

4-5 EDWARD VII., A. 1905

I expect shortly to be in a position to forward you copies of the municipal telephone accounts for the year ending March 31 last. In the meantime, I inclose those of the Guernsey telephone system, as their financial year ends December 31.

I have the honour to be, sir,

Yours very faithfully,

A. R. BENNETT,

No. 91.

THE BELL TELEPHONE COMPANY OF CANADA, LTD.,
MANAGER ONTARIO DEPARTMENT,
HAMILTON, May 29, 1905.

ADAM ZIMMERMAN, Esq., M.P.,
Ottawa.

DEAR SIR,—My attention has been drawn to a remark which you made in committee the other day in reference to the rates charged by this company to their Hamilton subscribers as compared with the rates charged Ottawa subscribers and, as reported in the papers at any rate. I think you were under the impression that the company had not dealt fairly with the Hamilton people.

I personally attended to the making of the contract with the city council here, and therefore am in a position to explain it to you and you will see that we were perfectly fair in every way.

Perhaps you do not know that we have for some years here given subscribers a rate both at offices and houses of \$25 a year and 2c. per call. This was originally intended for dwelling houses, where the instrument was to be installed more for the sake of protection than anything else, and for small stores like corner groceries, and cabmen, &c., where their own calling rate was very small and most of the calls came to them from other people, and the rate saved these people a good deal of money. The agreement with the city contemplated extending these cheap rates, and we are now putting in houses on party lines (we have the privilege of putting four houses on a line, but rarely put more than two) for \$20 a year, and we give them with this one hundred calls a month free. We also take places of business in the same way with two on a line for \$35 a year, with one hundred calls a month. To make a long story short, I offered the committee that if they would give up these cheap rates and allow us to confine ourselves entirely to a flat rate for unlimited service for offices, anywhere within the city limits, of \$45, and a flat rate for houses of \$25, I would recommend the company to accept this. They refused to do this, as there were already before this agreement was made, I think, about 240 subscribers at the lower rates, and they did not think these people would like to give them up. Therefore, of course, as some of the subscribers would be paying only \$20 we could not afford to allow the largest users to get off for less than \$30 for their houses, and that is the reason of the present arrangement, which I think was just as fair to the city as the one we made in Ottawa. At any rate, I am sure you will do us the justice to explain, if the matter comes before you again, that if there was any difference between the two it was not our fault. I might add that there were also some minor advantages in the Hamilton contract to the city and the subscribers, which I think are not in the Ottawa contract.

Yours truly,

HUGH L. BAKER,
Manager.