

C. J. J. J.

ANNUAL REPORT '67

SASK  **TEL**

SASKATCHEWAN GOVERNMENT TELEPHONES

APR 20 1968

DIRECTORS

HON. A. C. CAMERON — Chairman
HON. GORDON B. GRANT — Regina
D. B. FURLONG, Esq. — Regina
HON. W. J. PATTERSON — Regina
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MANAGEMENT



MR. G. D. McCORMICK

General Manager — G. D. McCORMICK
Assistant General Manager — Marketing and
Long Range Planning — C. W. SPARROW
Assistant General Manager —
Operations — A. G. THOMAS
Comptroller — A. L. M. NELSON
Manager — Public and Employee Relations —
G. W. R. CLARKE
General Counsel and Secretary to the Board —
T. A. HOWE
Chief Engineer — S. F. LEE
General Commercial Manager — J. HOUSTON
General Plant Manager — H. E. FREBERG
General Traffic Manager — E. A. McKILLOP



HON. A. C. CAMERON
Chairman of the Board

SASKATCHEWAN GOVERNMENT TELEPHONES

HEAD OFFICE
2350 ALBERT STREET
REGINA, SASKATCHEWAN



Regina, Saskatchewan,
March 1, 1968

To His Honour,
The Honourable Robert Leith Hanbidge, Q.C.
Lieutenant Governor of the
Province of Saskatchewan.

Sir:

I have the honour to submit herewith the annual report of Saskatchewan Government Telephones for the year ending December 31, 1967, including the financial statement therefor, duly certified by the Provincial Auditor of Utilities, and in the form approved by the Treasury Board, all in accordance with the Saskatchewan Government Telephones Act.

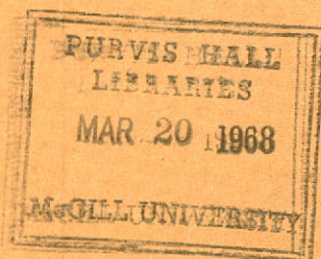
I have the honour to be Sir,
Your obedient servant,

A handwritten signature in dark ink, appearing to read "A. C. Cameron".

Minister of Telephones and Chairman
Saskatchewan Government Telephones.

HIGHLIGHTS OF 1967

- SASK TEL telephones in service increased by 16,257 (6.1%) bringing the year-end total to 282,022.
- Total long distance messages originating in Saskatchewan reached 16,443,000, an increase of 6.4%.
- Fourteen exchanges were converted to dial operation.
- The value of telephone property increased by \$16,752,275 (net) bringing the total plant investment to \$189,163,848.
- Revenues increased by 11.1%; operating expenses by 8.4%.
- Net income amounted to \$8,321,528.
- Dividend to the Province of Saskatchewan to be paid out of earnings will be \$4,150,000.



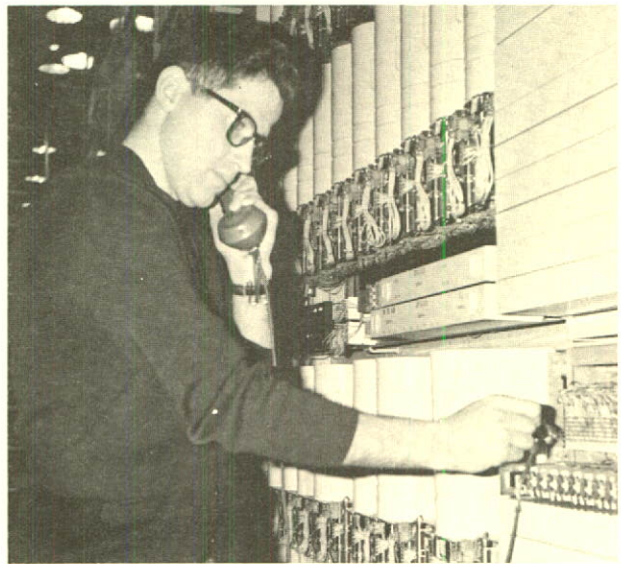
ANNUAL REPORT '67

Midway through Canada's Centennial year, Saskatchewan Government Telephones entered its sixtieth year of service. Operations in 1967 reflected a high degree of mechanization, vastly different from the day the Corporation's predecessor organizations entered the telecommunications field. The growth of the Corporation was marked by a number of significant developments each of which could not have been foreseen in 1908, when the Department of Railways, Telegraphs, and Telephones came into being. In spite of the advancement in automatic operation of many of the industry's local and long distance services, additional staff is needed to meet the complexity and increase in volume of business.

The substantial growth in operations is just one indication of the widening market for SASK TEL's services. To meet the demand and to keep its plant up to date, \$23.4 million was expended on new construction in the year. This increased the value of plant to \$189,163,848 on which the net earnings for the year was \$8,321,528. The financial summary and detail follow in the section of this report entitled 'The Financial Record'.

DIRECT DISTANCE DIALING

Highlighting SASK TEL's activities for 1967 was the completion of the program to provide Direct Distance Dialing in its major centers and their connecting community dial offices. In the year, telephone subscribers, both local and rural, in Prince Albert, Melfort, North Battleford, Weyburn, and Estevan were able



Preventative maintenance requires careful testing.

to dial their long distance calls. When the telephone exchanges at Nipawin and Tisdale became community dial offices in November their subscribers, too, were included in the direct distance dialing network. In a four-year period SASK TEL has brought DDD service to over eighty per cent of Saskatchewan telephone users. In addition to the service being available to all cities in the province, DDD was in effect in some 114 other communities at the year end.

Accompanying the DDD program have been the Corporation's construction activities in the conversion of fourteen exchanges from

manual operation to dial. Of these, twelve were connected to the DDD network at the time of conversion. In addition forty-two exchanges, which were dial prior to 1967, joined the network.

This had a marked effect on the pattern and volume of long distance business. Over a million more long distance messages originated in Saskatchewan in 1967 than in 1966, to reach a new record of 16,443,000 completed messages representing a 6.4% increase over the previous year. The long distance calls dialed by SASK TEL's customers increased by more than 52% for a total of 4,625,000 in the year. These figures do not take into account the messages which originated elsewhere and terminated in Saskatchewan. Nor do they include the large volume of messages passing over SASK TEL facilities between points outside Saskatchewan.



New subscribers are connected.

TELEPHONE GROWTH

Growth in the number of local services provided was substantial. Telephones in service increased by 16,257 to bring the year-end total to 282,022, a growth of 6.1% over 1966. To achieve this net gain 91,802 phones were installed or connected and 75,542 were disconnected. These figures are representative of the amount of effort expended to maintain the growth rate in the number of telephones.

The number of dial exchanges increased from 159 to 173 during 1967. At the year end 92.5% of the urban telephones in Saskatchewan were dial operated. Taking into account the rural company owned telephones connected to the Corporation's dial offices, the percentage of dial telephones in the province has reached 88.6%.



Ready reference for information service.

The dial conversion program which SASK TEL aims to complete within five years will include the 214 exchanges that are presently manually operated.

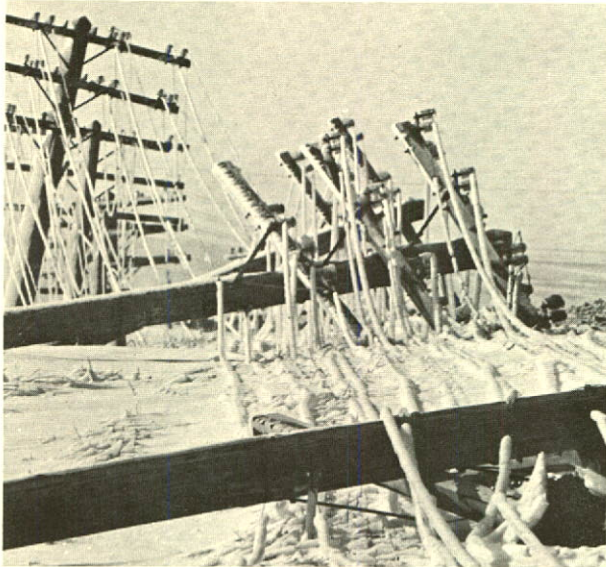
NEW LOCAL SERVICE RATES

To meet the increasing costs of providing local telephone service, new telephone monthly rental rates went into effect in March of 1967. This was the first rate schedule increase since 1960. Increased wages and the rising cost of material and equipment during the seven-year period necessitated the change. Furthermore, a relatively high level of capital spending, amounting to some \$25,000,000 for each of the next five years will be necessary to meet continuing demand for service and to keep pace with the expanding economy of the province.

RURAL SERVICE

The Corporation's Unserved Area Program, which brings local telephone service to farm areas where rural telephone company organization is not practical, continued at a high level of activity. Ten projects in the Burstall, Ceylon, Consul, Fox Valley, Herbert, Leader, Mossbank, Rockglen, Tompkins and Walsh areas were completed, bringing telephone service to 489 farm homes not previously served. Three project areas were nearing completion at the year-end and organization work had commenced in some twenty other areas.

In addition to SASK TEL's own subscribers the Corporation supplied switching facilities for 52,815 rural telephone company owned telephones which were connected to its exchanges. Of these, 35,921 were dial operated, an



Southwestern Saskatchewan — May, 1967!

increase of 6.6%. In Saskatchewan there are 11 other exchanges, serving approximately 900 subscribers, owned and operated by rural telephone companies and connected to SASK TEL facilities for long distance service only.

INTER COMPANY FACILITIES

Work on the Saskatchewan section of the new Prairie Microwave network which will connect Winnipeg with Edmonton via Oxbow, Regina, Saskatoon and North Battleford continued and represents one of the largest single construction expenditures for the year. The network will provide additional facilities for long distance and other business services as well as an alternate route to the "main line" microwave route across Saskatchewan. It is expected to be in service in mid 1968.

During the year SASK TEL, as one of the eight major telephone companies in the Trans-Canada Telephone System, and in association with the other common carriers — Canadian Pacific and Canadian National Telecommunications — proposed a Canadian-owned multi-purpose satellite system to the Federal Government which the consortium would finance, build, and operate. The proposed system would carry television, telephone calls, data, and other telecommunications services.

RADIO NETWORKS

In addition to the Prairie Microwave network, a radio route from Molanosa and east along the Hanson Lake road to serve the mining projects in that area was under construction.

New base stations at Yorkton and Esterhazy for general mobile telephone service were made ready for operation at the year-end. Base

stations are now established at 16 locations in the province and provide local and long distance calling service for 234 telephones installed in a wide variety of vehicles. Two more base stations will be added by mid 1968.

SASK TEL also supplies and maintains private (not connected to the telephone network) mobile telephones to serve fleets of vehicles. At the year-end there were 66 such systems with 419 associated telephones supplied to twenty business customers.

Radio, microwave and buried cable programs, which will ultimately remove long distance service from land lines, made major gains during 1967. Some 273 route miles were added to the radio network and 449 route miles of long distance cable was buried. In addition 424 miles of cable was buried for local service.

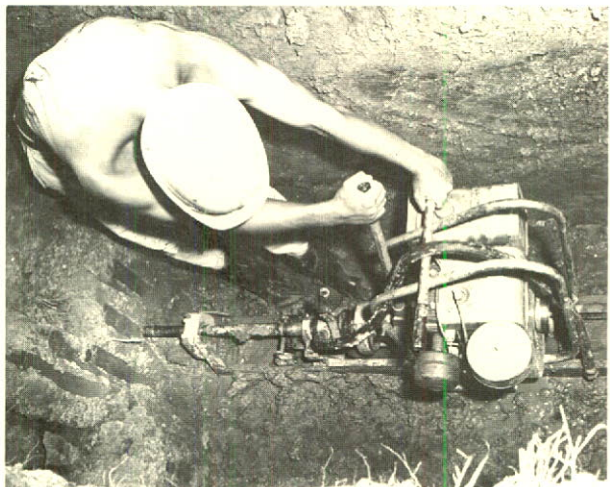
MARKETING

The efforts of commercial, installation, and marketing forces resulted in substantial growth in many of the Corporation's services. Discretionary telephone services, such as extensions and colored phones, were promoted. A sales campaign held in May and another in December resulted in significant increases over the normal growth in home extension telephones for each of these months.

Push button telephones will be introduced in those areas of Saskatoon and Regina where the equipment is designed to switch tone signals. This discretionary offering will be provided as Touch Tone Calling in mid 1968.

PERSONNEL

To keep pace with the increasing complexity of communications 'know-how' and to improve supervisory skills SASK TEL programmed seventy-five courses of instruction in



Buried cable passage drilled under roadway.



The Telephone Pavilion — an Expo highlight.

the year. This increased the number of subjects offered from 65 to 75 and at the same time the trainees increased by 286 to 1,706 when compared with 1966. A total of some 100,000 man hours were spent in training and covered all departments of the Corporation. In addition to the corporation-conducted training, sixty-four employees were involved in out-of-hours courses of study in various institutions of higher learning at the year-end. SASK TEL shares in the cost of tuition for approved courses.

To mark Canada's Centennial Year, SASK TEL joined with other major Canadian telephone companies in the sponsorship of the highly popular Telephone Pavilion at Expo 67. Three young ladies from Ponteix, Melfort, and Regina, ably represented the Corporation on the Pavilion's hostess staff.

The 2,447 employees of the Corporation continued, in the tradition of the industry, to maintain reliable service to Saskatchewan's telephone subscribers.

The close co-operation of the employees, represented by the Communications Workers of America, and management was exemplified again in the successful blood donor clinics held in Regina and Saskatoon. The active participation in local United Appeal campaigns showed further interest of SASK TEL staff in community affairs. Many employees contributed individually to the welfare of their community by assuming active roles in health, welfare, and youth groups and service clubs. Others, through The Telephone Pioneers of America, associated with the Corporation's program of driver training, vigorously promoted Driver Improvement Training to its membership and others.

THE FINANCIAL RECORD

The net income for 1968 amounted to \$8,321,528, an increase of \$1,490,273 over that of the previous year.

Operating revenues increased by \$4,025,100 or 11.1% while Operating Expenses increased \$2,081,511 or 8.4% in comparison with 1966. The revenue gain derives almost equally from increased local service revenue and from increased toll service revenue. It reflects growth in telephones in service and the rate change as well as an increased volume of long distance traffic.

Increased wage costs of approximately \$800,000 and higher depreciation charges of \$875,000 are the major items contributing to the increase in Operating Expenses during the year. Grants in lieu of taxes totalling \$476,189 were made to various municipal governments providing service to property owned by the Corporation. Each grant is equivalent to the tax which would be levied against the property.

During the year the practice of making special provision for uninsured fire losses was discontinued and, in line with industry practice, provision for such losses are now included in the depreciation allowance. The unused provision of \$35,352 as at January 1, 1967 has been transferred to Retained Earnings.

Nearly \$35 million of the Advances from the Government of Saskatchewan are repayable in United States currency. In view of the continuing discount on the Canadian Dollar in relation to the U.S. dollar, the corporation commenced to make provision for the added cost at maturity of these advances. In 1967 this resulted in a charge against income of \$162,000.

Construction expenditures for the year amounted to a total of \$23,435,090, an increase of \$3,380,804 over the previous year. New capital obtained during the year by way of advances from the government totalled \$7,519,500.

An amount of \$4,150,000 was appropriated from Net Income as a dividend to the Province of Saskatchewan. The balance of net income in the amount of \$4,171,528 was transferred to Retained Earnings and used to help finance the 1967 capital program. The rest of the year's capital needs was met temporarily by means of a bank line of credit. A total of \$5,000,000 was used from this source in 1967.

BALANCE SHEET

ASSETS	1967	1966
TELEPHONE PROPERTY		
Land and Buildings (at cost)	\$ 22,176,917	\$ 21,207,791
Telephone Plant and Equipment (at Cost)	165,053,680	149,125,397
	<u>\$187,230,597</u>	<u>\$170,333,188</u>
Less: Accumulated Depreciation	55,573,695	51,125,586
	<u>\$131,656,902</u>	<u>\$119,207,602</u>
Construction in Progress	1,933,251	2,078,385
	<u>\$133,590,153</u>	<u>\$121,285,987</u>
 CURRENT ASSETS		
Cash and Temporary Cash Investments	\$ 380,470	\$ 1,358,151
Accounts Receivable (less allowance for doubtful accounts)	4,647,613	4,978,779
Materials and Supplies (at cost)	2,821,819	2,931,194
Prepayments	480,512	434,554
	<u>\$ 8,330,414</u>	<u>\$ 9,702,678</u>
 DEFERRED CHARGES		
Unamortized Discount and Expense on Long Term Liabilities	\$ 1,474,431	\$ 1,437,031
	<u>\$143,394,998</u>	<u>\$132,425,696</u>

STATEMENT OF INCOME

FOR THE YEAR ENDED DECEMBER 31, 1967 (1966)

	1967	1966
OPERATING REVENUES		
Local Service	\$ 15,262,388	\$ 13,297,649
Toll Service	23,665,992	21,860,275
Other Revenues (Note 1)	1,398,512	1,234,894
Less: Uncollectible Operating Revenues	189,536	280,562
TOTAL OPERATING REVENUES	\$ 40,137,356	\$ 36,112,256
OPERATING EXPENSES		
Maintenance	\$ 5,840,856	\$ 5,476,801
Depreciation	9,177,165	8,302,166
Traffic	5,389,676	5,272,668
Commercial and Marketing	2,507,266	2,173,840
General Administration	2,073,599	1,783,912
Grants in Lieu of Taxes	476,189	432,523
Other Expenses (Note 2)	1,276,425	1,217,755
TOTAL OPERATING EXPENSES (Note 3)	\$ 26,741,176	\$ 24,659,665
NET OPERATING REVENUE	13,396,180	11,452,591
OTHER INCOME	289,301	225,550
	\$ 13,685,481	\$ 11,678,141
INTEREST AND OTHER DEDUCTIONS (Note 4)	5,363,953	4,846,886
NET INCOME FOR THE YEAR	\$ 8,321,528	\$ 6,831,255
DIVIDEND—Government of Saskatchewan	4,150,000	3,800,000
NET INCOME AFTER DIVIDEND		
—transferred to retained earnings	\$ 4,171,528	\$ 3,031,255

The accompanying notes are an integral part of the financial statements.



'67

FINANCIAL STATEMENTS

AUDITOR'S REPORT

Pursuant to the provisions of Section 36 of The Saskatchewan Government Telephones Act, an examination of the records and accounts of The Saskatchewan Government Telephones has been made under my direction for the year ended December 31, 1967. All the information and explanations required by me have been obtained. The examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as was considered necessary in the circumstances.

Provision has been made for depreciation of buildings, plant and equipment in accordance with regulations made by the Lieutenant-Governor in Council pursuant to Section 35 of the Saskatchewan Government Telephones Act. Full provision has been made for interest on capital advances.

I report that, in my opinion, the accompanying Balance Sheet and Statement of Income and Notes appended thereto are properly drawn up, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year so as to show a true and correct view of the financial affairs of the Saskatchewan Government Telephones as at December 31, 1967, and the results of its operations for the year ended on that date, according to the best of my information and the explanations given to me and as shown by the books of account.

Regina, Saskatchewan,
February 14, 1968.

A handwritten signature in dark ink, appearing to read "R. C. Hodsmen".

R. C. HODSMAN, F.C.A.,
a/Provincial Auditor of Utilities.

NOTES TO FINANCIAL STATEMENTS

NOTE 1—OTHER REVENUES

Other Revenues comprise the following:

	1967	1966
Directory Advertising	\$ 665,351	\$ 548,466
Rural Company Connecting Fees	396,955	395,711
Rent and Other	336,206	290,717
	<u>\$ 1,398,512</u>	<u>\$ 1,234,894</u>

NOTE 2—OTHER EXPENSES

Other Expenses comprise the following:

	1967	1966
Superannuation and Canada Pension Plan	\$ 661,219	\$ 656,679
Operating Rents	239,083	190,249
Insurance	26,384	41,911
Other	349,739	328,916
	<u>\$ 1,276,425</u>	<u>\$ 1,217,755</u>

NOTE 3—TOTAL OPERATING EXPENSES

Expenditures for the administration of the Department of Telephones in the amount of \$179,263 in 1967 (\$160,451 in 1966) and Other Assistance to Rural Telephone Companies during the year amounting to \$64,000 in 1967 (\$73,055 in 1966) are not included as they are reimbursable by grants from the Consolidated Fund of the Province.

NOTE 4—INTEREST AND OTHER DEDUCTIONS

Interest and other deductions comprise the following:

	1967	1966
Interest on Advances	\$ 6,725,614	\$ 5,989,809
Amortization of Discount	120,337	117,053
Other Charges	168,041	6,039
Other Interest	47,158	6,789
	<u>\$ 7,061,150</u>	<u>\$ 6,119,690</u>
Less: Sinking Fund Earnings	1,697,197	1,272,804
	<u>\$ 5,363,953</u>	<u>\$ 4,846,886</u>

NOTE 5—CURRENTLY MATURING ADVANCE REPAYMENTS AND SINKING FUND REQUIREMENTS

	1967	1966
Sinking Fund Payments	\$ 4,056,294	\$ 3,943,135
Maturities	737,163	9,867
	<u>\$ 4,793,457</u>	<u>\$ 3,953,002</u>

The advances from the Government of Saskatchewan include a requirement for the corporation to pay annually into a sinking fund administered by the province an amount equal to 3% of the advances made.

STATEMENT OF SOURCE AND DISPOSITION OF FUNDS

FOR THE YEAR ENDED DECEMBER 31, 1967 (1966)

SOURCE OF FUNDS	1967	1966
Operations		
Net Income For The Year	\$ 8,321,528	\$ 6,831,255
Add: Depreciation and Other Non-Cash Items (Net)	8,051,847	7,346,493
	<u>\$ 16,373,375</u>	<u>\$ 14,177,748</u>
Advances from the Government of Saskatchewan	7,519,500	7,401,000
Decrease in Working Capital	6,816,691	4,231,520
	<u><u>\$ 30,709,566</u></u>	<u><u>\$ 25,810,268</u></u>
 DISPOSITION OF FUNDS		
Gross Property Additions	\$ 23,435,090	\$ 20,054,286
Less: Charges to Construction Not Requiring an Outlay of Funds	1,668,981	1,997,020
	<u>\$ 21,766,109</u>	<u>\$ 18,057,266</u>
Maturing Advance Repayments and Sinking Fund Requirements	4,793,457	3,953,002
Dividend—Government of Saskatchewan	4,150,000	3,800,000
	<u><u>\$ 30,709,566</u></u>	<u><u>\$ 25,810,268</u></u>

AS AT DECEMBER 31, 1967 (1966)

LIABILITIES

LONG TERM LIABILITIES AND RETAINED EARNINGS

	1967	1966
Advances from the Government of Saskatchewan (Note 6)	\$136,877,940	\$129,043,807
Less: Equity in Sinking Funds (Note 6)	35,927,322	30,286,991
	<u>\$100,950,618</u>	<u>\$ 98,756,816</u>
Less: Currently Maturing Advance Repayments and Sinking Fund Requirements (Note 5)	4,793,457	3,953,002
	<u>\$ 96,157,161</u>	<u>\$ 94,803,814</u>
Retained Earnings	27,977,325	23,805,797
	<u>\$124,134,486</u>	<u>\$118,609,611</u>

CURRENT LIABILITIES

Notes Payable	\$ 5,000,000	\$ —
Interest Accrued on Long Term Liabilities	1,837,935	1,643,348
Accounts Payable	2,908,414	3,875,046
Dividend—Government of Saskatchewan	4,150,000	3,800,000
Service Billed in Advance	570,706	544,689
Currently Maturing Advance Repayments and Sinking Fund Requirements	4,793,457	3,953,002
	<u>\$ 19,260,512</u>	<u>\$ 13,816,085</u>
	<u>\$143,394,998</u>	<u>\$132,425,696</u>

NOTES TO FINANCIAL STATEMENTS

(CONTINUED)

NOTE 6—ADVANCES FROM THE GOVERNMENT OF SASKATCHEWAN

Percent	Due Date		1967		1966	
			Advance	Sinking Fund Equity	Advance	Sinking Fund Equity
3½	May 1, 1968		\$ 1,450,000	\$ 722,963	\$ 1,450,000	\$ 627,761
3½	Aug. 15, 1970	(1)	818,375	550,132	818,375	475,839
3½	Aug. 15, 1970	(1)	456,338	306,772	456,338	302,949
3¾	Nov. 1, 1971	(1)	2,300,000	1,010,803	2,300,000	876,766
3¼	April 15, 1972		3,000,000	1,631,923	3,000,000	1,463,498
4	April 1, 1973	(1)	5,000,000	2,896,105	5,000,000	2,617,141
3¼	June 1, 1974	(1)	4,650,000	2,440,701	4,650,000	2,205,769
3½	Jan. 3, 1975		4,000,000	2,020,313	4,000,000	1,800,387
3¼	May 15, 1975		3,000,000	1,533,592	3,000,000	1,374,090
3½	Oct. 1, 1975		1,000,000	516,688	1,000,000	466,641
3¾	Jan. 2, 1976	(1)	6,250,000	2,765,435	6,250,000	2,452,617
4½	Nov. 1, 1976		2,000,000	881,495	2,000,000	782,121
4¾	April 1, 1977		7,000,000	2,792,039	7,000,000	2,438,603
2½	July 1, 1967-77	(2)	114,098	—	123,965	—
5¼	Oct. 15, 1977		4,500,000	1,744,807	4,500,000	1,517,609
5¼	June 1, 1978		5,000,000	675,198	5,000,000	490,347
5	Sept. 30, 1979		3,000,000	762,261	3,000,000	634,406
6	Oct. 1, 1979		7,500,000	2,213,088	7,500,000	1,868,141
5¼	Oct. 16, 1981		7,000,000	1,457,595	7,000,000	1,185,553
5½	Nov. 15, 1982		5,000,000	842,530	5,000,000	651,978
5	Sept. 1, 1983		10,800,000	3,650,685	10,800,000	3,146,823
4¾	Jan. 2, 1984	(1)	5,000,000	1,460,687	5,000,000	1,231,286
5½	Jan. 15, 1984		8,000,000	795,782	8,000,000	509,006
5½	July 15, 1985		5,000,000	485,064	5,000,000	309,210
5½	Dec. 1, 1985		9,000,000	861,732	9,000,000	556,513
5.48	Sept. 1, 1986		2,022,000	280,309	2,022,000	—
5.60	Oct. 3, 1986		1,881,000		1,881,000	—
5.51	Nov. 1, 1986		1,924,000		1,924,000	—
5.51	Dec. 1, 1986		1,574,000		1,574,000	—
5.61	Jan. 4, 1987		1,910,000	—	—	—
6	Mar. 1, 1987		5,000,000	—	—	—
5.48	June 1, 1987		772,000	—	—	—
4¾	Oct. 1, 1990	(1)	10,000,000	628,623	10,000,000	301,937
Provisions for Exchange on			\$135,921,811	\$ 35,927,322	\$128,249,678	\$ 30,286,991
Advances Repayable in						
United States Dollars			956,129	—	794,129	—
			<u>\$136,877,940</u>	<u>\$ 35,927,322</u>	<u>\$129,043,807</u>	<u>\$ 30,286,991</u>

(1) Repayable in United States Dollars.

(2) Serially Maturing 1967 through 1977.

(3) Advances repayable in United States dollars are recorded on the basis that a U.S. dollar equals a Canadian dollar. Assuming that the Canadian dollar will continue at a discount in relation to the United States dollar, there will be added redemption costs at maturity of these advances. These will be partially offset by that portion of the Sinking Fund which is invested in U.S. pay securities. In 1967 an amount of \$162,000 has been provided, through a charge against income, towards the balance of these costs.

AUTOMATIC SERVICE

EXCHANGES CONVERTED TO DIAL OPERATION — 1967

Bengough	*Morse	Rose Valley
*Churchbridge	*Naicam	*Spalding
*Dalmeny	*Nokomis	*Turtleford
*Hafford	*Punnichy	*Waldheim
*Hepburn	*Raymore	

EXCHANGES SCHEDULED FOR DIAL OPERATION — 1968

*Aneroid	*Lashburn	Salvador
Archerwill	*Lipton	*Semans
*Central Butte	Macklin	*Sintaluta
Coronach	*Marshall	*Stockholm
Denzil	Maryfield	*Theodore
*Dysart	*Mistatim	*Tribune
*Earl Grey	Ormiston	*Vanguard
*Fillmore	*Paynton	*Viscount
*Kelliher	*Ridgedale	Wood Mountain
Kennedy	Rockglen	

The exchanges above marked * are those in which DDD calls can originate.

DIRECT DISTANCE DIALING

EXCHANGES CONVERTED TO DIRECT DISTANCE DIALING — 1967

(In addition to those marked * above)

Alida	Kinistino	Radville
Arborfield	Lampman	Redvers
Arcola	Leask	St. Louis
Bienfait	Maidstone	St. Walburg
Birch Hills	Marsden	Shellbrook
Carlyle	Melfort	Star City
Carnduff	Meota	Storthoaks
Carrot River	Midale	Stoughton
Ceylon	Neilburg	Tisdale
Cut Knife	Nipawin	Unity
Domremy	North Battleford	Weyburn
Edam	Ogema	Wilkie
Estevan	Oxbow	Yellow Grass
Hudson Bay	Prince Albert	Zenon Park

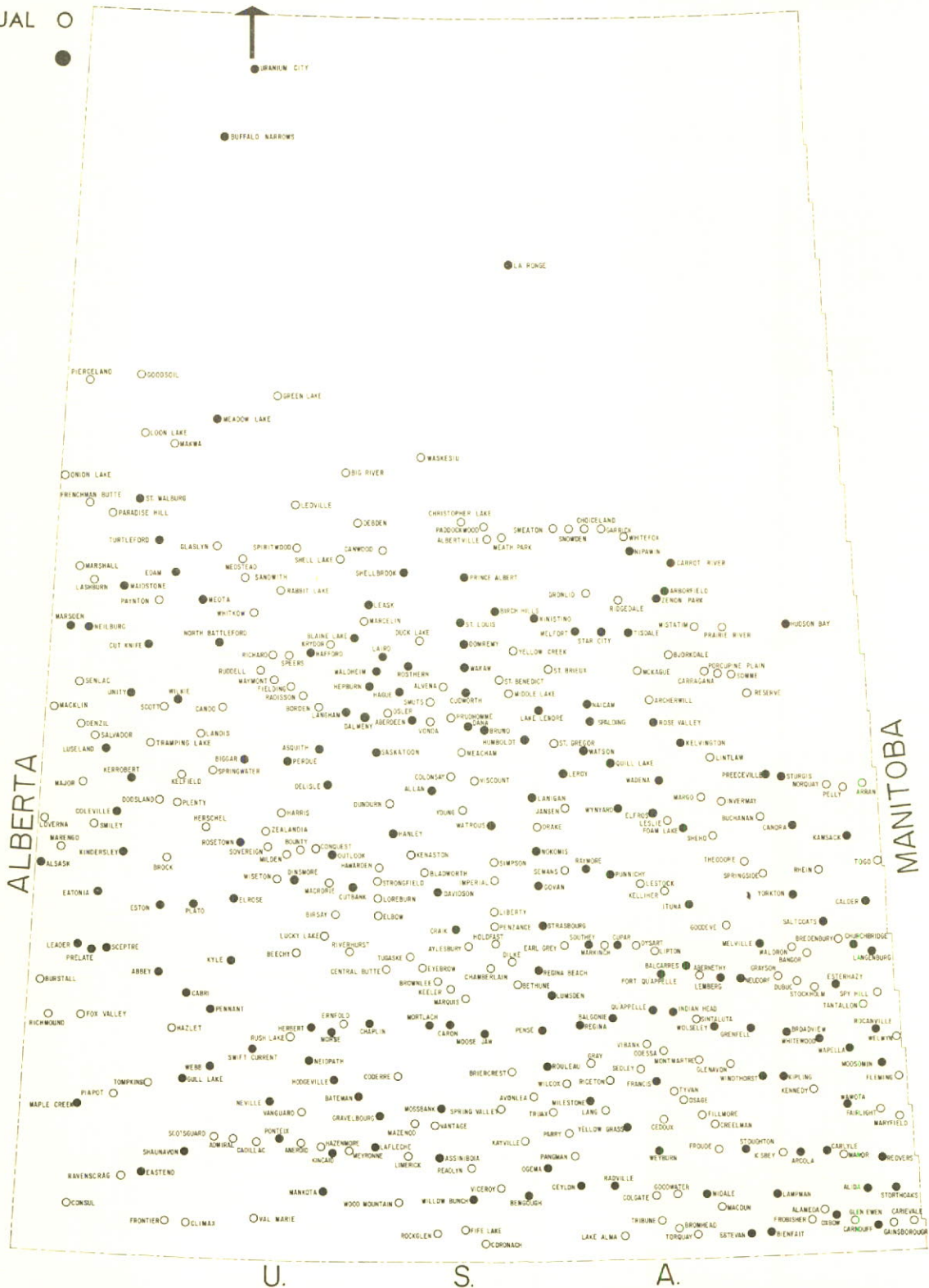
EXCHANGES SCHEDULED FOR DIRECT DISTANCE DIALING — 1968

(In addition to those marked * above)

Eastend	Shaunavon
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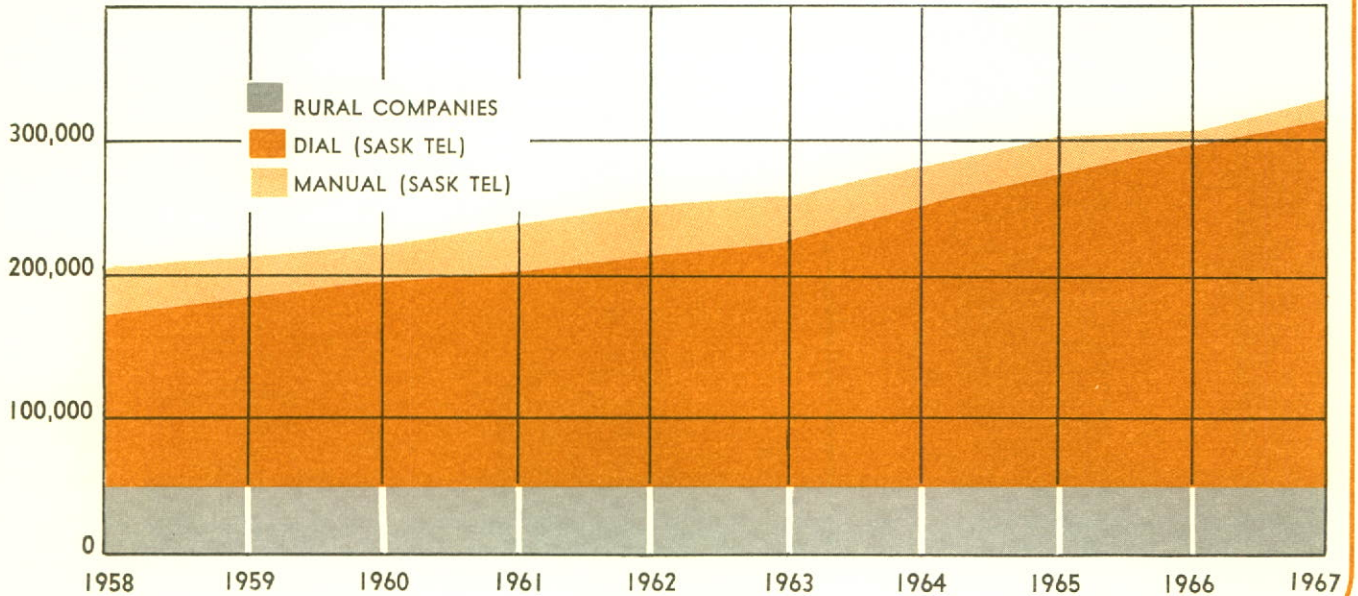
TELEPHONE EXCHANGES

MANUAL ○
DIAL ●



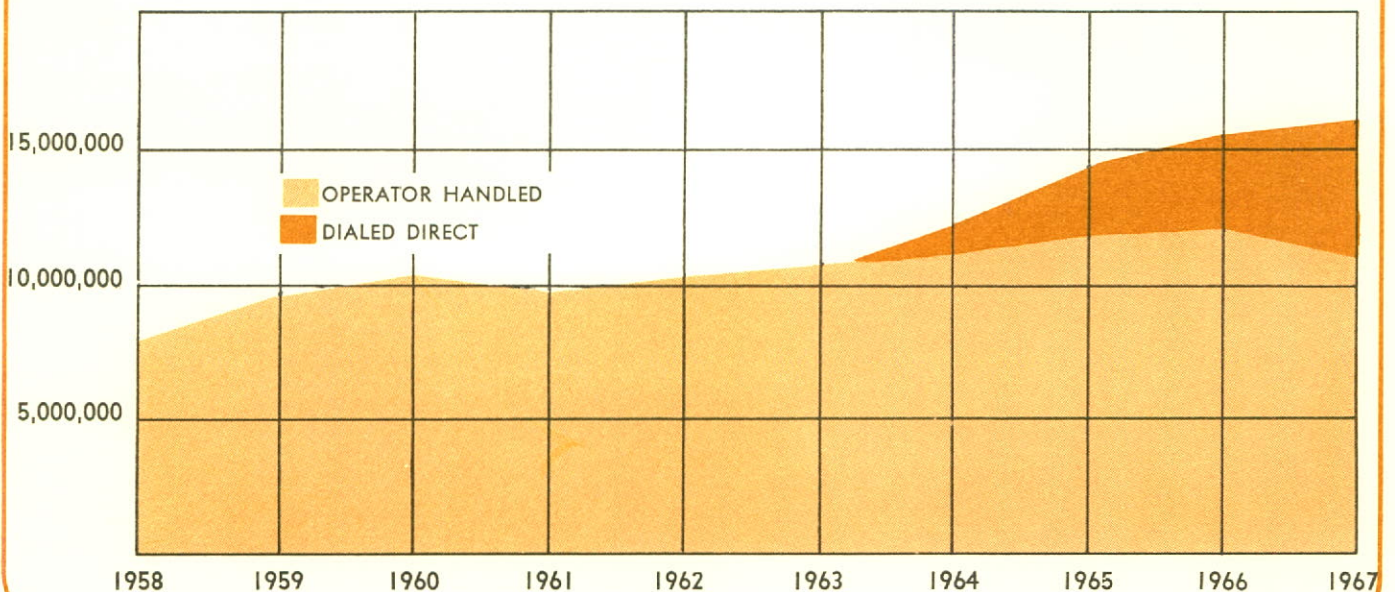
TELEPHONES IN SERVICE

(Switched by SASK TEL)



LONG DISTANCE MESSAGES

(Originating in Saskatchewan)



TEN-YEAR RECORD OF PROGRESS

	1967	1966	1965	1964
TELEPHONES				
Sask Tel Owned	282,022	265,765	247,876	230,289
Percent Dial	92.5%	91.6%	90.4%	89.0%
Connected*	91,802	87,162	83,251	65,342
Net Increase*	16,257	17,889	17,587	15,064
Rural Company Owned (Switched by Sask Tel)	52,815	53,231	52,787	52,553
Percent Dial	68.0%	63.3%	58.0%	51.5%
Telephones Per 100 People	35.1	33.6	31.9	30.6
NUMBER OF EXCHANGES				
	387	386	382	380
NUMBER OF TOLL OFFICES				
	56	57	74	83
LONG DISTANCE MESSAGES				
(Origin - Saskatchewan)*	16,443,000	15,448,000	14,182,000	12,536,000
FINANCE				
Operating Revenues*	\$ 40,137,356	\$ 36,112,256	\$ 32,554,096	\$ 28,829,557
Operating Expenses*	\$ 26,741,176	\$ 24,659,665	\$ 22,131,105	\$ 20,394,380
Interest and Other Deductions*	\$ 5,363,953	\$ 4,846,886	\$ 4,519,804	\$ 4,029,851
Net Income*	\$ 8,321,528	\$ 6,831,255	\$ 6,182,595	\$ 4,715,591
Dividend—Government of Saskatchewan*	\$ 4,150,000	\$ 3,800,000	\$ 3,932,595	\$ 4,715,591
Telephone Property	\$189,163,848	\$172,411,573	\$157,015,013	\$146,683,866
Advances from Government of Saskatchewan	\$136,877,940	\$129,043,807	\$122,835,266	\$112,828,161
Advances as a Percent of Year-End Capital	83.0%	84.4%	85.5%	85.9%
EMPLOYEES AND PAYROLL				
Men	1,128	1,104	1,045	1,014
Women	1,319	1,308	1,265	1,167
Total	2,447	2,412	2,310	2,181
Payroll*	\$ 13,298,458	\$ 12,380,317	\$ 11,438,606	\$ 10,512,348

* For the Year Ended December 31

In the above summary, data for 1966 and prior years are shown on a basis consistent with that of 1967.

1963	1962	1961	1960	1959	1958
215,225	202,861	193,120	183,301	172,769	159,555
86.4%	82.9%	80.9%	79.7%	79.4%	79.7%
65,470	45,657	41,864	40,766	40,905	35,068
12,364	9,741	9,819	10,532	13,214	12,160
52,333	52,302	51,268	50,661	50,568	50,682
44.0%	34.4%	25.9%	24.5%	22.8%	22.0%
29.2	28.0	27.1	26.5	25.4	24.4
373	369	366	362	364	362
98	104	118	125	136	141
11,299,000	10,584,000	9,979,000	10,243,000	9,730,000	8,925,000
\$ 25,974,721	\$ 23,624,151	\$ 22,403,716	\$ 20,259,164	\$ 18,880,755	\$ 16,670,927
\$ 18,546,586	\$ 16,915,417	\$ 16,343,959	\$ 15,825,280	\$ 15,013,693	\$ 13,556,844
\$ 3,486,619	\$ 3,304,649	\$ 3,018,709	\$ 2,798,258	\$ 2,636,193	\$ 2,165,581
\$ 4,158,271	\$ 3,670,972	\$ 3,253,555	\$ 1,955,640	\$ 1,614,056	\$ 1,178,699
\$ 4,158,271	\$ 3,670,972	\$ 3,253,555	\$ 1,955,640	\$ 1,614,056	\$ 1,118,388
\$131,930,987	\$120,274,800	\$111,670,577	\$105,828,187	\$ 98,312,834	\$ 90,629,860
\$ 97,537,290	\$ 87,847,580	\$ 83,471,317	\$ 76,754,764	\$ 73,828,729	\$ 63,207,438
84.1%	82.6%	81.9%	80.6%	80.0%	77.4%
985	917	875	890	904	868
1,114	1,037	1,047	1,121	1,089	1,134
2,099	1,954	1,922	2,011	1,993	2,002
\$ 9,889,469	\$ 8,982,725	\$ 8,699,153	\$ 8,244,564	\$ 8,090,317	\$ 7,288,771



SASK TEL, part of
Trans-Canada Telephone System