

indicated by his attempt to regulate by mandatory state law the color of uniforms in street cleaning department.

Tables of the votes of New York City representatives on important issues, and other information upon which the conclusions of the committee are based, appear in the printed report.

Before the report is published, each legislator is invited to call at the Citizens Union office, examine the comments upon his record, and offer any objections, criticisms or additional information that he thinks should be considered. The committee then holds a special meeting to consider these criticisms upon its criticisms and makes any changes in the tentative draft of its report that seem to it to be justified. The committee's comments on the work of legislators are given considerable weight by thoughtful voters and have an influence upon elections.

JOSEPH O. HAMMITT.

IS UNEMPLOYMENT A MUNICIPAL PROBLEM?

AT LEAST nine American cities have answered this question in the affirmative by establishing municipal employment agencies. Nineteen states have established state agencies, but in every successful one, the state law empowers the city to establish and operate such agencies.

The rise of the city as a self-governing unit, the growth of the home rule idea, the establishment of public welfare departments in place of the antiquated "charities" still maintained by states, the fact that the city is so largely the source of progressive activities in government and civic organizations, these and many other facts bring to mind certain broad questions which it is pertinent to raise as municipal issues.

There are two broad classifications of unemployed—the employable and the unemployable. At the present time these are greatly confused because we insist upon treating the former as a relief matter, which can never be solved by relief measures, and the latter as an industrial problem which lowers the whole standard of business efficiency. The first need of American government is, therefore, some agency for classification of these groups, a task now handled very inadequately by volunteer organizations.

I am here primarily concerned with the normal amount of unemployment of employable people, due to seasonal occupations, casual labor, changing from one occupation to another, entrance of fresh workers into industry and the distribution of immigrants to industries. Unquestionably the centers of this exchange of labor are the great cities. These cities are of two kinds—those which attract numbers of workers because of large industries, and in which trade schools and special schools flourish,

as Milwaukee, Detroit, Syracuse, Newark, etc. The second include what may be termed reserve cities where the unemployed concentrate, awaiting distribution to new lines of employment—as New York, Chicago, Kansas City and Seattle. The question of whether cities should bear the burden of the second type of unemployment is entirely pertinent.

We cannot be said to have any governmental system—indeed, any governmental intelligence in dealing with the matter of unemployment. Of the nineteen states which have established state labor exchanges, only about four are even comparatively successful. This is due to several causes, inadequate appropriations, failure to regulate private competitive agencies at the time of establishing free agencies, failure to make the state agency the clearing house for all employment exchanges, introduction of politics, objections of trade organizations, fear of their use for strike-breaking agencies, establishment of central offices of administration remotely from labor centers, and failure to establish any co-ordination or proper and prompt exchange of information as between existing agencies. State labor exchanges except where they are properly co-ordinated into a system, as in Wisconsin, stand to-day as a negligible factor in the labor market.

Unemployment is not a municipal problem. It is essentially an industrial problem to be solved by industrial methods. But the fact that industries locate in cities and cities are the reserve centers of labor and distributing points places the city in a curious position. New York City is the distributing point for unskilled labor for the entire country east of the Mississippi, Chicago for the middle west, St. Paul and Minneapolis for the northwest. Richmond is the distributing point for negroes coming north, Memphis for negroes going to central and northwestern points; and New Orleans for the southwest, while San Francisco and Seattle distribute from the western coast. New York City is the main center for theatrical agencies, practically making contracts for the whole country. Four fifths of the unskilled labor handled by New York City agencies is sent out of the city.

The success of any municipal agency must depend upon its efficiency and ability to control the labor market. This will depend to a considerable extent upon the reduction of the number of competing agencies, the protection afforded the unemployed and the ultimate elimination of the *pardroni* among immigrant workmen. Here enters the question. "Shall these agencies be regulated by municipal, state or federal laws?" If by municipal laws, the restrictions are, without doubt, hampering. Where such large numbers of unemployed are sent out of the city the exploitation, the misrepresentation, the fraud are consummated beyond the jurisdiction of the city, the witnesses are distant from the place where the agent must be prosecuted, city funds may not be used for city officers to

travel beyond city limits, and there is no authority to investigate nor power to prosecute by a city officer beyond these lines.

We, therefore, have the questions: "Shall the state establish agencies in cities, retaining control of their administration and establishing communication between them, and licensing and regulating all agencies within the state or shall this be a municipal or federal function? In states like Illinois, Massachusetts, New York, New Jersey and Pennsylvania, the question of distributing the unemployed becomes immediately inter-state because there the cities are immigrant ports and reserve centers for labor. The interest in the subject and the great danger of duplicating machinery and of further decentralization and disorganization of the labor market, which is now a disgrace to the country, make it necessary that the matter be given careful thought. In Cleveland, the city established a municipal agency when the state had already provided a state agency and similar complications might have arisen in Kansas City. Chicago has a state agency and an unemployment commission.

First it is essential to determine the type of agency to be established. The prevailing form is where the government assumes responsibility for sending men who will fit the job. I believe that the government agency should be a meeting place for employers and employees and that it should be a center for the fullest clearance of information but that the terms of the contract and responsibility, therefore, should rest entirely between the employer and employee. We need the elimination of the middleman, not his extension in the guise of a government official. Second, every private agency should use the government agency as a clearing house—by law if necessary. Some of them are so crooked in their dealings that they would not stand such co-operation, but they have no place in a well-organized labor market. Third, advisory committees of citizens, including employers, employees and reputable agents, should serve in connection with such clearing houses, broadening its vision, improving its methods and keeping it out of politics. Fourth, it should be a center of information for gathering statistics, making studies and furnishing publications which would give this country literature on this subject which it does not now possess.

I believe we shall eventually adopt a combined municipal-federal system, with a considerable elimination of the state as a factor. This is due partly to the exigencies of the case. Municipalities are being taken out of politics, the non-partisan movement is being nurtured in our cities and has made little headway in the states. The adoption by cities of the commission form of government, of city managers, and of efficiency methods, naturally makes one turn to them as the best solvers of the problem, combined with the fact that the unemployed center in them. In the five great cities there are more labor exchanges of all kinds than in all of the other states combined.

Cleveland seems to be heading toward an ideal local solution by combining a vocational guidance bureau, an employment bureau and a city immigration bureau in one division. The first guides the child into the right channels when he is ready for work; the second takes charge of the general problem, and the third has the newly arrived immigrant met on his arrival and safeguarded to his destination.

I do not believe any city will efficiently organize its local labor market which does not first possess complete information for the city in the following respects:

(1) Number, adequacy, location, methods, facilities of (1) private employment exchanges; (2) free employment centers; (3) civic, religious and racial agencies; (4) relief societies; (5) governmental agencies; (6) trade and labor agencies.

(2) Extent, operation and effectiveness of regulation of present exchanges.

(3) Means of obtaining employment statistics and of diffusing accurate information.

(4) Facilities for special classes, as children leaving school, handicapped, and methods of controlling mendicants.

(5) Advertising; extent, kind, effectiveness, cost, waste, and co-ordination with a system of distribution of unemployment.

(6) Special schools, combining training with positions.

(7) Vocational guidance, with especial reference to methods of placing children.

(8) Advertising methods and organizations which combine training with positions.

I do not believe a city whose labor market is organized on the basis of the preceding information will control the situation successfully in times of stress unless it possesses information along the following lines and has its mind made up and can put its mind into operation, even long before unemployment reaches the maximum period of stress:

(1) Creation of municipal work; advisability of opening factories; furnishing supplies at cost; operation of woodyards and laundries; increasing work in city institutions and departments.

(2) Relief resources; capacity for expansion on administrative and executive sides, as suspension of regulations, ways of finding people, etc.

(3) Means of reaching immediate results of unemployment; evictions; school attendance; congestion; reduction of efficiency; demoralization through searching for work; relation to health and morality.

I do not believe a city will find a permanent solution of unemployment and will so prevent its seasonal recurrence until it has taken up the following matters and made them the subject of investigation, hearings, conferences and meetings for the purpose of regularizing employment:

(1) Study of seasonal industries and of the application of efficiency methods.

(2) Possible dovetailing of industries, with the burden on the industry.

(3) Study of casual labor and means of prevention—preference tests, scientific planning.

(4) Municipal and state employees—civil service organization, use of reserve lists and decasualization of city department labor.

I have tried to make it clear that however adequately a city may classify its unemployed, referring the unemployable to relief organizations, however efficiently it may cover its local problem, and that would be a great advance, the cities are after all the heart of the nation in the unemployment matter, and it is to-day a national and not a city matter, and action by cities will serve year by year to clear the issues and show the necessity for federal action.

Therefore, I believe that we stand in imperative need to-day of a federal bureau of distribution which shall combine three functions: the establishment of labor exchanges in the reserve labor cities, with full powers for investigation and distribution, which shall also be an information center for the whole country; the establishment of a transportation fund, to be safeguarded in its administration; the regulation of all labor exchanges doing an inter-state business; and third the opening of lands for settlers, to be distributed by the government and the investigation of all land and colonization schemes offered to colonists and settlers.

Without such a system, the municipality will find much of its effort futile and wasteful, for its problem being part of the nation can only be solved by the nation.

New York City.

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