

necessity would compel them to return to work upon the new conditions, or others be obtained to fill their places. With the assistance of the operators brought in in this manner from the outside, and the utilization of its office staff at the operating boards, the company was able to maintain an indifferent service on the Thursday afternoon and the following Friday, Saturday and Sunday during which the strike lasted, although in some parts of the city the service during these days appears to have been all but completely crippled.

The intention of the government to have inquiry made into the grievances of the operators, and the appointment of the Royal Commission having been announced, the operators, in accordance with the terms of the resolution they had passed, presented themselves for re-employment at the offices of the company on the morning of Monday, February 4. A large number were immediately taken on, and the strike, to all intents and purposes, was at an end.

### III.—THE REMUNERATION OF WORK AND THE COST OF LIVING.

*Statements of local manager setting forth reasons for change from five to eight hours, and policy of company in reference thereto.—Inefficiency of service confirmed by J. T. Baldwin.—Further statements by local manager.—Criterion for testing system—Cost, service and ability to secure operators.—Results of tests from these standpoints prove five-hour system wanting.—The health or well-being of the operators not the motive of the change—reasons for believing this.—Confirmed by evidence before the commission.—Evidence of Mr. Dunstan that wages paid not sufficient to meet cost of living or to attract operators.—Evidence of Mr. Maw that low salaries responsible for inability of company to secure operators.—Increased hours, not wages, cause of strike—explanation of this.—The two schedules compared.—Total earnings under the five-hour schedule.—The increase under the eight-hour schedule in reality a reduction considered from point of view of earning capacity.—Objection to hours virtually an object to wages change as well.—The change viewed from standpoint of cost to company, and remuneration to employees.—The new schedule a saving in cost to company, and a decrease in wage-earning.—Allowance to be made for possible lessening of speed of operating.—The intention of company to effect a saving in cost.—Increase in wages not equal to increase in hours—a considerable difference in percentages.—Increased outlay of expenditure by company not necessarily an indication of increase in cost.—Possible benefits to be derived from change in rates less real than apparent.—The more favourable changes relate to periods of service which few operators reach.—Average life of operator from two and a half to three years.—Evidence of Mr. Dunstan.—Evidence of Mr. Maw.—More favourable wage changes of no advantage to majority of operators.—Doubtful if other changes appreciably improved opportunity of operators to better their condition.—A word as to profits.—Revenue and expenditure of company during 1905—an 8 per cent dividend.—Earnings and expenditure of Toronto exchanges.—Views of local manager as to relation of wages and profits.—Views of Mr. Maw as to relation of wages and profits.—Views of general manager as to relation of ways and profits.—Bearing of wages and profits on question of relations between employers and employees.—Peculiar position in this connection of an industry possessing a complete or quasi monopoly.—Bell Telephone Company a monopoly so far as concerns Toronto.—Obligation on public to insist on fair day's wage for fair day's work.—Extent to which profits of company may have been derived by species of sweating or tax levying.—Admissions of local manager in reference thereto.—In public interest that such conditions should be disclosed and understood.—The interest of investors.—Increased publicity a desirable factor.*

'OPERATORS cannot earn enough to pay for their board and clothing. If short hours are continued an increase in salary must be made, and the present cost of service thereby advanced. It is very advisable to make the change in hours and wages coincide. . . . Increased money must be paid. In any event, something must be done to attract applicants, and we should stop loading the staff with poor material. . . . As a choice of evils we prefer acting at once.' It will be apparent from the reports made and the correspondence which took place prior to the strike that the reason for the change from the five to the eight-hour schedule, and the policy of the