

Minister of Public Works says that the law can be modified. But it has never been shown that reciprocal relations between telephone companies is a damage to either. It is invariably to the interest of both, and it is invariably to the interest of the subscribers of both. It increases the business of both companies. When there is a pressure of business the company increases its plant and equipment. It is organized for that purpose. The Bell Telephone Company here to-day is asking for an increase of its capital by \$20,000,000 or \$30,000,000 in order that it may accommodate any increased business. The Bell Telephone Company to-day is most anxious to get all this business. I do not know why they are fighting against coming under this principle that is in their interest. But I say that this provision does not meet the public requirement; it is only a small step in the right direction, and the government will see the evidence of that when this amendment goes to the country.

Mr. DUNCAN ROSS. The hon. member for South York (Mr. W. F. Maclean), if his argument is carried to a logical conclusion, not only wants to confiscate the property of the Bell Telephone Company, but that of all the smaller telephone companies. As a member of the special committee who investigated this telephone business, the committee will pardon me if I place my views before it. This telephone legislation had its origin in a discussion which took place in the House last session, when the government appointed a committee to look into this matter, and at a very large expense procured experts to give evidence. I challenge the hon. member or anybody else to find in that evidence anything that will justify the position he has taken to-night. He will find nothing in the evidence of all the experts that were brought here to justify his position. Before I became a member of the special committee I took the trouble to study that evidence as carefully as I could. I wish to refer to the evidence of Mr. A. S. Tetu, secretary of the National Interstate Telephone Association of the United States of America, a gentleman who, I believe, is acknowledged to be one of the most competent telephone experts in this country. I will read from page 1364 of No. 36 of the evidence. He is asked a question by the hon. member for South York:

Q. And insuring an interchange of traffic?—A. That should be left, I believe, to the companies themselves.

Again, on page 1372, the witness was cross-examined by Mr. Miller:

Q. You will understand that here we have but one series of long-distance lines, that owned by the Bell Company, and that farmers in many instances would desire to form local farmers' companies, and that in some of the smaller villages where they have no Bell system they may wish to form a local company to do a local business, or that in a larger municipality they may consider that they are not being

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fairly used as to rates by the Bell Company and may wish to inaugurate a rival company. The inconvenience and trouble is that they cannot make long distance connections, not having their own long-distance lines. Now would there be anything mechanically impossible or morally wrong in adopting some fair and reasonable method by which the Bell Company might be compelled to afford accommodation and to give connection to the various local companies, provided, of course, that these smaller independent local companies were compelled to have their system, as Mr. Maclean has said, standardized?—A. There would be no physical, mechanical or electrical impossibility about such a condition as that at all, but as to the question of commercial value or wisdom, I am hardly prepared to answer.

Q. Of course, it would have to be understood that the financial part of it would be arranged fairly, so that in that respect there would be no imposition upon the Bell. That being done, can you think of any reasonable objection to the Bell Company being compelled, in return for the privilege that they have, to give such connections?—A. Provided that the same territory is not developed by the Bell. You have said that they are not occupying that territory now?

Q. Supposing they are occupying the territory, some parts of the territory?—A. Then I do not think that they ought to encourage competition against themselves to the extent of compelling them to give another competing company the use of their line. That, in my judgment, would be poor business.

Again, on page 1383, Mr. Macfarlane, for the Bell Telephone, asks the question:

Q. On the interpretation of a contract?—A. Yes, sir.

Q. If two connecting companies were connected physically, I mean if they had an enforced physical connection, would it not be possible for one line to waste the lines of the other company to a considerable extent?—A. It would be possible for one to kill the service for the other, or for each of them to kill the other's service.

Q. One line has such control over the line of the other company when it is physically connected as to leave it open?—A. Hardly in that sequence. What I mean by 'kill' the service is this: If you had connection for a point on my line you might so impair the condition of your line as to throw the burden of the proof upon me.

Q. Would it not be possible to fix the point of delay?—A. It would be almost impossible to locate the blame.

So all the experts that were brought before the committee, of which the hon. gentleman himself was a member, disproves the statements he is now making. When this legislation was referred to the subcommittee this year this matter again came up. The representatives of the Bell Company were there, the representatives of the municipalities were there. The municipalities were represented by Mr. Hartley Dewart, K.C., and everybody recognizes the force and ability with which he placed the arguments of the municipalities before the committee. The committee brought in a re-