

APPENDIX No. 1

The 'Bell' rates before competition were, business, \$36 and \$42; residence, \$30, per annum. At this date they are, business, \$24; and residence, \$6 per annum.

The wages paid are: foreman, \$2 per day; troublemen, \$45 to \$55 per month; electrician, \$85 per month; and operators \$3 to \$6 per month, according to efficiency and length of service.

The cost of construction material is as follows:—

Central office equipment, \$500 per 100 lines, equipped by manufacturers; \$361.15, equipped by ourselves.

Subscribers wall telephones, central energy, \$9; selective, for party lines, \$13.

Subscribers desk telephones, \$9.50.

Poles, from 90 cents to \$9.05, the latter for 45 feet, 7-inch tops.

Cross-arms, 6 pin, 12½ cents, 10 pin, 21 cents.

Insulators, \$12.50 per M.

The system operates 213 miles of long-distance lines, which are iron wire, metallic circuits. The cost per mile of single wire is, \$21.80.

The charges per conversation over the long-distance lines are ten cents within the county. It is impossible to give rates beyond, as long-distance connections cover many states.

We are a stock company—stock limited to \$30,000, divided into 1,200 shares at \$25 each, sale to one person limited to four shares. At the present time we have 959 stockholders—our stock is all sold with the exception of 200. Each stockholder purchases his telephone of the company at actual cost of instrument and cost of installation, and in consideration thereof receives a rate of 80 cents per month for residence and \$1.50 for business houses.

Our authorized bonded indebtedness is \$30,000. \$28,000 was sold and \$2,000 reserved. The bonds bear 6 per cent per annum interest, payable semi-annually. They run for fifteen years, \$2,000 payable annually.

Our income from all sources is about \$20,000 per annum at this time, and our running expenses at last estimate about 50 per cent of receipts.

The company was organized for the purpose of giving our people cheaper telephone service than the Bell Company and we made preparations to accommodate 300 subscribers, believing that would be our limit, but our growth has been phenomenal and we now have over 800 telephones on farms and over 600 in the city—and the end is not yet in sight.

Where parties in the country wish a line built to them they are required to take out stock sufficient to cover construction at the rate of \$100 per mile.

We have answered your questions as best we could with the data at hand and sincerely trust it may serve your purpose.

Very truly yours,

DECATUR COUNTY INDEPENDENT TELEPHONE COMPANY.

GEO. H. DUNN,
Secretary.

No. 97.

CLERK'S OFFICE,
VILLAGE OF GRAND VALLEY, ONT., June 5th, 1905.

Sir Wm. MULOCK,
Chairman Special Telephone Committee,
House of Commons,
Ottawa.

DEAR SIR,—Replying to yours of 29th May *re* telephones, the system in operation here is the Bell Company telephone, with full connection outside. The rates are \$15,