

question was, which was going to win out. Of course the inevitable happened—the Government won out, because the Okanagan Telephone Company had to furnish their own money and run the line as a business proposition, and could not compete with the Government, which was throwing in money at the rate of \$25,000 in the first year, and in 1915-16, \$97,000, and it is now up to \$200,000, and no man on earth could tell where it would be if things were unfortunately allowed to continue for three or four years longer. I find from the statement made by the local superintendent, Mr. W. H. Stevens, that the system of the Okanagan Telephone Company comprises about 138 miles, and consists of trunk lines built to connect nine local exchanges. These exchanges are located at Salmon Arm, Enderby, Armstrong, Vernon, Lumby, Kelowna, Peachland, Summerland and Penticton. The Government system comprises about 1,300 miles, and has been constructed for the purpose of affording telephone service to the widely-scattered settlements throughout the region, while incidentally operating six local exchanges located at Nicola, Merrit, Princeton, Hedley, Keremeos and Chase. Then there came a fight between Enderby and Vernon, I think, and in some cases for nearly 100 miles—I am not exactly sure as to the mileage, but for a long distance in any event—the Government lines and the company lines were parallel, and, as if that was not bad enough, the Government actually built another line parallel to the company line.

Mr. REID: How long was that?

Mr. CARVELL: Somewhere about fifteen or twenty miles.

Mr. REID: Is it not the other way? Did not the company build after the Government line?

Mr. CARVELL: No, the company built first and the Government line was built afterwards. It ran into 1916 and the matter was referred to the Minister of Agriculture. He took the very wise course of handing it back to the local superintendent. He said that the superintendent was on the ground and he knew the conditions better. But there was a recommendation by the Conservative Association. So they built the line. Finally it got so bad that they had to come to some kind of an agreement, and an agreement was entered into between the Government and the company. While I do not know the geography of that portion of

[Mr. Carvell.]

British Columbia sufficiently well to discuss it as the minister can, I think the great majority of these lines are in the minister's own constituency. I find here tens of thousands of dollars to be spent in the Okanagan country which I understand is in the minister's constituency. But here is one little thing that I can tell without being very intimately acquainted with the geography of the country. In the agreement between the parties it is provided that:

The company agrees to extend within three months the local circuit from Enderby to Mara connecting with the Enderby exchange to take care of the local business.

I find in these estimates this item:

Okanagan telephone system—establishment of rural system between Enderby and Mara, \$2,100.

That must be the same thing. This carries out exactly the same idea as that laid down by the hon. Minister of Inland Revenue in Dorchester awhile ago in the House when he said: "The people want it." That is what is going on in British Columbia to-day. They made a trade with the Okanagan Telephone Company by which the telephone company is to do certain things; but sufficient political influence is brought to bear and the Government is doing it instead of the company.

Mr. REID: When was that agreement entered into?

Mr. CARVELL: The 16th June, 1917.

Mr. REID: These supplementary estimates were prepared some time ago and if that agreement was made since, of course, this item would not go on.

Mr. CARVELL: Well, if we knew these things we would discuss them.

Mr. REID: When we come to the item we will strike it out.

Mr. CARVELL: The Minister of Agriculture has been for three or four years building up the Government telephone system in his county in competition with a private firm. Now he comes down to Parliament and asks for—and I suppose it will be forced through—a vote for \$50,000 for building telephone lines. Why, he is worse than the Minister of Inland Revenue. That hon. gentleman only wanted a few miles. He is a poor innocent creature. The idea of the Minister of Agriculture entering into a conspiracy with the Minister of Inland Revenue and then beating him out to that extent—putting off the poor Minister of