

# Transport Commissioners Issue Massive Judgments

By BEN WARD  
OTTAWA (CP)—The two biggest telephone companies in Canada have been told that if their earnings continue to go up their subscriber rates

will have to come down. That, in essence, was the message in two massive judgments handed down by the Board of Transport Commissioners after a year-long study of the Bell Telephone Co. of Canada and the British Columbia Telephone Co.

In each case the board set a new formula for establishing permissible earnings—between 6.2 per cent and 6.6 per cent of total capital investment.

Then, noting that both companies had reached the upper limit of this range in their 1965 earnings, the board stated: "Should the company's earnings exceed that maximum, the board will require the company to furnish the board with its proposals for reductions in the rate structure designed to bring the company's earnings back within the permissible range we have found to be reasonable at this time."

**RATES NOT RAISED**  
Neither Bell, which operates in Ontario and Quebec, nor B.C. Telephone has had a general rate increase since 1958. There have been upward adjustments, however, in various communities, to reflect service increases and long-distance rates have twice been reduced.

Bell has about 4,500,000 telephones in service, its B.C. counterpart about 700,000. Together they account for 60 per cent of all telephones in Canada. Both had record earnings last year—\$86,525,000 in the case of Bell and \$13,700,000 for B.C. Telephone.

In recent years both have been earning in excess of their old permissible levels—set 16 years ago at \$2.43 per share for

Bell and on a complicated cost formula for B.C. Telephone. This factor prompted the board 14 months ago to announce a review of the firms' financial situation.

During the lengthy public hearings that followed, the companies argued for the establishment of a percentage formula to govern permissible earnings. Bell asked for seven per cent of total capital investment as a floor, with no ceiling. B.C. Telephone sought a range between 6.3 per cent and 7.25 per cent.

Both these proposals met with vigorous opposition from municipal and provincial governments. They argued for lower levels, although Bell opponents agreed with a switch to a percentage formula.

**FIXES INCOME LEVELS**  
The board, which has control over rates of federally-chartered telephone companies because of their monopoly situation, establishes permissible income levels as a test of whether the rate structure is fair and reasonable.

It has no power, however, to enforce permissible income levels other than indirectly by rate adjustments. Also, these permissible levels are not designed to apply to future situations.

Several side issues were also dealt with in the judgments, dealing to 55,000 words on the Bell case and 48,000 on B.C. Telephone. The bulk of the wordage is devoted to an exhaustive review of the evidence.

On Bell issues, the board said: "Bell's investment in its wholly-owned manufacturing arm, Northern Electric Co., is not prejudicial to the interests of telephone customers."

"The company's non-contributory pension plan is not unduly liberal and switching to a contributory plan would not necessarily lead to lower costs."

Bell's capital structure, 80 per cent from shareholders and 20 per cent from debentures, is a fair and reasonable one.

A service agreement between Bell and the American Telephone and Telegraph Co. is beneficial to Bell and its subscribers.

**BACKS COMPANY**  
The B.C. Telephone side issues were: in the main, questions about depreciation, pensions, share-issue expense and other financial matters. The board generally supported the company arguments.

But a more interesting one concerned complaints that charitable donations should be an and not a part of general costs expense on the shareholders and not a part of general costs borne by subscribers.

The three-member cost panel divided on this issue. Chief commissioner Rod Kerr and commissioner A. S. Kirk said charitable donations up to one per cent of net operating income should be allowed as a part of general costs.

Assistant Chief Commissioner W. R. Irwin dissented, charging this item should be added against shareholders only.

**BANDITS TAKE THE LOT**  
LONDON (CP)—A jeweler made his car into a mobile strongroom, fitted with alarms, extra locks and a gadget to immobilize the engine. But a well-prepared thief simply towed the whole vehicle away, with \$15,000 worth of jewels inside.

**BEATLE BIN WAS BUGGY**  
LIVERPOOL, England (CP)—The Cavern Club, where the Beatles first twanged their way to the top, is to reopen under new ownership. It was closed by health authorities when the former owner could not afford to repair defective drains.

**TRAINS DROP TAXES**  
RAINHAM, England (CP)—Colin Britain won a reduction in local taxes because the railway intrudes on his privacy. His home backs onto a railway junction and he complained that passengers stare into the windows of the house when trains are stopped at the signals.

## Minister Addresses Commons

OTTAWA (CP)—Forced will not be necessary for a solution to the Rhodesian problem. External Affairs Minister Martin said here.

He told the Commons external affairs committee that the economic sanctions against the white-supremacist government of Rhodesia are proving to be very effective.

A good indication of this effectiveness was the proposal for discussions between British and Rhodesian officials in London. Why these London talks had not started was not yet clear to the Canadian government, however.

Mr. Martin rebuked the Conservatives for saying Canada is waging war against Rhodesia because it doesn't like that country's internal policies.

He said the Commonwealth couldn't have maintained its integrity and unity unless it had

repudiated the discrimination practised by 400,000 whites against 3,000,000 blacks in Rhodesia.

**SEES MAJOR CHANGES**  
The revolution of the black man had succeeded and any effort by any administration to thwart this was bound to bring the censure of other countries.

The rights of new peoples had to be recognized. Any other course would end the Commonwealth and create very serious situations in the world.

Wallace Nesbitt (PC-Oxford) asked how far the Canadian government is prepared to go in interference in the internal affairs of other countries.

Mr. Martin said the question had an application to the Rhodesian situation. Until Rhodesia was given its independence by the British Parliament, it would not be a sovereign state.

"It is a de facto state," Mr. Nesbitt said.

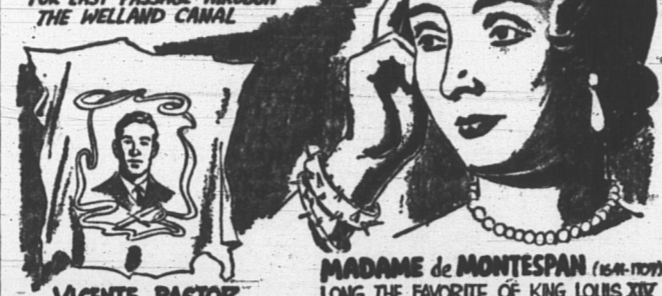
"These latin terms scare me," Mr. Martin replied.

**MANY LIVE IN WILD**  
There are 16,000 camp sites in Ontario provincial parks.

## RIPLEY'S BELIEVE IT OR NOT



**THE S.S. MACKINAW**  
Launched on Lake Michigan in 1873, WAS BUILT SO IT COULD BE SPLIT IN HALF FOR EASY PASSAGE THROUGH THE WELAND CANAL.



**VICHITE PASTOR**  
A Mexican bullfighter TO CELEBRATE HIS FIRST VICTORY IN THE RING HAD HIS PORTRAIT PAINTED ON THE BULL'S HIDE.

**MADAME DE MONTESPAN** (1644-1707)  
LONG THE FAVORITE OF KING LOUIS XIV OF FRANCE, AS A PENANCE DURING THE LAST 16 YEARS OF HER LIFE CONSTANTLY WORE NEXT TO HER SKIN BRACELETS AND A BELT SPIKED WITH SHARP POINTS.

## DAILY CROSSWORD

**ACROSS**

1. Agreement
2. Throat
3. Impediment, figuratively
4. Recess
5. Type of pneumonia
6. Church part
7. Relative of gamma, sigma, etc.
8. Type of bean
9. Epoch
10. Measure
11. Vermont city
12. Freudian term
13. Scotch haret
14. Lamb
15. Cantered
16. Derivative remark
17. Zodiac sign
18. Cotton State
19. Music note
20. Tedious
21. Affirmative
22. Leap
23. Fresh-water tortoise
24. Apportion
25. Handbill
26. Chance
27. Soothe
28. Simmer
29. Beams

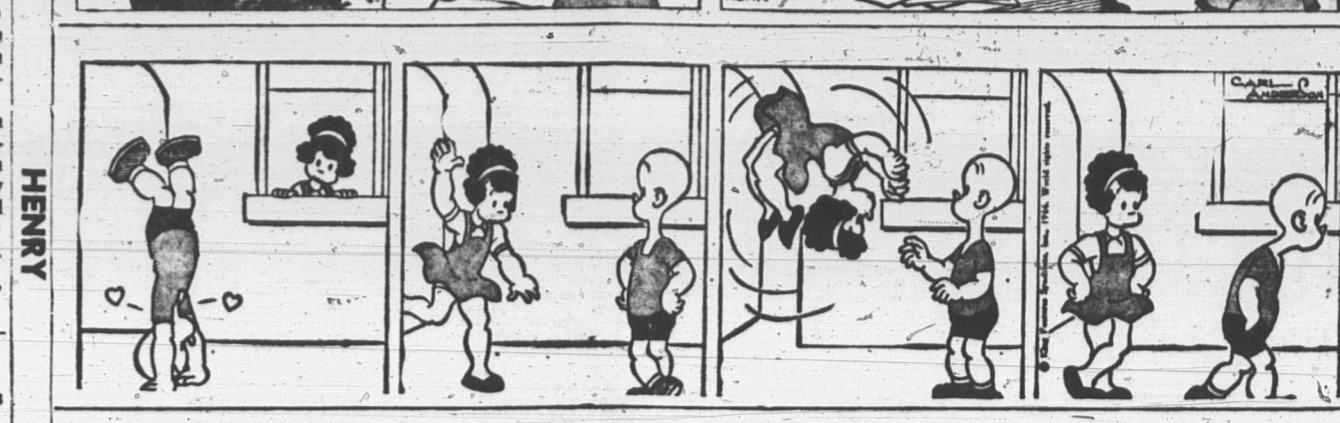
**DOWN**

1. Brand, for one
2. City in Kansas
3. Region
4. Fauna's partner
5. One kind of holiday
6. W. Ind. sorcery
7. Plum
8. Goddess of the sea
9. Shade tree
10. Urchin
11. River in Scotland
12. Ailing
13. Female rabbit
14. Moist
15. 28. Girl's nickname
16. Bivalve plate
17. African
18. 34. French river
19. 35. Chinese obelance: var.
20. One of the Bronte sisters
21. 42. Arid
22. 44. Roman: abbr.
23. 45. Distant

**DAILY CRYPTOQUOTE** — Here's how to work it:  
A X Y D L B A A X R  
J S L O N G F E L L O W  
One letter simply stands for another. In this sample A is used for the three L's, X for the two O's, etc. Single letters, apostrophes, the length and formation of the words are all hints. Each day the code letters are different.

**A Cryptogram Quotation**  
Q J Q O Z P Q X F S U L Z E P Q X R U J V L  
C F G E B C J V M X R X P C P J U, X U C  
L B J J R C F. — S V Z E U P Z K S  
Yesterday's Cryptquote: THE SURE WAY TO MISS SUCCESS IS TO MISS THE OPPORTUNITY.—CHARLES (© 1966, King Features Syndicate, Inc.)

## OUR BOARDING HOUSE MAJOR HOOPLE



## ON THE AIR

The following program listings are published free of charge as a public service and appear as presented to us by the stations concerned.

### SATURDAY PROGRAMS

- CFCY-TV**
- 11:00 a.m.—Ecumenical Teaching
  - 12:30 p.m.—Sign Off
  - 2:30 p.m.—Musicale
  - 3:00 p.m.—Basketball Game of the Week—Los Angeles vs. Cincinnati
  - 5:30 p.m.—Bugs Bunny Show
  - 6:00 p.m.—Kentucky Derby
  - 7:00 p.m.—CFCY TV News
  - 7:15 p.m.—Fishermen's Log
  - 8:30 p.m.—Let's Sing Out
  - 9:00 p.m.—Leverly Hillbillies
  - 9:30 p.m.—The Saint
  - 10:00 p.m.—TBA
  - 11:30 p.m.—Julietta
  - 12:00 p.m.—CBC TV News
  - 12:08 a.m.—Local Weather & Sports Scores
  - 12:10 a.m.—The Thrillers
  - 1:10 a.m.—Sign Off

### CKCW-TV

- 11:28 a.m.—Station Sign On
- 11:30 p.m.—Mash Special
- 12:00 p.m.—Cartoon Capers
- 12:30 p.m.—Top Ten Plus
- 2:00 p.m.—Championship Series
- 3:00 p.m.—World of Sport—Basketball Game of the Week—Los Angeles at Cincinnati
- 5:30 p.m.—Bugs Bunny
- 6:00 p.m.—Kentucky Derby
- 7:00 p.m.—Batman II
- 7:30 p.m.—Gilligan's Island
- 8:00 p.m.—Beverly Hillsbillies
- 8:30 p.m.—Let's Sing Out
- 9:00 p.m.—Hogan's Heroes
- 9:30 p.m.—TBA
- 11:30 p.m.—Julietta
- 12:00 a.m.—CBC National News
- 12:10 p.m.—Outer Limits
- 1:15 a.m.—Station Sign-Off

### SUNDAY PROGRAMS

#### CFCY-TV

- 1:00 p.m.—Musical
- 1:30 p.m.—Country Calendar
- 2:00 p.m.—This Is The Life
- 2:30 p.m.—Eric Sykes
- 3:00 p.m.—Through The Eyes of Tomorrow
- 4:00 p.m.—Some of Those Days
- 4:30 p.m.—Bench for Love
- 5:00 p.m.—Bonanza
- 5:27 p.m.—CBC TV News
- 5:30 p.m.—20/20
- 6:00 p.m.—Umbrella
- 6:30 p.m.—Hymn Sing
- 7:00 p.m.—Jane Wyman
- 7:30 p.m.—Patty Duke
- 8:00 p.m.—Hazel
- 8:30 p.m.—Flashback
- 9:00 p.m.—Ed Sullivan Show
- 10:00 p.m.—Bonanza
- 11:00 p.m.—This Hour Has Seven Days
- 12:00 p.m.—CBC TV News
- 12:10 a.m.—Sign Off

### CKCW-TV

- 1:10 p.m.—Station Sign On
- 1:15 p.m.—The Christophers
- 1:30 p.m.—Country Calendar
- 2:00 p.m.—Bishop Sheen
- 2:30 p.m.—Faith In Action
- 3:00 p.m.—Through the Eyes of Tomorrow
- 4:00 p.m.—Some of Those Days
- 4:30 p.m.—Comment and Conviction
- 5:00 p.m.—The View From Geneva
- 6:00 p.m.—The Umbrella
- 6:30 p.m.—My Three Sons
- 7:00 p.m.—Walt Disney
- 8:00 p.m.—Hazel
- 8:30 p.m.—Flashback
- 9:00 p.m.—Ed Sullivan
- 10:00 p.m.—Bonanza
- 11:00 p.m.—This Hour Has 7 Days
- 12:00 p.m.—CBC National News
- 12:10 a.m.—Weekend Report
- 12:15 a.m.—LTV News
- 12:30 a.m.—Station Sign Off

### CFCY

#### Saturday

- 6:30—News and Weather
- 6:35—Morning Roundup
- 6:45—Island W. and Mar. Temp.
- 6:46—Morning Roundup
- 6:55—News and Weather
- 7:00—Metropolitan Christian Hour
- 7:15—Morning Roundup
- 7:30—News and Weather
- 7:35—Farm Report
- 7:41—Morning Roundup
- 7:45—Island W. and Mar. Temp.
- 7:46—Sports Capsule and Scoreboard

### CONTRACT BRIDGE

By B. JAY BECKER

South dealer.  
Both sides vulnerable.  
North-South part score of 60.

**NORTH**

- ♠ Q7
- ♥ 10864
- ♦ K952
- ♣ 63

**WEST**

- ♠ J954
- ♥ A K 2
- ♦ Q 7 3
- ♣ Q 8 5

**EAST**

- ♠ K 1062
- ♥ Q J 9 5
- ♦ J 10 4
- ♣ 7 4

**SOUTH**

- ♠ A 8 3
- ♥ 7 3
- ♦ A 6
- ♣ A K J 10 9 2

The bidding:

South West North East  
1♠ 1♣ 1♦ 1♠  
2♠ 2♣ 2♦ 2♠  
3♠ 3♣ 3♦ 3♠

Opening lead—king of hearts. Good teamwork enabled East-West to defeat three clubs in this hand, where the lightest slip in the defense would have been fatal.

West's double was light, but was clearly justified by the part-score situation. South had enough built-in power to bid three clubs single-handed.

West led the king of hearts, and East signaled for a continuation of the suit by playing the queen. Although it is accepted practice when a defender sees the king of a suit, or partner to play high down with a

**FOOD-TO-GO**  
BEST IN TOWN!

**FREE DELIVERY**

From 5:30 p.m. to 11:30 p.m.  
Open Seven Days a Week

- From 7 a.m. to 12 p.m.
- Fish & Chips
- Hot & Cold Sandwiches
- All European Meat & Cheese

**DIAL 4-6669**

**HEIDELBERG**  
Coffee Shop & Delicatessen