

system while practically everyone uses street cars, water and light. A scheme for the benefit of five per cent. of the population at the expense of all could hardly secure popular support.

COMPARING RATES.

It is, however, impossible to fairly compare the rates charged in Canada with those in force in Great Britain owing to the widely differing conditions. The British charge should be much less than the Canadian for many reasons. In the first place the return expected from an investment of this character in Great Britain is less than money can be secured for in Canada. British municipalities can borrow cheaper than those of Canada and British companies can obtain their capital for less than those of Canada. Then the cost of construction in Great Britain is considerably less, labor not only being less expensive but all materials being available duty free, whereas the Canadian constructor has to pay up to 35 per cent. on all that he requires. Again the cost of operating is much more in Canada than it is in Great Britain, wages averaging one-third to one-half more. Finally the cost of maintenance in Canada is greater owing to climatic conditions. Bearing these facts in mind it is unfair to expect the Canadian company to meet the rates charged in Great Britain, but, despite this, what do we find? For instance, take the Portsmouth, Eng. municipal service rate. The Municipal Exchange has 1,968 subscribers. The rate charged for an unlimited service is £5 17s. The cost of a telephone service depends largely upon the number of connections at the subscriber's service. London, Ont., is a Canadian town with about the same number of subscribers as