

**Submarine Cables.**—Sixteen transoceanic cables have termini in Canada—fourteen of them on the Atlantic coast and two on the Pacific. In addition there are eight cables between Atlantic coastal stations in Canada and the United States. The year in which the cable was first demonstrated to be of commercial value was 1866, and up to the present its use has greatly increased. The Atlantic cables are controlled by English and United States interests. The Pacific cable, from Canada to Australia and New Zealand, has been in operation since 1902, and was owned by a partnership of the Governments of Great Britain, New Zealand, Australia, and Canada. As a result of the recommendation of the Imperial Wireless and Cable Conference of 1928, in view of increased wireless competition, it was decided to dispose of the Pacific and West Indian Islands cable systems to the Imperial and International Communication Co., a company formed to take over all Empire-owned cables and lease the Empire-owned beam wireless systems. The necessary legislation was passed by the United Kingdom in February, 1929, and by Canada in June, 1929.

## Section 2.—Telephones.

A brief historical account of the early development of telephones in Canada appeared at p. 781 of the 1934-35 Year Book.

### Subsection 1.—Systems and Equipment.

**Telephone Systems.**—The 2,833 telephone systems existing in 1935 included the three large provincial systems in Manitoba, Saskatchewan, and Alberta, and a smaller governmental system in Ontario, together with the system operated by the National Parks of Canada, Department of Mines and Resources. There were also 143 municipal systems, the largest operated by the cities of Edmonton, Fort William, and Port Arthur. Out of the 1,958 co-operative telephone companies, no fewer than 1,155 were in Saskatchewan alone, 496 in Alberta, and 205 in Nova Scotia. There was a large increase in the number of co-operatives in Alberta due to the provincial system selling its rural services to such local organizations. The largest among the 531 joint-stock companies operating telephone systems in 1935 were the Bell Telephone Co., and the British Columbia Telephone Co. Almost 58 p.c. of the total telephone investment in Canada belonged to the Bell Telephone Co., and their telephones in Quebec and Ontario constituted 57 p.c. of the total for Canada.

**Telephone Equipment.**—The number of telephones per capita is second only to that of the United States, the numbers being 13.36 telephones per 100 population in the United States and 11.05 in Canada. This is a favourable showing in view of the low density of population in Canada as a whole and the fact that 46 p.c. (46.30 p.c. in 1931) of the population is rural.

There were 521,265 telephones out of a total of 801,298 in 51 leading cities of Canada operated from automatic switchboards and the remainder or 280,033 operated from manual switchboards. Automatic switchboards have completely displaced manual switchboards in the principal cities of the Prairie Provinces.