

APPENDIX No. 1

Q. Between Ottawa and Montreal, which is about that distance, I think the rate is 50 cents, and you have in your schedule 72 cents.

By Mr. Boyce:

Q. Taking New York at 500 miles, it is \$2.50. You have it 400 miles, how much?
—A. \$2.40. While I have not followed the Bell Telephone Company's tariff closely in the last three years, I know at the time that the tariff was made up, the Bell's general rate was three-fifths of a cent per mile for a three-minute conversation.

By the Chairman:

Q. What is the rate between Ottawa and Toronto to-day?

Mr. BOYCE—\$1.25 in the day and 75 cents at night, I think.

THE CHAIRMAN—How many miles?—A. About 250. That is about half a cent per mile.

By Mr. Zimmerman:

Q. Does the Bell Telephone Company charge a uniform rate of so much per mile from all their stations?—A. Oh, no; they have exceptions. In some cases you have to pay 25 cents for a short distance. You cannot speak 20 miles for ten cents; you cannot speak over any distance for less than 25 cents on the long-distance 'phone.

By Mr. Boyce:

Q. In those cases where municipal telephone systems have been installed is there competition in every case with private corporation telephones?—A. In Great Britain, yes.

Q. I mean in Canada, I know there is in Great Britain?—A. No, not in Neepawa.

Q. What has been the effect generally, as far as you have observed, upon the Bell Telephone Company of the installation of the municipal system at Port Arthur and Fort William?—A. The effect has been to increase the number of telephones in use in the municipality and to reduce the number of the Bell's paying 'phones. Of course, with regard to the Bell Telephone Company in Port Arthur and Fort William—it is a pretty well known fact that they have a large number of dead heads which they keep on just in order to pad their directory.

Q. That came under your observation, did it, that they had made some arrangement like that?—A. Yes.

By Mr. Grant:

Q. Did they attempt to meet the local rate in either of these towns—the Bell Telephone people?—A. They have done so. I have here some information with regard to it. On December 1, 1902, the Fort William Municipal system had 90 business 'phones and 210 residence, while the Bell had 110 'phones before the competition commenced, and the note that I got from the Mayor of Fort William was to the effect that now 'the Bell have not very many, but I cannot find out the number as they do not publish a directory now. They are giving free telephones in some cases, but they cannot get subscribers.'

Q. There is no interchange of business between the two systems?—A. No.

Q. What does the telephone for business purposes in Port Arthur cost?—A. \$24 for business and \$12 for residence.

Q. And the Bell is nominally the same?—A. The Bell is nominally the same now, but the Bell rates before there was competition was \$30 for business and \$25 for residence. In Port Arthur the municipal system had on December 1, 1902, 205 business 'phones and 100 residence 'phones.