

its system. Accordingly, it applied to Parliament in 1884 and by chapter 88 of the Statutes of that year its authorized capital was increased from \$1,000,000 to \$2,000,000 or exactly doubled.

With this additional \$1,000,000 of authorized capital and the issue of \$500,000 of bonds, the Company proceeded to extend its system to meet the public demand and by the end of the year 1891, i.e. 7 years after its capital was increased, its system had grown to the point where it was serving 22,753 telephones. It then had a total of 4,432 miles of pole line carrying 9,213 miles of wire line and had constructed about 86 miles of underground duct in Montreal, Toronto and Hamilton.

In these 7 years, the Company had trebled the number of its telephones and increased the length of its lines many times—but in doing so it had necessarily expended \$926,900 of its \$1,000,000 increase of authorized capital with the result that \$1,926,900 of its \$2,000,000 authorized capital had been issued.

At this time, the Company had a balance of only \$73,100 of authorized capital available for the further expansion of its system so in 1892 the Company again applied to Parliament and by chapter 67 of the Statutes of that year its capital was increased by \$3,000,000 giving the Company a total authorized capital of \$5,000,000, an increase of 150 per cent.

With this additional \$3,000,000 of capital and the balance of \$73,100 which it had and by borrowing \$1,750,000 through the issue of bonds, between 1891 and 1901, the Company again nearly doubled the number of telephones it served. Its telephones increased from 22,753 to 44,168. Its long distance lines increased from 4,432 miles of pole line carrying 9,213 miles of wire to 6,634 miles of poles carrying 24,193 miles of wire.

This expansion again used up the whole of the company's authorized capital and in 1902 it again applied to parliament and by chapter 41 of the statutes of 1902 its capital was increased from \$5,000,000 to \$10,000,000.

With this increased capital of \$5,000,000 and the issue of \$575,000 of bonds by the end of the year 1905 the company had grown to the point where it was serving 81,891 telephones, as against the previous 44,168; its miles of pole line had increased from 6,634 to 8,645 carrying 37,082 miles of wire as against the previous 24,193. It had again doubled the size of its system.

By the end of 1905, \$8,604,840 of the Company's \$10,000,000 authorized capital had been issued leaving only \$1,395,160 available for future expansion, so in 1906 the company again applied to parliament and by chapter 61 of the Statutes of 1906 its authorized capital was increased to \$30,000,000 or trebled.

By the end of the year 1919, the company had issued \$22,336,300 of its authorized capital of \$30,000,000 and had issued bonds to the amount of \$11,149,000. So that since 1905 it had issued \$13,731,460 more stock and \$8,824,000 more bonds making a total of \$22,555,460. With these moneys the company had expanded to the point where it was serving 337,476 telephones or over 4 times the number of telephones it had in 1905. It had 96,753 miles of long distance wire or over 2½ times what it had in 1905. The total wire mileage (local and long distance) amounted to 964,098 miles and the company was handling 2,593,000 local calls and 29,000 long distance calls daily.

In the year 1919 alone, the number of telephones increased by 34,271. That was the year following the close of the First Great War. It appeared to the Company that this heavy demand for additional telephones would continue, but at that time the Company had available only \$7,663,700 of authorized capital.

Faced with this heavy demand, the Company in order to meet its obligation to serve the public again applied to parliament in 1920 and by chapter 100 of the Statutes of 1920 its capital stock was increased from \$30,000,000 to \$75,000,000 or 2½ times.

By the end of 1928, the Company had issued stock to the amount of \$60,340,500 and its funded debt (bonds and pension fund note) amounted to