

The local divisions for Poor Law purposes, which embrace Birmingham, consist of the old parish, and several suburban parishes. The dividing up of territory in England so that sections in some places overlap each other, and different rates of taxation prevail within the same boundary is not conducive to a clear understanding of municipal problems. Thus the City of Birmingham is a member of a Drainage Board in conjunction with 8 other local authorities, and it pays a sum yearly to the County of Warwick for "General County Purposes." We find also a payment to the County of Shefford "in respect of Local Taxation Licenses and Estate Duty," and payments to Poor Law guardians of outside Unions.

The Corporation operates gas works. The financial statement of this Department gives the total amounts borrowed and the liability on annuities on 31st March, 1905, as \$14,544,700. Gas to extent of \$3,345,800 was sold last year and residual products, \$985,900, for rents, fittings, etc., \$55,505 was received making a gross income of \$4,386,205. The manufacture is charged with \$2,087,400, distribution \$236,830, public lamps \$16,475, rents, rates and taxes \$205,040, management \$45,385. The balance of receipts over outlay amounting to \$864,195 is carried to profit and loss.

The amounts borrowed and liability on annuities on account of the water works stand at \$29,062,500, and the sum of \$824,540 was carried to profit and loss last year, from the Water department, so that, as in Sheffield, the citizens of Birmingham seem to approve of the water works being operated at a profit.

The city last year spent \$202,680 on its free libraries, school of art and museum, from which an income of \$18,930 was derived in money and incalculable indirect benefits.

The Borough Rate, 3s. 6d., including Free Library Rate, produced \$2,008,250.

The Improvement rate, 2s. 2d. (actual rate in £) producing \$1,246,820.

The total rates, including the poor rate, levied 1904, varied from 7s. 1d. to 7s. 6d. according to the Poor Law Union.

The City Treasurer states that:

"In consequence of the numerous transactions that take place between the different departments, such as the sale of gas, water and electric current, it necessarily follows that some portion of the expenditure in one department is brought into income in another department."

Which avowal makes us cautious in accepting the exhibit of profits made by the municipal gas works as absolutely reliable.

The letter of a citizen of Birmingham, who is well known in Canada, says:

"Re taxes—my rent is £60, taxed in £51, taxes in all, £20, including General rates, Poor rates, Water

rates, House Duty. Another house rented at £45, is taxed on £38 5s. od., taxes in all £14 5s. od. Thus you see I pay 8s. in the £ on 85 p.c. of rental. Then there is Income tax of 1s. in the £ on the income.

Taxes are all paid by the tenant.

I have to-day received a tax bill from Oldham (Lancashire), which is Poor rate 1s. 2d. per £, Borough rate 7s. 2d. per £. Total 8s. 4d. per £.

A citizen of Montreal whose rent is \$300 per year would consider himself terribly aggrieved if he had also to pay \$100 in taxes, as well as 5 cents in the dollar of income tax, as is done by citizens of Birmingham whose rent is the same amount, only reckoned in sterling not currency. The large cities in Great Britain are, however, much to be commended for their enlightened policy in sustaining free libraries, technical schools, art galleries, museums, and other evidences of a high state of civilisation, all of which bring indirect benefits of a value compared with which the cost is insignificant. Their attention also to the improvement of dwelling house and to sanitation indicates a higher type of wisdom than is shown by indifference to these essentials to civic well being.

TWIN CITY RAPID TRANSIT COMPANY.

The balance sheet of this company to December 31, 1905, is an interesting one, and the following is a summary of the figures:

LIABILITIES.	
Common Stock	\$18,000,000 00
Preferred Stock	3,000,000 00
Funded Debt on their various properties .. .	15,566,000 00
Current Liabilities, including unpaid vouchers and accounts, interest and taxes accrued and not due, and stock dividend payable February 15	941,094 82
Reserve Fund for insurance accounts and injuries and damage account	83,154 14
Renewal Funds for way and structure and for equipment surplus	470,895 19
Surplus	456,155 82
Total	\$38,517,239 97
RESOURCES.	
Roadway, equipment, real estate, buildings, machinery, tools, and securities in Treasury	\$37,323,633 66
Current assets including notes and accounts receivable, cash in banks of \$336,716.15, and construction material for current improvements	600,097 16
Stores, materials and supplies	177,279 70
Insurance Funds, cash	52,789 45
Renewal Funds, Bonds	363,500 00
Total	\$38,517,239 97

Of the bonded indebtedness of \$15,566,000, bonds to the extent of \$170,000 are 7 p.c. bonds and \$1,280,000 bear 6 p.c., while the balance of \$14,116,000 are 5 p.c. bonds.

The total earnings for the year were \$4,759,262.76, and the operating expenses \$2,119,145 32

After payment of interest and taxes and dividends on preferred and common stock the surplus was \$497,952.59, of which \$240,000 was appropriated for renewal funds, leaving a surplus for the year of \$257,952.59.