

STATE ACTIVITIES IN ELECTRICITY SUPPLY

As regards the electricity supply industry, the most important recent development has been State participation. Probably in no other country in the world has the State so great a direct influence on electrical supply undertakings. The great super-power stations are to a large extent supported by public authorities and have received valuable concessions, amounting almost to a monopoly of the power and light supply of whole provinces. The provision for public ownership in the original contracts generally excluded the possibility of new competitive undertakings arising in the area. Further, the public authorities participated in these undertakings by means of capital borrowed on the credit of the community. Gradually the public authorities became sole owners in many cases, because the Corporation Tax Act recognized such undertakings as supply concerns and exempted them from taxation. Recently this movement has reached a climax in the struggles of the Prussian State, the Empire works and the *Rheinisch-Westfälisches Elektrizitätswerk*.

Only a comparatively small number of stations in Germany have a very large capacity, and of these the great majority are either controlled or owned by the Empire or Federated States. The Empire owns the *Elektrowerke*, which it controlled during the war for the manufacture of nitrogen products and which to-day produce at the Zschornowitz, Trattendorf and Lauta works about 12 per cent. of the total power generated in public supply stations in Germany. These works were at first concerned in the manufacture of aluminium, but in 1922 the Empire acquired them for the supply of electrical energy for general purposes, Zschornowitz alone supplying Berlin with about 500,000,000 KWh. in that year, and in 1925 the three stations generated 1.8 thousand million KWh. The *Elektrowerke* have acquired the majority shares of *Liegnitz E.-Werke*, and together with the *Rheinisch-Westfälisches E.-Werke* purchased 75 per cent. of the Brunswick Coal-mining Company. It has also a 10 per cent. interest in the *Rheinisch-Westfälisches E.-Werke* itself, and it has also a considerable interest in the *E.-Werke Sachsen-Anhalt*, which are controlled by the State of Saxony, the Dessau Gas Company and the State of Anhalt in combination. The Helmstedt station of these works is connected with the Brunswick Coal-mining Company, which is the natural coal basis of the Upper Weser Hanover-Weismoor supply stations, owned by the Prussian State. It is probable that the *Elektrowerke* will come to terms with the