

APPENDIX No. 1

2. That any company having a trunk line should be compelled to permit any such local telephone company or any municipality owning a telephone system to use such trunk line for long-distance messages or conversations, and to transmit the messages or permit the use of its long-distance system for such conversations upon terms to be mutually agreed on between the local company or municipality and the owners of the long-distance line, or in the event of their failure to agree, then upon such terms as might be imposed by order of the Governor General in Council, and that such trunk line company shall upon like terms deliver to or through such local telephone company any messages received for it or its customers over the trunk line or permit conversations to be had from the trunk line or over the lines of the local telephone company.

3. It would be still better in the public interest that the Dominion government should own and control all the long-distance lines, and permit them to be used by all local telephone systems under a reasonable tariff of rates to be fixed by the government.

4. Provision should be made that all telephone companies incorporated by or under the authority of the parliament of Canada should be subject to the expropriation of their local systems by the municipalities in which they are respectively situated, upon such terms and conditions as may be imposed by the legislature of the province in which any of such systems may be located.

5. That the lines of any telephone company now existing or hereafter established shall be placed underground in any city or town in such manner and to such extent as the council of the city or town may by by-laws require, the terms and conditions upon which such change in the companies' lines shall be made to be determined by by-law of the council, subject to appeal to the High Court of Justice of the province, if they are deemed by the company to be oppressive or unreasonable.

6. It should be declared in the proposed Act that nothing therein contained shall be so construed as to extend the existing rights of any telephone companies, or as recognizing that such companies now have rights, independently of the consent or control of the local municipalities in which their lines are constructed.'

No. 166.

R. F. McTAVISH,
Sec.-Treas.

D. M. URE,
Mayor.

CORPORATION OF THE TOWN OF MORRIS.

MORRIS, MAN., June 16th, 1905.

Sir WM. MULOCK, K.C.M.G.,
Ottawa, Ont.

DEAR SIR,—I am duly in receipt of your favour of the 2nd ultimo *re* information in regard to the telephone system. I may say that at our last regular meeting, the matter was fully taken up by the council and a committee appointed to give you all the information that could be got. Two years ago the Bell Telephone Company put in the local system, the long-distance a year previous. In the beginning they had 32 subscribers, and at the present time they have 42. Their rate for places of business and residence are respectively \$25 and \$20 per annum paid in advance, semi-annually and under a contract for three years. So far as the working of the Bell Telephone Company is concerned, local or long-distance, everything is in first-class condition, but we feel that the rates are exorbitant, and that one-half of the present rates should be sufficient. In long-distance the rate for three minutes to Winnipeg, a distance of 42 miles from this point is 40c. for day and 25c. after six p.m., and to St. Jean, a distance of six miles from this point, the rate for three minutes is 15c. At offices where the day rate is 25c. there is no reduction after six. From data at my disposal I infer that the revenue of the Bell Telephone Company at this office can not be less