Labour Exchanges.

25. The chief function of the Board being to keep workers in employment, it must have power to establish labour exchanges, these to be staffed and organized, as and where the Board determines, to take over the duties at present carried out by the employment bureaux of the Labour Department, and to arrange machinery for bringing unemployed workers into touch with employers who may require labour.

26. Labour exchanges, subject to the control of the Board, to be required to—

(*a*) Forward to the Board weekly reports as to the state of unemployment in their own districts:

(*b*) Make such inquiries as to the conditions of the labour market in either public or private employment as the Board may from time to time direct:

(*c*) Prepare such registers of employers, whether public bodies, private employers or Government Departments, as the Board shall direct, and keep in constant communication with such employers with a view to obtaining employment for unemployed workers:

(*d*) To keep registers of unemployed workers, with such particulars regarding each worker as the Board shall direct:

(*e*) Act as agents of the Board in paying out allowances, and in all other matters as the Board shall determine.

27. The Board to have complete control of the labour exchanges and to have power to appoint a supervisor and such other staff for each exchange as the Board shall decide to be necessary. The salaries of staff members to be fixed by the Board.

28. The exchanges should be run in such a way as to encourage employers to make the fullest use of them when requiring labour.

Employment and Sustenance Fund.

29. To provide the Board with means for dealing with unemployment from time to time as it arises among the workers in the Dominion, a fund to be established to be called "The Employment and Sustenance Fund," under the sole control of the Board.

30. The fund to be established with moneys obtained—

(1) By the levy of a special individual employment-tax on all persons, with certain exceptions, eighteen years of age and over, at the following rates—

Males—	
Eighteen and nineteen years of age	18s. per annum.
Twenty years and over	24s. per annum.
Females (to apply to all engaged in office, business, industry, professional work, or domestic service)—	
Eighteen and nineteen years of age	12s. per annum.
Twenty years and over	18s. per annum.

Maoris engaged as employers or employees in industry to be included, but not otherwise.

The following classes of persons to be exempted from payment of the employment-tax:—

(*a*) Mental-hospital patients, inmates of charitable institutions, and such others of a similar class as may be prescribed.

(*b*) All married women and widows engaged solely in domestic duties in their own homes.

(*c*) Casual female workers, charwomen, and the like, as may be prescribed by regulations.

(*d*) Such other persons, old-age pensioners, permanently disabled, invalids, &c., as may be prescribed by regulations.

(2) From a flat tax of 1d. in the pound on all individual incomes (including dividends) in excess of £300 per annum.

(3) From a flat tax of 1d. in the pound on all undistributed profits of companies, and on the dividends of all absentee shareholders in registered companies.

(4) From a flat tax of 3/16d. in the pound on the taxable balance of unimproved value of country lands as assessed for land-tax.

(5) By a subsidy from local authorities (counties, cities, boroughs, and town districts) of 1 per cent. of the revenue derived from general rates.

(6) By annual subsidy from the Consolidated Fund of one-third of the Board's total annual expenditure.

(7) By receipts from fines and penalties imposed for breaches of the Act or regulations governing the Board and the fund.

(8) From such other moneys or sources of revenue as may be made available to the Board.

Application of the Proposed Legislation.

31. The Act to apply to all persons of the ages and as specified in No. 30, New Zealand born, and others who are residents of the Dominion, and to come into operation for purposes of registration and payment of the tax from a date to be fixed. All persons reaching the prescribed ages or completing six months' residence, after the coming into operation of the Act, to be required to register and commence payment of the employment-tax within fourteen days thereof.