

Company, also owned by shareholders, operated 1.1 million of the total telephones in 1972.

Table 16.2 shows the distribution of telephones by province in 1972. Of the total 71% or 7.8 million were residential telephones and 3.2 million were business telephones. Ontario had the largest number of telephones with 55.1 per 100 population followed by British Columbia at 51.9 and Alberta at 51.7.

The major telephone systems record completed calls on representative days throughout the year and project this average over the year to arrive at an estimate of local conversations. This estimate is added to the actual count of long distance calls to arrive at the telephone calls placed with these telephone systems. Estimates of local calls are made for the smaller systems on the basis that these systems handle as many as their larger counterparts in the same area. These estimates are then added to the actual long distance calls made on the smaller systems. Table 16.3 shows that Canadians made an average of 835 calls a person in 1972. Telephone users in the US made 870 calls a person.

Table 16.4 shows the capitalization, revenue and expenditure of telephone companies together with the number of employees, salaries and wages paid for the years 1968-72. Provincial figures for 1972 are given in Table 16.5.

Telegraph statistics. Eight telegraph and cable companies operated in Canada during 1972. Domestic telegraph service is, however, provided mainly by the telecommunications departments of the two major railway companies. The number of telegrams continues to decline, giving way to other types of message transmission. The number of cablegrams has continued to increase. The business of telegraph and cable companies appears to be changing from direct handling of messages to the leasing of equipment for transmission of messages by others. Increasing revenues from the latter source of income are the main factor in the rise of total operating revenues (see Table 16.6). The total cost of property and equipment for all telegraph and cable companies was \$644.2 million in 1972, an increase from \$606.7 million in 1971. These figures do not include the investment in property and equipment by Telesat Canada, which in 1972 was reported at an undepreciated cost of \$36.7 million.

16.1.3 Federal regulations and services

The Department of Communications. The duties, powers and functions of the Minister of Communications include all matters relating to telecommunications over which the Parliament of Canada has jurisdiction, not by law assigned to any other department, branch or agency of the Government of Canada; and the development and utilization generally of communication undertakings, facilities, systems and services for Canada. He is responsible for the administration of the Telegraph Act (RSC 1970, c.T-3), the Radio Act (RSC 1970, c.R-1) and the Canadian Overseas Telecommunication Corporation Act.

The Department is organized into four functional areas (policy, planning, research and services) each under the direction of an assistant deputy minister. The policy sector is responsible for formulating and recommending international and national telecommunications policies and for proposing legislation for the government's consideration. This sector also co-ordinates federal-provincial relations and is the focal point for contacts between the Department and the Canadian Overseas Telecommunication Corporation, Telesat Canada, the Canadian Radio-Television Commission, and the Telecommunications Committee of the Canadian Transport Commission. The planning sector of the Department provides technological and socio-economic forecasts, identifies areas in which new research or development is required, and carries out strategic planning. It is made up of three directorates: Environmental Policy (including Long Range Planning and Economic Policy Planning), Educational Systems Technology, and Technological and Systems Planning. In the research sector the divisions and laboratories of the Communications Research Centre are used for research in the fields of telecommunications (both civil and military) and communications systems. The sector also includes a Research Policy and Programs Branch and an Industrial Research and Development Branch. Within the services sector, the Telecommunications Regulation Service establishes technical standards for broadcasting facilities and equipment, issues technical certificates and radio operating licences and manages the radio frequency spectrum. Another branch, the Government Telecommunications Agency, provides consulting and centralized telecommunications services for the government. The assistant deputy minister of services is the Department's principal adviser on organization, personnel, financial management, administration, bilingualism, information, legal letters and security.