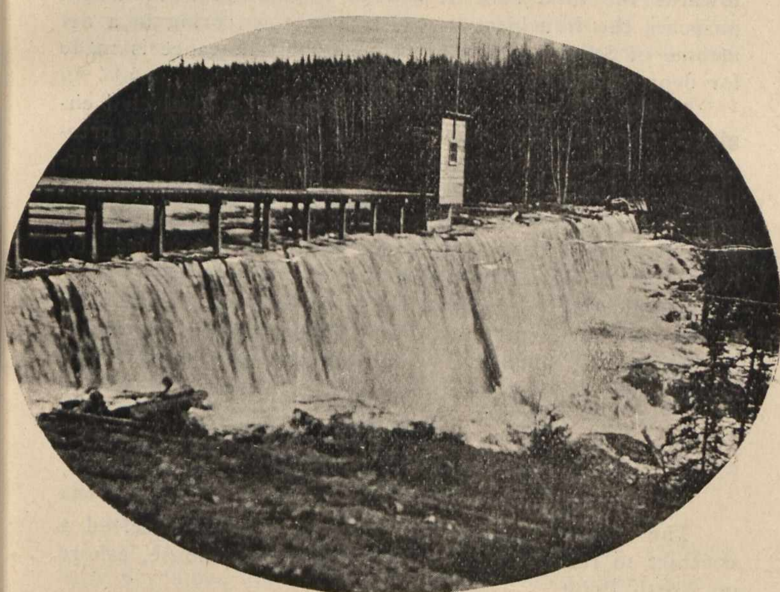
Arthur and Fort William into commercial touch with the West and East of Canada in the era of steam traffic, will use electric power in its elevators, shops, etc.

Thus, with almost ready made docks, with cheap electric power, with choice brown building stone in exhaustless quantities on Isle Verte, near by, and with all the other advantages here enumerated, Port Arthur and Fort William have a manifest destiny.

The chief purpose of this article, however, is not to describe their resources or forecast their future, so much as to show the courage with which these towns have grappled with problems of civic ownership, and the success they have already achieved in the face of great difficulties at the start.

Fort William.

In 1884, when the C.P.R. reached the "West Fort" of Fort William, the population was 200 or 300. Two years ago it had reached a population of 5,500, now it has 7,000 inhabitants, and if the enterprises now planned are carried out, it will have within another two years sufficient population to give it the legal status of a city. The town covers an area of 7,000 acres, its assessment is $2,147,170, besides exemptions in favor of the C.P.R. to the value of $2,000,000, and the taxes amount to 25 mills on the $1. Both towns own their public utilities, such as waterworks, electric light and power, and street railways, and though they are rivals in commercial development, they work together in a broad spirit in making the cause of municipal ownership a success. For instance, there is a free exchange in the telephone service between the two places, and passengers are carried at a single 5-cent fare from any point in one town



The Kakabeka Falls.

to any point in the other, the towns being four miles apart. Fort William went into municipal ownership of its franchises more from necessity than from any fixed purpose in the beginning. When the town first required its waterworks system in 1896, no company would touch the contract. The town undertook the work itself, and now it could easily get $100,000 for the franchise if it wished to sell. It was the same with the electric lighting system, while with regard to the telephone system both Fort William and Port Arthur were forced to take up this work, not from any preconception as to the policy of public ownership, but because they could not get a decent service from the Bell Telephone Co. The people having put their hands to the plow, have not turned back, but carry on all their franchises under public ownership and in a public spirit. The best of the citizens serve on the council and no one is there for graft. The attempts to get men into civic positions by "personal favor" are frowned upon, and when a civic official is found incompetent, he is replaced as promptly as he would be in the service of a private firm. Though Kakabeka Falls, the great source of power for the future Fort William, is outside of the town, it is a question whether the civic authorities are not likely to make their first serious mistake in allowing the power privileges to remain in the hands of concessionaires as they are at present, even though the offer of power at $25 per horse-power per year is scarcely more than half of the cost of generating by the town's present steam plant.

About 1,000-h.p. is generated at the town's power house on the river above the town. Of this total, 700-h.p. was installed during the past year. This consisted of a Goldie & McCulloch engine of 600-h.p. and a dynamo of 600-K.W. capacity. The pump is run by a separate engine of 100-h.p. The water, which is very soft, is supplied by two pumps of 500,000 gallons' capacity each—this is sufficient for a town of 25,000. Over 5,000 lights are supplied from the power house, the charge being 35 cents a month for 16-c.p. lights. The meter rate is 10 cents per 1,000 watts with $2 a year charge for meter. A discount of 10 per cent. is allowed for prompt payment. The total cost, including the new machinery, was $94,000, and the annual cost of maintenance, including the interest and sinking fund, is $14,802, while the earnings in 1903 were $14,666. When it is remembered that the total earnings in 1898 were only $3,992, and in 1900, $8,945, it will be seen that this branch of the service will soon show a surplus.

The expenditure on waterworks last year in Fort William was $71,951. The cost of maintenance, including interest and sinking fund, is $11,254. The number of services is 750, of which 80 new ones were put in in a single recent month. About 400,000 gallons are pumped per day. There are 75 hydrants costing $20 a year. Coal, in 1902, cost $3.10 per ton, and in 1903, $2.80. The earnings of the waterworks branch were $2,112 in 1899, $8,777 in 1901, and $13,304 in 1903, this department already showing a good surplus.

The town's municipal telephone system cost a total of $26,644 up to the middle of last year. A full description of the telephone systems of the twin towns was given in the Canadian Engineer of January, 1903, but it may be of interest to mention here that Fort William has over 400 phones, and the daily calls average over 3,000. It is a central energy system put in by the International Telephone Co., Chicago, and the charge is $2 a month for business phones, and $1 a month for residential phones. In March, 1903, a fire destroyed the building and all the equipment, but a new exchange was put in and was got into working order in May of the same year. At that time there were only 71 phones in use, and the Bell Company taking advantage of the fire did its utmost to draw off the merchants and others by offering three-year contracts on very attractive terms, but the people stood by their municipal system, despite the attempts of the Bell Company to destroy its usefulness as far as possible by preventing the C.P.R. from making connections at the stations of both towns. As stated, the town has over 400 phones, while the Bell has about 110, of which, according to the statements of local men who claim to know, a certain number are dead heads.

Fort William builds its own sewers and sidewalks. Both are being steadily extended. The sidewalks are of cement 10 feet wide, and are laid by day labor, as are the sewers.

Port Arthur.

Port Arthur has a population of 6,200, the number of its inhabitants having doubled in five years. The town started on its career of municipal ownership in 1891 with the electric street railway, which was put into operation in 1892, with seven miles of track. It now has nine miles and extends east through the town from Fort William to the Current river, where a handsome park is being laid out by the town, this being a development of the past year. The fares are 5 cents or six tickets for 25 cents, with eight for 25 cents during morning and evening hours, and 10 for 25 cents for school children. It is owned by Port Arthur alone, and is now on a paying basis. The revenue of 1903 was as follows: $22,933 for cash fares, $4,148 for tickets, $157 for special trips, $59 for advertising in cars, and $271 for power sold; a total of $27,568. There was spent on the dam and extension about $18,000, and in all $35,000 for new equipment, etc., but there is a good surplus on the year's operations taken by themselves.

The electric lighting system of the town dates practically from 1897, when it was run by steam and continued to be