

If it does not obtain it, then it just will not be able to carry out its plans and to spend large sums of money which at the present time would provide a great deal of employment and the use of a great deal of material manufactured—a good deal of it—in eastern Canada, Quebec, and Ontario. The balance of the expenditures would be entirely met in British Columbia.

In 1951 when the company applied for an increase to \$75 million, the estimated required capital expenditure expected to cover a period of 10 years commencing with 1951, was \$120 million.

The actual gross capital expenditure which the company has made in the six year period from 1951 to 1956 amounted to \$108,712,000.

Today, in order to bring the picture up to date, there should be added what will be expended in 1957 which will amount to \$43,437,000; so that the gross capital expenditure in the seven years ending this year will be \$152,439,000 as against \$120 million which it was anticipated would be the needs up to the end of 1960.

The net amount of capital expenditure made in the seven years, after taking into account salvage and recovery from replaced materials was \$115,500,000.

This amount of expenditure was financed in part by the sale of shares to a total of \$41,500,000. Actually, this has now been increased, by \$10 million.

The company is presently issuing \$10 million of preferred shares. The issue has been approved by the Board of Transport Commissioners and is now being offered on the market in Canada. So its total issued capital now will be \$71,500,000 up to the end of this year, leaving \$3,500,000 of authorized capital.

Now a word as to population. In British Columbia, the population in 1950 was 1,138,000. This has shown an increase to 1,399,500 in 1956. That is a 22.9 per cent increase as compared with 14.8 per cent for Canada as a whole. The average annual increase over the six years was 43,500; but the increase made from 1955—or in 1955-56—was 94,000; so you see that at the moment, at any rate, the population increase has taken a very big jump. I think that our population will grow having regard to the vast attraction which British Columbia seems to have for people, because of its climate and so on.

The number of telephone installations in British Columbia of the British Columbia Telephone Company is presently about 450,000. Let me give you some idea of how rapidly the number has been increased.

From 1951 to 1956—the number of telephones in service increased from 246,486 in 1951 to 412,135 in 1956; that is an increase of 67 per cent for those years.

This rate of increase very much exceeded the company's estimate made in December 1952 which was a total of 373,767 of telephones up to the end of 1957. The actual figure up to that time will be about 450,000.

The company's payroll tells the same story. In 1951 its employees numbered 4,990, while at the present time they number 6,969. These are the employees regularly employed in the company's operations and do not relate in any way to the people who are employed as a result of the capital expenditures on buildings and that sort of thing which they have to provide.

This company plays a most important part in the economy of British Columbia by the expenditures which it makes by way of regular payroll and by its capital expenditures which are very large.

In the year 1956 the total operating payroll of the company was over \$15 million. That is entirely apart from the people employed in providing the buildings and equipment and extending the services, putting in automatic phones, the toll system, the long distance toll system, and so on, each of which provide employment for a good many thousand people.