CHAPTER - 7

Case of the Unemployment care:

ORGANISATION AND IMPLEMENTATION OF PROGRAMMES

PROGRAMMES ACTIVITIES IN GENERAL

The Labour Market Policies are ordinarily transformed into programmes. The aim of certain measures is to bring together employment openings and job seekers at a particular point in time with, the job matching measures. There are measures influencing labour supply, which are, primarily to encourage occupational and geographical mobility. Certain activities are intended to influence the demand for labour, either by means of subsidies to retain, or increase employment at companies, by means of individually oriented measures such as relief work, or employment for older people or the occupationaly handicapped. Further, there are regional development aids and payment of cash benefits to the unemployed.

The data with reference to the nature of programmes were collected through interviews with personnel of NLMB and

156
employment exchanges, from publications of NLMB and AF, Swedish Institute and by observing the programmes in action and the discussion with beneficiaries.

A list of various programme activities detailed in this chapter are as follows:

1. MATCHING MEASURES

2. Measures to influence labour supply

a) Measures aimed at individuals
   i) relief work
   ii) recruitment subsidies
   iii) adjustment groups
   iv) employment with subsidised pay
   v) sheltered employment

b) Measures aimed at companies
   i) investment funds
   ii) industrial orders
   iii) subsidies for stockpiling
   iv) employment subsidies
   v) recruitment grant
   vi) in-plant labour market training

3. Training programmes
   i) labour market training (AMU)
   ii) vocational rehabilitation (AMI)
   iii) for handicapped (AMI-S)
   iv) for intellectual handicapped (AMI-S/1a)

4. Regional development aid

5. Cash benefits to the unemployed

   a) unemployment insurance (KAS)
   b) labour market cash assistance (KASS)

6. Team work
1. Matching Measures:

This scheme was aptly named by NLMB to match the need of a job with the resource, the availability of job. A major responsibility of the Employment Services had been to match job seekers with vacancies. Apart from actual job replacement, matching activities include information and guidance which emerge with various programmes that prepare a person for employment. The employment services provide vocational counselling and vocational training including aptitude testing, occupational rehabilitation, relief work, employment with subsidised pay and sheltered employment.

Besides the universal Social Service provided, based on Redistributive Welfare Social Policy, there is one revolutionary reform Social Policy. It is the legislation which stipulates compulsory registration of job vacancies with employment service offices. In 1983, it registered forty percent increase in the registered vacancies.

The local, employment exchange office publishes 'Plats
Journals', a magazine that lists regional jobs three times a week. The placement officer helps in applying for a job with a guide book and model application and provides free phone service to contact the employer. Since 1982, the offices are reorganised to provide priority to placements.

On the question of Government providing more jobs in the public sector instead of taxing the industry, the policy makers feel that the public sector has already grown enormously big. Infact the public sector is thinking of decreasing its staff. The industrial sector decreases job due to automation. There is a current discussion on sharing work and shortening work to six hours in order to partially employ others. There are also experimental programmes using model offices and extensive computer methods since May 1980. It provides employers and job seekers, greater degree of individual service reduces both duration of unemployment and period of the time during which each vacancy remains unfilled.
The experiment with model offices bring closer and more continuous contacts between employers and the employment office. The companies need to keep in touch with the staff of the employment office in order to know the recruitment needs better. The notification of vacancies once registered, is made available through the computer to job seekers all over the country. The computer is consulted to find which job seeker suit the job requirement and to inform the company. The vacancy list is regularly followed up. The same placement officer on each occasion receives the job seeker and spends more time than earlier.

Beneficiaries attitude towards the placement services:

Only thirty five percent in the sample considered the services good. While sixteen percent said a categorical bad, forty nine percent had mixed thoughts. This is illustrated in Table 19.
Table - 19

**Beneficiaries Attitude towards Placement Services**

Responses in per cent

<table>
<thead>
<tr>
<th>Impression of employment offices</th>
<th>Beneficiaries N = 178</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Good</td>
<td>35</td>
</tr>
<tr>
<td>ii) Moderate</td>
<td>49</td>
</tr>
<tr>
<td>iii) Bad</td>
<td>16</td>
</tr>
</tbody>
</table>

100
With reference to a question on the receptiveness of the staff towards them, fifty one percent said positively and thirteen percent said negatively; and others had mixed feelings. Only a fourth of the unemployed feel that they will get job through the efforts of employment exchange offices. The above feeling only indicate the resentment of their state of unemployment.

A few maintain the notion that they visit AF only for the journal they publish, and if it is placed in the general stores, they may even stop coming. Some consider computer service very rewarding. Of course, most of them come to collect their unemployment allowance.

A few consider that AF cannot influence industries to provide jobs. Even the compulsory notification of jobs is not strictly abided by. According to one respondent, others get jobs mostly by seeing advertisements in other newspapers.

Many complain that the appointment with the AF staff take a long time. Further they have to wait for the
advisor to come from outside.

Trying jobs on their own without the help of AF:

About sixty-six percent of beneficiaries try jobs on their own, and yet, like to receive the assistance of AF, which shows that they are eager.

The AF staff and the procedures they adopt, according to many, are bureaucratic. They feel that the staff instead of being in the office should go out and do better public relations. The executives when asked for their suggestions to improve the efficiency of AF endorse the need to go and have personal contact and reduce the bureaucratic work in which they are presently involved.

The executives and policy planners consider that the unemployed do take up jobs when offered.
Table - 20

Acceptance of Job when offered to Beneficiaries

<table>
<thead>
<tr>
<th>Opinion</th>
<th>Policy Planners N = 10</th>
<th>Executives N = 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Positive</td>
<td>81</td>
<td>47</td>
</tr>
<tr>
<td>ii) Negative</td>
<td>19</td>
<td>12</td>
</tr>
<tr>
<td>iii) May be</td>
<td>-</td>
<td>41</td>
</tr>
<tr>
<td></td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>
2. MEASURES TO INFLUENCE LABOUR SUPPLY

To facilitate the mobility of labour in non-available zones, incentives are provided for geographical mobility. To provide the degree of mobility required by the labour market conditions, the employment service office provides both economic aid as well as placement services. Economic aid includes compensation for travelling expenses while seeking job in another locality and while starting work, actual moving expenses, a special allowance, twice a month visit to home expense and also for returning if unsatisfied.

Willingness to move in search of a job is indicated in Tables 21 and 22.
Table - 21

**Beneficiaries Willing to move in Search of a Job**

*Responses in Per cent*

<table>
<thead>
<tr>
<th>Willingness</th>
<th>Beneficiaries N = 188</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Already moved</td>
<td>21</td>
</tr>
<tr>
<td>ii) Willing</td>
<td>33</td>
</tr>
<tr>
<td>iii) Unwilling</td>
<td>46</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Table - 22

**Beneficiaries Willing to move on Securing a Job**

*Responses in Per cent*

<table>
<thead>
<tr>
<th>Willingness</th>
<th>Beneficiaries N = 192</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Already moved</td>
<td>19</td>
</tr>
<tr>
<td>ii) Willing</td>
<td>48</td>
</tr>
<tr>
<td>iii) Unwilling</td>
<td>33</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
From the tables, it is evident that unemployed have moved to places in search of jobs. The regional mobility scheme have been appreciated positively. The following Table 23 provides the length of the stay of the beneficiaries in a particular area which endorses the previous views.

The eagerness with which the unemployed avail the services of the AF is evident from the Table 24.

Relief work projects, employment generating activities for the disabled, and helping companies to maintain existing jobs or influence hiring are some of the measures towards influencing demand for labour. Broadly, these efforts could be classified as those aimed at individual and at companies.

a) Measures aimed at individuals:

   (i) Relief Work:

   A person is entitled for relief work if he is unemployed either in the open market or in relocation or labour
Table - 23

Period of Stay of the in the same Town

Responses in Per cent

<table>
<thead>
<tr>
<th>Period of Stay</th>
<th>Beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N = 200</td>
</tr>
<tr>
<td>i) Staying for life</td>
<td>28</td>
</tr>
<tr>
<td>ii) Years 10-20</td>
<td>6</td>
</tr>
<tr>
<td>iii) Years 2-10</td>
<td>32</td>
</tr>
<tr>
<td>iv) Year 1</td>
<td>10</td>
</tr>
<tr>
<td>v) Months 2</td>
<td>2</td>
</tr>
<tr>
<td>vi) Few days</td>
<td>2</td>
</tr>
<tr>
<td>vii) Visitor</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>100</td>
</tr>
</tbody>
</table>

Table - 24

Frequency of Visiting AF

Responses in Per cent

<table>
<thead>
<tr>
<th>Frequency of visiting AF</th>
<th>Beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N = 172</td>
</tr>
<tr>
<td>i) Daily</td>
<td>14</td>
</tr>
<tr>
<td>ii) Twice a week</td>
<td>1</td>
</tr>
<tr>
<td>iii) Weekly</td>
<td>14</td>
</tr>
<tr>
<td>iv) Fortnightly</td>
<td>7</td>
</tr>
<tr>
<td>v) Monthly</td>
<td>34</td>
</tr>
<tr>
<td>vi) Occasionally</td>
<td>4</td>
</tr>
<tr>
<td>vii) Not applicable</td>
<td>26</td>
</tr>
<tr>
<td>as first day</td>
<td></td>
</tr>
<tr>
<td>visitors</td>
<td></td>
</tr>
<tr>
<td></td>
<td>100</td>
</tr>
</tbody>
</table>
market training; he should be at least sixteen years old. Relief work is also called 'job creation projects' and this may include work at office, workshops, day nurseries and schools. There are also projects in nature conservation and in the form of house and road construction.

Relief work was generally employed to counteract recessionary or seasonal declines in business activity. However, since 1970 it has assumed a new image of not only providing income but also that of giving young people working experience and better foundation for their choice of occupation or continued education. As it was seen earlier freshers from school constitute a large population among the unemployed. The shift had resulted in rapid proliferation of relief jobs especially in local Government services and the health care sector.

As of October 1983, jobless members of the unemployment insurance societies with less than fifty days to go before their expiry of their unemployment benefit are automatically entitled to relief work. This work carries similar rates of pay as that of open market,
i.e. eighty five kroner. Since July 1982, the National
Board of Education contributes seventy five kroner. 
During 1983-84, about fifty seven percent of those in
relief work were in the age group eighteen and twenty
four. The maximum period of employment is six months. 
Relief work is a residual Welfare Social Policy.

(ii) Recruitment Subsidies:

The scheme was introduced from January 1984 with the aim
of facilitating recruitment primarily for job seekers
aged between eighteen and twenty four years, the hard­
core unemployed, and persons whose unemployment benefit
is on the point of expiry. The subsidies were
originally confined to private sectors, were payable
upto six months and covered fifty percent of the total
wage costs in the case of persons referred by employment
offices. In January 1985, the scheme was extended to
municipal employers. The subsidies are available only
for regular jobs and are normally payable for six months
but can be extended to twelve.

Since January 1984, young persons in the age group of
between eighteen and nineteen years have been assured of temporary work with public employers (under the Act on Employment in Young Teams with Public Employers) pending training, education or employment in the open market. The youngsters, by this Act are entitled to an average of four hour’s work a day and five days per week.

(iii) Adjustment Groups:

The residual welfare social policy is directed towards weaker sections, and with the aim of solving the problems of older people and the disabled within the regular job market. The employment service office takes part in adjustment groups. By this, less competitive people are prevented from being squeezed out of employment, while paving the way for hiring the older and occupationally handicapped. The focus is primarily on companies that need to recruit new employees. The 1970’s saw several legislations both to reinforce the job security of existing employees and to have easier employment services to find work for hard-to-place job seekers.
An Act on the security of employment as a Reform Social Policy stipulates for example, that an employer must give legally accepted reasons for "firing" employees and that the notice period must be one to six months, depending on the employees' age. Another Act concerns certain Employment - Promoting Measures. It stipulates notice periods of two to six months to county labour boards in case of production cutbacks. The Act gives also the labour market authorities the option of far-reaching negotiations with companies with the aim of furthering the hiring of hard-to-place job seekers.

(iv) Employment with Subsidised Pay:

On first July 1980, this scheme replaced earlier forms of semi-sheltered employment and semi-sheltered office (archive) work and designed to encourage demand for the occupationally handicapped people on the regular labour market. To counter inflation and structural unemployment, the scheme supplemented the regional assistance directed towards the capital costs from 1970. The wage subsidies are only payable with reference to permanent jobs. The national government authorities are
entitled to grants covering full wage costs. Private employers, local government and others qualify for fifty percent coverage for the first two years and twenty five percent thereafter. The subsidization periods can be extended.

The Government's grant to employers to purchase working aids for the disabled:

Further, grants and loans are provided for motor vehicles and subsidies to pay people who assist the disabled with their work. There are also grants available to the elderly or occupationally handicapped people who wish to operate their own business.

(v) Sheltered Employment:
An alternative for those occupationally handicapped who find difficulty in getting jobs in the regular job market is the sheltered employment. In January 1980, the various types of sheltered employment including sheltered workshops, office work centres, industrial relief jobs and certain types of home-based work have been brought together into a special production and
sales organisation, the Swedish Communal Industries Group. It has three hundred and fifty workshops and twenty four regional head offices.

b) Measures aimed at Companies:
There is a balanced social programme for taking care of both employees and employers, as reflected in the following schemes.

(i) Investment Funds:
A legislation on investment funds makes it possible for companies to make tax deductions on profits placed in funds for future investments. The aim of the funds is to encourage companies to undertake more of their capital expenditure during recessions and also to be used for regional development policy purposes. Further, in 1979, these funds were made available for research and development work training employees and export-promoting measures. However, their role as instruments of official economic and regional policy has diminished as the funds were freely available without the authorization of the Government.
(ii) Industrial orders:
Grants are available to permit national and local Government agencies to place industrial orders prior to the plan. "Respite order" is one such type of grant which can be placed regardless of general economic conditions when a particular employer needs breathing space in order to help employees affected by notice of large-scale production cutbacks or shutdowns. The general employment subsidies for national and local governmental industrial orders are sometimes used in the case of companies in troubled industries or are suffering from the effects of recession when there is a danger of lay offs.

(iii) Subsidies of Stockpiling:
During the recession of 1970's, several forms of temporary aid were introduced in order to maintain employment at these companies till the labour market situation improves. Giving subsidies for stockpiling in industrial companies was one of the largest programmes. The jobs which were threatened were maintained during the subsidy period.
(iv) Employment subsidies:
The year 1977 witnessed two kinds of employment subsidies, that were applicable to companies in particularly sensitive sectors of the job market. The first kind of subsidy was for elderly employees in textile and garment industries and a grant to companies with a dominant position on a local labour market. The second type of aid was available to companies that planned major cutbacks in manpower on the condition that the surplus labour was not engaged in ordinary production.

(v) Recruitment Grant:
During 1978-79, a temporary subsidy of another type called the Recruitment Grant was introduced. Its objective was to persuade companies within industry and the private service sector to speed up their planned recruitment of new employees during the economic recovery, then taking place. However, this remained on a fairly small scale. In 1981-82, another subsidy, Temporary Employment Grant was made available to
industrial companies. Further, the grant to companies with a dominant position on the local labour market was replaced by a similar subsidy known as the 'Readjustment Grant'. The Readjustment Grant covers seventy five percent of the total wage and salary costs of employees who have been given notice of dismissal, payable for no more than six months. The worker who had received a termination notice and later obtains a new job is allowed to keep half of his previous wage during the remaining part of the grant period, in addition to being paid on the new job. This encourages the employees who have been given notice to look for new job, while the employment office is given more time to arrange various kinds of assistance.

In the sample of unemployed study, it is inferred that a third of the unemployed have lost jobs due to closure or moving of factories. Hence prevention of unemployment is the programme objective of the above programme activity.

(vi) In-Plant Labour Market Training:
This is a major tool of economic stabilization policy
designed to prevent lay-offs or dismissals by paying subsidies to companies that, instead of personnel cutbacks, sponsor training courses for their employees.

At present, there are four kinds of in-house (in-plant labour market) training that qualify for the state grants: a) bottleneck training, that is, training for skilled jobs where there is a shortage of skilled personnel b) training for structural changes, that is, training for employees whose previous training is outmoded and whose jobs will be so thoroughly transformed by structural change that they must be retrained if they are to stay on c) training for potentially redundant workers who would otherwise run an imminent risk of being laid off and d) training of employees belonging to the under represented sex in jobs where the sexes are unevenly balanced. The state grant paid to individual company covers the actual cost of the training course upto a maximum of thirty five kroner per hour. Further, a company can also receive wage subsidies of upto thirty five kroner per hour conditional on a quid pro quo in terms of employment.
policy. The employees however continue to receive their normal pay during the training.

3. TRAINING PROGRAMMES

Labour market training prepares people for employment. On finding non-availability of job, the placement officer refers to the labour market training. Eligibility conditions are: Age should be over twenty, registered with AF and having valid residence and work permit. The AMU influences and changes the labour supply, by provision of occupational skills in its training. The training courses are specially arranged under the auspices of the National Board of Education, either at AMU centres or upper secondary schools. The bulk of the courses are vocationally oriented but there are also preparatory courses, Swedish language course for immigrants and compulsory higher secondary course. Thus, it is applicable to those who are unemployed or are in danger of becoming one; also, for those who wish to re-enter the labour market like house-wives and people with less experience. The already employed undergo "bottleneck training" where there is shortage of labour.
One third of all training at AMU centres is for occupations that fetch monetary gains. The admissions are made all through the year without any waiting. The training lasts for a period between a few weeks and a couple of years. A course running for more than eight weeks will also include civics, mathematics, physics, chemistry, Swedish and English. There are some six hundred curricula covering most occupations.

AMU was started on a small scale just after the Second World War in the name of "Retraining". In the recession of 1958 and also in 1960's there was a rapid increase. In 1970's there was sharp increase in the study programmes dominated by women while programmes for occupational skills in manufacturing sector declined.

Originally, most participants were the handicapped or refugees. It was also a means of assisting women to enter or re-enter the labour market. A look at the priority of occupations in 1980/81 provide the picture that persons from occupations of manufacture, technical,
natural and social science, health and sick care alone occupy sixty eight percent as reported by Kristina Ossvik (1982).

Special allowances are paid out as subsistence allowances, compensation for travel expenses, fee for training course and compensation for course materials. In-plant training is also provided within the industry, wherein the trainees are treated as employed and receive regular benefits. The State provides subsidy of twenty kroner per trainee for six months. While incentives for geographical mobility is a residual Welfare Social Policy the Labour Market Training is a Development Social Policy.

A Government Commission that was appointed in 1980, stated that there should be distribution of responsibilities between the Labour Market Board and the National Board of Education. A line of demarcation need to be drawn between on the labour market training and on-the-job training with other forms of adult education. Further, there should be effective utilisation of available resources by coordinating the AMU with that of
training undertaken by Municipality or State.

Job seekers with limited work capacity can be given vocational rehabilitation at the Employability Assessment Centres (AMI) run by the Employment Service. The aim is to enable a person to choose an occupation and to obtain either a job or else education leading to a job. During this period, in a way one is temporarily employed at AMI. The internal working teams have two work consultants, one psychologist and one employment officer. Each team handles almost hundred applications every year. There is a special training which includes home management, leisure, personal economics, social contacts, physical fitness and the activities of daily living. They have their own office premises and housing accommodation for job applicants. Some institutes have special amenities for persons with particular disabilities like visual handicap, impaired hearing and often mobility disabilities. Sometimes fitness training and special training are available too. Training grant and counselling are also provided. There is one AMI for every county. However, there are nine in Stockholm.
alone. There are eighty institutes all over the country and twenty four specially for the handicapped (AMI-S). The AMI came into force in 1980.

A special centre which caters to job seekers whose occupational handicaps are of an intellectual nature is called the AMI-S/ia. The intellectual handicap may also be due to emotional disturbances caused by deficiencies of the social environment. In addition, they may also have inadequate social skills, and experience difficulty in self-activation during their leisure. The working team includes a superintendent, work consultants, psychologists, an occupational therapist, a social advisor, a nurse, assistants, a recreation leader and a vocational guidance officer. A holistic approach is employed with the aim of collaborating with the individual applicant in solving the problems of job procurement, social adjustment, housing accommodation, and worthwhile leisure activities. There are seven AMI S/ia centres with a total of two hundred and twenty places. Five of the places at the Uppsala centre are reserved for the intellectually handicapped with vision impairments.
Among the beneficiaries interviewed thirty six percent of the respondents did not make use of AMI/AMU training programmes of the AF while sixty four percent did.

Seventy five percent feel that they are willing to take to AMU/AMI, when offered. The opinion of the Policy Planners and Executives on this is provided in Table 25.

Sixty percent of the Executives feel that they could get jobs after the training. According to forty five percent of the executives, they are aware that the unemployed do not come to AF due to various reasons such as alcohol, psychological and health problems, and language problems in the case of immigrants.
Table - 25

Respondents Willingness to take Labour Market Training

<table>
<thead>
<tr>
<th>Willingness to take labour market training</th>
<th>Policy Planners N = 10</th>
<th>Executives N = 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Positive</td>
<td>95</td>
<td>95</td>
</tr>
<tr>
<td>ii) Negative</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>
Measures to influence demand for labour:

4) REGIONAL DEVELOPMENT AID:

As a development social policy, it attempts to achieve better economic, and social welfare, and cultural balance between people in different regions. It is implemented in three ways; regional planning, information and advisory services and financial subsidies.

The National Labour Market Administration handles the regional development aid which include regional development grants and employment subsidies. Other supportive arrangements come under the Ministry of Industry and State Country Administration at regional level.

It aids business enterprises based on a division of low-employment regions into three aid areas with different levels of priority. However, most of the aid goes to so-called forest counties of Northern Sweden which have distinct long term employment problems. The supportive measures for business sector comprise of loans and grants for investment purposes, good transport subsidies.
and subsidies for the augmentation of labour force. Deprivation loans are free of interest and amortization, and after a review process, half the loans may be written off after three years and the remaining after seven years. The localization can run for a maximum of twenty five years.

Employment subsidies are granted in varying amounts and for varying periods to the companies in the three highest priority aid areas which increase their net man-hours of employment. The subsidy is available to a maximum forty thousand kroner per employee for three years, eighty thousand kroner for five years or hundred and thirty thousand kroner for seven years.

5. CASH BENEFITS TO THE UNEMPLOYED:

General:

One of the objectives of the Labour Market Policy is to deploy a range of measures, such as the placement service, training, relief work, and rehabilitation to assist unemployed people to obtain gainful employment. It is far from being the case, however, that such
measures are immediately available, and a breathing space is often required to plan an appropriate course of action. In that kind of situation an unemployed person can obtain financial support to maintain himself during the waiting period.

The cash support for unemployment is provided in the form of unemployment benefit and labour market cash assistance (KAS). Unemployment benefits are paid to persons insured under the unemployment insurance legislation, that is to members of an approved unemployment benefit society. Support under the legislation on labour market cash assistance is paid principally to unemployed persons who are not members of an unemployment benefit society, but under certain circumstances insured persons can also obtain cash support when they are not entitled to unemployment benefit. Certain new entrants to the labour market are also covered by the Labour Market Cash Assistance Scheme.

At the present time there are forty six unemployment benefit societies with some three million members which
means that some seventy five percent of the total national gainfully employed labour force of four million is insured.

Unemployment Insurance:
Administration: The voluntary state-aided system of unemployment insurance was established by decision of the Parliament in 1934, and came into operation on first January 1935.

A number of trade unions had previously operated unemployment funds, so it seemed appropriate to reconstruct these into "approved funds". This had led to unemployment insurance being established for various occupational categories and in close association with the trade union movement. The legislation however does permit other alternatives.

The activities of the unemployment societies are regulated by the Act on unemployment insurance. Each society has a prescribed sphere of activity under its status, and every one gainfully employed in that sphere
of activity is as a rule entitled to belong to the society. Usually the trade unions which have founded the society require their members to belong to it provided the rules of the society do not prevent this. This has created a kind of "voluntary compulsion" and an advantageous spreading of risk. The societies are independent legal entities, but with few exceptions they are administered jointly with their respective trade unions.

The National Labour Market Board is the supervisory authority for unemployment insurance, and since 1964, it has also been the appeal body of first instance. The Social Insurance Court is the final court of appeal in matters concerning membership and insurance law. Within the Labour Market Board, insurance questions are dealt with by a delegation consisting of six members, of whom two are from the board and three from the societies. The Unemployment Insurance division of the Board looks after the day-to-day business. The Board appoints one member to the board of each unemployment benefit society and in addition its activities are audited by an official of the Board.
The societies are managed by a Board appointed at a meeting of the society. A head office under a manager is responsible for the central management of the business. Local business is looked after by reporters, who are usually local trade union cashiers. Most societies pay unemployment compensations from their head offices, and there has been some concentration at the regional level of the local administration of the societies in connection with the trend to larger branches within the trade unions. The societies have formed a central co-ordinating organisation to represent them in discussions with and submissions to public authorities and on other occasions when the societies may wish to present a common front.

Benefits compensation is paid in the form of daily benefit. At present benefit ranges from hundred and seventy to two hundred and eighty kroner. There is a heavy concentration in the higher benefit classes. In 1983 about eighty three percent of the members are guaranteed a daily benefit rate of two hundred and