The density of telephones in the different provinces is naturally influenced by the urbanization of the population because the number of telephones used for business purposes is much greater in cities and towns than in rural areas.

4.—Telephones:	in	Use,	by	Provinces,	as	at	Dec.	31,	1937.	
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Province.	On Individual Lines.		On 2- and 4-Party Lines.		On Rural Lines.		Private Branch Exchange and Extensions.		Public Pay	Total.	Tele- phones per 100
	Busi- ness.	Resi- dence.	Busi- ness.	Resi- dence,	Busi- ness.	Resi- dence.	Busi- ness.	Resi- dence.	Station.		Popu- lation.
	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.
P.E.I. N.S. N.B. Que. Out. Man. Sask Alta. B.C. Yukon	734 6,141 4,189 40,558 71,285 9,587 11,062 12,744 18,662	12,303	133 645 836 4,186 7,419 30 282 41 316 41	549 8,555 7,518 69,177 168,002 4,721 59 345 62,533 42	171 813 832 3,889 5,334 100 8 820 1,003	5,732 24,123	437 5,365 4,304 54,750 86,248 11,582 4,970 8,781 21,305 Nil	25,641 1,581 560 8	7,719	46,831 32,407 290,646 603,128	16·2 9·6
Totals	174,998	366,990	13,929	321, 496	12,977	222,786	197,742	47,515	24,361	1,322,794	11.9

## Subsection 2.—Telephone Finances.

The financial statistics of Table 5 show that the investment in telephone property in Canada, represented by the cost of property, is a very large item and is exceeded in the field of transportation and communications only by the investments in steam railways (pp. 636-637) and roads and highways (pp. 665-667).

5.—Summary Financial Statistics of Telephones in Canada, calendar years, 1920-37.

Note.—For figures for the years 1911-19, see p. 724 of the 1938 Year Book.

	Capital	ization.	Cost of	Gross	Operating	Net	Salaries	Em-
Year.	Year. Capital Funded Stock. Debt.		Property.	Revenue.	Expenses.	Operating Revenue.	and Wages.1	ployees.
	\$	\$	\$	\$	\$	\$	\$	No.
1920	36,149,838 42,194,426 48,968,198 57,366,675 63,798,133 65,514,130	90,343,345 94,833,825 95,306,347 96,216,887 102,653,161	144,560,969 158,678,229 167,332,932 179,002,152 193,884,378 210,535,795 227,155,900	33,473,712 36,986,913 39,559,149 42,656,655 44,322,598 47,233,617 50,522,859	30,080,035 29,966,181 32,390,370 33,615,686 35,566,947	6,906,878 9,592,968 10,266,285 10,706,912 11,666,670	19,000,422 17,305,759 18,182,429 18,293,234 19,106,383	19,943 19,321 21,002
1927 1928 1929	76,460,540 85,913,239 93,737,979	115,981,955 121,528,627 141,205,328	243, 999, 135 263, 201, 651 291, 589, 148	56,£07,338 61,791,333	48,561,916 51,542,544	8,345,422	26,254,605	23,437 24,373 27,459
1931 1932 1933	106,161,477 106,336,079	168,224,084 172,158,977 165,229,197	319,101,191 333,055,119 333,169,486 330,490,878 331,187,227		61,886,340 60,067,016 55,344,023 50,423,641 50,989,088	6,789,564 5,340,969 5,639,829	28,493,252 24,115,545 21,276,406	26,575 23,825 21,354 18,796 17,291
	111,239,775	160,331,601	327,754,026 330,048,263 335,810,564	57,029,918 59,770,591 63,288,855	50,889,780 51,938,102 54,512,191			17,414 17,775 18,413

<sup>&</sup>lt;sup>1</sup> Includes salaries and wages chargeable to capital account, lines in Saskatchewan.

<sup>\*</sup> Excludes employees on rural