

regulation forbids the Post Office from undertaking any business which cannot be proved beforehand to be remunerative. It is scarcely necessary to point out that this regulation almost completely blocked the Post Office from entering into strenuous competition with the Company. Boiled down the report meant that where the Post Office would not enter upon a losing venture the municipalities should be given permission to do so.

THE FALL OF THE TIDE.

The report of this committee was the high tide mark of the agitation. In 1899 Parliament gave the municipalities permission to enter into the telephone business. It might naturally be expected that following an agitation so completely successful scores of municipal telephone plants were established. It was really a remarkable victory, for the Government had been compelled through its force to abandon the declared policy of one of its most important departments and allow the very thing it had persistently refused to sanction in its own interests. But the threatened avalanche of telephone municipalization has not occurred. Instead of being general, as the agitation, judged from its activity, threatened, the results have been most meagre, and from the point of view of the interested municipalities, unsatisfactory. The Act of 1899 has been in force over five years and what is the total of its achievements?

Six, and only six, municipalities have gone into the telephone business, viz., Glasgow, Portsmouth, Swansea, Brighton, Hull and Tunbridge Wells. These six corporations established municipal plants, but only five are in