herring boats, which may carry foreign crews without having previously applied for permission.
Under special circumstances the Minister of Industrial Affairs may grant exceptions, as e. g. if labour is scarce, or if it is found impossible to start a business or run it without engaging foreign workers. Any foreigners who have come to Iceland for the purpose of seeking work or have already obtained some employment there in violation of the law of the land, may be expelled from the country (Act No. 13, May 31st, 1927).
2. Foreign employers. The general rule is that foreigners and Icelanders are on an equal footing as regards the right to follow a trade or other pursuit in Iceland; but in a number of cases this right is, however, made conditional on domiciliation in the country. Thus a foreigner living in Iceland has the same right to follow a certain trade or pursuit as an Icelandic subject there residing, while a native Icelander does not enjoy this privilege, if he lives abroad. In order to engage in commerce in Iceland (whether wholesale, retail or commission business) a trading licence is required, the granting of which is, among other things, made conditional on the applicant's having resided one year in the country and being still permanently residing there when the application is made (Law No. 52, June 27th, 1925). The same rule applies to those who wish to carry on industrial activities in Iceland (Law No. 18, May 31st, 1927). Commercial travellers and commission agents, non-resident in Iceland, may carry on their business in the country, provided they take out a licence; but such a licence is limited to not more than one year at a time (Law No. 78, Nov. $22^{\text {nd }}, 1907$ ). As regards industrial activities, it should be mentioned, that special rules apply in cases where water power is to be used as motive force. To harness a waterfall of more than 500 natural H.P. a special permission is required (Law No. 15, June 20th, 1923). In granting such a permission, different rules are followed according as the applicant is a native or a foreigner, but in this connexion all Icelandic subjects residing in Iceland are deemed native Icelanders, whereas Icelandic subjects living abroad and foreign subjects domiciled in Iceland are looked upon as foreigners. Foreigners can therefore only obtain this permission with the sanction of Althingi, while the Minister concerned may grant it to Icelanders without previously having submitted the question to the legislature, provided the waterfall to be harnessed is not more than 25000 H.P. (Law No. 46 , June $27^{\text {th }}$, 1925).

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