

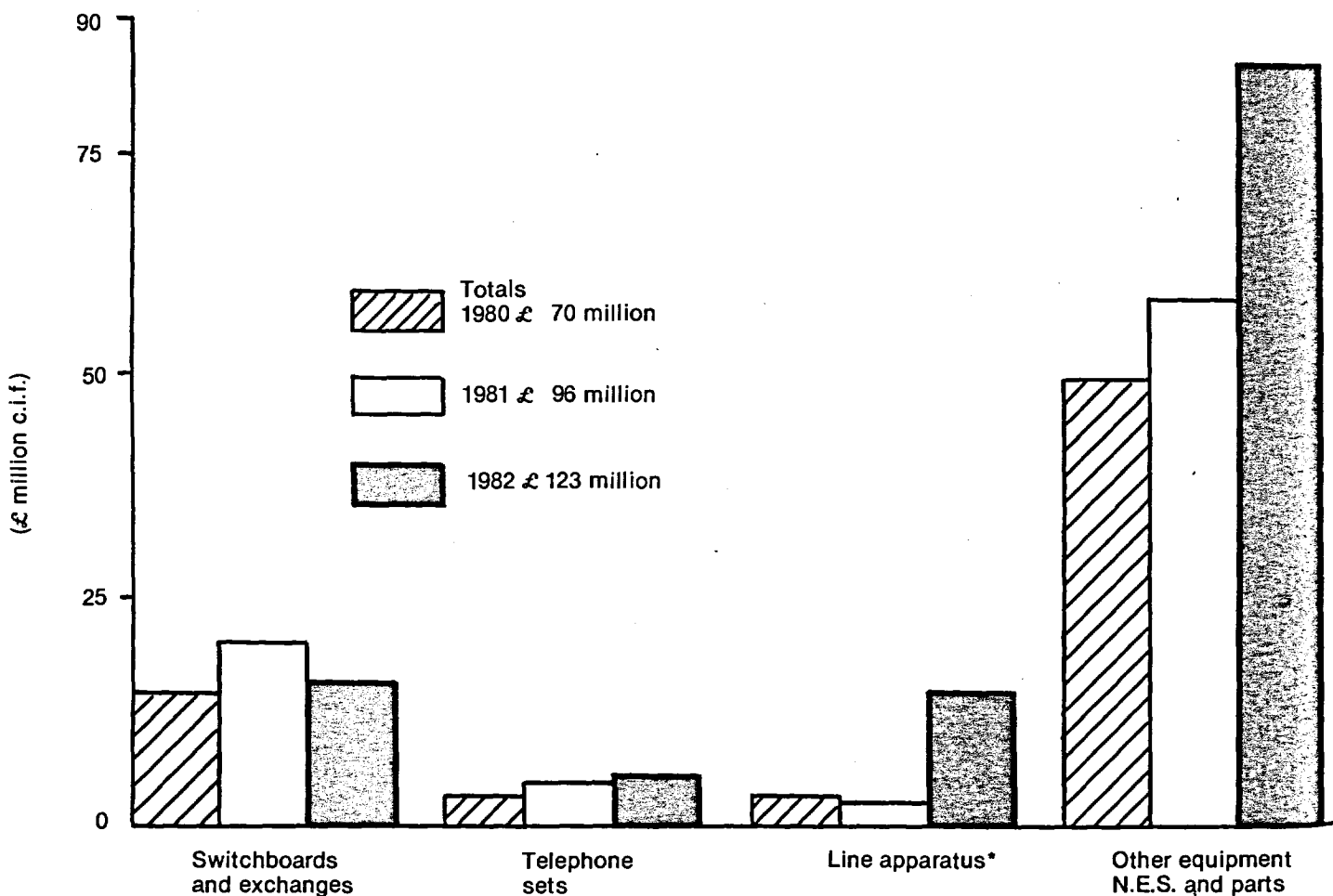
British Telecom (BT) is the fourth largest telecommunications operation in the world with 29 million phones, 19 million exchange connections, 92,000 telex connections and 93,000 data transmission terminals. BT has assets of over £15 billion and in 1982 purchased £890 million of telecommunications equipment. As indicated in Table 2 below, equipment valued at £123 million was imported in that year.

Although it remains to be seen whether the current regulatory changes will transform the U.K. market for telecom equipment into an open competitive arena, the steps to date could nonetheless represent significant opportunities for Canadian suppliers.

The cable television subsector of the U.K. telecommunications market has recently begun to receive greater attention. To date, cable TV has penetrated only 9 per cent of U.K. households. The government has, however, indicated its intentions to expand cable services. A Cable TV Bill was put forward in late 1983 and was expected to become law by June 1984.

The government views the development of cable television as a means of obtaining a national broadband cable network which could be used for future business communications and personal transactions from the consumer's home. Incentives are being

**Table 2**  
**U.K. Imports of Telecommunications**  
**Equipment (1980-82)**



\* Line apparatus for long distance communications (carrier, duplex and repeater) and speech input equipment

Sources: Business Monitor PQ 363 41C 91 1983