MEMORANDUM BY THE MINISTER OF LABOUR.

The Anomalies Act passed in July last gives power to deal with those persons who habitually work for less than a full week, and, by the practice of the trade, receive earnings greater than the normal earnings for the full week of persons following the same occupation. This provision which resulted from amendment of the original clause in the House of Commons, will so far as can be foreseen, be almost entirely nugatory.

What is wanted is a provision which would give power to reduce benefits in cases where substantial earnings are received, but which would not make it necessary to touch the benefits of the normal short-time worker like the miner or the cotton operative, who, although receiving part wages, does not normally earn what can be regarded as large sums concurrently with receiving benefit. It is, however, desirable to deal with such workers as coal trimmers and certain small classes of dock workers who in two or three days, earn substantial sums of money, and in respect of the same week, also receive three or four days of unemployment benefit.

I suggest, therefore, that power should be taken in coming legislation to impose restrictions on the amount of benefit in those cases in which persons with broken periods of employment and unemployment draw substantial wages. The intention would be not to reduce benefits unless the earnings in respect of a week for any part of which benefit was payable exceeded (say) 40/- for men and a corresponding figure for women.

The class of persons who will be affected by such a provision and consequently the amount of the savings to be effected is not large. The existence, however, of this kind of abuse has attracted considerable attention, and it would be a good thing to be in the position to say that we had dealt with it.

4th September, 1931.  (INTD:) H.B.