

local business and get not only an exchange of its local business, but a right to connect over the trunk line, the long distance line of the existing company, the effect would be that we would have no telephone service in a very short time.

Mr. G. H. McINTYRE. Will the hon. gentleman allow me to interrupt him? It does not appear that we are unreasonable in asking telephone companies to submit to the proposed regulations. It is surprising to be told that additional business will destroy a company. Will the hon. gentleman explain by what process that will come about?

Mr. GALLIHER. I will explain. As was pointed out by my hon. friend from Yale-Cariboo (Mr. Duncan Ross), the trunk line that is now in existence in the interior of British Columbia, in that section of the country mentioned by him, even when having the monopoly, is not self-supporting, and it is only by reason of its being able to get the benefit of the local business in the different towns on its own service and having no opposition that it is able to give us an effective long distance service throughout that country.

Mr. CONMEE. If the hon. gentleman's position is correct, does his argument mean that there must never be any competition in telephones in the province of British Columbia?

Mr. GALLIHER. I will answer the hon. gentleman this way. I will take him to the city of Toronto and with the telephone rates regulated as they are by this Bill, the city of Toronto or any other city in Canada will be better served by one system than by two or three. It is a new principle of legislation to say that a company already in the field should be forced to build up a rival company by giving it facilities that the first company has paid for and which the rival company does not pay for.

Mr. LANCASTER. You have been doing it for half a century by taking the farmers' land away from them.

Mr. GALLIHER. Take another instance. We will say the Bell Telephone Company are operating between London and Montreal with a trunk long distance line. We will say that there is another company operating a line from London to Toronto, but not any further. Now, the people in London, if they go to the pay station of the Bell Telephone Company, whether they are subscribers to the local company or not, are perfectly protected, because they can send by the Bell Company's line their message from London to Montreal. Even though they are subscribers to the local line they can send their message by the Bell line, and they are protected in rates by the Railway Commission, who will have control of these companies. Now why should this

local company, which is a rival of the Bell Company in London, have the benefit of the Bell Company's subscribers and have the use of their line for which they do not contribute one cent? I say it is legislating on the principle of compelling one company to lend its assistance to build up a rival in business. If that is a business principle, I for one cannot see it. The people do not suffer any disadvantage, because they can go and get that service. If there is another line operated by the Bell Company for instance, a line coming from Dundas, or some place out in the country, into Hamilton, and there is no trunk line or long distance line belonging to the Bell Company going there, you can force the Bell Company to transmit these messages forward to Montreal because that is the only means by which they can be transmitted. That is a fair proposition. But the government has gone a little further. I say that if the government were to go as far as the hon. members for York advocate the effect would be that in the interior portion of British Columbia we would not have any telephone system at all.

Mr. BARR. What would be the result in this country if we only had one telephone company? The hon. gentleman says this is new legislation. Well, we are always moving along; we are introducing new legislation here almost every week, and the result is that the people get the benefit of it. I think it has been proved that an interchange of telephone business would save hundreds and thousands of dollars to the people of every province where there is more than one line. Seeing that legislation of this kind would be in the public interests, I think the Bell Company, or any other company, should not stand in the way. It is true we are taking one step ahead, and I venture to think that the agitation will go on, and this government might just as well as not get the full credit of the legislation that will inevitably have to be passed at the demand of the people.

No subject that has come before parliament this session was looked forward to with greater interest than this promised telephone legislation, and the people expected that we would have exchange in telephone service just as we have in the railway service. We know that in the past the Bell Telephone Company has not carried out its agreements with the people, and that their purpose has been to make the largest possible profits rather than to serve the community. Often indeed they have lost sight of their profits in order to crush smaller companies. When they saw that legislation was threatened that would compel them to serve the public interest, they did make some effort to accommodate the public, but now that they find the government has done less than was expected from them the Bell Company will stiffen up their terms and the people will reap no