

public demand for telephone services. The demand that we are having now is coming principally from the users of our residential services and business, and to some small extent is occasioned by the demand from the defence forces. The growth is particularly centered around industrial areas of British Columbia—Vancouver, Victoria and certain other areas where there is a certain amount of industrial activity. Last year we grew by 5,900, and this year we have grown up to date approximately 3,000 stations; and if the same rate of growth continues the reasonable estimate is that we will grow some 7,000 or 8,000 stations during the current year. In order to provide the plant and equipment necessary to take care of this public demand it will be necessary for us to get sums of money outside of the resources of the company at the present time to take care of them; so that in order to be in a position to take care of this public demand it is necessary that the powers of the company to finance should be increased. The application now before parliament is brought forward for this very simple reason. Anything that I might add to that would just be repeating what has been said by the company and I believe you are all familiar with that. I do not know that there is much that I can add at the present moment.

By Mr. MacInnis (to Mr. Hamilton):

Q. Mr. Chairman, Major Hamilton referred to "stations", 3,000 and 5,000—what does station mean in this connection?—A. That is a "service", a service outlet—you have a station in your home, Mr. MacInnis; any telephone outlet is a station.

Q. It is not usually referred to as a station, it is referred to as a service; that is the way it is referred to in your publication.—A. Well, I am talking particularly in the telephone man's language. We refer to them as stations or services, if you care to put it that way; they both mean the same.

By Mr. Howden:

Q. Every individual telephone is a station at that rate?—A. Yes, sir.

The ACTING CHAIRMAN: Are there any other questions from this witness, gentlemen?

By Mr. Jackman:

Q. What is the estimated cost of putting in from 7,000 to 8,000 additional stations this year?—A. The average overall cost of an additional service of station is in our particular case somewhere around in the neighbourhood of \$235 to \$240. By that I mean that all the plant and equipment, the proportionate plant and equipment, for a station overall, and I think you will find that that same average overall cost per station maintains at practically every telephone company operating in Canada including the Bell—I think they are somewhere in the neighbourhood of \$250, and in the other companies it is much along the same line.

Q. How many stations did you have at the end of 1940?—A. At the end of 1940 we had approximately, we had 132,774 stations.

Mr. LOCKHART: Have you got the figures for three or four years previous to that?

The ACTING CHAIRMAN: Mr. Jackman, did you get an answer to your question?

By Mr. Jackman:

Q. What was the total in 1940?—A. 133,766. At the end of 1939 it was 127,852; and at the end of 1938 it was 123,375; and at the end of 1937 it was 119,136. Now, we estimate for the current year a station gain based on the disbursements for the three months of the current year somewhere in the neighbourhood of 7,000 and 8,000 stations.