

sed and extended, to meet the constantly growing consumption. Moreover, in contrast to pre-war practice, the ordinary water requirements are now supplied free. As 60 pints are allowed free daily to every person, almost one half of Viennese houses have no water account to pay. Additional consumption is paid for at a very low rate, and the charges for industrial consumption are lower still.

The old-fashioned removal of dust, which constituted one of Vienna's chief evils, has been replaced by an up-to-date system, at a cost of £300,000 for its introduction and an annual charge of £150,000 for its maintenance.

To improve the victualling of Vienna, the markets were reorganised and augmented. While the actual market service could not be directly organised by the Municipality, owing to the lack, among other things, of parliamentary powers, the Municipality has large holdings in fruit and vegetable markets which supply the City with its food. It holds 90 per cent of the shares of the Agricultural and Afforestation Company, which also administers the former Hapsburg properties and is the largest agricultural enterprise in Austria, whilst it holds two thirds of the shares of a large Viennese Wood and Coal Buying Company.

The Municipality owns half the shares of the Viennese Public Kitchens Company "Wök," which possesses 26 kitchens and a number of auxiliary businesses, such as bakeries, gardens, laundries, etc. and supplies dinners in 30 branches to 9400 customers, as well as to school canteens and children's homes.

To cover its own requirements, the Municipality owns and manages a number of large concerns: granite works, paving-stone works, which supply the whole requirements of the Municipality; tile works, which supply one-tenth of the immense requirements of the Municipality; two lime works, which are able to supply far more than the municipal needs; large repair workshops, a steam laundry etc. To assure the utmost economy, the supply and purchase of materials are centralised as far as possible. A central office supplied 76,575 waggon loads of building materials in 1924, 140,000 in 1925, and 117,000 in each of the years 1926 and 1927. A central buying office purchases materials for all municipal offices, institutions, schools, etc.

The Municipality in business.

The recent evolution of the municipal enterprises constitutes a glorious page in the history of the Socialist administration. The fate of the three great monopolistic concerns, the gas works, the electricity works and the street trams may be regarded as decisive for the whole development of the City.

In pre-war times the Christian Social Party administration derived large profits from these enterprises, which, however, they exploited to the point of exhaustion during the war, without providing for replacements. In the initial stages of the currency depreciation, the majority then in power would not adapt the charges

to the falling value of money, out of a desire to curry favour with the electors. From the outset, however, the Socialist administration insisted that whilst the municipal business concerns need not yield any profits, they should pay their way and provide public lighting free of cost. This attitude was firmly maintained in the teeth of an opposition which did not shrink from the most miserable expedients. Thus the municipal enterprises were able to keep their heads above water even in the worst days, and were soon in a position to renew and extend their plant. Moreover, the charges are now lower than in pre-war times.

The Monopoly Undertakings.

The tramways were able to repair and extend the depôts and lengthen the track. The length of the track increased from 523 kilometres in July 1914 to 576 kilometres in December 1927. The Metropolitan Railway, which the Government closed down at the end of the war period, was handed over to the Municipality, to be electrified and operated in conjunction with the trams. The work of electrification cost £550,000. In 1928 a large service of motor buses was started to relieve the congestion on the trams. Tickets available between any points on the trams and the railway cost the uniform price of 2d., and are less than the average price of tickets in pre-war days, when a scale of fares was in operation. The uniform price for tickets, which are available for the whole area of the city, signifies a favouring of the working-class population which lives in the suburbs and has to travel long distances. Workmen's fares, children's tickets, return tickets, and holiday tickets are all appreciably lower than in pre-war times. Weekly tickets for workers have been introduced since the end of the war. Since 1927, free tickets have been granted to unemployed persons for the bi-weekly occasions on which they have to report and draw their allowances at the Labour Exchanges.

The street trams carry now 600 millions of passengers annually against 325 millions in 1913. The present average fare costs 13,5 goldheller (about 1½d) as compared with 16 goldheller before the war.

Gas. The gas works have been transformed into a great chemical factory. Thanks to the introduction of new methods, it sells coke of a superior quality, has its own benzol factory, and does a good export business.* This enables the price of gas to be kept down. Although the works are obliged to use foreign coal, which costs half as much again as in pre-war times, the cost of gas, including the federal turnover tax and the water power tax, is 22.5 per cent. less than before the war! In addition, the works benefit to-day a much larger portion of the population. On the 30th June 1919, there were 239,085 gas consumers. At the end of 1927 the number was 426,510. Moreover, the Gas Works supply fifteen municipalities outside Vienna.

Electricity. In connection with the electricity works we have also to record a remarkable development. It has not only

been possible to keep the plant technically up-to-date, but it has also been rendered as far as possible independent of foreign coal. A native coal mine, which was formerly deemed of no importance, has been utilised to feed a big distant station which supplies Vienna with all the electricity needed for industrial purposes. This did not satisfy the Municipality, which proceeded to embark upon the construction of water-power works.

Instead of resorting to loans at a high rate of interest, which besides could not be had for some time, it financed its operations out of the proceeds of the small water-power tax which is levied on the consumers of gas and electricity, the receipts from which permitted such large advances at a low rate of interest to the Water Power Company founded by the Municipality, that the work could proceed without interruption, although great technical difficulties had to be surmounted. The first water-power works was able to start operations at the end of 1924, and one of the first results was to permit of the charge for electricity for industrial purposes in Vienna being reduced by 12½ per cent. This abatement represents a saving to industry which is equal to three times the water-power tax. The management of the Vienna water-power works is linked up with that of the Upper Austrian power works, which commenced operations at the beginning of 1925 and supplies part of its current to Vienna. A third water works was completed at the beginning of 1926, and was constructed by the Municipality itself.

Of the 481 millions of kilowatts which the Electricity Works estimate will be the consumption for 1928, it will be possible to win 218 millions from its own coal mine and water works, to such an extent has it become possible to render the Works independent of foreign coal. The importation of 400,000 tons annually of coal is saved. Thus the price of current, including the taxes, can be maintained at the level of half the pre-war price. Lighting now costs 5.2 groschen (just over ¼d) per hectowatt, and power current costs 2.5 groschen (⅓d). Whereas in 1913 the number of consumers was only 92,000 and in the year 1918—1919 158,878, at the end of 1927, the consumers numbered 545,421. In the year 1927 the Electricity Works also supplied 74 municipalities outside Vienna with current.

Gas and electric light have first been made available to the masses of the people by the socialist administration.

The Other Municipal Enterprises.

Side by side with the three great monopoly undertakings, the other municipal enterprises have also made good progress: the municipal funeral service, a municipal advertising agency and a large brewery which is run at a profit.

The municipal funeral service was established in the year 1907, and former administrations endeavoured to make this undertaking yield a profit. The socialist administration graded the charges to

correspond with the capacity to pay of the various sections of the population. The progress in the direction of the municipalisation of funerals is proved by the following comparative figures: in the year 1913 41.8 per cent of all Viennese funerals was carried out by private undertakers; in the year 1926 this proportion sank to 15.5 per cent of all funerals.

The municipal advertising agency was founded in the year 1921 and commenced its activities by arranging for advertisements to be displayed in the trams. Then all suitable spaces over which the Municipality exercised control were turned to account. The new municipal enterprise "Gewista" very soon (in 1923) formed, in conjunction with the private firms which had hitherto carried on the advertising business of Vienna, a company, "Wipag," in which it secured a controlling interest. The "Wipag" controlled at the end of 1927 about 90 per cent of the whole of the available advertising space in Vienna. The net profits, which amounted in 1926 to over £3000, are handed over each year to the Municipality.

The Brewery of the City of Vienna was acquired by the Municipality in 1905, in order to regulate the price of beer, but for many years the scale of the business was too small to achieve this object. It was not until the technical reorganisation of the plant was effected in the year 1922 that the city brewery was put on an equal competitive footing with the large private concerns. Since 1926 the Brewery, with an annual output of 400,000 hectolitres, has been the second largest brewery in Vienna, and each year a considerable profit (£15,000 for 1926) is handed over to the Municipality, whilst the price of its beer is less than that of the trustified breweries. The City Brewery supplies 75 per cent of its output to Vienna itself, and accounts for 17 per cent of the consumption of beer in that city.

There is also a municipal insurance department. It was founded by the Municipality of Vienna in 1898, and took the legal form of a mutual insurance society. Originally established to conduct life assurance business, it became necessary after the war to reorganise the institution, in view of the complete destruction of the accumulated funds by the currency depreciation. Thus in 1922 and the following years, insurance against fire, burglary, plate glass, accident, employers liability and mishaps to motor cars, was added, and this reorganisation facilitated a rapid expansion of the business, which within a short period became a formidable competitor of the fire insurance companies and exercised a decisive influence upon the rates of premium. Moreover, the department was able to provide a large number of municipality, public bodies and labour unions with cheap and reliable insurance. More than a tenth of all the fire policies in force in Vienna were within a short time issued by the municipal insurance department, although it neither has a monopoly character nor exercises any form of compulsion.

Far from aiming at business profits, the Department is mindful of the objects which it exists to subserve, and encourages all institutions and movements which minister to the common good.

Thus, for example, it issues collective policies to large associations for premiums which are so surprisingly low that the benefits of insurance are for the first time brought within the reach of large sections of people. By means of such collective policies, 256,000 persons were insured against various contingencies in the year 1927. A considerable portion of these insurances relate to protection against accidents incurred in sports.

Despite the difficult economic conditions, the municipal enterprises have carried out improvements to the value of nearly £7,000,000 during the years 1923 to 1927. The already mentioned loan of 30 millions of dollars will be devoted to the purposes of technical improvements in the municipal enterprises.

The new Vienna.

We have now shown how the socialist majority has applied a policy of systematic reform to all branches of administration. The Municipality, which as an administrative authority was often alien and hostile to the masses of the people, has developed under socialist influence into the real community, embracing everybody who dwells within its walls and following the progress of the individual from the cradle to the grave, wherever it may be necessary.

Capitalism cannot be abolished from the Town Hall. Yet it is within the power of great cities to perform useful instalments of socialist work in the midst of capitalist society. A socialist majority in a municipality can show what creative force resides in Socialism. Its fruitful labours not only benefit the inhabitants of the city, but raise the prestige of Socialism elsewhere.

The tens of thousands of persons with no political opinions who live in a great city such as Vienna have inevitably been impressed by the earnest determination which the Socialists have displayed in performing their task, undeterred by Christian Social and Communistic extravagances, at a time when the decay of Vienna, its decline to an unimportant town, was confidently predicted.

The reconstruction of Vienna not only serves as an example to the industrial cities of Austria, but attracts the attention of experts and politicians of many countries. The new Vienna will continue in the path of progress, to the advantage of its inhabitants and to the honour of Socialism.