

Dr. Ochs, Hespeller, Ont., stated that there were a number of little villages on the main line of the Bell Co., but they were refused any service by the Bell, so a few joined in a system which extended in a few years to 30 'phones, with a distance of 30 miles. The Bell then asked for an exchange of business, but it was unsatisfactory, and "we blamed them for not keeping faith." Then the Bell offered to buy us out, and agreed to do the right thing by us, but "they gradually cut off our privileges one after another." Then they cut down part of the poles, and a lawyer was called in. "On the whole we do feel that the Bell has not dealt fairly with the public."

Dr. James Willock, chairman of Electricity Committee, Glasgow, Scotland, stated that he had been in the Council about 12 years, and said that he would give the data from the year book of the city. The agitation for telephones began in 1892—feeling the need of something better and cheaper than the National Telephone Co.—but the Telephone Act of 1899 had to be passed in order to give the necessary powers to the city. A license was then obtained covering about 143 square miles, terminable at the Corporation's desire in 1913. Mr. Bennett was appointed manager. Work commenced July 1900, and service was given March, 1901. The National then charged £10 in the city, and £20 at a radius of two miles; the Corporation's rate was £5 5s. for an unlimited service over the whole area covered by the system, with the right to speak to or from any post-office in Scotland at a rate for three pence per three minutes in the daytime and six minutes at night; these are the regular rates; no special rate is given to anyone. There are 300 public telephones in shops and public lavatories, where anyone can call any subscriber by putting one penny in the slot. The rate for hotels is the same £5 5s. (say, \$26.00), and all the guests can use them without any fee. The National fee is now £10 in Glasgow, but in London, where they have no competition, the rate for the ordinary city telephone is £17 10s. The National and Corporation both have "limited" contracts, the charge being one penny per call. The city also gives party wires between two subscribers for £2 2s. each. All the cables are underground. The National are fighting hard, and putting 'phones into any shop free, giving the owner 25 per cent. of the fees. The National are not allowed to use the streets, but the Corporation always helps them by the use of the poles in the out-lying districts.

Mr. Maclean:—"Supposing Parliament ordered you to allow the National to do so?"

"Parliament, as a rule, has more sense."

The Postmaster has to ask for permission to lay a tube, and the work was done under the direction of the Master of Works. The Government telegraph is all under Corporation control. The city owns the streets and controls them; it owns the gas works, electric light and power system, and tramways; these are all provided for in the streets; the wires are carried on beautiful poles; telephone wires are carried along back streets and enter the rear of the buildings. When any work is proposed all the departments are notified, so that all may be done at the same time. The National Co. has 20,000 subscribers, gained by cutting prices, and the city 14,000; but they cannot go too low, because they would be compelled to reduce in other cities which they control. In Glasgow is really the only opposition they have. As to the paying of the city system up to 31st May, 1904, the capital expenditure was £320,000 and the annual revenue £49,000, and after paying everything there was a balance of £3,650 to be added to the balance carried over from the previous year, making £5,753. The cost of constructing 11,405 lines over 143 square miles was £20 6s. 6d. each; but there is provision for 20,000 lines, so the cost per line will be reduced when the full number is in use. The cost for maintenance, with depreciation, sinking fund, etc., is £4 0s. 7½d. per year; the rental is £4 13s. 1d. The Corporation accounts are all audited and criticized, as some members of the Council are opposed to municipal ownership. He believed that the Government ownership would be expensive, for they would have to pay such an enormous price for the National Co., because of its high capitalization. He believed in Government ownership of trunk lines and municipal ownership of local lines.

Questions were put as to an investigation into Glasgow's municipal accounts, referred to by Mr. Sise in the Brantford fight, but the witness knew nothing of any such thing, but stated that attacks had been made on the Electricity Department, because a system designed for 20,000 subscribers, did not pay the first year or two. The National Telephone Co. issued circulars and anonymous letters, but they were contradicted. "We have a gigantic trust in the National Co., who think it quite proper to spend a lot of money and buy out or squash any municipality that takes a hand in running their own franchises."

Question by Mr. Burows:—"Then you deny the statement of Mr. Sise that the municipal ownership of telephones in Glasgow has not been a success?"

"I do deny it; more than that, the difference in rates is so great that we could raise ours, and still beat the National." The National Co. has "resorted to all means, by letter, by writing articles, and in every other way to make little of the municipal system." A copy of the report for the last year was fyled. The municipal ownership had been a success and an advantage to the citizens; so much so that the other cities and towns are copying the example. Glasgow took over the waterworks in 1858; the gas in 1869; electricity in 1896; and telephones in 1900.

Mr. J. W. Chambers, Old Kentucky Telephone and Telegraph Co., sent in a report, which was fyled. They have 1,300 'phones among a population of 30,000; the rates are \$12 and \$24 in the cities, farmers paying \$12 and a portion of the cost of constructing the line. The Bell Co. did not enter the territory until the business had been developed.

Mr. John A. Armstrong, the Louisville Home Telephone Co., also sent in a report. It has 9,100 subscribers among a population of 300,000; rates are \$24 and \$48 in the cities, and from \$24 to

Telephonettes.

The Executive Committee of the Canadian Manufacturers' Association has declared in favor of Government control of telephone and telegraph systems.

Mr. Demers manager of several very successful rural telephone lines says:—"If the Government was owner of the trunk lines, the main lines, the long-distance lines, it would be a big thing for the people of the country; and then let the towns or the villages be the owners of their own local exchanges, and they could run them cheaper than we could, and the Government could manage the long-distance at a cheaper rate. They have only to pay 3 or 4 per cent. on their bonds, instead of 7 or 8 per cent."

Mayor Best, Peterborough, Ont.:—"We are pleased that Parliament is making an enquiry into the telephone business, as the question of the control of the streets is a very important one for the municipalities. Judging from the trend of public opinion as to public utilities, Government ownership of the trunk telephone lines would be approved, and with this view we are in sympathy."

"The service in the rural district was very much neglected since the Bell took it over. In fact, they rather discouraged it, and one subscriber after another had the instrument taken out." But, "the Bell is very active in canvassing farmers just now, because we promised them opposition if they did not meet our wishes."—Dr. Ochs, Hespeller, Ont., before the Select Committee.

"We (speaking of the Corporation of Glasgow) will not allow the National Telephone on our streets, with poles for wires or cables. We will not allow any company or any private undertaking to go into our streets without our permission. At the present time we have no company operating on our streets but ourselves."—Councillor James Willock, Glasgow, Scotland, before the Select Committee.