

satisfactory unless the committee is able to devise a scheme that will enable the isolated individual in his country home to secure the benefit of telephonic communication at a cost within the means of the average resident in the outlying district. Take a farmer for instance. He is chiefly interested in having telephone communication with his immediate neighbours. Whilst trunk lines connecting his district with the whole telephonic world might be useful, I fancy that the farmer, from the standpoint of usefulness, would prefer a telephone system that will enable him to be in telephonic communication with his neighbours and with his market town. He would prefer that to what might appear to be a much more extensive service, but which would not be so useful to him, namely, the long-distance. I, therefore, think that we should direct our attention to that phase of the question, to see whether it is possible to devise a system that will enable us to furnish to the people in the sparsely settled districts a telephonic service. This will depend, I suppose, to some extent upon the development of the automatic service—I mean a service which can be operated without the intervention of the central station. Now, I was told by this person who made a report to me on the workings of the telephone systems in the United States, that about a dozen people could conveniently work a system without any assistance from without, and that they could have, and did have, some of these groups in connection with the market towns. For example, the connection could be put in the post office; we have post offices everywhere anyway, and each man on that group would be able to speak by telephone with his neighbour, and also with his market town. I think that is a phase that is very important and that is worth inquiring into. I have a plan in my mind on that point and I will outline it for your information. I do not know whether it is practicable or not, but I will give it for analysis. I am not aware of there being any precedent for it, therefore I am quite ready to submit the plan for your criticism. It is this: That we should seek to organize and arrange for telephones to be brought within the reach of residents in a municipality through machinery to be established by the municipality itself. There would be a practical difficulty in the way of the government of Canada establishing telephones in every man's house, keeping up repairs, collecting rates and so forth. But if by the co-operation of the municipalities, we could induce the municipalities to deal with the telephone service as a municipal service, charging their tolls as a tax in the ordinary tax bill, then the Dominion Government would not be charged with the details of it. The group would make application to the municipality for telephone service, and the municipality could pass the necessary by-law under the municipal law for that purpose. Then the municipality would apply to the Dominion Government by a method to be taken up later, to establish a municipal telephone in that district. We would not deal with an individual, but we would deal with the municipality, and the municipality in turn would deal with the individuals as ratepayers, and there would be included in their tax bill an item for telephone service, the same as there now is for water rates.

Mr. BURROWS.—Under that arrangement would a man who owns land but does not use the telephone be taxed for telephone service?

Sir WILLIAM MULOCK.—No, I have not contemplated any man being taxed unless he uses the telephone. If a telephone is attached to a man's house, he gets the service, and if we could get the co-operation of the municipalities, they would collect the rates in the tax bill. I do not know whether I have made my idea quite clear.

Mr. W. F. MACLEAN.—I think you are on the right tack, but I would say that all ought to be centred in the post office.

Sir WILLIAM MULOCK.—That is a detail.

Mr. W. F. MACLEAN.—The post office ought to be made the great centre for the telegraph, the telephone, as well as the postal service as we have it. This service ought to be built by the municipalities or by parties centreing in the post office, and making the post office the centre for information of all kinds. By consolidating all the