

THE RISE AND FALL OF AN AGITATION.

Between 1893 and 1899 there existed in many parts of Great Britain, just as there is in some sections of Canada today, an agitation in favor of a municipal telephone service. In Great Britain telephones come under the regulation of the Post Office Department, and no one is allowed to go into the business without first securing its permission. For many years the policy of the Department was to refuse this permission, this policy being dictated by the idea that some day the Department would take over the entire telephone business of the country, just as it had taken over the telegraphs, and that in view of this probable development it was advisable to have the business in the control of a single company, thus avoiding complicated negotiations and preventing the duplication of plant that would have been brought about by the existence of competitive services. As a matter of fact a beginning had already been made in the purchase from the National Telephone Company, which had acquired all the telephone licenses issued by the Department, of its long distance lines. It is true that this purchase had not been made entirely with the view of making the telephone business a state institution, but because the telephone service competed with the state-owned telegraphs, which were and are still being operated at a loss, a loss which the competition of the telephones threatened to seriously increase.

The Government, therefore, through this purchase, controlled the long distance rates, while the National Company had a monopoly