

port, and the Minister of Railways brought in an amendment which strengthened it to some extent, providing that there should be more efficient service to escape the interchange clause. That amendment was accepted, not only by the Bell Telephone Company, but also by the municipalities. In the face of this decision we are told that we should go further with the amendment to-night and take cognizance of the socialistic flap-doodle of the hon. member for South York (Mr. Maclean). The House has been stampeded far enough by such talk as this. The amendment proposed by the government to-night, as I understand it, practically leaves it in the hands of the Board of Railway Commissioners to say whether or not connection shall be made. I am prepared to leave this matter to the judgment of the Railway Commissioners, but I want to point out that should the board place a broad construction upon the declaration of this parliament it would ruin every responsible telephone in this country. We are not interested in the Bell Telephone Company, but we have our own telephone companies in the province of British Columbia. We have a company there which at a very large expense connected all the small towns in the interior of the province of British Columbia by means of trunk lines, which have been built to a large extent over the mountains. We have Rossland, Nelson, Trail, Grand Forks, Greenwood, Phoenix and Midway connected by a trunk system, and the success of that telephone system depends not upon the local service it gives to the particular towns, but by reason of the fact that you can sit in your office in any one of these towns and get connection with all the others.

Mr. GALLIHER. And Spokane as well.

Mr. DUNCAN ROSS. And with Spokane and the American cities. What would happen if the Board of Railway Commissioners placed a very broad interpretation upon the declaration of this parliament? If that were done by the board, mushroom local companies would be established in all these places—

Mr. BERGERON. Small companies.

Mr. DUNCAN ROSS. Small companies. These would say to the Board of Railway Commissioners: You must connect us with the trunk line that makes the other telephone system a success; and, in order to protect themselves, the other companies would be forced to abandon their trunk system. Nothing else would be left to be done because it is not reasonable to suppose that if a telephone company were established in my own town of Greenwood in competition with the Vernon & Nelson Telephone Company, the latter company would for a minute maintain at an enormous expense, a trunk line over the mountains to Nelson in order to facilitate the business

of a rival company. They are to-day running the trunk line at a loss and it is only on the working of their entire system that they are making a profit.

Mr. SPROULE. Are they running it at a loss because there is not enough business over the trunk line?

Mr. DUNCAN ROSS. They are running it at a loss, if you take into account the enormous capital invested in their trunk line. But when you take the system as a whole, and include the business of their local systems in the towns, they are running it at a profit. The business I repeat, is run at a loss over the trunk line.

Mr. SPROULE. In view of the fact that their local systems being connected with the trunk line makes it a success, then if you increase the number of these local systems would it not be a greater success.

Mr. DUNCAN ROSS. I am prepared to admit that if you increased the number of your local exchanges they would be feeders to the trunk system, provided always they are your own exchanges. But when you have a company with an investment of \$1,000 or \$5,000 establishing a local system in any of these towns, then if you allow that small company to get the full benefit of an investment of \$250,000 in a trunk line, the only protection the trunk line company could possibly have would be to abandon their trunk line.

Mr. SPROULE. If they are getting full pay for that service why should they abandon it?

Mr. W. F. MACLEAN. The board will regulate the tolls.

Mr. DUNCAN ROSS. The hon. member for Grey (Mr. Sproule) speaks of getting full pay for the service, but let me point out this anomaly to him. To-day we can speak between Greenwood and Nelson, a distance of one hundred miles, for fifty cents for the first minute, and I venture to say that considering the money invested they cannot carry that message over their line for \$1.50. Do you suppose that any Board of Railway Commissioners if they gave this connection, would order that the toll should be \$1.50 for a minute's conversation, for which the Nelson telephone people only charge their own customers fifty cents? The Vernon-Nelson Telephone Company is able to do that because their trunk line is an adjunct of the local systems which are connected with it. I would venture the suggestion, although I do not know as an actual fact, that probably the Bell Telephone Company, and any other telephone company, is sending messages over their trunk system at a loss and are recouping themselves out of the revenue from the fat sections where they do a good business. The proposition of the hon. member for South York is sim-