



The Campaign against Unemployment in Sweden

by

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IT was not until recently that the unemployment problem came to the fore in Sweden. The principal national industry is agriculture, yet there is relatively little large-scale agriculture. A large proportion of the population are peasant proprietors farming their own land with the help of their families or only with one or two hired workers. Unemployment has, in fact, scarcely made its appearance in agriculture, or, at any rate, not until now.

Large-scale industry, more especially the wood and metal trades, began to extend in the course of the second half of the nineteenth century. Undertakings mostly sprang up in the neighbourhood of the natural resources which had given them an origin, e.g. along water-courses, these being useful both as natural agencies for the transport of raw material and as supply sources of the power required for working it up. The result is that most of the larger industrial establishments are located in the country, where the workers, being by birth attached to the district, can more easily find means of earning their livelihood during industrial crises.

THE UNEMPLOYMENT SITUATION

Mass unemployment, therefore, was unknown in Sweden before the war, and special government measures had never been required to deal with it. Seasonal unemployment had sometimes appeared in the big towns during the winter, and the municipal authorities had been accustomed to take action when necessary by putting in hand some municipal works for the time being with a view to providing employment. From 1902 onwards the big towns began to set up employment exchanges, and from 1907 these exchanges were supervised and partly financed by the Government. Financial assistance brought progress. Provincial exchanges were established, with a central office in the provincial capital and local branch offices in the smaller towns. There is

now a complete net-work of 136 exchanges covering the whole country (1).

As industrialisation spread, the need of protective measures was felt, in spite of the fact that serious unemployment crises had not yet occurred. Trade unions began to show great interest in the question of unemployment insurance; at the present moment 21 unions have unemployment funds covering 200,000 workers. The question of placing unemployment insurance in the hands of the Government came up in 1910, when Parliament requested that the problem should be investigated. The enquiry was entrusted to a Committee, which is to submit a scheme in the course of 1922.

The outbreak of the world war brought the country face to face with an unemployment crisis of unprecedented severity. The authorities took immediate steps, and co-ordination was expressly secured by means of a special Government Unemployment Commission. The first function of this Commission was to stem the tide of unemployment. It suggested that employers should systematically work short time in order to avoid discharging their employees, or else should institute relief works in the forests or on the lands which they owned. The Commission attempted to improve the organisation of the public employment exchanges with a view to filling up vacancies in employment, especially in agriculture, and succeeded in persuading municipal authorities to create employment by completing their normal works programme or by starting special works; it also tried to hurry on the programme of the national public works department. All these measures were obviously insufficient, and the institution of special relief works for the unemployed was decided upon. In this way the unemployment problem was surmounted during the difficult period between the autumn of 1914 and the spring of 1915.

The situation was better during the following years, though certain industries, such as the stone and textile industries, closed down at times, either wholly or partially, in consequence of war conditions, and their workers had to face serious unemployment crises. Between 1918 and 1920 the industrial situation was, generally speaking, good; unemployment was not serious and there was no occasion to have recourse to the relief works supervised by the Unemployment Commission.

The world-wide industrial depression which began to make itself felt in the course of 1920 first affected the situation in Sweden in the autumn of that year; during the winter of 1920-1921 it was the cause of a widespread unemployment crisis. The figures given below are a sufficient illustration of the state of the labour market during the next year, 1921; they give the number of unemployed applying for every hundred vacancies and also the percentage of persons unemployed among the trade union membership of the country.

(1) See *International Labour Review*, Vol. VI, No. 1, July 1922 : *Employment Exchanges and their Organisation*, pp. 22, 28, and table on p. 37.

PERCENTAGE OF TRADE UNION MEMBERS UNEMPLOYED AND APPLICATIONS FOR WORK TO EACH 100 VACANCIES NOTIFIED, JAN. TO DEC. 1921

Month	Percentage unemployed to trade union membership	No. of applications per 100 vacancies	Month	Percentage unemployed to trade union membership	No. of applications per 100 vacancies
Jan.	20.1	246	July	27.9	261
Feb.	20.7	301	Aug.	27.4	235
Mar.	24.5	240	Sept.	27.3	223
Apr.	24.2	203	Oct.	27.1	263
May	25.1	213	Nov.	28.8	384
June	27.7	258	Dec.	33.2	473

The crisis was essentially international in character, the big export industries, mining, steel, the wood industry, the paper-pulp industry, being the ones compelled to suspend production, entirely or in part. At the same time this situation was reflected in the slump in shipping and other transport. The industries which sold their products on the home market were in a much better position.

General unemployment statistics refer to the second half of the year 1921. The number of unemployed persons rose from 75,000 on 31 July to 99,000 on 31 October, to 120,000 on 30 November, and to 141,000 on 31 December. Of the 141,000 persons without work on 31 December only about 100,000 can be classed as unemployed proper; the remainder were either workers in industries which regularly suffer from seasonal unemployment in the winter, or else forestry workers. Forestry work, as a matter of fact, was at a lower ebb than usual on account of the crisis in the wood working trades.

UNEMPLOYMENT RELIEF BODIES

Efficient relief measures were called for in order to deal with this grave situation continuing throughout the year and becoming worse towards its close. At first the employers had been able to extend important support to the unemployed or to organise relief work on their behalf; but their resources were now exhausted. On the other hand, the trade union unemployment funds operated well; in the course of the year they were able to distribute about 13 million kronor to the unemployed among their members. However, the principal work of assisting the unemployed fell on the public relief system which had been instituted in a provisional way when the war broke out, but which had been used only to a small extent during the good years from 1918 to 1920. The basic principle of this public relief system from the outset was to place the responsibility of relieving the unemployed on the local authorities, who are financially assisted by the Government if willing to apply certain principles formulated by the Government and to submit to its direction and control.

Local and Provincial Unemployment Authorities

The work of relief is placed in the hands of the bodies charged with the ordinary conduct of local business in each commune or else in those of a specially appointed unemployment committee. A special unemployment committee is composed of those local authorities who are more especially interested, together with representatives from the employers and from the workers. The chairman is nominated by the provincial authorities on behalf of the Government. The provincial authorities also appoint a provincial unemployment committee to co-ordinate and supervise the work of local committees and to advise them. Both on provincial and local committees the conduct of current business is delegated to an executive committee or else to a member appointed to deal with it. In larger localities a certain number of paid officials are employed by the committee. These officials are normally chosen from the ranks of commercial employees or the unemployed; they make enquiries into cases, distribute relief, and are responsible for the necessary clerical work. Relief work is carried on in direct connection with the work of the public employment exchanges, whose function it is to obtain information as to vacancies to be filled. Where there is no local employment exchange, an official of the district exchange acts as liaison officer between the provincial employment exchange and the local unemployment committee.

The commune is made definitely responsible for the unemployment campaign. It must act through its own local authorities in agreement with local employers and others with a view to providing employment or to organising the necessary measures of direct relief should preventive measures prove insufficient.

The Government Unemployment Commission

The Government Unemployment Commission is the central body for supervising unemployment prevention and relief measures. It is directly responsible to the Government, namely, to the Ministry of Social Affairs, and is in contact with other central bodies such as the Administrative Department for Social Affairs, the state railways, the General Post Office. It has in its hands a general control over the action of local authorities on the unemployment question, and special supervision is exercised where financial assistance is being extended to a commune.

A certain number of Social Counsellors are attached to the Commission. A Social Counsellor proceeds to some locality where there is an unemployment crisis, institutes an enquiry into the position of the unemployed and the labour market, supervises the action taken and gives advice or issues instructions; subsequently he submits a written or verbal report to the Commission and suggests further measures to be applied in the localities he has visited. The Counsellors, together with

the provincial committees, keep the Commission fully informed as to the situation over the whole country, thus enabling it to keep the necessary check on the local committees, which, if uncontrolled, are apt to carry out their duties in an uncritical spirit and put in claims for extra government assistance.

RELIEF WORKS

In the course of these critical months the disadvantages of the direct distribution of relief over a prolonged period became more and more apparent in practice. For young persons without family responsibilities a prolonged period of idleness involves moral risks so serious as to make it strongly advisable to provide them with some paid work. But during 1921 the situation was so bad that private undertakings were mostly unable to provide even temporary work for their unemployed. The local authorities also were hampered by financial difficulties, though relief works were instituted by some of them which provided employment for about 10,800 persons. The wages paid on local relief works were slightly lower than the normal rates; drainage work, canal and road construction were undertaken.

The central government services were also hit by the industrial crisis. The managements of the services run on a commercial basis, such as the state railways, water-power works, forests, etc., were forced to discharge staff. To avoid discharging too large a number of employees, special sums were appropriated to relief works which were attached to these services and carried out under their direct control in each case, the wages paid being lower than the normal rates.

As early as 1917 the Government had undertaken relief works on behalf of those persons who had been thrown out of employment in private enterprises. With the increasing severity of the unemployment crisis during 1921 this work was extended and played an important part in the campaign against unemployment.

System of Supervision

The object of the Government in instituting and carrying on these relief works was to lighten the burdens falling on those localities where there was extensive unemployment, so that their responsibilities should not press too heavily or take on proportions which might threaten a social danger. In other cases the idea was to relieve the local authorities of any obligation to institute relief works at all. Local reports and the reports of the Social Counsellors and others are made the basis of a preliminary enquiry into the needs of a given district before any new relief works are initiated. When relief on a considerable scale is proved to be necessary, care is taken to have recourse to a suitable type of relief works and in a suitable situation. Schemes are, as rule, put forward by the local authorities themselves conforming

to their situation and special requirements. Such schemes are examined and plans drawn up, under the supervision of the Unemployment Commission, by the two Boards immediately in charge of such work, the Northern and the Southern Board. The members of these Boards are appointed by the Government and include both technical experts and economists and employers' and workers' representatives. A central office is attached to either Board for purposes of administration and to it are responsible the district technical consultants who supervise the works managers of local relief works.

The Unemployment Commission has very extensive powers in initiating relief works, but the basic principle determining its action is that works must be in the public interest and of such a kind that the principal expense involved is labour cost. Preference is therefore naturally given to drainage and excavation work, to forestry work, to the construction of roads, railways, canals, ports, and electric power stations, in all of which capital costs are comparatively low. Current legislation places all such enterprises under state control, and expenses are borne and grants allocated by the Government. The central services deputed to deal with such enterprises have plans and estimates at their command, and the Unemployment Commission is able to determine whether or no to embark on some scheme with the help of this information and of first-hand enquiries. Work authorised by the Unemployment Commission is carried out under the direction of the two regional Boards mentioned above by means of the labour of unemployed persons supplied by the unemployment committees.

Finance

Financial arrangements differ with the type of work undertaken. In the case of purely state enterprises costs are borne entirely out of public moneys (unemployment appropriations, together with other available appropriations). The work is mostly, however, of the nature of road construction, etc., which falls on the communal or other local authorities, the Government, nevertheless, even under normal circumstances shouldering part of the costs. In these cases the service concerned normally signs a contract for carrying out the work, acting in agreement with the local authorities, who usually consent to be responsible for such costs as fall on them in the regular way, while the excess costs are charged to the special unemployment appropriation instead of to the general appropriation, as is done under normal circumstances.

Ordinarily there are no government loans granted towards assisting urban communes to build roads or streets; but where, as is often the case, such road or street construction is eminently suited as a means of providing work for the unemployed, an urban centre will sign an agreement with the Government withdrawing from any direct action, but undertaking to con-

tribute financially. In these cases the allotment of expenses is generally 60 per cent. to the urban centre and 40 per cent. to the Government.

Wages and Labour Conditions

Wages are fixed on the principle that they must be higher than unemployment allowances, but lower than standard rates. It is obviously fair that the person who works should be better off than the person who is doing no work, and, on the other hand, wages on relief work ought not to be so high as to prevent the unemployed from wanting to find work for themselves in the open market. For financial reasons also expenses are bound to be cut down, especially as relief works prove exceedingly costly in spite of reduced wages rates; the workers are unaccustomed to the type of work demanded and output is low, at any rate at first. Time rates are the rule at the outset; later, when the workers are more accustomed to the work, piece rates are paid, the workers being classified into groups according to capacity. Workers supporting a family are entitled to a special family allowance over and above their wages; these allowances are calculated according to the size of the family and are payable to the wife direct.

Most relief works are arranged so as to make it possible for the workers to sleep and eat at home or to bring their food with them; such works are known as 'day colonies'. There are also a certain number of large-scale relief works in the country, where unemployed persons drawn from distant industrial centres are concentrated. These are known as 'stationary camps', and here board and lodging are supplied at moderate prices. Moreover, as industrial workers are usually without the clothing required for open-air work, especially winter work, reasonably priced clothing is also made available. Where stationary camps have been established for women, e.g. for forestry cultivation or other lighter work, women officers are appointed, alongside of the technical officers, for purposes of supervision.

Attitude of the Workers

Public opinion has throughout supported the policy followed. Unemployed persons have generally come forward voluntarily to ask for employment on relief works; pressure, in the form of a threat to withdraw all assistance, rarely had to be exercised. But the smaller wages rates paid naturally caused a certain amount of discontent. Navy and other workers feared the unfavourable effects of the rates of wages paid on relief works in depressing rates in the open market. There was the further suggestion that the putting in hand of so much constructional work might restrict opportunities of employment later on. On more than one occasion there was also an unemployed demonstration against the wages rates paid and the market rate in some trade or in

navy work was demanded. There were even one or two strikes, which, however, were interpreted as sabotage, with the result that the strikers were dismissed and refused further assistance from public funds. Their places were offered to other unemployed persons, and a refusal on the part of these latter to accept was also held to terminate their claim to public relief. The strikes did not last long, and both the strikers and the persons refusing to replace them were soon put back on the list of persons entitled to relief. Such episodes were, on the whole, infrequent. Financial and economic reasons made it essential to keep wages down as the scale of relief works grew. But even fairly small wages may be reckoned to be preferable to still smaller direct allowances, and, in any case, prolonged idleness is a great danger to community as well as to individual.

RELIEF POLICY DURING INDUSTRIAL DISPUTES

The attitude of the public unemployment relief authorities during industrial disputes, both towards persons receiving allowances and those employed on relief works, was that any general industrial dispute involving the workers in a particular trade, whether over a certain district or over the whole country, must entail the suspension of all public payments (either over the district or over the whole country, as the case may be). Difficulties inevitably arose in applying this general principle to particular cases, especially where the stoppages were only partial. The competence of the local unemployment committees was frequently in question; the Unemployment Commission from time to time issued instructions on this point, either on its own initiative or on application from a local committee. Towards the end of 1921 the Government placed an expert at the services of the Commission, who, at the Commission's request instituted enquiries and made reports in cases of industrial dispute.

EXTENSION OF RELIEF WORK

The following table illustrates the extension of relief work during the year 1921.

These figures show the number of persons employed on each

PERSONS EMPLOYED ON RELIEF WORKS JANUARY TO DECEMBER 1921

End of month	No. of undertakings at work	No. of persons employed	End of month	No. of undertakings at work	No. of persons employed
Jan.	41	1,183	July	206	11,815
Feb.	64	3,366	Aug.	214	13,649
Mar.	104	5,652	Sept.	253	13,914
Apr.	136	8,835	Oct.	284	18,077
May	161	10,645	Nov.	338	19,154
June	151	9,422	Dec.	446	21,163

undertaking to have been rather low, being between 20 and 50 on an average. This was partly because preference was given to undertakings which would lend themselves to being rapidly completed should the situation so improve as to make this desirable. It was generally difficult to start any but unimportant undertakings within the immediate radius of an unemployment centre ; a series of small undertakings, catering for different classes of workers, were usually to be found attached to such a district.

UNEMPLOYMENT ALLOWANCES

As the whole number of unemployed could not be absorbed on the relief works, a system of unemployment allowances was found necessary. These allowances were distributed on the principle, which had been formulated at the outbreak of the war, that unemployment relief should primarily be handed over to the local authorities, under control of, and with financial assistance from, the Government. At first the local authorities of the commune decided without restriction as to the relief to be distributed to their unemployed. As long as they did not go outside the basic principles laid down by the Government, they were entitled to a monthly re-imbusement of one-half the sums expended by them in relief ; administration charges, however, fell wholly on the authorities themselves. But, as these local authorities showed a tendency to grant relief when there was no absolute necessity, or on too generous a scale, the government authorities decided to alter the system. From 15 July 1921 onwards all unemployment relief allowances given by a local authority had to be submitted to the Unemployment Commission for approval. In other words, local authorities had to obtain the Commission's authorisation before receiving a government grant on account of unemployment relief. Applications from local authorities have to be supported by an account of the unemployment situation, a report on the state of the labour market, and a statement as to local finances. The Unemployment Commission is advised by the provincial committee and by the Social Counsellor ; enquiry is made as to whether the unemployed could be given employment on relief works, which would do away with the necessity for a grant. But if the result of the enquiry is to show that a grant is required, the Commission issues an authorisation, sometimes fixing the classes of workers to benefit by it, or the amount of the maximum allowance, or other points. The allocation of grants is occasionally limited to persons who have families to support ; or certain classes of workers can be excluded, e.g. agricultural workers during the summer months. Local authorities may either cut down or else extend the allocation of relief, but in the latter case they must bear the whole costs. Where the Unemployment Commission has reason to suppose that a local body is acting on principles which do not advance the end in view, it has the power to refuse any further government

aid. The powers of the Unemployment Commission are, in fact, wide and place in its hands an influence over the policy of local authorities as to unemployment relief which limits and regulates their action. Practice has proved the wisdom of these arrangements, for certain local authorities were beginning to show themselves so lenient to the unemployed as to threaten to reduce their finances to a point which would have made it impossible for them to continue to provide assistance over the necessary period.

Definition of a Beneficiary

Relief cannot be demanded as a right by any unemployed person. Even in those districts where relief works are in progress each individual request for relief must be enquired into separately and the needs of each unemployed person separately examined.

The government regulations permit the granting of unemployment relief to all nationals over fifteen years of age who are fully able to work and have sought, but failed to obtain, employment through a public employment exchange. Such relief may also be granted to the family of a worker fulfilling these conditions. Persons in receipt of poor law relief are excluded from unemployment relief.

It should be added that all assisted unemployed persons are bound to attend specially organised training courses. Local authorities establishing such courses on the definite lines laid down by the Unemployment Commission receive a government grant. In 1921 the large towns organised special courses for young women, including a good deal of domestic training.

Scale of Allowances

The Government contributes to unemployment relief on the basis of the following daily rates : 1 krona 50 öre per household where there are no children ; 1 krona per person over 18 years of age living alone ; 60 öre per young person between 15 and 18 years of age ; and 30 öre per child. The government grant is paid at most for six days a week (after an initial interval of six days) and cannot exceed the amount granted by the local authorities. But local authorities who have a large number of unemployed persons on their books and whose financial resources are small may apply for and obtain a larger government grant. An unemployed person in receipt of relief from his employer or trade union is not prevented from receiving relief from his local authority provided that the whole of what he receives does not amount to more than two-thirds of the earnings of a worker of his own grade in the district. The amount of relief given is determined separately in each case, according to the requirements of that case, within the limits laid down by the local authorities. Relief may be given in kind, either wholly or in part, according to circumstances. An unemployed person whose right to relief has been allowed must, under pain of having such right with-

drawn, live a life of sober and regular habits, present himself at regular intervals at a public employment exchange, and accept any offer of employment suited to his capacities. Unemployment relief cannot partake of the character of poor law relief.

Most of the big urban centres in the course of 1921 adopted the highest scale of relief, namely, the maximum government grant and a local allocation equalling it in amount; the smaller urban centres and country districts gave allowances on a slightly lower scale. The separate examination of cases not seldom led to a reduction in the amount of relief given, more especially when members of an unemployed person's family were provided with employment remunerated at normal rates.

Allowances were usually paid in cash, but under some local authorities they were either in whole or in part given in kind, various systems being adopted. Thus single persons received tickets giving them the right to a meal to be eaten on the spot or carried home; or mothers of families received cards entitling them to certain rations of food, wood, etc. The distribution of relief in kind was adopted when there was any reason to believe that the recipient was putting the money allowance to bad use.

Total Amount of Relief Paid

The total amount of unemployment relief distributed in the form of allowances during 1921 is shown by the following figures.

AMOUNT OF UNEMPLOYMENT RELIEF DISTRIBUTED, BY MONTHS, 1921

1921			1921		
Month	No. of communes	Amount paid	Month	No. of communes	Amount paid
		<i>kronor</i>			<i>kronor</i>
Jan.	14	37,500	July	79	987,200
Feb.	45	376,100	Aug.	74	1,025,100
Mar.	74	991,800	Sept.	85	1,037,300
Apr.	82	1,342,300	Oct.	103	1,023,700
May	80	1,208,900	Nov.	126	1,767,700
June	74	1,192,200	Dec.	171	2,527,800

By the end of the year the number of persons in receipt of allowances was 44,500.

These figures show a progressive increase in the amount of unemployment throughout the year; during the summer months, however, there was a decrease in the amount of relief distributed as compared with the payments in April and May. The reason was the renewed urgent pressure put on the local unemployment committees by the Unemployment Commission to refuse unemployment relief in general during this part of the year to workers who had no families to support and to workers in the seasonal industries. These classes of unemployed did, as a

matter of fact, succeed in finding employment, mostly in agriculture. With the termination of seasonal work in October there was a further access of unemployed persons to the unemployment funds.

Housing Allowances

In the course of the year the Government decided to add to the unemployment allowance an additional allowance to cover lodging, insurance premiums, and other unavoidable payments. One-half of the cost of these additional allowances is borne by the Government and one-half by the local authorities. Housing allowance is payable only in cases of acute need and only to unemployed persons who have families dependent on them; workers who have free quarters provided for them by their employers are not entitled to draw it. It is the function of the Unemployment Commission to watch allocations made for this purpose with a view to cutting down the expense falling on the Government. By the end of the year these allowances were being given by 45 local authorities only, and the government allocation for the purpose was not more than 128,500 kronor.

COSTS OF RELIEF AND RESULTS ACHIEVED

The above is a description of the measures taken to deal with the unemployment situation, partly in the form of the institution of relief works and partly in the form of allowances. As already described, the costs of unemployment relief are normally divided between the Government and the local authorities, although purely local works are paid for exclusively by local authorities, while a limited number of other works are exclusively at the charge of the Government. The following is a statement of the moneys expended by the Government in fighting unemployment during 1921.

<i>Purpose for which allocated</i>	<i>Amount kronor</i>
Unemployment allowances	4,570,700
Housing allowances	128,500
Relief works under the Unemployment Commission	29,136,400
Relief works under the central services	8,580,000
Miscellaneous expenses	166,400
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	42,582,000

Exact figures are not to hand as to the sums spent by local authorities, but a fair estimate would place them at about 25 million kronor. Thus the total sum spent by all public authorities in combating unemployment during 1921 amounted to about 67 million kronor.

The results for the year were satisfactory. Of the 141,000 persons who were without employment in any trade at the end of the year, 81,500 were benefiting by the measures instituted; of these 44,500 were drawing allowances, 10,800 were being

employed on local relief works, 21,200 were being similarly employed on the Unemployment Commission's relief works, and 5,000 on works organised by the central government services.

During the 1921 session Parliament voted, on a government proposition, 3,000,000 kronor for combating unemployment during 1922. This amount, it was presumed, would cover requirements until Parliament had occasion to re-examine the problem in 1922 and again review the position. But at the end of 1921 the state of the employment market was, as has been described above, so bad as to arouse great anxiety. On 23 December 1921 the Unemployment Commission drew up a report on the state of the employment market and the unemployment crisis. It estimated the amount of additional credits required at 70,000,000 kronor, if the relief schemes for which it had assumed direct responsibility, namely, state relief works, unemployment allowances, and housing allowances, were to be continued during 1922. The Government accepted this estimate and on 7 January 1922 asked Parliament to vote this credit of 70,000,000 kronor and, in addition, to vote, first, another 15,000,000 kronor for fighting unemployment by the placing of additional contracts with national industry, and, secondly, 12,000,000 kronor for financing relief works organised by those various central government services run on a commercial basis. The whole amount of additional credits asked for by the Government during 1922 was therefore 97,000,000 kronor.

The proposals came up for debate at once, but Parliament deferred its decision until the state of the employment market should be clearly defined. But to meet immediate needs, two provisional credits were voted: one of 20,000,000 kronor on 8 February, and the other of 15,000,000 kronor on 5 April. The final debate revealed some difference of opinion as to the amount of the credits and how they should be applied. Agreement was eventually reached; the whole amount asked for by the Government was voted, and relief work on the general lines already laid down was continued. But certain provisos were insisted upon by the House. On the question of the wages rates to be paid on relief work and also the amount of unemployment allowances, Parliament instructed the Unemployment Commission to enquire into the rates current for manual labour in the open market within the district where a relief works was established, and acting on this information to fix wages rates for workers on such relief works reasonably below these current rates, and also to fix maximum unemployment allowances not exceeding in any case two-thirds of these current rates. Parliament further required that the application of the principle of terminating the payment of unemployment allowances on the outbreak of a general industrial dispute should be extended to disputes which, though formally partial, were in reality general in scope. In such cases the Unemployment Commission was

charged to examine the situation and, in case of disagreement, to submit the whole question to the Government.

During the first half of the year 1922 unemployment progressively decreased from a maximum of 163,000 at the end of January to 49,000 at the end of June. There was an even relatively larger decrease in the total number of persons drawing allowances from 61,000 to 8,000 for the same period. At the same time the total number of persons engaged on relief work showed a less decrease, i.e. on state relief works from 24,500 to 17,400 for the period covered, and on local relief work from 13,200 to 5,300. The amount spent by the Government altogether has not decreased in proportion to the decrease in unemployment. The amount spent during January was 4,968,000 kronor. The expenditure reached a maximum in March of 7,461,000 kronor, and a minimum of 4,460,000 kronor in June. This decrease in unemployment and in relief expenditures is partly due to a real improvement in most branches of industry, and partly to the summer season. As far as can be judged at the present time the economic situation will continue to be stable, so that hopes can be entertained of a considerable relative decrease in unemployment during the coming winter.

