

APPENDIX No. 1

No. 48.

THE TELEPHONE COMPANY OF PRINCE EDWARD ISLAND, LTD.

CHARLOTTETOWN, P.E.I., April 29, 1905.

SIR WM. MULOCK,
Ottawa, Ont.

DEAR SIR,—In accordance with your favours of March 28, and April 11 last, I am enclosing herewith answers to the list of questions supplied by you.

I am also enclosing a map of Prince Edward Island showing the company's lines, toll offices and exchanges, correct to March 1, 1905. If there is any further information that we can supply either by letter or personally, we shall be most happy to do so.

Yours respectfully,

W. A. WINFIELD,

General Manager.

No. 48a.

The company has been in operation since 1885. Has a capital stock issue of \$56,700. No bonds. Population of the Island is 103,259. Number of telephones on March 1 was 530, of which 420 are direct lines, having one telephone.

The number of business telephones is : Charlottetown, 205 ; Summerside, 32 ; other points, 40. Residence : Charlottetown, 130 ; Summerside, 6 ; other points, 5. In addition to these, there are nearly 100 toll offices throughout the Island.

Subscribers' circuits in Charlottetown and Summerside are part metallic, but largely common return. In smaller places all are single grounded circuits. The system is 'Magneto,' the equipment being principally 'Bell,' 'Kellogg' and 'Holtzer-Cabot.'

The rates are: Charlottetown—separate lines, \$45 per annum, business and residence; two-party lines : business, \$30, residence, \$20 ; Summerside—business, \$20 ; residence, \$15; other places, business or residence, \$15; with special rates for party lines, larger subscribers, &c.

Rates for farmers' lines are \$15, but have no subscribers of this class.

The company has the following long-distance plant:—434½ miles poles and 547½ miles wire, all circuits being single grounded.

Long-distance rates are : 10 miles, 15 cents; over 10 miles, 25 cents, for five minutes' conversation or twenty-word message. Subscribers are entitled to 20 per cent discount on these rates.

Cost of building the long-distance lines, with 25-foot cedar poles, No. 12 iron wire, costs all the way up to \$125 per mile, depending on the cost of poles.

The company pays a dividend of 6 per cent per annum. Sets aside 10 per cent per annum for depreciation. Has no surplus, except unexpended accident and depreciation fund.

There is no competition. The 'Bell' Company have always acted with the greatest consideration and have given every possible advice and assistance, particularly on technical matters, placing their information and experience at our service.

We find a good demand for telephone service in Charlottetown, and as the business grows, we improve the plant. A few years ago, the system was changed from grounded to 'common return,' and now we are beginning to provide full metallic circuits, and we expect later on to install a central energy multiple switch-board.

Our present board is a Kellogg express. We do not, as a rule, meet with objections to our Charlottetown rates, though there are, of course, people who will demand lower rates, no matter what basis they were upon. We do not find our rates any too high, commensurate with first-class service.

The element of depreciation is a very heavy one, especially in exchanges, as work can never be left up until it is worn out. Reconstruction has frequently to be under-