

Mr. L. A. LAPOINTE: I see that in 1917-18, \$450,000 was voted and spent for this purpose. How is it that you again need \$450,000 for the same service? If you put the street in good order and provided furniture for the departments, why should you need \$450,000 again?

Mr. CARVELL: I am very much afraid we require it.

Mr. L. A. LAPOINTE: You are repeating all the time.

Mr. CARVELL: I would think that we were doing pretty well if we got through with that amount of money. I admit this is a large amount, but when you consider there are some 10,000 civil servants in the Government employ at Ottawa and that all of these people have to be housed, taken care of and provided with furniture, you will realize there is need for this amount. Then there is the annual maintenance of streets. That does not mean the building of new streets but the maintenance of streets. There is sweeping, cutting grass on lawns, shovelling snow and all those things which are an annual charge.

Mr. ARCHAMBAULT: Are these civil servants exempt from taxes in the city of Ottawa?

Mr. CARVELL: Away back many years ago when the Improvement Commission was created, the Government granted very large sums of money and the commission started out upon a very extensive plan of improvement. In view of that the city of Ottawa agreed to forego taxes to a certain extent upon civil servants. I do not know exactly all the details but that is the general principle. I think the city also gives the Government free water and fire services. It is an arrangement that was made years ago between the municipal authorities of the city of Ottawa and the Government.

Telephone service, \$62,000.

Mr. CHISHOLM: What is this item for?

Mr. CARVELL: This is for telephone service for the various departments, including this building. It is growing and, I think, growing faster than it ought to. I do not know whether there is any way of paring it down or not. I think there is, myself. I want to say, however, in justice to the Bell Telephone Company that the rates charged are very reasonable when you compare them with the rates charged in other cities of Canada and the United States of practically the same popu-

lation. I do not believe there is any city in which the rates generally are as low as they are in Ottawa. But I think there are more telephones in use than there ought to be, that there is a very extravagant system in the management of the phones. The difficulty is that we have neither one thing nor the other; we have neither private branch exchanges nor direct service connections. In my judgment, there should be private branch exchanges everywhere. Unless you have private branch exchanges everywhere then they should be nowhere. Perhaps this is regulated better, in so far as the telephone system is concerned, in the Militia Department than anywhere else. There they have over 200 telephones that are connected with a private branch exchange, but they also have 25 or 30 direct service phones. That means 25 or 30 main lines going into the different offices. Then, again, another difficulty about having private branch exchanges all over the service arises from the fact that, on account of being so cramped for space, there is practically no department of the Government that is housed in one building or in two buildings alongside of each other. Suppose an arrangement could be made by which the Militia Department could have all of the Woods building and all of the Canadian building. Probably then they could have a private branch exchange, and only have sufficient direct wires—probably 15 or 20—to take care of the traffic. In that way you would very materially reduce the cost of the telephone service. But when you have your Militia Department in probably eight or ten different buildings, it is almost impossible to bring the whole service in under a "P.B.X." Then, again, there are many departments that have made no attempt to have private branch exchanges at all. Probably there is no greater sinner in that respect than the Department of Public Works. We are pretty well segregated in the Western Block. We have offices in a number of other buildings, but still the great majority of our telephones are in one block. This is a case where a private branch exchange could be economically installed, and in going over the list I think I could cut out about one-half of the telephones and save money by such an installation. In going over the list of telephones it was a surprise to me to find the number of people in my department who are enjoying the luxury of a telephone, not only in their offices, but in their residences also. Of course the higher officials should have tele-