in private employment. With the end of the war, emphasis has shifted to the resettlement of ex-servicemen. In placing them, the bureau works in collaboration with a newly-appointed Reabsorption Officer and a Central Ex-Servicemen's Assistance Board which is authorised to supervise and direct the execution of all approved Government resettlement schemes.

In *St. Vincent*, sixteen unemployment registration centres are in operation. These centres are operated on a part-time basis through the elementary schools and teachers under the direction of the Commissioner of Labour. It is claimed that, whatever the administrative defects of this arrangement, a useful function is performed on a largely voluntary basis by persons who know the community well, and that the finances of the territory do not permit the adoption of any other placement scheme at present. At the end of March 1946, persons on the registers of these centres numbered 1,112, of whom 596 were known to be in employment. The centres have been used in placing a small number of ex-servicemen.

In *Trinidad*, a public employment exchange was set up in the capital, Port of Spain, in 1935 under the Labour Exchanges Ordinance of 1919. A few branch exchanges have subsequently been established and efforts are being made to establish a juvenile registration and placement section in Port of Spain. The exchanges are under the administrative control of the Industrial Adviser's Department. A Resettlement Office was set up in 1945 to assist, *inter alia*, in the placement of ex-servicemen; and a Resettlement Advisory Committee helps to frame policy in this respect. Registration is voluntary, though an attempt has been made to arrange that Government departments fill their labour supply requirements exclusively from the exchanges. During the years 1938-1940, the exchanges placed 3,810 workers. The following are the most recent figures available:

	Quarter ending			
	Sept. 1945	Dec. 1945	March 1946	June 1946
Applicants registered	2,148	3,186	2,581	1,944
Number placed	1	369	130	325
Number on live register	1	1,000 (approx.)	1,124	902

¹ No figures available.

(b) *West Africa.*

In all four British West African territories—Gambia, Gold Coast, Nigeria and Sierra Leone—there are employment exchange services established by administrative action under the general powers

accorded the labour supervision machinery. Moreover, legislation has been enacted in all these territories regarding the employment of ex-servicemen, including the compulsory registration of employers; there are a number of limitations on the direct engagement of workers.

In *Gambia*, the Government Labour Office in Bathurst acts as a placement office. The 1943 Report of the Gambia Labour Department states that "during the year under review, the Labour Officer has issued over 1,000 chits to employers, recommending for employment over 2,000 persons. Most of these persons have been accepted."

In *Nigeria* the Labour (Wage Fixing and Registration) Ordinance, 1943, provides for the compulsory registration of employers and of industrial workers in areas specified by the Governor by administrative Order. Under the Ordinance, the Commissioner of Labour, with the approval of the Governor, may make rules: (a) authorising the establishment of registration offices to be known as employment exchanges, in such places as may be convenient, at which industrial workers may attend for registration and make application for employment, and to which employers of labour may notify their vacancies; (b) providing for the issue of certificates of registration and identity to registered industrial workers and for the particulars to be furnished upon registration; (c) providing for the taking of photographs and of the fingerprints of registered industrial workers as a means of identity; (d) regulating or restricting the numbers of registered industrial workers employed either generally or in specific businesses or undertakings; and (e) prescribing the duties of registered persons and others in respect of certificates of registration and identity.

The Employment of Ex-Servicemen Ordinance, 1945, makes provision for the establishment of an Advisory Council consisting of an independent chairman, a representative of the Armed Forces in Nigeria and an indeterminate but equal number of employers' and workers' representatives to advise the Commissioner of Labour in matters relating to employment and training. Provincial Advisory Committees are also to be established with power to co-opt employers' and workers' representatives in equal numbers; their duties are to advise and report on matters submitted to them by the Advisory Council or Commissioner of Labour. Provision is also made for the vocational training and optional registration of ex-servicemen and the compulsory registration of employers of not less than ten persons. Such employers are to be required to give employment to a prescribed quota of registered ex-servicemen; only these, whether disabled or able-bodied, may be engaged to fill any vacancies which may occur until such time as the quota has been filled. An employment exchange was opened in the capital, Lagos, in December 1943, and an ex-servicemen's branch employment exchange in March 1944. Industrial registration was begun at the former date in the Lagos and Colony area. Preparations are being made in the Northern and Western Provinces for the setting up of employment exchanges, but less progress has been made in the Eastern Provinces. The towns of Jos and Kano have been chosen provisionally for the establishment of exchanges in the Northern Provinces, and Benin, Ibadan and Sapele in the Western Provinces.

The principal work of the employment service provided by the Department of Labour through the employment exchange and related services is placement, the publication of employment and unemployment statistics, the resettlement of ex-servicemen, trade testing and industrial registration.

A juvenile employment exchange was also set up in Lagos in December 1943. An Advisory Committee for Juvenile Employment and After Care (including representatives of missionary societies and other educational bodies working in Lagos, employers, trade unions, the Department of Education and Government departments) was set up shortly before the opening of the juvenile exchange to advise the Government on policy. The juvenile employment exchange has been assigned the functions of registering unemployed boys and girls in Lagos irrespective of their schooling; operating a vacancy department to find employment for those registered; registering and compiling particulars of boys and girls leaving school with Class Middle V certificates in all parts of Nigeria (the vacancy department is at the disposal of boys and girls in this category); operating, under the direction of the Appointments Board, the Government scheme for recruitment to the Clerical Service; and maintaining statistics connected with juvenile employment.

During the quarter ending June 1946, there were 1,116 persons registered for work with the Lagos Employment Exchange; 3,474 renewed their registration and 1,236 vacancies were notified to the exchange, of which 718 were filled. Comparable figures for the juvenile exchange were 6,394; 299; and 267 respectively.

In *Sierra Leone*, an Employment of Ex-Servicemen Ordinance, 1945, makes provision similar to that of the Nigerian Ordinance. During the war, an Essential Work Order was proclaimed, based on the United Kingdom Essential Work Orders, with the necessary modifications. Under the Compulsory Service Ordinance, 1941, as amended, all males between 18 and 55 were required to register, and an employment exchange was opened in the capital, Freetown, in February 1943.¹ In December, 1945, a similar exchange was established at Bo, its immediate object being to assist in the resettlement of ex-servicemen in the Protectorate area. Provisional arrangements have also been made to set up a separate department of the Freetown Exchange to deal with juvenile employment and placement. A trade testing board was set up in February 1944 for the assessment of artisans' skills and the issue of certificates of competency to be affixed to registration cards. An Advisory Board for the territory as a whole is authorised, to comprise the Commissioner of Labour as chairman and such other persons as the Governor may appoint. The Sierra Leone registration and employment exchange machinery is used primarily for general placement, registration, trade-testing and resettlement. The Department of Labour stated in 1944 that "the extent to which the employment exchange has been resorted to is gratifying, and the most promising feature is the variety of occupations covered by the placings in employment."

¹ From the outset, the exchange worked in close collaboration with the Central Registration Bureau, the records of which provide a check on applicants for employment at the exchange. Both are services of the Department of Labour.

Subsequent reports of the Department indicate that the exchange system is coming to play an increasingly important part in the organisation of employment. With the adoption of the Employment of Ex-Servicemen Ordinance, a modified restriction has been placed on the engagement of workers otherwise than through the employment exchanges, as a means of ensuring that employers of ten or more persons employ their prescribed quota of ex-servicemen. The Ordinance provides that the Commissioner of Labour, with the approval of the Governor, may make rules (a) authorising the establishment of employment exchanges, in such places as may be convenient, at which workers may attend to make application for employment and to which employers may notify their vacancies; (b) prescribing the particulars to be furnished by applicants for employment and by employers notifying vacancies and (c) prescribing conditions under which applicants and employers respectively may be dealt with at employment exchanges. It is further provided that employers employing ten or more employees shall not engage or seek to engage any industrial worker except by notifying to an employment exchange particulars of the vacancy to be filled and by engaging an industrial worker submitted by an employment exchange. It has been found that skilled workers make more use of the exchanges than unskilled workers; in 1944, 536 notified vacancies, mainly for unskilled workers, could not be filled through the exchange. In 1945, there were 9,867 applicants for employment registered and 4,869 vacancies notified; 3,092 persons were placed in employment, and at the end of the year there were 3,345 applicants on the live register.

(c) *East and Central Africa.*

The central feature of employment organisation in the British territories in East and Central Africa is the predominance of the migrant labour system in the limited wage-earning sector of the economy. The engagement arrangements most common are recruiting through private recruiting agencies and registered recruiters; this is done on a large scale, but is extensively regulated in accordance with the provisions of the Recruiting of Indigenous Workers Convention, 1936. In this area, as in other areas where migrant labour of the type prevalent in Africa and in parts of the Pacific is employed, the establishment of public employment offices is only beginning. Northern Rhodesia, Kenya and Tanganyika are the only territories which now have such facilities.

The Northern Rhodesia Labour Department has indicated in its 1945 Report some of the limitations of its work in this direction:

Efforts to establish and maintain labour exchanges in the urban areas continue. These exchanges are still of doubtful value and are mainly patronised by bad employers and unemployables. Their services to the few justify their retention, but unless their use were made compulsory and the habit of wandering from house to house in towns in search of work were prohibited, it is unlikely that they would prove of any great benefit either to the worker or to the employer. Valuable use has, however, been made of them in obtaining employment for discharged soldiers.

In Kenya, an African Central Employment Bureau was opened in the Labour Department, Nairobi, on 1 October 1945. It was set up by the Labour Department in collaboration with the Civil Reabsorption Board and is intended to help African ex-servicemen

in finding employment. Consideration is being given to setting up local labour exchanges in the larger towns to assist in placing skilled, semi-skilled and domestic workers.

In Tanganyika, an experimental labour exchange was opened at Dar-es-Salaam on 2 July 1945, to enable skilled and semi-skilled Africans seeking work to establish contact with potential employers. The results of this experiment have justified the establishment of similar labour exchanges to cover the whole Territory, and the Government of Tanganyika issued in December 1945 a general notice relating to the establishment of local labour exchanges. A central bureau has been established in Dar-es-Salaam and as trained staff becomes available, local exchanges are to be set up at all the more important district headquarters. In the first instance, however, the opening of these exchanges is to be confined to stations where there is a European officer, other than a district commissioner, to supervise their operations. Approval has been given to the introduction of trade testing under the newly-formed training department, to evaluate the qualifications of skilled and semi-skilled Africans.

(d) *Ceylon.*

An Employment Exchange was set up in Ceylon at the capital, Colombo, in 1938 to provide placement facilities for indigenous Cingalese workers; this exchange did not make provision for Indian immigrants. Up to 1944, no further exchanges were established, but a 1946 report by the United Kingdom Government on the application of the Philadelphia Recommendation on Social Policy in Dependent Territories indicates that since that date the exchange system has been extended to an unspecified number of important centres.

During 1944, the Colombo Exchange received 986 requests for workers and placed 1,875 during the same period; at the end of the year, there were 1,053 workers on the live register. Of the total placements made during the year, the great majority, 1,471, were in Government employment and the next greatest number, 341, in semi-Government work.

(e) *Palestine.*

In Palestine, according to the latest information available, no public employment exchanges yet exist, though it is a question on which action is planned. In 1939 the Jewish Agency established a number of joint Jewish labour exchanges in rural areas and in April 1943 similar exchanges were established in a number of towns. The exchanges are administered by workers and supervised by the Jewish Agency. The Palestine Labour Department stated in 1944 that although the exchanges supplied labour to a fairly large number of industrial and business undertakings, including organised Jewish industry, they were not officially recognised by employers' associations. The latter claimed that an essential condition for the recognition and use of the exchanges was the participation of employers in their administration. The workers declared their willingness to co-operate with employers in the regularisation of the labour market provided that an all-embracing collective agreement was arrived at between employers and labour. In 1943, the *Department of Labour Bulletin* outlined the basic principles for the organisation

of a public employment service, referred to the need for organising an employment service for Arab workers and expressed the hope that "the existing Jewish exchanges might willingly submit to such modifications as would enable them to be integrated, while preserving a good measure of independence, into a country-wide system of public exchanges".

In December 1944, approximately 5,000 applicants for employment were on the registers of the Joint Jewish Labour Exchanges.

The Belgian Congo

An Administrative Order issued by the Governor-General in November 1922, established a general Labour Office at Leopoldville. One function assigned the Office was "the organisation of recruiting either directly by the establishment of employment or information bureaux or by means of an employment exchange". The services of the Labour Office in this field have been used for the most part by the Government departments employing labour. Large scale enterprises, such as the *Union minière*, generally undertake their own recruiting.

French Territories

In *French West Africa*, the Labour Inspection Office acts as an employment exchange for Europeans and indigenous workers. It appears that little use is now made of the facilities thus afforded. In his annual report for 1944, the Inspector of Labour stated that 58 Europeans had been placed in employment and 7,120 work-books issued to indigenous workers; the latter figure, however, is not a precise indication of the placements effected. The trade council of indigenous labour unions—the *Union des syndicats et associations professionnels de la circonscription de Dakar et Dépendances*, which works in collaboration with the Labour Inspection Office, maintains an extensively utilised employment service for indigenous workers.

A Decree of 4 December 1939 extended to *Martinique*, *Guadeloupe* and *French Guiana* the provisions of the Metropolitan Labour Code in regard to employment exchanges, with certain modifications to suit local conditions. In *Martinique* an executive Order of 19 January 1937 created a municipal employment exchange at *Laurentin* and a similar exchange was set up at *Fort-de-France* by an Order of 20 March 1938.

In *Indo-China*, employment exchanges were set up in commercial centres of *Saigon* and *Hanoi* by an Order of 6 November 1929. A public employment exchange was set up in *Pnom-Penh* by an Order of 22 April 1937.

The Netherlands East Indies

Under a Government Decree of 1928, the head of the Netherlands East Indies Labour Office was authorised to set aside funds for the establishment of public employment offices. Offices were set up in *Batavia*, *Bandoeng*, *Djakakarta*, *Soerabaja* and *Malang*; smaller offices were set up in five other districts. Eleven placement centres

in other areas were organised by the Netherlands East Indies Association for the Prevention of Unemployment, working in collaboration with the Labour Office. The supervision and co-ordination of the work of these offices was centralised after 1931 in a Central Employment Office under the jurisdiction of the Labour Office.

The employment service was used principally by European employees and the upper strata of Chinese and Indonesians. All aspects of its operation were voluntary; its use was never extensive and its work was principally confined to urban centres. In 1934, the total number of persons registered as unemployed at the Office was slightly under 40,000.

United States Territories

In the *Virgin Islands*, no specialised labour supervision services exist, such services being provided as part of the general duties of the Department of Public Welfare. During the second World War, this department acted as a simple placement service in connection with the defence projects undertaken in the Islands; in peacetime, it is questioned whether the very small area of the territory necessitates any more specialised arrangements.

Law No. 16 of 1923 makes provision for the establishment of employment exchanges in *Puerto Rico*. The Employment Service of the Insular Department of Labour has as its principal functions the registration, classification and placement of applicants for employment. The Service maintains unemployment registration centres in most of the urban centres of *Puerto Rico*, and a branch is maintained in *New York* to assist in the placement of *Puerto Ricans* there. In addition to its normal work, additional responsibilities of a varied character were discharged by the Employment Service during the war. It co-operated with personnel offices of the Federal Government in activities such as obtaining workers for defence works in *French Guiana*, the *Virgin Islands*, naval and military bases and camps on the island, and war industries in the United States, its work being closely co-ordinated with that of the War Emergency Program. The Service provides statistics on unemployment for the Insular Office of Statistics, and has also provided information for United States business firms considering the establishment of industries in the island. In *Puerto Rico* it directly placed 5,574 registrants during the years 1940-1944 and the *New York* branch placed 3,751 during 1940-1942.

Hawaii has been regarded as a part of the United States so far as the employment service administration is concerned. The United States Employment Service was therefore in charge of employment work during the war period when the Employment Service was removed from State and Territorial jurisdiction. The number of placements made by the United States Employment Service in *Hawaii* from January to March 1945 was 3,640.

THE UNITED STATES

The change-over of the United States Employment Service from the wartime Federal operation to the Federal-State operation now prescribed by Federal statute has entailed a number of important

administrative changes and a restatement of the policies of the service. A Regulation governing the co-operation of the United States Employment Service and the States in establishing and maintaining a national system of public employment offices was issued on 25 September 1946; and on the same date, the Director of the United States Employment Service promulgated the statement of policies of the Service.

Federal-State Administrative Co-operation

The regulations governing Federal-State co-operation in employment service organisation are concerned primarily with the standards which each State employment service must meet. In order to qualify for financial and other benefits provided under the Wagner-Peyser Act, each State must submit a detailed plan of its operations under the Act for the approval of the Federal Employment Service and the Secretary of Labor.

Duties of the State Employment Service.

Each State agency is required to maintain a free employment service for the purpose of helping employers to find the required number of qualified workers, and helping workers to find suitable jobs most advantageous to them. Each State agency is to be administered by a director and to be assisted by a State advisory council of the representative character provided for in the Wagner-Peyser Act of 1933.¹ It must maintain local employment offices of the number, size and location found necessary in view of the State's population and industrial distribution, and local advisory councils are to be set up and composed in the manner deemed necessary by the State agency. Personnel must be recruited and promoted in accordance with a prescribed merit system. The *United States Employment Service Manual* is to serve as a comprehensive guide for State operations.

The circumstances are specified in which workers may be referred to a position (a) which is vacant because of a labour dispute or (b) the filling of which will aid directly or indirectly in filling a job vacant because of a labour dispute or which is an issue in a labour dispute.² Each State agency is required to maintain an adequate system for the inter-State recruitment and transfer of workers, particularly in a single labour market area covering two or more States, and to co-operate with the U.S. Employment Service and other State services concerned for the purpose of inter-area placements. It must maintain an adequate local office advisory service for ex-service personnel and other applicants of employable age and also provide such special services as may be necessary for assisting handicapped ex-servicemen and other applicants to find suitable work.³

In addition, each State employment service agency is required to maintain an occupational analysis and industrial service (and

¹ These councils include men and women, representing employers and workers in equal numbers, and the public.

² See below, p. 386.

³ The maintenance of effective placement and advisory services for ex-servicemen is especially stressed; details of the State agencies' obligations in this respect are included in the Regulation.

to co-operate with the U.S. Employment Service in its development) as a means of helping to solve problems connected with the recruitment, placement, transfer and promotion of workers and the most effective use of the workers' skills. It must also maintain effective labour market information services and appropriate facilities for co-operating with the Federal authorities in employment market studies and reports. Each agency is required to co-operate with other agencies and organisations concerned with employment problems in developing plans for increasing job opportunities and stabilising employment. So far as unemployment insurance work is concerned, claims for unemployment benefit, but not decisions on claims, are stated to be "activities which are closely related to, and do not impede the proper and efficient administration of, employment service activities", and local employment office personnel may assist in the performance of claims activities for limited periods of time and if this work does not impede the proper performance of employment service tasks.¹

Policies of the U. S. Employment Service

At the same time as the regulations concerning the employment service organisation were issued, the Director of the U. S. Employment Service issued a statement of the policies to be followed by the service and its affiliated State agencies. These policies relate to placement, including inter-area placement; advisory service; service to ex-servicemen, youth, the handicapped, and minority groups; labour market information; occupational testing and industrial services; employment service participation in community activities; rural industries and migrant workers; foreign workers; employer relations; and information services.

So far as the placement of workers is concerned, it is the policy of the Service:

(a) to accept an application from any applicant legally qualified to work, without regard to his place of residence, current employment status, or occupational qualifications;

(b) to obtain from an applicant only the information necessary to determine his qualifications for employment and facilitate his placement in a job, except that information concerning race will be obtained for reporting purposes;

(c) to classify an applicant in terms of the Dictionary of Occupational Titles on the basis of an evaluation of all his occupational qualifications as shown by work experience, training, and personal characteristics;

(d) to give priority to qualified ex-servicemen, disabled ex-servicemen receiving first priority;

(e) to extend no preference to any applicant or group of applicants except in accordance with legal requirements;

¹ UNITED STATES EMPLOYMENT SERVICE, DEPARTMENT OF LABOR: Regulation governing Federal-State Co-operation in Employment Service Organisation: U.S. Code of Federal Regulations, Title 29 (Labor), Ch. I. (*Federal Register*, 3 Oct. 1946, pp. 11273 et seq.)

(f) to ensure so far as practicable that workers are placed on jobs which utilise their highest skills;

(g) to ensure in so far as practicable that applicants suitably qualified for job openings are referred to employers;

(h) to take no action as a result of which a charge would be payable either by the worker or by the employer for filling the job;

(i) to take no action which will aid directly or indirectly in filling a job (1) which is vacant because the former occupant is on strike or is being locked out in the course of a labour dispute, or (2) the filling of which is an issue in a labour dispute (but, with the exception of these two cases, an individual may be referred to a place of employment in which a labour dispute exists provided he is given written notice of the dispute at the time);

(j) to refer no applicant to a position where the services to be performed or the terms or conditions of employment are contrary to federal, State, or local law;

(k) to recruit no workers for employment if the wages, hours, or other conditions of work offered are substantially less favorable to the individual than those prevailing for similar work in the locality;

(l) to give equitable consideration on the basis of qualifications, as far as is practicable, to all applicants who have indicated their availability for employment, without regard to their presence in the office at the time of selection.

Moreover, it is the policy of the Employment Service to facilitate geographical, occupational and industrial mobility of labour, when this is found necessary. The Service is pledged to recruit workers locally so far as practicable but to engage in inter-area recruitment where this source is not sufficient, provided that at least minimum compensation is specified. It must also work out special arrangements to promote inter-area and inter-State recruitment called for by local employment market conditions.

The statement of policy with regard to employment counselling is of considerable interest. Such counselling is to be provided "to any applicant of employable age who requires and wishes such assistance in becoming vocationally adjusted" and to be limited to the provision of information and help needed by the applicant to enable him to make a sound vocational plan. Information concerning the applicant's interests and abilities is to be procured for this purpose; but tests and other devices for the measurement of aptitude and interests are to be used only when developed or approved by the Employment Service; and information concerning training or other services for which fees are charged is only to be provided when the applicant understands that this information does not constitute a recommendation. The Employment Service is required to co-operate with schools and other institutions and agencies to prevent duplication of guidance activities, to promote the development and best use of guidance facilities and methods, to obtain and provide information needed in employment counselling, and to provide appropriate methods for referring applicants from one agency to another.

Special Groups.

Ex-servicemen. The policies of the Employment Service relating to special groups in the labour force are also set forth. So far as ex-servicemen are concerned, the general principle of action is to supply wholly adequate counselling and placement services, utilising so far as possible the general employment service facilities in such manner as to enlarge employment opportunities. Priority is given to qualified ex-servicemen, with first priority to the disabled; the latter receive, in addition, preferential treatment in all local office services. The employment service is to provide registration and advisory services at military hospitals and general assistance at military separation centres. It is pledged to co-operate in establishing local ex-servicemen's advisory centres, to provide information to ex-servicemen concerning benefits and services available to them, to co-operate with employers in setting up sound on-the-job training programmes¹, and to enlist the support of ex-servicemen's organisations in promoting programmes for employment and vocational adjustment.

Youth. So far as young persons are concerned, it is the policy of the Employment Service to facilitate their employment by promoting acceptance of young workers by employers on the basis of their qualifications, to refer such workers to jobs not injurious to health and welfare and as far as practicable offering opportunity for advancement, and to co-operate with schools, training agencies and other groups to develop access to employment for young workers.

Handicapped workers. The Employment Service is pledged to provide for handicapped workers such selective placement services as are needed to promote equal employment opportunity at equal wages for handicapped persons in competition with other groups. To carry out this principle, the Service is to determine the occupational qualifications and capacities of handicapped applicants, obtaining only such information about disabilities as is relevant for counselling and placement purposes², to refer handicapped applicants to jobs suited to their capacities and not of a nature to aggravate their disabilities or endanger other persons, and to conduct educational programmes with employers, trade unions and the public for promoting job opportunities for the handicapped.

Minority groups. The policy of the Employment Service in regard to minority groups is to promote job opportunities for all on the basis of skill, ability and qualifications and to make a continuous and positive effort to ensure that employers' hiring specifications are based exclusively on such job performance factors.

Migrant workers. The Employment Service is pledged to provide facilities for meeting the needs of rural industries, and where necessary

¹ Such programmes must be justified by the employers' actual or prospective need for skilled workers and take into account the long-term occupational opportunity for the trainee. The Employment Service is also pledged to co-operate in making available technical and statistical data useful for planning and controlling on-the-job training.

² Although services are to be provided without requiring a medical certificate, the assistance of the medical profession is to be sought in appraising the physical capacities of applicants when necessary for providing effective service.

to provide special programmes for recruiting and moving migrant workers to successive job opportunities. The Service is likewise to encourage employers to arrange, in respect of migrant workers, for transport, medical examination, housing and subsistence en route to and returning from employment. Farm placement activities are, however, to be provided only under the provisions of an agreement made with the State Agricultural Extension Service and approved by the Employment Service.

Foreign workers. Foreign workers are to be brought into the United States only under an agreement or arrangements made between the Employment Service and a foreign Government. Foreign workers brought in for agricultural employment by the Department of Agriculture will not be referred to non-agricultural employment except in accordance with procedures established by the Employment Service.

The policy of the Service is to promote full use of its facilities by employers and to serve all employers on an equitable basis. It is to remain impartial in labour disputes and to give information to employers concerning employment market legislation without attempting to interpret the laws in question. The Service is likewise pledged to keep the general public fully informed of employment office operations and services and to advise workers, employers and the public concerning employment conditions and trends.

The Employment Service is also pledged to collect and analyse labour market information, maintaining uniformity and comparability in the reporting of the data, and to make this information available to the public and to interested Government agencies. Occupational analysis, particularly aimed at employment stabilisation, is stressed as a part of the provision of industrial services, and it is the Service's policy to promote research on materials and methods in this field, but to offer only such techniques as have been developed or recommended by the Service.

Finally, the Service will co-operate and participate in community employment planning and organisation, making its resources available to public and private non-profitmaking bodies for the purpose of reaching objectives related to the placement and vocational adjustment of workers or potential workers.¹

AUSTRIA

The general structure of the pre-war Austrian employment service has been retained by the Allied Control Council; the existing system of labour offices has been continued and the functions of these offices extended.

Labour Offices

This structure was based on the Federal Act of 30 March 1935, concerning social insurance in industry, which made the local and

¹ UNITED STATES EMPLOYMENT SERVICE, DEPARTMENT OF LABOR: Statement of Policies of the U.S. Employment Service (*Federal Register*, 3 Oct. 1946, pp. 11278 et seq.)

provincial labour offices established by the Federal Minister of Social Administration responsible for the administration of unemployment insurance and employment exchanges.

Administration.

At the seat of each labour office, employment exchange committees were set up consisting of representatives of employers and employees in equal numbers, appointed by the manager of the provincial labour office on the recommendation of the representative bodies concerned. The managers of the local labour offices, who were appointed by the Minister, were to act as chairmen of these committees, and consult them on all questions of principle relating to employment exchange work in their area.

The provincial labour offices were directed by a manager and a managing committee similarly selected by the Minister of Social Administration. The duties of the managing committees were as follows: the issue of detailed provisions in connection with the administration of unemployment insurance and the granting of emergency relief; the drawing up of principles for the employment exchange work of the local labour office within the limits of the regulations issued by the Minister of Social Administration; decisions involving questions of principle relating to vocational guidance, the applied psychology service, further education and retraining; decisions relating to grants of unemployment benefit and emergency relief; decisions on appeals against the action of the local labour offices in matters relating to placements; the statement of their views on the establishment of employment agencies carried on for profit; and decisions as to whether unemployment is the direct consequence of a strike or a lockout.

Since paragraph 4 of Allied Council Policy states that "the Austrian Labour Offices are recognised as the source of labour supply and will be used for all military and civilian employment"¹, it may be assumed that the basic provisions of the Act of 1935 in respect of employment service organisation remain in force in the four occupation zones. Similarly, the Compulsory Labour Service Law, which was adopted by the Austrian Parliament in 1946 on the recommendation of the Quadripartite Commission, and the list of priorities drawn up in December 1945 by the Austrian Minister of Social Administration to guide the labour offices in their placement work (see below) apply throughout the country. So far as the actual work of the labour offices is concerned, little information is available at present. The data given below refer to the United States zone, but may be considered to apply to some extent in the other occupation zones.

Functions.

Under the Act of 1935, the duties of the labour offices included placement in employment, the administration of unemployment insurance and emergency relief, the allocation of the unemployed to works carried out with public money, and the direction of unem-

¹ MILITARY GOVERNMENT, AUSTRIA: *Report of the United States Commissioner*, No. 1, Nov. 1945, p. 140.

ployed persons lacking sufficient skill in their own or another suitable occupation to a retraining or continued training course. They paid all or part of the travelling expenses to the place of employment of unemployed persons who accepted employment elsewhere than at their previous place of employment, in so far as these expenses were not paid by the employer. The provincial labour offices could also provide the necessary working clothes and equipment for unemployed persons or grant them benefit in some other form if this facilitated their taking up employment. Under the National-Socialist régime, the employment service became the instrument of the German manpower policy.¹

Since the end of the war, the labour offices, in addition to exercising more normal placement functions, have been made responsible for the registration of all workers and the administration of compulsory labour service by a law which came into force in April 1946. They have been directed to take every precaution to assign workers only to work of crucial importance. Appeals boards, consisting of workers and employers, are provided. When placing workers in employment, the labour offices must be guided by the list of priorities drawn up in December 1945 by the Austrian Minister of Social Administration. The list specifies, among other things, that the labour requirements of the Military Forces of the Occupying Powers have a priority over all other requests and then sets out non-military requirements in order of urgency.

In the United States zone, the labour offices co-operate with the Minister of Social Administration in the organisation of vocational training facilities and in referring workers for training or retraining in the occupations in which the country is experiencing a shortage of manpower, in particular in the building industry. They also make a special effort to place war-disabled persons in jobs considered particularly suitable for them, and are primarily responsible for reintegrating returned prisoners of war into the labour force. The labour offices are also responsible for the placement of displaced persons and for helping to meet the problems (language barriers, lack of necessary skills, reluctance of displaced persons to work under Austrian supervision, etc.) connected with their employment.

Use of the Service

The Compulsory Labour Service Law provides that former members of the National-Socialist party, unemployed workers, and workers under 30 years of age may be placed in essential work in agriculture, food processing and reconstruction. However, women and workers in establishments employing three persons or less are exempted, and fully employed persons may not, as a rule, be directed to work in an occupation other than their own. Workers called upon to perform compulsory labour service may appeal to the joint appeals boards set up at the seat of the labour offices. Workers mobilised for compulsory labour service receive from the labour office a separate household allowance if they have to maintain separate quarters owing to the location of their new employment, a travel payment for their initial transportation, and an

¹ Cf. *Employment Service Organisation*, op. cit., Appendix, pp. 278-284.

equalisation allowance where earnings in the new employment are lower than in the previous employment. In addition, their vacation rights and social insurance status are safeguarded. Under the Labour Service Law all workers, whether employed or unemployed, must be registered at the labour offices. The policy so far has been to avoid making much use of the draft provisions of the Law, except in respect of persons available for and able to work who have not reported to the labour offices. It is considered that the efficiency of the workers will be greater if they come forward for employment voluntarily.¹

CHINA

In China, the Ministry of Social Affairs has promulgated provisional regulations governing the promotion of employment service.

Under these provisional regulations, which aim at "solving the post-war unemployment problem, adjusting the supply and demand of services in various places, stabilising social order, co-ordinating with the reconversion plan and helping national economic construction", provinces and municipalities are urged to intensify their work in promoting the establishment of employment service.

The provinces and municipalities are required to supervise and improve existing employment agencies; to set up within their administrative district an efficient employment service to serve as a model; and to extend the system of establishments so as to cover the suburbs as well as large cities.

Special personnel are to be given the task of promoting the service. At least one employment service agency is to be established within twelve months in each administrative district, each agency being in principle independent. Existing agencies are to be strengthened and their staffs increased. The expenditure of the independent agencies thus set up is to be included in the annual budget of the province or municipality.

The provinces and municipalities are to urge labour unions, chambers of commerce, social services, professional organisations and other organs to establish employment services. Before the end of 1947 independent or attached employment service agencies are to be established as widely as possible.

The original public and private employment service establishments and the old-style employment services are to be registered, with a view to improving them, with the Ministry of Social Affairs before the end of the current year together with their names, locality, sponsors, date of establishment, names of responsible persons, number of present staff, amount of annual expenses, sources of expenses, kind of employment service dealt with, and the number of successful placements made since they were established.

To encourage and develop the system of private employment service establishments, the province or municipality is to set aside funds for subsidies and cash awards, the granting of which is to be fixed by regulations which are to be filed with the Ministry of Social Affairs. Large establishments with a good record of efficiency may apply to the Ministry for subsidy.

¹ Selected official references: Federal Act respecting social insurance in industry, 30 Mar. 1935, paras. 299-317; MILITARY GOVERNMENT, AUSTRIA: *Report of the United States Commissioner*, Nos. 1-10, Nov. 1945-Aug. 1946.

The province or municipality is required to report to the Ministry of Social Affairs before September 30 the figures concerning persons registered with, services rendered by, and successful emplacements effected through, all public and private employment services; a progress report is also to be submitted to the Ministry from time to time. A working plan for 1947 and the progress to be expected in enforcement is to be drawn up and submitted to the Ministry for approval before November 15.¹

POLAND

The report of the Government on measures taken to apply the Unemployment Convention, 1919, during the 1945-1946 year states that the network of employment offices and branch offices has been considerably expanded. In September 1946, 260 offices were functioning under the supervision of the autonomous local authorities. Control of placement activities has not yet been transferred to the trade unions, though this is still contemplated.

During the 1945-1946 period, 741,022 applicants for work were registered with the public employment offices, 669,382 vacancies were notified, and 516,486 placements were effected.

YUGOSLAVIA

The present organisational structure of the employment service in Yugoslavia dates from a Decree of 18 April 1946 which abolished the existing structure and handed over employment service work to the Central Committee of the united trade unions of workers and salaried employees.

Before the second World War, the employment service was based on an Order of 26 November 1927, as amended by an Order of 19 April 1932. In accordance with this Order, the service consisted of a central directorate and office at Belgrade, employment offices at the headquarters of the chambers of labour, and branch offices in the areas of the individual chambers of labour and in the more important economic centres. The general duties of the employment service were to adjust labour supply and demand, to serve as a labour clearance network, to analyse the employment market and organise the service to meet specific needs, to compile statistics, to protect nationals working abroad, and to keep in touch with the International Labour Office. The service worked as a part of the Ministry of Social Affairs, and at each level representative management committees were set up as administrative authorities to control and supervise the work of the various offices. During the war, the employment service had a chequered history, with its general structure maintained (under a law of 18 February 1942) but with its policies and personnel closely affected by the changing military and political situation.

After the war, as a part of reconstruction policy, the Decree of 18 April 1946 abolished the central directorate and the network of

¹ The text of the regulations was received with the report of October 1946 of the China Branch Office of the I.L.O. The date of the regulations was not supplied.

employment offices and authorised the Central Committee of the united trade unions of workers and salaried employees to undertake employment service work.

Present Structure of the Service.

A Regulation of 24 June 1946, promulgated by the Central Committee, lays down the organisational structure. It specifies that the employment service, in the performance of its tasks, shall co-operate with the Federal Minister of Labour and with the Ministers of Labour of the peoples' republics and that it shall carry on its work in accordance with the directives and orders of the Central Committee. The Committee will exercise its supervision over placement work through committees in each republic, or regional committees and local and cantonal committees, and in addition, through trade union branches and workers' delegates in the various plants and institutions. The Regulation establishes the budget of the employment service (which is nationally financed) and provides that the budget shall be approved by the trade union Central Committee.

Immediate supervision of the employment service work is assigned to the executive committee of the Central Committee and at the regional level to the executive committee of the general assembly of the republic or region. At the local level, supervision and financial control of the auxiliary placement work are exercised by the financial control service of the trade union body concerned.

Functions.

The Central Committee's placement functions are to find workers for jobs and to find jobs for workers, to accelerate the placement of workers and salaried employees, and to redistribute the country's labour force among the various branches of economic activity in conformity with the needs of the national economic plan. In particular, the employment service is assigned the task of keeping a register of unemployed workers, a register of labour requirements in the various branches of activity within the framework of the national economic plan, a register of employed workers in each type of activity, and a register of juveniles (including apprentices); ensuring vocational guidance and placement aimed at developing skilled workers; diverting unemployed workers into the different branches of economic activity in accordance with the national economic plan; collecting information and making available statistics concerning employment service operations; and carrying out any other tasks in the placement field which may be assigned to it.

As a means of facilitating the placement of unemployed persons and the redistribution of employed workers, the employment offices may subsidise the establishment of overnight hostels, kitchens and bathing facilities and assist any initiative taken in this direction by other public authorities, and, in addition, may, with the approval of the Central Committee, set up temporary or permanent workers' housing.

The republican or regional committees of the united trade unions are responsible for centralising monthly statistical reports on employment service work in their areas and for forwarding them to the central directorate and also to the Minister of Labour of the republic concerned. On this basis, the Central Committee prepares

a general report on employment service operations in the country as a whole and submits it to the Federal Ministry of Labour. The Committee may specify that the local employment organs should send in daily returns on unemployment and job vacancies with a view to organising clearance aimed at more speedy and effective placement work. Detailed provisions on the informational work of the service are to be laid down by the Central Committee in agreement with the Federal Planning Committee (Central Statistical Office).

The employment service exerts a certain control over the re-employment of the unemployed in the sense that if an unemployed worker refuses, without good reason, to accept employment offered to him by an employment office, his right to benefit may be suspended for a period of not more than 12 months.¹

CONVENTION BETWEEN DENMARK AND SWEDEN CONCERNING PLACEMENT OF MANPOWER

A Convention concerning placement of manpower was concluded between Denmark and Sweden on 18 November 1946 and was ratified by Denmark on 23 December 1946. The Convention was based on the draft Convention adopted at a meeting of the Ministers of Social Affairs of the Northern European countries held in Copenhagen from 10 to 12 September 1945, which was ratified by Sweden on 19 December 1945. The Convention came into force on 1 January 1947.

The purpose of the Convention is "to establish a framework for the transfer of unemployed labour between the Northern countries". A joint committee is appointed, on which the central employment service authorities of each of the Northern countries is represented, to study the employment situation in the individual countries, and provision is made whereby the central employment service authority of one country may address a request to the corresponding authority in the other country concerning the transfer of suitable workers; it is then the duty of the authority receiving the request to co-operate in investigating the possibility of effecting the transfer. Further, an unemployed worker may apply, through the central employment service of his own country, for employment in the other country; it is the duty of the service to forward to the central employment service of the country concerned such information as is necessary to find suitable employment for the worker.

¹ Official sources :

Order respecting the organisation of the employment exchange system, direct relief for unemployed workers and the granting of loans for the building of workers' dwellings. Dated 26 Nov. 1927. Cf. I.L.O.: *Legislative Series*, 1927, S.C.S.2.

Order to amend and supplement the Order of 26 Nov. 1927, respecting the organisation of the employment exchange system. Dated 19 Apr. 1932. Cf. I.L.O.: *Legislative Series*, 1932, Yug. 1.

Decree of 18 Apr. 1946, abolishing the chambers of labour, the central directorate of placement and the public employment offices.

Regulation of 24 June 1946 relating to employment service organisation.

With a view to introducing increased reciprocity and uniformity within the Northern social insurance systems and other social legislation, a permanent committee is to be set up, on which each of the countries will be represented, to study the question of amendments or additions to the social legislation and administrative practice of the Northern countries.

The Franco-Italian Migration Agreements

In the report recently published in the Review of the first meeting of the Permanent Migration Committee of the International Labour Organisation, reference was made to bilateral agreements concluded by certain European countries for the transfer of workers.¹ The following report shows the difficulties that arose in putting into effect one of these agreements, between France and Italy, and the solutions finally adopted to promote migration in the economic interests of the two countries, whilst protecting the interests of migrant workers.

In Western Europe there are two countries which have both suffered from the war and are now facing similar economic difficulties, but which are nevertheless in diametrically opposite positions from the point of view of manpower.

Italy is undergoing an unprecedented unemployment crisis. The number of unemployed is officially estimated at more than two million. Workers of all ages and occupations are fruitlessly searching for employment, and the Government, in order to mitigate the effects of this crisis, has had to open public works programmes, which in Rome alone were occupying 35,000 persons at the end of 1946. In addition, Italy's high birth-rate, which gives her an annual excess of 400,000 births, gives this problem a permanent character and calls for more drastic solutions than the mere resumption of economic activity. Emigration is indispensable.

France, on the other hand, is suffering the effects of an acute shortage of manpower. The war cost her 600,000 dead; the demographic situation involves a deficit on the same scale and more than 200,000 foreign workers left French territory during the course of hostilities. In order to realise the aims of the modernisation and re-equipment plan it will be necessary to recruit a million new workers; and though a part of this manpower can be obtained through better utilisation of the national resources, it is none the less necessary to call upon immigration.

¹ *International Labour Review*, Vol. LV, Nos. 1-2, Jan.-Feb. 1947, p. 100.

To this natural pressure from one country towards the other created by the difference in demographic levels must be added several other contributing factors. The geographical vicinity of the two countries facilitates communications and allows of an easy solution of the problem of transport which, in the case of other countries, today presents an insurmountable obstacle. Moreover climate and living conditions are not appreciably different, and Italian migration into France had been a normal feature of the past. Italian migrants, even today, represent 28 per cent. of France's foreign working population, and compact Italian groups are settled in the Paris region, on the Côte d'Azur and even in the Lorraine iron mines.

This group of factors made it inevitable, in the post-war period, that there should be a resumption of the migratory movement from Italy into France. It was, however, necessary to organise this movement, in the interests of the two countries and of the workers themselves.

This was the object of the two Franco-Italian Agreements concluded on 22 February and 24 November 1946.

The First Agreement

The first Agreement, concluded in Rome on 22 February 1946, was confined to the recruitment of 20,000 Italian workers for French coal mines; its arrangements provided for the organisation of recruitment and the technical selection of migrants. In addition, the letter of 29 April 1946 in which the French Government informed the Italian Government of its agreement to the entry into force of the arrangements specified the conditions under which workers might transfer a part of their wages to their country of origin, and be entitled to family allowances. Recruitment was undertaken by the Italian authorities and the French National Immigration Office, which has the monopoly of recruiting foreigners and bringing them into France. The centre to be set up for this purpose might be under sole Italian management or under joint management; in either case, each of the parties was to have equal inspection rights regarding the organisation and functioning of the Centres. The French Immigration Office was authorised to set up on Italian territory a special collection centre to which the recruited workers should be directed.

Technical selection, carried out jointly by the competent authorities of both countries, was primarily concerned with the age and physical capacities of the workers. There was, in fact, no question of attempting to find real professional miners; such specialised workers do not exist in Italy, whose mineral resources are small. It was considered sufficient to ensure that migrants were of suitable age, in principle not more than 35 years, and that their state of health should allow them to stand up to the heavy work underground. A special clause of the Agreement also provided that in case any workers so selected should nevertheless prove to be unfit for such work after their arrival in France, they would be authorised, except in cases of fraud, to take up other work.

Questions of transfer of savings and of payment of family allowances gave rise to more serious difficulties; financial difficulties in the case of transfer of wages, owing to the monetary and economic

situation of the two countries, and difficulties of principle in the matter of family allowances, which by French legislation are reserved for families whose children are living in the national territory. Means of agreement were nevertheless found.

Italian workers brought in by virtue of this arrangement were authorised to pay their savings into a special account, to be kept in French francs, known as the "Bank for Italian Workers in France", opened by the Banque de France in the name of the Italian Exchange Office. This principle was nevertheless subject to two important limitations. In the first place, total payments were limited to a monthly figure of 1,500 francs for unmarried workers, 2,000 francs for married workers without children, 2,500 francs for married workers with one to three children, and 3,000 francs for married workers with more than three children. Secondly, the account could only be used for payments to be made in France, in particular for the import of French goods into Italy over and above the quantities provided for by the commercial agreement in force, for which goods the French Government undertook to issue the necessary export licences.

Workers who had been obliged to leave their families in Italy, owing to the impossibility of finding housing in France, were entitled to family allowances as soon as they arrived in France; but the exercise of this right, too, was limited. The whole amount of the family allowances had to be paid into a special account opened by the competent funds and temporarily blocked. It was provided that as soon as it became possible to settle the families in France, the Italian authorities would be officially advised and the necessary measures would be taken to arrange for their transfer. As soon as the families arrived on French territory, the sums blocked in the form of family allowances would be paid to the employer. If, on the other hand, within the space of four months following the official notification provided for above, the family had still not been transferred, all rights to family allowances would, except in cases of *force majeure*, be forfeited.

These provisions as a whole constituted a noteworthy attempt to settle the difficulties inherent in organising the migration of workers, and were able to reconcile the opposing interests. Their application proved, however, to be ineffective; by the month of November 1946, only 4,000 Italian miners had been recruited for the French mines, while clandestine crossings of the frontier had increased and more than 10,000 Italians had crossed into French territory on their own, without proper authorisation.

Reasons for Failure.

The application of the Agreement had been obstructed by a variety of factors.

In the same way that France was short of manpower, Italy had an urgent need of raw materials and, in particular, of coal. Other countries, such as Belgium, offered to supply Italy with a certain quantity of fuel in exchange for workers¹; it was only to be expected that the first volunteers for mine work should be directed by preference to these countries, and this is in fact what happened.

¹ Cf. *International Labour Review*, Vol. LV, Nos. 1-2, Jan.-Feb. 1947, p. 100.

On the other hand, the advantages conceded by France in the matter of transferring wages and family allowances proved, in the event, to be inadequate and even unworkable. What drove the Italian worker to migrate was the necessity of providing for the needs of his family in the immediate present; the prospect of enjoying, in the future, a more or less considerable sum in the form of family allowances could not, from his point of view, make up for the obligation imposed upon him of leaving his family temporarily without support.

As for the machinery set up for arranging for the transfer of wages, this had two weaknesses. The application of the scheme called for technical operations requiring a certain period of time; in practice, several months passed before the workers' first savings could in fact be paid to his family, and this had the result of creating in the recruitment areas an unfavourable atmosphere regarding migration into France. In addition, the French funds available to the Italian Government had to be used for the purchase of goods over and above the quantities provided for by the Franco-Italian commercial agreement; and the economic situation of France did not in practice allow the export to Italy of larger quantities of goods than those laid down by this agreement.

If to these factors of a technical nature are added the unavoidable effects of the political situation during 1946, it can easily be understood that new negotiations had to be entered into in order to find the way to a new agreement both wider in scope and closer to the realities of the situation.

The Agreement of 24 November 1946

Negotiations began in Rome on 19 November 1946. They proceeded rapidly, and on 24 November the French and Italian representatives officially initialled the agreement reached between the two delegations. This agreement provides for the recruitment in Italy during 1947 of 200,000 industrial and agricultural workers wishing to migrate to France. It not only fixes the total number of departures, but also their rhythm, which is to be at an average rate of 17,000 a month. Finally, in a series of detailed clauses, the Agreement determines the methods of recruiting and selecting workers, lays down the conditions of work for them, and creates special joint bodies responsible for supervising the application of the Agreement.

Recruitment and Technical Selection.

The principle of the arrangements of 22 February 1946, which brought the competent authorities of both countries into close association in the work of recruitment and selection, naturally reappears in this new text. However, the latter is both more complete and more precise; it attempts to ensure the most effective protection possible for the workers and to save them from the hardships usual in unorganised migration.

The Italian authorities undertake to set up in the vicinity of the Franco-Italian frontier two centres to which workers are to be directed. On its side, the French National Immigration Office is to open reception and screening centres in France, which are to maintain direct contact with the Italian centres. This close co-ordination is

intended to obviate the difficulties facing foreigners in crossing the frontier and travelling in a country with a different language.

The emigrant is put to no expense. Travelling expenses from the home to the place of work, and board and lodging, are borne by the French Immigration Office. In addition, the French Government pays to the workers concerned, as soon as they cross the frontier, a special bonus, fixed at 2,000 francs for miners and 1,000 francs for workers in other trades.

Access to the recruitment and collection centres is forbidden to French employers, who must apply through the intermediary of the Immigration Office in order to obtain the foreign labour they require. The Italian and French workers' organisations are represented at the centres in both countries.

The methods of technical selection do not differ from accepted practice. A medical examination, carried out by the Italian authorities, constitutes the first elimination test. A more thorough-going examination, both medical and occupational, is later carried out jointly at the collection centres by the representatives of the Italian authorities and the French Immigration Office. An interesting innovation is however introduced in the fixing of standards of selection. As is well known, there has been considerable criticism in the past concerning the choice of migrants; the accusation has often been made that the tests normally applied were arbitrary and without objective value. At times, certain criteria were merely used as pretexts to eliminate workers considered undesirable for quite other reasons. To obviate these disadvantages, the Franco-Italian agreement provides that the conditions of age, health and occupational ability to be fixed for each employment category are to be submitted for examination by a permanent joint committee sitting in Rome, responsible for supervising the execution of the Agreement. This is a measure of great interest, since it applies an effective method of international collaboration to the solution of a delicate question.

The Employment Contract.

The place and time of concluding the employment contract are not without importance. If this contract is drawn up at the time of the worker's departure, difficulties may arise when the latter is brought into contact with his employer. However precise the details on the nature and conditions of the proposed employment, it is inevitable that there should still be some uncertainty concerning the suitability of the work and the relations to be established between the worker and his employer. On the other hand, if the contract is not signed until arrival in the country of destination, the worker has no guarantee, and risks finding himself in the end without employment or means of support.

The Franco-Italian Agreement endeavours to retain the advantages of both systems while eliminating their disadvantages. At the time of his departure, the Italian worker receives a schedule, drawn up in French and Italian, of the trades and jobs available for which he wishes to apply. This schedule contains details of the trade, the region of employment, the scale of wages, and all possible information on the living conditions of workers in general, with a model contract of employment in both languages. The contract proper is signed in France and specifies the trade category, the undertaking, the wages

and living and housing conditions of the worker concerned. This ensures the provision of full information to the migrants, their protection against any refusal of engagement on arriving, and their placement in an employment compatible with their real capacities.

Conditions of Work.

In the matter of working conditions, the Agreement contains a number of clauses of particular importance. Some aim at establishing Franco-Italian relations in matters of migration on a new and firmer basis. Before the war these relations were based on the Labour Treaty of 30 September 1919¹, supplemented by the Conventions of 22 May and 4 June 1924², and the Convention of 13 August 1932³ on social insurance. The Agreement brings the Labour Treaty once more into force in so far as its provisions do not contradict those which have just been established, and provides, in addition, for the conclusion of a new agreement on social security to replace that of 13 August 1932. Finally, each Government undertakes to grant to the citizens of the other most favoured nation treatment in the matter of settlement.

The remaining clauses are designed to abolish, in the case of Italian immigrants, certain limiting provisions of French labour legislation.

At the time of the world economic crisis, the French Government had had, on 10 August 1932, to adopt a special Act for the protection of the national labour force. This limited to a fixed percentage of the total labour force the number of foreigners who might be employed in any undertaking, and even in some cases in any occupational category within a single undertaking. However justified this may have been in principle, this legislation none the less involved for foreigners an insecurity of employment very much to their disadvantage and all the more distressing since they had in many cases been settled in France for a number of years. At the present day the situation is completely different and the Act of 10 August 1932, though still in force, is not being effectively applied. The Agreement nevertheless guarantees to Italian immigrants that if the employment situation in France should once more demand the adoption of similar measures, these should not be applicable to Italian workers until the expiry of their work permits.

Furthermore, the experience gained in the matter of family allowance payments has borne fruit. An exception has been made to the principle of French legislation which restricts such payments to families living in France, and the Italian worker will henceforward be able to transfer them immediately to Italy by the normal channels and in their entirety. These facilities are, however, only guaranteed for the period during which the settlement of his family in France is recognised to be impossible. As soon as this period is over, the worker must take measures to settle his family in France; if not, he will, after the space of four months, lose the advantage of the transfer facilities thus conceded to him. Finally, to mitigate the hardships of a long separation, the two Governments have

¹ Cf. I.L.O. : *Legislative Series*, 1920, Int. 2.

² *Idem*, 1924, Int. 1.

³ *Idem*, 1932, Int. 5.

undertaken to take special measures allowing Italian workers who so desire to spend their paid holidays in Italy.

Transfer of Wages.

The regulations for the transfer of wages established by the Agreement of 22 February 1946 had proved inconvenient and awkward in practice; the new Agreement has introduced two great improvements.

The special financial arrangements have been superseded and transfers can now be effected in the ordinary way on the workers' own initiative, by means of post office accounts.

In addition, the total sum which workers are henceforward authorised to transfer is greatly increased, and may be up to a maximum of 20 per cent. of the wages received for married workers whose families are in France, 40 per cent. for married workers whose families are in Italy, and 40 per cent. for unmarried workers.

The French Government will provide the necessary lire for the payment to families of the sums transferred to Italy, and financial arrangements have been made to regulate the technical aspects of this question.

Joint Committees.

To follow and supervise the application of the Agreement, joint committees have been set up. This is not a new idea, since it has been used in other bilateral treaties and in the Franco-Italian Treaty of 30 September 1919; but the organisation and functioning of the committees have this time been established on a clearly defined and permanent basis.

Two kinds of committee are provided for. On the one hand, there is a joint committee composed of representatives of the Government departments concerned and responsible for reporting to both Governments on the general conditions of application of the Agreement; this committee is competent to take up any question relating to Italian migration into France and, in the case of disputes, is to play the part of a conciliation board. Secondly, two permanent technical committees have been established, one in Rome and the other in Paris. Each comprises, in addition to members of the Government departments concerned, representatives of Italian and French workers' organisations. The permanent technical committee in Rome is to meet at least twice a month and its duties will be to supervise the application of the Agreement in Italy, and, in particular, to settle:

- (a) the number of workers to be provided by each of the recruitment zones over a stated period;
- (b) the occupational categories of workers to be provided by these zones;
- (c) the information to be given to applicants for the purpose of facilitating recruitment;
- (d) complaints and difficulties which may arise and methods to be used for obviating them.

The permanent technical committee in Paris is to meet on the request of the Italian authorities in France. Its duty is to endeavour

to resolve questions arising out of the settlement and employment of Italian workers in France.

The setting up of these committees is the result of the experience gained from the Agreement of 22 February 1946. This first Agreement, for reasons which were not apparent to the negotiators but which came to light when the work of recruitment began, proved impossible to apply. In setting up such joint technical bodies, in which expert representatives of the workers of both countries are to participate, the two Governments have evidently wished to keep close track of every development of the operation, in order to be able to take any measures which may be called for before unfavourable effects can result.

Conclusion

The Franco-Italian Agreement is one of the first achievements of the post-war period in the field of migration, and its importance deserves to be emphasised since it draws on the experience of the past to bring more effective solutions to the difficult question of reconciling the interests of the two countries and of the migrants themselves. The principles on which the Agreement is based are not original; but the principles are given new force in this restatement, in which account is taken of their most far-reaching consequences.

There is no longer any possibility of illegal recruitment. No place is left for those recruiting agents whose activity provoked such strong criticism even when they were working under the supervision of the public authorities.

At each phase of recruitment, technical selection and placement, the activities of the Governments of both countries are closely co-ordinated. The participation of workers' organisations is ensured in a systematic manner, and the establishment of technical committees gives this collaboration a solid and permanent basis. Even more significant is the exception made to fundamental principles of French legislation in the matter of admitting foreigners to the payment of family allowances: this concession grants to Italian workers complete equality of treatment with the national labour force and with other foreign workers.

Those who have followed the activity of the International Labour Organisation will find in these arrangements the application of several principles which have been the subject of international Recommendations and Conventions. The Franco-Italian Agreement has therefore not only a bilateral significance; over and above the economic interests of the two contracting countries, it looks to the protection of the long-term interests of migrant workers and endeavours to ensure them more humane living and working conditions. It thus takes its place within the framework of a general migration policy and may serve as the point of departure for that constructive international action whose need was unanimously stressed by the Permanent Migration Committee at its meeting in Montreal in September 1946.