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TORONTO TELEPHONE COMMISSION

'Q. Have you always felt that way?
'A. We have to pay the market price.
'Q. Have you always felt that way?
'A. Yes.
* * * * *
'Q. Would you think a question of profits ought to be considered in regard to your recommendation?
'A. No, I don't think so.
* * * * *
'Q. I put the question in another way. Where you saw that a number of operators were not receiving a sufficient wage to enable them to gain a livelihood, and to be self-supporting, would you consider in looking to a readjustment of that wage, would you think of picking up a balance sheet of the company, and finding out to what extent the profits might admit of an increase?
'A. No.
'Q. That would never enter your mind?
'A. That would never enter my mind.
'Q. I am afraid I do not understand just what you are saying; what I am trying to get from you is your reason why you think the matter of profits should not be considered when such a question as this of fixing the minimum wage comes up. What is your reason for saying you think the matter of profits should not be considered?
'A. For the reason that all that is required is to pay the market price for your goods.
'Q. That is a reason that I think ought to be carefully considered. Have you any other reasons?
'A. I think that covers the ground.'

While these were the views of the local manager and inspector of service of the Toronto exchange, respectively, it is gratifying to be able to report that they were not shared by the general superintendent of the company. Mr. McFarlane in his evidence said:—

'Q. You have heard what other witnesses have stated about the question of profits to be considered in connection with the wages of employees. Have you considered that matter at all?
'A. Yes, sir, at various times we have.

'Q. What do you think as to the relationship between the profits of the company and the payment of the wages of their employees?

'A. Well, I think that ought to enter into a company's consideration, and I think it is a very simple proposition in one way. Still it is complex in the other. In Toronto we obtain probably an average of \$37.50 per telephone rental per year. taking as an average, taking the extension sets, the private branch exchange sets, and all other sets, taking the total number of sets, and dividing by the total revenue, out of that \$37.50 per year you have got to pay so much for general expenses, so much for maintenance, so much for operators, and so much for sundries and other accounts, leaving a balance over.'

We have included these views of the company's officials because in our opinion too great stress cannot be laid, if due regard is to be had for the preservation of harmonious and satisfactory relations between employers and employed, upon a very full consideration of the relation of wages and profits, more particularly in the case of an industry which holds a public franchise and is conducting a public service, and which from the nature of things possesses by the tacit or expressed consent of the public, a limited or a complete monopoly. It was contended before the commission that there were 58 or 60 competing companies. While this may be, it is nevertheless true that so far as the city of Toronto is concerned, and many other localities throughout the

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Dominion in which the Bell Telephone Company operates, this company has an absolute and complete monopoly. It enjoys this monopoly by the consent of the public. That this consent arises from a city's consideration of its own convenience rather than from any predisposition in favour of a particular company is not a matter of concern. The fact is that in the city of Toronto there is one company carrying on the telephone service for the entire city, and whether they like it or not the public generally of that city, so far as it may wish to make use of the telephone, is obliged to pay the Bell Telephone Company for its service. Viewed in this light, which we believe to be the right and proper one in regard to public service utilities where an absolute or quasi-monopoly exists, an element is introduced which justifies an insistence on the part of the public of a due regard for the welfare of employees which might be urged with less reason in the case of competitive industries. To the extent to which the citizens of Toronto have parted, either voluntarily or involuntarily, with their right to choose between competing concerns, and to that extent have parted, also, with their power to extend their patronage in the direction in which they believe the interests of justice and fair play may best be served, to that extent it is, we believe, not only their right, but their duty, to know and to insist upon a company profiting by their patronage, treating its employees in a manner which is equitable and fair, in other words, giving to its employees, whether they be women or men, a fair day's wage for a fair day's work. To the extent to which the Bell Telephone Company has profited by the necessities of its operators, or has secured services at a rate which would not have enabled those who rendered them to have lived, but for the support received from members of their own families, or in ways other than those provided by the company, to this extent, the profits of the company have been derived by a species of sweating, or by the levying of a tax upon homes and individuals for which no compensation has been made.

That the company has profited in this manner is sufficiently proved by the admissions of its own manager that the wages paid were not sufficient to meet the cost of board and clothing, and that, notwithstanding the operators had been obliged to work at a pace which was absolutely detrimental to their health. The circumstance that these truths are lost to sight by the involved and intricate processes which obscure the workings of modern industry and commerce, or that by some they may be condoned as being in accord with common practice, is not a reason why in the public interest they should not be disclosed and a healthier and more equitable regard for just such situations established. Moreover, it is, we believe, not more in the interests of justice and the maintenance of friendly relations between employers and employees, than it is likely to be in accord with the wishes of fair-minded investors who would hesitate to accept as profits, dividends which had been earned at the expense of either the health or well-being of those who had assisted in their making. And this leads us further to venture the opinion that in the interests of shareholders, employees and the general public alike, it is desirable that as much publicity as a due consideration for business secrets will permit, should be given to the manner in which public or quasi-public utilities of the class of the Bell Telephone Company, carry on their operations. Public opinion may be expected to safeguard the welfare of those who serve the public, however remote that service may be, and in this connection it may fairly be assumed that the interests of capital, no less than of labour, and of labour no less than of capital, will receive a due regard.

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