

INTERNATIONAL LABOUR REVIEW

VOL. II, Nos. 2-3

MAY-JUNE 1921

Social Legislation in the Republic of Austria

By Dr. MAX LEDERER

*Chief of the Social Welfare Department in the Ministry
for Social Affairs, Vienna*

THE world war brought the Austro-Hungarian Monarchy to an end. When its place was taken by a number of national states, the old-established economic relations which had bound together the countries of the former Empire were destroyed at a stroke; the closing of frontiers and subsequent import and export prohibitions and excessive customs duties brought trade to a standstill. The effects of this stoppage were most severely felt by the Republic of Austria. This Republic had been formed after the Revolution by the union of Lower and Upper Austria, Salzburg, and Vorarlberg with the German-speaking districts of the Tyrol, Styria, and Carinthia, and consists, with the exception of the cities and a few industrial centres, principally of mountainous upland, where meadows, pastures, and forests are cultivated on a not very intensive system. It can neither supply the food requirements of its six million inhabitants nor the raw material and coal needed by its industries and luxury trades. From immemorial times the imperial capital of Vienna, with its two million inhabitants, had received most of its food supplies from the fruitful lowland districts of Moravia, (especially the districts of Hannakei), from the granaries of Galicia, and the wheatfields of the Hungarian plains, while the rich coal fields of the Ostrau-Karwin district, which now belong partly to Czechoslovakia and partly to Poland, and the lignite mines of north-west Bohemia had for many years provided valuable stocks of coal for industry, railways, gas and electrical works, and domestic consumption. All these supplies now came to a sudden stop, producing a food shortage, which in the towns almost amounted to famine; railway traffic could scarcely be carried on; severe measures of economy had to be adopted in the use of coal, gas, and electricity, and many industrial undertakings had either to close down or to reduce output.

In this critical situation there were two principal factors



which tended to maintain peace and order and to prevent desperate outbreaks on the part of the population, even in face of the dangerous Bolshevik explosions which occurred near at hand in Bavaria and in Hungary. One was the generous help granted by neutral and former enemy countries; the other was the state of affairs at home, which allowed of the rapid adoption of a great deal of constructive legislation. After the elections of February 1919 a coalition was formed of the Social Democratic Party and the Christian Socialist Party, a coalition which was able to command over four-fifths of the votes in the National Assembly (1), and which made the adoption of social legislation a very much easier task. The result was that in the autumn of 1919, when the first International Labour Conference met at Washington, the Republic of Austria had already enacted many of the social reforms which were recommended in the resolutions of the Conference. Political conditions have since altered; at the October elections in 1920 the Christian Socialist Party obtained a majority and took over the government, while the Social Democratic Party went into opposition. Nevertheless, this has not hindered the continued progress of legislation on social matters.

UNEMPLOYMENT

After the Revolution the most pressing task of the new State was to take in hand those measures for industrial demobilisation, which were immediately necessary in view of the emergencies of the moment, and which were later destined to develop into permanent institutions of social reform. Before that Revolution the Austrian State had made no provision for unemployment; the trade unions provided relief from their own funds, but this was very limited in amount and was only given for very short periods. Again, the employment exchange system was very unsatisfactory, and was badly organised. Reforms were now introduced in both directions. The very first number of the *Staatsgesetzblatt* published by the Austrian Republic included Administrative Instructions, dated 4 November 1918, as to employment exchanges, and Administrative Instructions, dated 6 and 20 November 1918, as to state unemployment benefit. These measures were in some respects hasty improvisations. They nevertheless helped to guide the demobilised soldiers back into the channels of civilised life and made provision for others whom the disturbances in the labour market had thrown out of employment. Later it was possible to develop

(1) *Nationalversammlung*. This was the name of the first legislative body of the Austrian Republic. The Legislature is now known as the *Nationalrat*, or National Council.

INTERNATIONAL LABOUR OFFICE

**INTERNATIONAL
LABOUR REVIEW**

VOL. II. Nos. 2-3



MAY-JUNE 1921

GENEVA

1921

CONTENTS

	Page
Special Articles	
Social Legislation in the Republic of Austria, by Dr. Max Lederer	3
Industrial Relations	
The Trade Union Movement	30
Production, Prices, and Cost of Living	
Wholesale Prices in various Countries	36
Employment and Unemployment	
The State of Employment in March 1921	52
Labour Conditions	
Labour Conditions fixed by Collective Agreements in France during 1920	57
Minimum Wage Legislation in the U.S.A.	75
Industrial Hygiene	
Industrial Health : its Value in the Public Health Service	88
The Campaign against Nystagmus in the Mining District of Liège	97
A Memorandum on Industrial Lead Poisoning	101
Social Insurance	
The Swedish Act on Pensions Insurance and its Application	104
Industrial Rehabilitation	
The Industrial Training of Disabled Men in the United Kingdom	117
Agriculture	
Agrarian Reform in Hungary	131
Book Notes	142



these provisional measures into permanent legislative arrangements.

The Administrative Instructions placed labour exchange in the hands of the so-called District Industrial Commissions. These were joint commissions constituted of six to ten representatives of employers and workers; local conditions and the geographical position of the various industries determined their headquarters and spheres of competence. These commissions were empowered to set up local offices in certain districts, and also works committees in some of the more important industrial plants. Not only was labour exchange in the widest sense put into their hands, but also the whole management and operation of state unemployment relief, and, in particular, the supervision of local unemployment offices. Their powers were later still more emphatically enlarged. Administrative Instructions of 14 May 1919 had imposed the compulsory engagement of unemployed persons in industrial establishments; the District Commissions were now empowered to allow exceptions and to sanction the action of establishments in reducing their staff by a certain number of discharges otherwise prohibited, if they could prove that they were in an unfavourable position. All these duties, some of which were very delicate and difficult, have been so skilfully carried out by the District Commissions, that they may be regarded as a model of the successful management of an industry. It is also particularly to their credit that they worked out in practice a close connection between labour exchange and unemployment relief.

Unemployment relief as developed in Austria presents peculiar features, which deserve more detailed study, inasmuch as the successive phases of unemployment throw light on the critical economic conditions of the country. The primary necessity was to provide relief for the large number of men returning to their homes when the army broke up; owing to the disorganisation of the national economic life only a certain number of these men were able to find employment. The number of unemployed was particularly large in Vienna and in certain centres of the metal industry, which suddenly saw their abnormal prosperity disappear when the manufacture of munitions came to an end. Official statistics give a total of 46,203 Austrian unemployed on 1 December 1918. Their number rose rapidly, and by 1 February 1919 stood at 162,104, reaching a maximum of 186,030 on 1 May 1919. The Government could not possibly ignore this state of affairs, especially as the distress was greatly increased by the food shortage and the general rise in prices; state unemployment relief was therefore instituted by the above-mentioned Administrative Instructions of 6 and 20 November 1918. The persons entitled to relief were workers or employees, who came under the sickness insurance system, were domiciled in

the Republic of Austria, were unemployed, and unable to support themselves owing to the loss of their earnings. The amount of benefit corresponded to the sickness benefit to which the claimant was at the time entitled. On an average, it amounted to about 6 kronen per head per day in Vienna, and to about 5 kronen elsewhere; there were additional allowances for every dependent member of an unemployed person's family. In Vienna and certain other towns the state benefit was further increased to the extent of about 50 per cent. by allowances from municipal funds.

In order to prevent abuses, unemployment benefit was, as already stated, closely linked up with the arrangements for labour exchange. The District Commissions had to keep strict watch in order to see that benefit was given only to those for whom the employment exchanges were unable to find suitable work. Unemployed persons were required to report regularly to the employment exchanges. The Government also attempted to reduce the number of unemployed by other means. On 14 May 1919, at the very moment when the number of unemployed had reached a maximum, the Government ordered the compulsory engagement of unemployed persons in industrial establishments. Employers who, on a given day (26 April 1919), had in their employ fifteen or more workers or salaried employees, were compelled to engage, through the agency of the unemployment office, further staff to the number of one-fifth of their existing staff. These measures were not without result, in spite of the disapproval of some employers and of certain groups of workers to this drastic measure. The number of unemployed began to fall and this movement was accelerated by a fresh outburst of activity in certain branches of the labour market. Official statistics give the number of unemployed for 1 August 1919 as only 133,362 by 1 October 1919 this number had fallen to 112,347, and by 22 November to 87,266. Gradually the economic life of the nation revived; District Commissions took more drastic action and exercised more rigorous supervision, so that by March 1920 a still further improvement could be registered in a total unemployed figure of only 54,000 for the whole of Austria; about 43,000 of these unemployed persons were in Vienna.

This provisional system of state unemployment benefit had been set up in order to deal with a temporary situation; it had cost the state and municipal authorities about 500,000,000 kronen in the first year and a half; the moment had now arrived for transforming it into a system of insurance against unemployment. On 24 March 1920 the National Assembly passed a new Act on unemployment insurance, which came into force on 9 May 1920. The existing system of unemployment benefit was replaced by a permanent system, the cost of which was no longer borne by the state alone;

one-third was paid by the employer and one-third by the worker. Unemployment insurance contributions were collected by the sickness funds at the same time as sickness insurance contributions. A further important innovation was that unemployment insurance was only to be applied to persons who had been employed for twenty weeks in the year previous to that in which they became entitled to benefit and had thus given proof of their readiness to work. The new Act does not grant benefit for an unlimited period, but only for a maximum of thirty weeks in the year. There is also an interval before it falls due, as relief can only be claimed after a week's unemployment. The Act also provides against abuses and, in particular, penalises a worker, who voluntarily surrenders his employment without cause, by depriving him of the right to benefit for the next four weeks. The amount of the benefit was originally fixed on the basis of the daily sick pay, which a worker coming under the sickness insurance system could, have claimed in his last employment. In the case of unmarried workers or employees it was 60% of this sum and in the case of heads of families 80%. As the temporary provisions of the Act allowed this to be raised to 75% and 100%, the maximum unemployment benefit due to the highest class of worker worked out at 9 kronen and 12 kronen per day for unmarried and married workers respectively. These amounts could not, of course, be permanent; they had to be modified in accordance with the cost of living. The depreciation of the currency continued to cause living to rise, and the amount of unemployment benefit had to be raised several times: Two supplementary Acts were passed, the Act of 1 October 1920, which raised the maximum benefit to 15 kronen and 18 kronen respectively, and the more recent Act of 17 March 1921, which raised it still further in view of the precarious situation of unemployed persons. Unemployed persons having a family dependent on them receive, under the terms of this Act, 125% of the minimum sick pay; other persons received 75%. Simultaneously, Supplementary Act No. VI to the Austrian Sickness Insurance Act of 11 March 1921 considerably raised the minimum sick pay, to that the unemployment benefit which the highest class of workers can now claim is 90 kronen per day for heads of families and 68.50 kronen for unmarried men. A very large number of the unemployed are metal workers or employees in food trades and belong to the highest class; the result has been that the sums spent on unemployment benefit have been multiplied four or five times.

The resulting financial burden is considerable. As a matter of fact, it does not press all too heavily on the state, firstly, because the state is now only liable as to one-third of the incurred costs, and, secondly, because the number of persons entitled to benefit is continually decreasing.

Although in March 1920 there were still 54,000 unemployed entitled to benefit, this number decreased considerably after the new Act had been passed ; on 1 July 1920 it had sunk to 24,000, on 1 November 1920 to 16,000, and on 1 January 1921 to 15,000. There has been a further decrease in the course of the present year, and on 1 May 1921 the total number of unemployed persons in receipt of benefit was 11,000, including about 8,500 in Vienna. This striking drop in the figures is due to various causes. In the first place, the new Act excludes from unemployment benefit all persons who have already been in receipt of benefit for more than thirty weeks in the year. If real unemployment figures are to be quoted, such persons should be added to the number of those in receipt of benefit.

The real numbers of the unemployed, again, cannot be identical with the numbers in receipt of benefit, simply because many of them fail to fulfil the conditions laid down by the Act, more especially in regard to the length of their previous employment and their claim to sickness insurance. It is probably not far wrong to estimate the number of unemployed in Austria at about three times the number in receipt of benefit. But even if, on this assumption, the number of persons actually unemployed is estimated at about 30,000, the figure is still comparatively low and does not even equal the normal pre-war figure. This result must not, however, be regarded as a sign of economic recovery. It is an artificial consequence of the prevailing abnormal conditions, caused in some measure by the state of the exchanges, which makes it easy for Austrian trade to compete with trade abroad. Wages have not yet risen in proportion, and a great impetus has thus been supplied to industry ; coal supplies have also improved, which has made it possible to absorb a fresh supply of labour. Again, owing to the depreciation of the currency, there is no longer an influx of foreign workers, even in trades where foreign workers were formerly employed. For instance, in the building trades in which Czecho-Slovakians and Italians were largely employed, there is at present a considerable shortage of labour.

Economies have been effected in administration by the co-operation of the trade unions, which have carried on the work of the local unemployment offices in connection with their own trade employment offices. Finally, it should be noted that reciprocal agreements on unemployment benefit, providing for equality of treatment for nationals of the Succession States or other states, have been concluded with Czecho-Slovakia and Germany, and a similar agreement is about to be concluded with Switzerland. Thus Austrian legislation on employment exchanges and unemployment insurance satisfies the requirements of the Washington Draft Conventions on unemployment.

THE EIGHT HOUR DAY

Another important achievement in the sphere of social legislation has been the introduction of the 8-hour day; this has been carried out on a broad basis. Shortly after the Revolution, the Act of 19 December 1918⁽²⁾ introduced the 8-hour day into establishments run on the factory system. This was at first a purely provisional measure; it was only intended to remain in force until peace was signed, as it was at that time impossible to foretell the attitude of neighbour states on this question, a factor which would be bound to affect Austrian industry and its ability to compete with them. But when the International Labour Conference at Washington accepted the principle of the 8-hour day, the question was definitely regulated in Austria by the Act of 17 December 1919, which introduced the 8-hour day in all industrial establishments, including medium-sized and small establishments, as well as in commercial and industrial establishments carried on by the state, provincial and municipal authorities, or by corporate bodies. A certain freedom as regards the execution of this reform, which profoundly affected old-established customs, was allowed where employers and workers were organised. An Advisory Council, constituted of six representatives of such organisations, was empowered to submit to the administrative authorities proposals as to exceptions to be allowed in certain branches of industry.

The Act grants special treatment to women and young persons; their working hours are limited to 44 per week, and they are allowed a Saturday afternoon holiday. In railway and steamship undertakings, as well as in the postal and telegraphic services, the 48-hours' week is applied instead of the 8-hour day, in view of the special requirements of these industries. The Act further allows exemptions in the case of sudden interruptions of work and in the case of seasonal industries. Provision is also made for overtime, which must be paid 50% extra.

The carrying out of this Act in Austria follows the essential points of the Washington Convention on the 8-hour day. Two Administrative Instructions, dated 28 July 1920⁽³⁾ and 9 November 1920⁽⁴⁾, were issued as a result of the discussions and proposals of the above-mentioned Advisory Council. These provide a sort of catalogue of exemptions, which are allowed, either generally, or for certain trades and industries. The most important of these exemptions is that excepting certain industries from the obligation to institute the 44-

(2) *Bulletin* of the International Labour Office (Basle), Vol. XIII, 1918, p. 10.

(3) Inter. Lab. Office *Legislative Series*, 1920; Aus. 14.

(4) *Ibid.*, Aus. 21.

hour week for women and young persons, as laid down in the Act. The industries in question are those in which the work of women and young persons is so closely connected with that of the male staff, that the application of the 44-hour week would either result in a corresponding decrease in the working hours of the male staff or would be liable to result in no employment being given to women at all. This exemption from the 44-hour week is made conditional on its being embodied in a collective agreement, or, where this does not exist, in an individual agreement. It may not be applied in establishments in which two-thirds or more of the workers are women or young persons under 16.

Another general exception refers to continuous processes; in order to provide for the relief of shifts, the working hours may be arranged in such a way as not to exceed 168 in three weeks. There are also exemptions referring to the hours of work of door-keepers, fire and night watchmen, as well as of coachmen, motor drivers and other persons who act as drivers, conductors, etc., in the transport industry and in transport work in other industries; the sole provision laid down concerning the working hours of such persons is that they may not exceed 96 in two weeks. The special provisions regulating exemptions in particular industries are very detailed, and make allowance for the nature of the industry and for technical processes. The principal industries for which exceptions are granted are the paper, pottery, sugar, spirit, and yeast industries, as well as breweries, blast furnaces, peat works, flour mills, industrial gas works, the building industry, butcheries, hotels and restaurants, and banks. Exemptions from some of the provisions of the Act are also granted to retail trades, especially to rural retail traders, also to forwarding agents, and hairdressers. The requirements of rural industries are, of course, also taken into account.

All these exemptions were laid down after careful discussion between the Advisory Council and the interested parties on both sides, and, generally speaking, have met with no serious opposition. The principle of the 8-hour day is not generally affected by these exemptions, which simply make allowance for practical requirements.

GENERAL LABOUR CONDITIONS

An important reform, affecting persons in need of special protection, was introduced by the Government on 14 May 1919; it concerned the prohibition of night work for women and young persons in industrial establishments ⁽⁵⁾. This Act prohibits night work between 8 p.m. and 5 a.m. for women and young persons under 18. In industries where

(5) *Ibid.*, 1919; Aus. 7.

work is carried on in two or more shifts, the change of shift for men and women workers of over 16 years of age may take place at 1 a.m.; but the nightly rest period must never be less than 11 consecutive hours. Exemptions to the prohibition of night work can only be allowed in the case of industrial breakdowns and when there is danger of loss of raw material, and then only for a maximum of eight days. The Act of 28 July 1919⁽⁶⁾ lays down parallel protective regulations on night work for women and young persons in mines. Austrian legislation, therefore, follows the lines of the two Draft Conventions adopted by the Washington Conference on this subject.

An Act of 15 May 1919 initiated another reform closely connected with the regulation of working hours. This was the institution of minimum rest periods, closing hours for shops, and Sunday rest in commercial establishments⁽⁷⁾. Under the terms of the Act employees in such establishments must have an uninterrupted rest period of at least 12 hours; the earlier closing of shops, generally at 6 p.m., is also made obligatory and a more adequate Sunday rest secured. In wholesale establishments, banks, insurance offices, lawyers' and notaries' offices, etc., the week-end rest period is to begin at 2 p.m. on Saturday. This provides an adequate rest period for many thousands of employees suffering from underfeeding and other bad health conditions.

The rest periods laid down by this Act have meanwhile been exceeded by those fixed under the Act of 17 December 1919 on the 8-hour day⁽⁸⁾, which is now also in force in all commercial, banking, insurance, and similar establishments. Salaried employees of private firms have also received greatly increased legal protection, as their working conditions have been placed on a new basis of a very advanced social character. The Austrian Act of 1910 on commercial assistants⁽⁹⁾ had already effected a considerable improvement in the legal position of salaried employees. It laid down regulations about notice and discharge, about leave, provided certain guarantees in cases of sickness, defined claims to commissions; regulated fidelity clauses, and so on. This Act could at that time be regarded as a great step forward. But a number of supplementary measures had since become necessary in order to protect salaried employees from the cruel position in which they were placed as a result of the war, more especially after the Armistice, when, like all intellectual workers, they suffered from the general economic collapse

(6) *Ibid.*, 1919; Aus. 11.

(7) *Ibid.*, 1919; Aus. 8.

(8) *Ibid.*, 1919, Aus. 12.

(9) *Bulletin of the International Labour Office (Basle)*, Vol. V, 1910, p. 202.

and the slump in trade. An Administrative Instruction of 18 November 1918 lays down various provisions as to notice of discharge, the purpose of which is to avoid discharge altogether, or else to provide for the giving of longer notice or of a bonus. Establishments proposing to discharge a large proportion of their staff, because they were transferring their headquarters to other countries, were compelled to grant increased bonuses. A special Instruction compelled all establishments to re-instate employees who had left their former employment to join the army, and to pay them a salary which corresponded with what they had earned before the war.

These regulations were mostly only valid for a time, and required to be frequently renewed. They were mere palliatives, and their importance as social legislation is entirely outweighed by the Act, which has just been passed, on the employment of private employees. This Act, which was drafted with great care and approved by the National Council on 11 May 1921, is an important attempt to regulate, on the broadest principles, the employment conditions of all private employees.

It arose out of two Bills introduced about a year ago by the Social Democratic and Christian Socialist Parties. These Bills were discussed in detail by the Committee for Social Affairs; a thorough enquiry was conducted with the assistance of all the interested parties, and the Bills were finally embodied in a single Act. This Act follows the lines of the 1910 Act on commercial assistants, but covers a much wider field. It applies not only to commercial assistants, but also to every type of salaried employee in the service of private persons, with the sole exception of employees on estates, whose position is regulated by an older Act. The title of the Act could therefore be drafted simply as the "Act concerning Salaried Employees", without any special reference to commercial assistants. The Act extends the legal protection provided for salaried employees. The principle it adopts is that of equating the rights of the employee to his length of service. Thus notice of discharge, length of leave, compensation due on account of sickness or discharge, etc., are all increased in proportion to the period during which the employee has kept his employment. The new Act further lays down far-reaching provisions, which agree with the Draft Convention of the Washington Conference on the protection of women before and after childbirth. A Social Democratic proposal to fix a minimum salary equal to the minimum income which is from time to time defined as free of taxation, as being the existence minimum⁽¹⁰⁾, was rejected. The Act comes into force on 1 July 1921.

An Act of 30 July 1919⁽¹¹⁾ extends the right to claim

(10) At present 32,000 kronen per annum.

(11) Inter. Lab. Office *Legislative Series*, 1919; Aus. 12.

leave, a right which had already been in force for commercial assistants in virtue of the Act of 1910, to all workers. The masses were thus given opportunities of rest and recreation. The new Act gives workers and salaried employees in any industrial establishment or in any establishment carried on by the state, provincial and municipal authorities, or by corporate bodies, the right to one week's leave after a year's service and to two weeks' leave after five years' service; young persons over 16 years of age are entitled to two weeks' leave after one year's service. Wages naturally continue to be paid during the period of leave; if the employee is also entitled to board, he can claim for every day's leave a sum equal to his daily sickness pay. The benefits of this Act, welcomed by the workers as a reform which they had long wanted, will certainly make themselves rapidly apparent in the form of an improved standard of general public health.

An Act of 3 April 1919 ⁽¹²⁾ lays down special regulations for work in bakeries. The workers in Austrian bakeries had for many years been fighting to obtain legal protection, which was all the more necessary as excessively long hours and frequent night work were the rule. Not only did the new Act introduce the 8-hour day in all baking and confectionery establishments even before the general 8-hour Act became law, but it also included a general prohibition of night and Sunday work. The provisions for the protection of apprentices are also of importance; the physical fitness of an apprentice must be established by official medical examination before he is accepted for any trade. The employment of apprentices in the hawking trade is forbidden.

The Act of 26 February 1920 ⁽¹³⁾ on domestic servants affects a large number of employed persons. Although this Act includes persons of higher education, such as governesses, tutors, and housekeepers, who live in their employer's house, it is intended to apply more particularly to domestic servants in the narrower sense, who had previously enjoyed but very little legal protection. Orders concerning domestic servants were in existence, but were mostly out of date or inadequate. There was also the fact that the execution of these Orders was entrusted to the police, who in the old Austrian Empire were not exactly inspired by the highest social principles. The new Act put an end to this; it regulated the conditions of domestic employees, their wages, their food, (which must as a rule be the same as that provided for the family), their accommodation, their rest periods and holidays. The nightly rest period is nine hours, normally given between 9 p.m. and 6 a.m. Domestic employees are also entitled to two hours for their principal meals in the course of the day; for domestic employees under 16 years of age the nightly rest

(12) *Ibid.*, 1919; Aus. 6.

(13) *Ibid.*, 1920; Aus. 18.

period is eleven hours and the daily rest pauses altogether three hours. Domestic employees are entitled to eight hours off every other Sunday, beginning not later than 3 p.m.; they are also allowed four hours off on one week-day afternoon every week for their shopping. In the matter of holidays they are entitled to rather more favourable conditions than other workers. They are paid their wages, together with an additional allowance of one-half, one, or one and a half times their regular monthly wage according to whether the length of their holiday is one, two, or three weeks. There are important provisions regulating the termination of employment. The period of notice to be given is the same for both parties, usually a fortnight; it may be reduced by agreement, but must in no case be less than a week. If after ten years' uninterrupted service the employee leaves through no fault of his own, he is entitled to compensation amounting to one quarter of his annual wage; such compensation increases by 5% for every additional year's service, until it touches the amount of the whole annual wage. The Act abolishes the servants' work-book, to which a certain odium attached, similar to that which used to attach to the older work-book of the industrial worker, especially in view of the fact that both had to be kept by the employer as long as the worker remained in his service. The book is replaced by a "service-card" issued by the municipal authorities, with the employee's photograph attached for purposes of identification. Disputes arising between employers and servants are no longer settled by the police, but by the ordinary courts. Conciliation boards are also set up.

HOME WORK

Most of the Acts mentioned above aim principally at the regulation of work hours and rest hours. A number of other legislative reforms have, however, been introduced in order to remedy various social abuses. Home workers, for example, were subject to most unsatisfactory conditions; their work not being done in a factory, it was impossible to keep fixed hours, and the lack of any adequate workers' organisation produced most undesirable wage conditions. The Act of 19 December 1918 on the hours and wages of home workers brought a radical change⁽¹⁴⁾. It compels the keeping of exact records; accurate lists of all home workers employed on direct contracts or sub-contracts must be supplied to the inspection authorities and kept up to date for supervision purposes. It also provides that wages and methods of wages calculations, together with all other work conditions and all

(14) *Bulletin* of the International Labour Office (Basle), Vol. XIII, 1918, p. 12.

conditions for the delivery of the goods, shall be conspicuously posted up, either where work is given out, or where the finished articles are handed in, or where wages are paid. Various other provisions for protecting home workers are included, the execution of which is to be supervised by the factory inspectors. By far the most important Section of the Act, however, is that dealing with the official regulation of home workers' wages. Joint central home work committees are set up for the various home work industries. These committees must fix minimum wages, which are legally binding, subject to the approval of the Ministry of Social Affairs. Considerable use of these regulations has been made in the ready-made clothing trade. Four central home work committees have been set up, one for the clothing, one for the ready-made white goods, one for the boot and shoe, and one for the artificial flower and feather trade. These committees include impartial experts, employers' representatives, foremen's representatives, home workers, and shop employees; the chair is taken by a government official. Wages have at present been fixed principally in the ready-made white goods trade, in men's underwear, in the blouse and linen dress trade, and in army underclothing; wages have also been officially fixed for the manufacture of military uniforms. In the other branches of the ready-made clothing trade collective wage agreements have proved sufficient, especially as the favourable position of the Austrian clothing trade enabled the home workers to obtain the concession of most of their demands from their employers. When a slack period sets in, wages will tend to come down, and this tendency will have to be counteracted by the central home work committees, which will fix official rates.

CHILD LABOUR

The Act of 19 December 1918 ⁽¹⁵⁾ on the employment of children is also of great moral significance, as it fills a gap in Austrian legislation and frees it from the reproach of being backward as compared with the more progressive legislative systems of other states. The Austrian Congress for the Protection of Children, which was held at Salzburg in 1913, had revealed a harrowing situation as regards child labour. Immediate legislative measures to prevent children being employed in unhealthy trades were repeatedly demanded in the old Austrian Parliament. It was not till after the Revolution, however, that these demands were satisfied. The 1918 Act prohibited, in general, regular paid work for children under 14 years of age. In those exceptional cases where children are allowed to be employed on light work, e.g. in

(15) *Ibid.*, Vol. XIII, 1918, p. 19.

agriculture or in domestic work in their own homes, the Act provides for a sufficient nightly rest period and for the necessary school attendance. The Act includes special provisions on the employment of "stranger" children⁽¹⁶⁾, with a view to preventing the exploitation of orphans and foster children. Severe limitations are also placed on the employment of children in public shows and performances. In order efficiently to ensure the execution of the Act, service-cards must be obtained from the local authorities for every child not a member of the employer's family, whom it is proposed to employ. The authorities must refuse to issue cards in all cases in which, in the opinion of the doctor or the school authorities, the work might have a bad effect on the moral, physical, or mental development of the child. The Act thus makes ample provision for the protection of children. This is further strengthened by another Act of 4 February 1919, on the protection of foster children and illegitimate children. This Act provides for the official supervision of children who are brought up by persons other than members of their family. Under its terms these children, many of whom are war orphans, are adequately protected against exploitation. Many teachers have shown admirable readiness to undertake the task of their supervision; this has greatly helped to get the the Act carried out, especially in rural districts.

ABOLITION OF WORK-BOOKS

One of the reforms which Austrian workers had for years been trying to obtain was the abolition of work-books and of the laws making breach of contract by the employee a punishable offence. This reform was conceded by the Act of 25 January 1919. The work-books, which the workers had always disliked as an odious police regulation, were replaced by identity cards, which are only issued at the worker's request and therefore have no obligatory character. In future, breach of contract is to be a civil offence only; the delinquent is henceforward to be, as the employer had always been, simply liable to damages. This removes the inequality formerly existing between employer and worker, when the latter rendered himself liable to punishment, if he broke his contract, and might be forced to return to his employment.

SOCIALISATION : WORKS COUNCILS

The Austrian Acts referring to socialisation are not without interest to countries other than Austria. Reference may first be made to the Act of 14 March 1919⁽¹⁷⁾, preparatory

(16) i. e. any children other than those living in the employer's household and related to him within the fourth degree or adopted by him. .

(17) Inter. Lab. Office *Legislative Series*, 1919; Aus. 5.

to the process of socialisation. The principle laid down in this Act is that, if socialisation is necessary for the public good, industrial establishments suitable to this purpose may be expropriated and conducted by the state or the provincial or municipal authorities. The details for putting this principle into force were to be regulated by separate Acts on expropriation, agrarian reform, and internal colonisation. A State Socialisation Commission was set up to draft these Bills. It included representatives of the Ministries and public bodies concerned, as well as experts representing the workers, employees, and employers, and other trained persons. All members of the Commission were entitled to vote. This Commission did good work in spite of the unfavourable way in which economic conditions were affecting all socialisation schemes.

Its preliminary discussions resulted in the Acts of 15 May 1919, concerning works councils ⁽¹⁸⁾, of 30 May 1919, concerning the expropriation of industrial establishments, and of 29 July 1919, concerning community control, the last of which aims at introducing new forms of economic organisation. A detailed account of the purport of these Acts would go beyond the scope of the present article. The Works Councils Act is, however, specially connected with my present subject and merits a brief discussion, especially in view of the fact that, unlike the other Austrian socialisation laws, it has been completely applied and has had a certain influence on parallel legislation in other countries. The Austrian Act states that works councils for workers and salaried employees are to be set up in all factories and establishments, which employ twenty or more workers and salaried employees. Their functions are to study and promote the economic, social, and general interests of the workers and salaried employees in such establishments. They have to supervise the carrying out and observance of collective agreements and come to an arrangement with the employer as to means and methods. Where no collective agreements have been concluded, the works councils are to facilitate their conclusion by arrangement with the trade unions. They are further empowered to exercise a certain influence on the fixing of wages, on the issue and alteration of work regulations, and on the supervision of measures for the worker's protection and accident prevention. They must collaborate in maintaining factory discipline, may examine wages-sheets, supervise wages payment, and share in the management of all welfare arrangements. If workers are dismissed on account of political reasons, the works council may appeal to the conciliation boards. Finally, they have the right to demand that the management shall submit to

(18) Inter. Lab. Off. *Legislative Series*, 1919; Aus. 9 and 10.

them an annual balance sheet, profit and loss account, and wages statistics. In joint-stock companies the works council delegates two representatives to sit on the board of directors. These representatives have the same rights and duties as the other directors, but do not draw directors' fees. The members of works councils are usually elected by proportional representation ; their number varies with the number of workers and salaried employees in any particular establishment. Detailed provisions as to their election and the procedure to be observed are laid down in an Administrative Instruction of 27 June 1919. The procedure and work of the councils themselves are also regulated in detail by an Administrative Instruction of 11 July 1919. «The Act thus endows works councils with many important rights, and, on the whole, they have proved successful. With a few exceptions they have taken a wise view of their duties and have largely contributed to the maintenance of industrial peace. The various disputes which have arisen out of the work of individual works councils have all been easily settled by the conciliation boards.

A few words must be added on the establishments under community control, which were intended to be a fulfilment of the aims embodied in the Socialisation Acts. The Act of 29 July 1919 on community control has not yet been extensively put into practice. The attempt to create such public establishments has reduced itself to an effort to maintain in permanence certain existing public establishments of a military nature, and to make them of use to the community. The United Leather and Shoe Works in Brunn am Gebirge, the Austrian Medical Products Office in Vienna, and the Styrian Carriage and Car Works in Graz, were turned into public institutions. The state, the province of Styria, the Vienna Hospital Fund, the Co-operative Wholesale Purchase Society, and the Agricultural Goods Purchase Office, all have shares in these establishments, which obtained a certain financial success in their first year of work and were able to share out considerable profits among their workers and employees. They have also helped to satisfy public requirements by placing good footwear and cheap medicines at the disposal of the public. The experience accumulated by these public establishments, many of which were able to draw on surplus military stores for their manufacture, is, however, insufficient to justify any definite judgment as to the true value of such forms of enterprise. The arsenal, which was one of the largest military munition factories in the old Austrian Empire, has also recently been turned into a community establishment, with a capital of 550 million kronen. It will be of great interest to see what success attends this huge undertaking, which still employs over three thousand workers.

COLLECTIVE AGREEMENTS AND CONCILIATION BOARDS

The conciliation boards have already been mentioned in connection with the works councils. They grew out of the complaints committees set up during the war for the protection of workers and employees, who were compelled by the Industrial Conscription Act to remain at work in the munitions factories, and for the purpose of regulating their wages. After the war these committees were deprived of their military character and placed on a fresh basis by the Act of 18 December 1919 on the establishment of conciliation boards and collective agreements. The conciliation boards are constituted of employers' and workers' representatives under the chairmanship of a state official qualified to act as a judge. Their work is of three kinds; they act as conciliation committees in disputes about labour conditions, as judicial organs in disputes arising out of the work of the works councils, thirdly, as agents in assisting the parties interested to conclude collective agreements, and registering and interpreting such agreements when concluded. A still more important function is that, at the request of official bodies, such as the Factory Inspection Department or a court of law, or of employers' or workers' organisations, they may adopt a particular collective agreement as a compulsory standard for all agreements within a particular trade or operative over a particular district. In empowering the conciliation boards to act in this way, Austrian law strikes out a new path essentially different from the mere fixing of wages-rates, such as is usual, for instance, in the case of home workers. The peculiarity of the arrangement is that the conciliation board does not itself fix wages-rates, but, while maintaining the rates fixed in a collective agreement between the parties, raises this agreement to the position of a general regulation, which is also binding on other parties. So-called "outsiders" are hereby swept into a collective agreement wages settlement. There is also a General Conciliation Board in Vienna, to which parties may appeal against the action of a local conciliation board in setting up a collective agreement as a standard regulation.

WORKERS' COUNCILS

The above Acts, defining the worker's legal position and the protection due to him, have conceded to him important rights, which have partly shifted the balance of industrial power. Proof of this was given in the Acts of 26 February 1920 and 1 October 1920, which satisfied the old wish for special workers' and employees' councils. These are bodies legally represent-

ative of the workers' economic and social interests, parallel to the chambers of trade and commerce, which for over fifty years have represented the interests of the commercial employer and the manufacturer. These new councils will be a kind of platform for the wide publication of the wishes of workers and salaried employees. It will not be their function to interfere in political or industrial disputes, but to stand for the workers' rights in the broadest sense. Their principal function will be to submit resolutions and proposals to the authorities dealing with labour conditions, workers' insurance, and the labour market, or with any other industrial, economic, and commercial topics whatsoever directly or indirectly affecting the interests of workers or employees.

The new labour councils have been set up in Vienna, Linz, Graz, Salzburg, Klagenfurt, Innsbruck, and Feldkirch, and are divided into four sections, one each for workers and salaried employees respectively in general industry, and one each for workers and salaried employees respectively in transport and communication (railways, posts, and telegraphs). The members of labour councils are elected by proportional representation from all workers over 18 years of age, who, on the day of the election, have been employed for at least two months in the district to be represented by a council. To be eligible for election, workers must be over 24 years of age, must be employed in the district represented by the council, and must have been a member of a workers' or salaried employees' organisation in Austria for at least three years. Labour councils elect their own executives, a president, and a vice-president; they have special offices managed by their secretaries, who should be men of training and experience in social affairs. The executives of all labour councils must hold a conference at least once a year in order to discuss and handle common business; by this means the councils are kept in touch with each other. The Act also provides for a live connection with the chambers of trade and commerce, in directing that chambers of commerce and labour councils shall communicate to each other their decisions and resolutions reached in public session. Joint committees, representative of both sets of organisations, are also provided, for the discussion of common agenda. The costs of establishing these labour councils were in the first instance borne by the state, but are later to be repaid by the councils. Funds are to be obtained by a levy on all workers and salaried employees in the district; the labour councils in Vienna and Graz have fixed this levy at 2 kronen per head per week.

The first elections to the Austrian labour councils took place in February to April 1921, on the basis of an election Order issued by the Ministry for Social Affairs on 10 November 1920. Several parties took part in the elections. The large majority of votes went to the lists of the 'free' trade unions

connected with the Social Democratic Party; the Christian and National trade unions, which mostly joined forces, received only a small proportion of the mandates; the Communist party obtained nothing but a small representation on the Vienna council, and got none at all on the provincial councils. The figures throw an interesting light on the political structure of the Austrian working classes, and the results of the election to the Vienna labour council are therefore here included. This council has the largest electorate of all, and includes the country of Lower Austria. The total number of persons entitled to vote was 546,963, of whom about 75 % were men and 25 % women. The number of votes recorded was 354,222; thus 64.7 % of the electorate voted. The proportion of voters was smallest in the salaried employees' section (51.5 %), and largest in the transport workers' section (82.1 %), where political opinion intensified the conflict. Of the total number of votes recorded 300,452, or about 84 %, were cast in favour of the 'free' trade unions list; 38,655, or about 11 %, in favour of the Christian and National lists; and 13,854, or about 4 %, in favour of the Communist list. The other votes were divided. The 130 mandates for the council were accordingly allotted as follows :—

- 114 to the 'free' trade unions;
- 12 to the Christian and National organisations combined;
- 4 to the Communists.

In the Graz elections the 'free' trade unions obtained 58 out of 64 mandates, the other six falling to the Christian and National unions; the Communists obtained none. Elections to other councils produced very similar results. The opening of the Vienna council was celebrated with some formality on 23 April, that of the Graz Council on 7 May, that of the Salzburg Council on 20 May, and that of the Linz Council on 21 May 1921. The persons elected on to the executives were influential persons of long trade union experience.

FACTORY INSPECTION

The above completes the account of such Austrian legislation, referring strictly to the rights of workers, as has been passed since the Revolution. Mention may also be made of a Bill for the reform of factory inspection, which has already been introduced into the Austrian Parliament, but has not yet been passed. The Austrian factory inspection system, set up by the Act of 17 June 1883, has, on the whole, done good work in securing the protection of workers. The expert knowledge and impartiality of the inspectors are generally admitted, and they have won the confidence both of employers and workers. The old Act was, however, inadequate and did not give the inspectors sufficient powers. It is now proposed to extend their functions considerably. In the

first place, they are now not only to inspect industrial establishments, but all establishments, with the exception of mines, which have a separate inspection system; they are also to inspect aerial transport, railways, agriculture, and forestry. Thus the factory inspector would become a general inspector of labour. Where immediate action is called for, he is to be allowed to order protective measures against accidents, etc., on his own authority. Permission for lengthening of working hours or of night work is in future to be given by the factory inspectors, and not by the public authorities. The Bill also proposes further to extend the authority of factory inspectors to supervise the working of factories, to take evidence, to examine records, and to test suspected materials. The factory inspector is to be allowed an independent right of appeal against rulings of industrial authorities, which are in conflict with his proposals or suggestions. Simultaneously, the staff of the Factory Inspection Department will be increased, so as to be in a position to carry out these wider duties in a satisfactory manner. As the Bill has been approved in industrial circles, it will probably shortly be passed by the Austrian National Council.

SOCIAL INSURANCE

The legislative progress which has been made in social insurance is very important, though not as comprehensive as what has been done in other branches of labour legislation. An insurance system has existed for over thirty years; workers' sickness and accident insurance was established in Austria at the end of the '80s of the last century. Austrian sickness funds, for instance, were largely administered by the workers, and were well managed independent institutions, which did much to improve the public health. The accident insurance institutions were also useful, though they were apt to fall into temporary financial difficulties. In 1906 a system of pensions insurance for private employees was also created, but was badly organised and of no great use to the beneficiaries. It had been the intention to round off the insurance system by old age and disablement insurance measures, and a great deal of preliminary work had been done; between 1902 and 1914 a number of Bills on this subject were discussed both in Parliament and on various advisory bodies, but no Act was passed.

Sickness Insurance

Such was the position in regard to social insurance in Austria when the war broke out. The effects of the war first made themselves felt in the sphere of sickness insurance. Their sufferings in the field caused many workers to contract internal diseases, which were only discovered on their return

to civilian life, and imposed a heavy burden on sickness funds. Another factor was the spread of venereal disease among the troops, which seriously affected the national health. Finally, there were the grave results of underfeeding. All these causes contributed to undermine the Austrian sickness insurance system, which had previously been sound. It became necessary to legislate. The first Act supplementary to the Austrian Act on sickness insurance was passed on 20 November 1917. The aim of this Act was to increase the payment capacity of sickness funds, principally by means of combining them in financial associations, which were to initiate preventive measures and to conclude collective agreements with the medical profession; benefits, and especially sickness pay, were also raised and insurance of dependents introduced. Sickness funds were thus, to some extent, prepared for the demands which their returning members might be expected to make on them after demobilisation. Further legislation, however, was soon called for. There were still in existence a large number of very small funds, each having only a small number of members, and these helped to split up the system. A second Act of 26 February 1919, therefore, included far-reaching provisions for unifying the sickness insurance system, based on the collaboration of the new associations. Further Acts, e.g. those of 9 July 1920 and of 11 March 1921⁽¹⁹⁾, considerably raised the amount of sickness benefit in order to correspond with the rise in wages; the sickness benefit for the higher wage class is now 72 kronen per day. The maximum period for which sickness benefit was paid was increased to 52 weeks. The last Act also developed the system of motherhood protection to agree with the Draft Convention, of the Washington Conference. Pregnant and lying-in women, who are away from work, are entitled to sickness benefit for six weeks before, and six weeks after, confinement; nursing mothers may also be allowed a bonus up to a maximum of 26 weeks. Even more important than these supplementary Acts is a Bill now before Parliament on the extension of sickness insurance to other classes of the population. This Bill provides that all independent wage earners, by whomsoever employed, must in future be insured against sickness, in particular, agricultural and forestry workers, domestic workers, and home workers, as well as persons who are employed by several employers or by different employers in turn; e.g. tutors, sewing women, washerwomen, etc. The representatives of agriculture and forestry have expressed a wish that the sickness insurance system for these industries should be separately organised; special agricultural associations would be set up to guarantee the insurance payments. This Bill is arousing great interest in the Austrian Parliament, and is likely soon to pass into law.

(19) *Ämtliche Nachrichten*, 1921, p. 232.

Accident Insurance

The modifications which have been introduced into accident insurance are not so far-reaching. Accident insurance was established by an Act of 28 December 1887, which was at that time a considerable achievement, but which now requires to be brought up to date. The benefits granted were too small, and experience has also proved that for men disabled in the war new methods are required in order to re-train them and restore their professional skill. Acts supplementing the accident insurance Act were passed on 30 July 1919, 9 July 1920, and 17 March 1921, considerably increasing the amounts of accident benefits. In order to allow for the progressive depreciation of the currency an increase was made in the maximum annual wage used as a basis for calculating accident allowances. This was first raised from 3,600 kronen to 6,000, then to 15,000, and finally to 48,000. The allowances for injured apprentices were considerably improved, and the legal allocations to surviving relatives increased; insured persons were entitled to have artificial limbs supplied to them and to claim orthopaedic assistance. The provision of medical treatment was also put into the hands of the accident insurance funds, and detailed regulations on this head laid down. Special provision was made for persons whose injuries involved a loss of earning capacity of over 50%, and who were therefore in special distress owing to the prevailing difficulties of living; the Acts of 16 April 1920 and 11 March 1921 allow such persons special cost of living bonuses in addition to their pensions, amounting to 2,400—4,800 kronen per annum; to meet these bonuses a special levy is imposed on employers of establishments insured in the fund called upon. Similar cost of living bonuses were allowed to the surviving relatives of workers killed in accidents. These two Acts also considerably increased the insufficient sickness and accident allowances made to miners, who were insured in old-established Friendly Societies.

Private Employees' Pensions

Important innovations were introduced into the pension system for private employees. This system entirely failed to justify the hopes which had been placed in it, owing to the quite inadequate benefits provided by the Act of 16 December 1906⁽²⁰⁾. The maximum wage used as a basis was only 3,000 kronen, and wages exceeding that amount

(20) *Bulletin of the International Labour Office (Basle)*, Vol. I, 1906, p. 398.

were simply ignored. The pensions were also very small ; the invalidity pension for a contributor of ten years' standing in the lowest wage class was only 180 kronen per annum, and for a contributor of forty years' standing only 450 kronen ; the maximum pension for those in the highest wage class and after the longest premium period was only 2,250 kronen per annum. Premiums, on the other hand, were comparatively high and were a considerable burden on insured persons. Another disadvantage was that the system was split up by the existence of a number of separate insurance authorities, especially by the so-called "substitute arrangements", (*Ersatzeinrichtungen*). The Act of 23 July 1920 attempts to remedy both these defects. The maximum wage used as a basis in calculating pensions is raised from 3,000 to 18,000 kronen, and the benefits are also considerably increased. The premium period which must run before the insured can claim a pension is reduced to 60 months, and the standard pension as well as the percentage increases are raised ; invalidity pensions therefore, can, now be as high as 13,500 kronen. There are transitional provisions which are very advantageous to the insured ; in virtue of them, the pension claims of persons who have already been insured are calculated on their present wage class, even if they had formerly been placed in a lower class ; considerable increases are allowed to persons already in receipt of pensions. The "substitute arrangements", which had previously hampered the administration of pensions, are largely restricted by the new Act. Supplementary agreements with individual employers are in future prohibited. Existing substitute institutions must from now on conform to the new Act and greatly increase their benefits, if they are to receive state recognition. The transfer of employees from state to substitute institutions is also made more difficult for the employers, so as to reduce the injurious tendency to split up the pension system.

Sickness Insurance of State Officials

In contrast to such modifications introduced into old-established arrangements, the sickness insurance system for state officials is a new creation, set up by an Act of 13 July 1920. It provides assistance for state employees, who were particularly hard hit by the war. They received fixed salaries ; though these were raised several times, they could not be made to correspond to the increased cost of living, while their purchasing power decreased more and more alarmingly as the currency deteriorated ; there was no money left for doctors' and chemists' bills, and the health of state officials and their dependents suffered severely. The new Act attempts to remedy this by introducing

compulsory sickness insurance for all officials. A sickness insurance office for state officials has been established in Vienna, managed by an equal number of representatives elected by such officials and representatives nominated by the Government. The system extends to a large number of persons, as not only are active and retired state officials and members of the regular forces included, but also their wives and their children under age. The insurance payments include assistance in cases of sickness, maternity benefit, and funeral benefits to the families of deceased officials. No sick pay is allowed, as Government employees, as a rule, continue to draw salary for a year during sickness. The sickness assistance covers medical attendance, including surgical treatment, the attendance of a doctor and midwife at confinements, and dental treatment; the necessary medicines and appliances, as well as dental plates, are provided. Every insured person may select his own doctor. Should he be attended by the doctor with whom his sickness fund has entered into an arrangement, the fund pays for his treatment; otherwise he pays the difference between his own doctor's fee and the amount which the fund would have paid had he been attended by their doctor. In order to prevent abuse of the fund doctor's attendance, insured persons are required to pay a nominal fee for every consultation. The cost of insurance is covered by contributions, of which one-half is paid by the employees and one-half by the state; each half is calculated at 1.3% of the employee's salary. The statistics on which these calculations are based estimate the number of insured state employees at about 160,000, excluding railway employees, whose insurance is separately organised. Estimating the number of dependents at 215,000, the total number of persons benefiting by the new sickness insurance system is 375,000. The expenses for the first year are estimated at about 160 million kronen.

The Minister for Social Affairs has recently stated that the Government is about to bring in a Bill providing for old age and disability insurance, and completing the system of social insurance in Austria.

WAR AND DISABILITY COMPENSATION

A third group of social laws, which have been adopted in Austria since the Revolution, make provision for the large number of disabled men, widows, and orphans, who constitute the saddest legacy left by the war to the Republic. The first steps to provide some sort of medical treatment, after-care, and education for disabled men were taken by administrative measure, but on 25 April 1919 the National Assembly passed a general Act regulating state compensation for war invalids, widows, and orphans; this is the basis on which the treatment

of disabled soldiers and their dependents is built up. This Act applies carefully systematised methods to adapt the amounts of pension payments to the amounts of compensation payments for disablement. Pensions are to be fixed according to loss of earning capacity, and within certain limits, according to the disabled man's previous salary and educational attainments. The benefits allowed by the Act are comparatively high, and involve the state in very great expense, as the rising cost of living has necessitated several supplementary Acts to increase the amounts given. The treatment of surviving dependents is also based on modern principles; for instance, the legal rights of illegitimate children have been improved, so that, on the whole, they are now treated on the same level as legitimate children. The enforcement of the Act is in the hands of special authorities, called War Disablement Compensation Committees, which have been set up in the principal towns of each province, and are to receive the assistance of representatives of disabled men's and war widows' organisations. Action is taken in the first instance by local disablement offices, which have to notify cases and administer the practical details.

Although the War Disablement Compensation Act came into force on 1 July 1919, it could not be put into immediate and complete operation, as the number of persons entitled to pensions was too great to be dealt with at once; there are believed to be about 100,000 disabled men and 200,000 soldiers' dependents in the small Republic of Austria. Advance pensions have, however, been granted on a large scale, so that war victims might not have to suffer distress. Further provision is made for disabled men by the Act on the employment of disabled men of 1 October 1920⁽²¹⁾. This Act orders the compulsory employment of disabled men in public and private establishments in the proportion of at least one to every twenty workers employed; a money payment to the funds for disabled men may be substituted for such compulsory employment. A separate Act of 27 January 1921 introduces especially favourable working conditions for disabled employees of the Federal Government. In order to obtain funds for the additional relief of disabled men and of the relatives of those killed at the front, beyond that provided by legislation, the so-called Gambling Tax Act of 14 May 1920 imposes a tax on all games in public places, especially in hotels and restaurants, clubs, associations, etc. This tax yields a very considerable sum; more than 60 million kronen will be obtained for such additional relief. There is also a certain slight connection between the care of disabled men and the Act of 30 May 1919 for the establishment and accommodation of public welfare centres. This Act attempts to equalise the conditions of rich and poor by forcing the owners of castles, palaces, and other

(21) Inter. Lab. Office *Legislative Series*, 1920; Aus. 16.

luxurious residences under certain circumstances to surrender these for use as public welfare centres, such as sanatoria and nursing homes for disabled soldiers, persons disabled in industry, and persons suffering from tuberculosis, as well as for public welfare centres for children and young persons. The owners receive no compensation for residences acquired between 1 January 1915 and 31 December 1919 (unless by way of legacy or inheritance), i.e. where they have presumably been purchased out of war profits; compensation is also refused where residences have been unused or only partly used, or where owners had removed to a foreign country after a given date; in other cases the owners are compensated. They can also avoid expropriation by providing an alternative property or by paying a certain sum. Castles and palaces are exempt from expropriation where they are of such value, on account of their architectural beauty or the art treasures they contain, that it is to the public interest that they should be preserved as they stand. The execution of the Act is in the hands of provincial committees, who have to make an investigation on the spot, when a property is to be expropriated, and propose to the Ministry for Social Affairs that it shall be declared a national welfare centre. Up to the present this Act has not been very extensively applied; most of the castles are hundreds of years old and therefore, on hygienic grounds, are unsuitable for use as public welfare centres.

The Republic of Austria has made a serious effort to initiate social progress. Austria welcomed the invitation to become a member of the International Labour Organisation and solemnly and publicly recorded its entry by a formal act, namely, the publication in the *Staatsgesetzblatt* of a proclamation of the Ministry for Social Affairs, dated 29 May 1920. The Austrian Government submitted the six Draft Conventions adopted by the Washington Conference to the National Council within the appointed interval, on 27 January 1921, and proposed that the Convention for the 8-hour day in industrial establishments, together with the Conventions on unemployment, on night work for women, and on night work for young persons should be approved. In view of the fact that the VIth Supplementary Act of 11 May 1921 to the Austrian Sickness Insurance Act has meanwhile provided for the protection of women before and after childbirth on the lines of the Washington Draft Convention on this subject, it may be confidently predicted that Austria will, in addition, ratify this Convention. The only Convention which remains is that on the minimum age for the employment of children in industry. Although the most important provisions in this Convention correspond to the Austrian Act of 19 December 1918 on children's employment, there are certain objections to its strict application. There would be serious disadvantages

in any absolute prohibition of the industrial employment of children under 14 in Austria, as compulsory education ceases before that age is reached. It would, therefore, not be altogether desirable to impose an absolute prohibition on the employment of children in paid work between their leaving school and their attainment of the age of 14; for, if they were without occupation, they might be exposed to the dangers of the streets, especially in large towns. This interval, however, as a rule is only an interval of a few months, and it may therefore be possible to find some way of ratifying the Convention.