

4-5 EDWARD VII., A. 1905

The name of our company is the Sprague Telephone Company, it is a private enterprise confined to myself and son. We started first in the year 1901, and operate in two townships, having a population of about 5,000. We have installed 190 instruments and have 52 more ready to install. We have no one station lines, neither have any of our subscribers 'Bell' telephones. We have one hundred and sixty-three residence telephones, and 52 orders now under construction; also 5 doctors, 11 grocers and general stores, 4 post offices, 3 cheese factories, and 4 ministers of different denominations. We have 30 miles of toll line. The average cost per subscriber's station is \$50, and the average cost per mile of toll line is \$65. All our line as yet are grounded single iron wire. We have no subscribers on toll line, of which there are 30 miles. We use nothing but long-distance instruments (Bridging) manufactured by the Chicago Company of Elkhart, Ind., the Wm. Abbott Company of Cleveland, Ohio, and the Farr Company of Chicago, Ill. The number of rural telephones is one hundred and sixty-three, also 52 partly equipped. Non-subscribers pay 5 cents, and if switched on other lines 10 cents, which gives them conversation with any of our subscribers. We have only one toll line connecting our system with the 'Bell' over which we have joint control, and by arrangements we have a 15 cent rate which gives connection with the 'Bell' subscribers in the town of Picton. We charge a yearly rental of \$10, which entitles the subscribers to the use of the whole system. We pay no dividend, but put the revenue into the business. We have no bonds. We estimate the depreciation at 3½ per cent. We have no funds, except private capital.

We have a contract with the Bell Telephone Company to connect with their system at the town of Picton by a toll line from our central office, the charge being 15 cents for three minutes' conversation. This gives our subscribers connection with the Bell system by paying their regular rate, which is a great advantage, because we have access to their trunk lines, which all independent companies should have. I trust the government will see the importance of this matter.

Before we started the Bell Company had only two instruments installed in the township of Sophiasburg. They were toll offices, one at North Port, one at Demorestville. They had one in the township of Ameliasburg, making three altogether. They have now two in township of Sophiasburg and ten in the township of Ameliasburg.

They had no subscribers before competition. Now they have eight residence telephones. The Bell rates were, and still are, \$25 per year.

We manage largely our own business and our own installing. Our labourers we pay \$1.25 per day, with board. At the main central office we have one of our own family, in the other we have a lady, at \$50 per year.

We use the plug switchboard, and have two centrals, one with eleven lines and the other with five lines, the two centrals being connected by a trunk line. Our system is 'party line,' that being the only practical one for rural telephone service. We have from 12 to 14 subscribers on each line. More than that number would make confusion, and would prevent prompt service. We use nothing but the best long-distance instrument 1,600 ohm. Bridging, which cost us about \$15 each duty paid. We are somewhat handicapped by the duty, which I think should be removed, as the 'Bell' people are connected with the only manufactory of instruments in Canada, and they keep the prices equal to foreign manufacture, duty added. I think it would be better for the government to help the people instead of protecting the manufacturer. Our lightning arrestors, insulators, side block and pins we get from Chicago cheaper, duty added, than we can here. Poles we use (cedar) which are scarce in this part of the country, although we have been able to get, so far, what we have used at prices ranging from 50 cents to 80 cents apiece, 25 feet, 5-inch top. Side arms we get here at about 18 cents apiece, 3 x 4, five feet long.

I hope and trust, for the benefit of the people of this country, the government will take over the trunk lines or control them in some way so that independent companies can get connection, which would do more for the telephone service than anything else. Independent companies could then connect with trunk lines and give all the advantages