

the other provinces. If any honourable senators have had occasion to telephone to Newfoundland, no doubt they were astonished to find that ours is still an overseas service, and that we are an outside country just as we were prior to confederation. It is more than possible that honourable senators are not aware of the wide spread existing between long distance telephone rates obtaining throughout the mainland of Canada and those applied to Newfoundland. It is true that we are separated from the mainland by a comparatively small body of water, about as wide, shall I say, as those separating Prince Edward Island and Vancouver Island from the mainland; yet nobody ever hears "overseas service" mentioned when he calls anyone on either of those islands. The story is to be found for all to read in the table of rates contained in every Bell Telephone directory. The minimum charge for a long distance call from Ottawa to Vancouver at night or on Sunday is \$3.10, and the daytime minimum is \$4.60. In comparison, the flat minimum toll from Ottawa to Newfoundland, which as the crow flies is much closer to Ottawa than the Pacific coast, is \$7.50—the same as the charge payable for calls to Bermuda and the Bahamas. It costs more, for instance, for anyone in another Maritime Province—like New Brunswick, for instance—to telephone Newfoundland, or for us to call them, than it costs to telephone from New Brunswick to Victoria, a distance more than four times as great. And the same proportional rates apply when we communicate by telephone back and forth with Ottawa. These rates are exorbitant and ridiculous.

In a word, after more than two years of confederation, trans-Atlantic telephone tolls are still in force between Newfoundland and the mainland. Yet no other province is included in the overseas service of the telephone company. The service is operated by radio-telephone from Montreal and the reason for this excessive rate is, as you probably know, a monopoly enjoyed by Marconi under a concession granted by the Commission of Government in about 1936 or 1937 for thirty years. It seems to me that this concession is so obviously against the public interest that it ought to be cancelled or modified. I regret that a clause about telecommunication rates, like that on freight rates, was not included in the terms of union. I propose that steps be taken without delay to abolish a discrimination which is, to put it mildly, unfair, unjust and unnecessary.

The question of long distance telephone rates has always been a contentious one in Newfoundland, for there is probably no other part of Canada where telephone facilities are as important as they are in the tenth

province. Newfoundland, because of its geographic location, is far removed from mainland centres of commerce and industry and, to keep the wheels of business turning smoothly in the island, it is necessary to maintain constant direct communication with mainland sources of supply. If this were not done, if long distance telephones were not used, Newfoundland's businessmen would be placed at a disadvantage, as they would find it impossible to keep abreast of changing market prices and conditions, and they would frequently find themselves loaded down with merchandise and provisions which they could not afford to sell competitively; or, if many merchants were affected in this fashion at the same time, the cost of living for all the people of Newfoundland would suffer.

Also, it is important to remember that many of Newfoundland's major industries are wholly dependent, for machinery replacement parts and other supplies, upon mainland manufacturers. When a plant breaks down in Newfoundland it is not merely a matter of sending to a supplier right on the doorstep for a replacement. In Newfoundland, such equipment must come thousands of miles and, in order to reduce the time involved, the placing of such orders by long distance telephone has become quite commonplace. But it has also become quite costly, and some of our smaller industries, operating on a very fine margin, just cannot afford the luxury of calls to mainland centres at today's rate. Consequently, production is reduced, as is employment.

There are dozens of other examples of the hardship and inconvenience which result from the present high telephone rates. But, perhaps most important of all is the fact that in Newfoundland the telephone can often mean the difference between life and death. Internal long distance telephone rates are so costly as to be prohibitive for most of those who live in the thousand or more scattered small settlements around the coast of the province. Today, the telephone network in Newfoundland has been extended to many communities, but the rates still place its service beyond the reach of most. This is an extremely important consideration. For instance, Newfoundland isolation means that there are far from enough doctors and nurses to go around. This means that when illness strikes in a remote community it is often the telephone which is the only means of summoning medical aid. Mercy flights to bring patients to hospital must also be summoned by telephone, and one such operation may often entail several calls, running into a sizeable sum of money. The doctor and the plane costs are usually borne by the government, but the people themselves must stand the