APPENDIX No. 1

No. 39.-abridged.

Sir WILLIAM MULOCK,

GRAFTON, KINGS Co., N.S., April 28, 1905.

Postmaster General, Ottawa, Ont.

DEAR SIR,—Being part owner and manager of a farmers' telephone line, I am much interested in this matter. The collection of dues for telephone service is of much importance. Being postmaster and general storekeeper here for a number of years, I think it will not be a difficult thing to add to the post office duties the collection of these dues. I keep the central office here for the telephone, so a 'central' on a small scale can be made at each post office. Where it is not practical to handle these collections, the post office on either side could take in their share of the work. I would suggest that these dues be paid quarterly, as small subscribers would not miss a small payment so much. In our company we charge \$10 a year and have nearly eighty subscribers. If we can at any time assist you, our services will be at your command.

Yours very truly,

No. 40.

FARMERS TELEPHONE CO., Per Thomas Lawson. Stouffville, Ont., May 1, 1905.

PETER CHRISTIE, M.P., Grand Union Hotel, Ottawa.

DEAR SIR,—In reference to the conversation we had on Friday last re our local telephone line, would like to say: We have in all about fifty 'phones in operation, and we connect and co-operate with two other local lines that have as many or more 'phones. We cover quite thoroughly the greater part of three townships, and we are all extending our lines. To those desiring to rent 'phones from us we make a three years' contract at a rate of \$15 per year for business houses, and \$12 per year for residences. For these amounts we give subscribers the full use of all the lines, without further cost. We have not been able to place a 'phone in any railway station yet. We found it necessary to place a guy-post on the grounds belonging to the Grand Trunk Railway, and though it caused us a great deal of inconvenience, they made us take it out.

Before starting to organize our association, we asked the Bell Company for terms, and they asked us as nearly as I can tell, three times as much to give us a service as we had to pay to build our own. We would, with them, have had to pay for the use of the line in nearly all cases after that. What we would like would be trunk lines that we could attach to and get long-distance connection at a fair price, and have access to the railway stations in our district.

We have put in a first-class equipment all through, using nothing but the best long-distance instruments in every case.

There is another thing that might easily be done for such associations. There are always some of the members that have more capital to invest or spare for such enterprises, and the only way, or best way, to arrange for funds is to organize as an incorporated company and allow those willing, to take stock in the concern.

As it is now, the cost of incorporation is quite an item in comparison to the amount usually needed for a local company. Some simple and cheap plan of incorporation might be devised, such as is in use for cheese-manufacturing companies.

There is no mistaking the fact that rural telephone lines are of the greatest convenience to the country people, and that they will go farther to remove the inconveniences of country life than any institution now in existence, excepting the railways and the daily mail.

Our company is very much interested in the work of the committee now investigating, and we are pleased with the non-partisan way in which every member is doing his utmost to come to a proper conclusion in the premises.

Very truly yours,

ROBERT MILLER.