

approximate figures for the lines and telephones without the equipment and buildings.

Mr. IRVINE: Is that for rural sections?

Mr. MUNNOCH: That is for the rural sections of our system. Of course, to that you have to add central office equipment which is, usually, in the adjacent town.

Mr. HATFIELD: You told Mr. Hartt this afternoon you charged \$7 for a business telephone in Montreal and \$3.75 for a residence telephone?

Mr. JOHNSON: \$3.25.

Mr. HATFIELD: Do you not get most of your revenue from long distance calls?

Mr. JOHNSON: No, most of our revenue comes from local service.

Mr. HATFIELD: What do you mean by, "local service"?

Mr. JOHNSON: The \$7 a month and the \$3.25 a month.

Mr. HATFIELD: From where do you get most of your revenue, the long distance calls or the local calls?

Mr. JOHNSON: From the local calls.

Mr. HATFIELD: You do not charge anything for local calls?

Mr. JOHNSON: We charge \$7 for a business telephone and \$3.25 for a residence telephone in Montreal.

Mr. CAMPBELL: This brief speaks of the heavy loads on long distance lines. I should like to know just what plans the company has for improving the long distance service? What are you going to do, for instance, to improve the service between Vancouver and Montreal?

Mr. MACAULAY: We have under way, as part of this program, extensive additions to long distance lines through our company's territory. Going west across western Canada, we have the trans-Canada association which plans to add additional service this year.

Mr. CAMPBELL: What are those plans?

Mr. MACAULAY: Between our territory and Winnipeg we expect to add twelve circuits this month. From there on to Calgary and Vancouver we have additional circuits coming in this spring, three or four, and another three circuits in the fall of this year.

Mr. CAMPBELL: Are those circuits going through the United States?

Mr. MACAULAY: No, those are through Canada.

Mr. CAMPBELL: Are you not using United States lines now?

Mr. MACAULAY: We have had two lines leased for many years. We have leased some circuits across the state of Maine on the C.P.R. line to provide some protection and on alternate route as well as additional relief to the maritime provinces. In December of last year, on account of the congestion in our own circuits across western Canada and to provide protection to those sections, we were able to lease two circuits from Detroit through Seattle into Vancouver. The lease of these circuits is at a very favourable rate and was approved by all the members of the Trans-Canada telephone system which involves the three provincial government systems and the B.C. Telephone Company, all west of the Bell Telephone Company.

Mr. CAMPBELL: Is that a long term lease or is it on a yearly basis?

Mr. MACAULAY: Those are short term leases. They can be cancelled either by the American company or relinquished by the Trans-Canada system at any time, but at present they are needed to carry the heavy load which we now have. Anybody from British Columbia will recall numerous instances when the lines through British Columbia have been interfered with by slides. We