

COMMONWEALTH  
TELECOMMUNICATIONS  
COUNCIL

FIFTH GENERAL REPORT  
AND STATEMENT OF ACCOUNTS  
1 APRIL 1972 TO 31 MARCH 1973

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represented on the Commonwealth Telecommunications Council

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**COMMONWEALTH TELECOMMUNICATIONS COUNCIL**

To:

The Right Honourable EDWARD HEATH, MBE, MP,  
Prime Minister of the United Kingdom of Great Britain  
and Northern Ireland.

The Right Honourable P. E. TRUDEAU,  
Prime Minister of Canada.

The Right Honourable GOUGH WHITLAM,  
Prime Minister of the Commonwealth of Australia.

The Right Honourable NORMAN KIRK,  
Prime Minister of New Zealand.

Shrimati INDIRA GANDHI,  
Prime Minister of India.

The Honourable SIRIMAVO BANDARANAIKE,  
Prime Minister of Sri Lanka.

The Honourable Colonel I. K. ACHEAMPONG,  
Chairman of National Redemption Council, Republic of Ghana.

The Honourable TUN HAJI ABDUL RAZAK BIN DATO HUSSEIN AL-HAJ,  
SNM, SIMP,  
Prime Minister of Malaysia.

His Excellency General YAKUBU GOWON,  
Head of the Federal Military Government and President of the  
Supreme Military Council, Federal Republic of Nigeria.

His Beatitude Archbishop MAKARIOS III,  
President of the Republic of Cyprus.

His Excellency Dr. SIAKA P. STEVENS,  
President of the Republic of Sierra Leone.

Mwalimu Dr. JULIUS K. NYERERE,  
President of the United Republic of Tanzania.

The Honourable MICHAEL MANLEY,  
Prime Minister of Jamaica.

Dr. the Right Honourable ERIC WILLIAMS, CH,  
Prime Minister of Trinidad & Tobago.

His Excellency General IDI AMIN DADA,  
President of the Republic of Uganda.

His Excellency the Honourable Mzee JOMO KENYATTA,  
President of the Republic of Kenya.

His Excellency Ngwazi Dr. H. KAMUZU BANDA,  
President of the Republic of Malawi.

Excellency Dr. KENNETH KAUNDA,  
President of the Republic of Zambia.

His Excellency the Honourable Sir DAWDA JAWARA,  
President of the Republic of The Gambia.

The Honourable LEE KUAN' YEW, CH,  
Prime Minister of the Republic of Singapore.

The Honourable FORBES BURNHAM, SC,  
Prime Minister of the Republic of Guyana.

His Excellency Sir SERETSE KHAMA, KBE,  
President of the Republic of Botswana.

The Right Honourable E. W. BARROW,  
Prime Minister of Barbados.

The Right Honourable Sir ALEC DOUGLAS-HOME, KT, MP,  
Secretary of State for Foreign and Commonwealth Affairs.

In accordance with paragraph 47 of the Constitution of the Commonwealth Telecommunications Organisation, I have the honour to submit the General Report of the Commonwealth Telecommunications Council for the year 1972/73, Statement of Accounts for the period 1 April 1972 to 31 March 1973 and the Auditors' Report thereon.

J-C. DELORME  
Chairman

S N Kalra  
General Secretary  
Commonwealth Telecommunications Bureau  
28 Pall Mall  
London SW1Y 5LP

7 August 1973

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COMMONWEALTH TELECOMMUNICATIONS COUNCIL  
FIFTH GENERAL REPORT AND STATEMENT OF ACCOUNTS

1 April 1972 - 31 March 1973

1. INTRODUCTION

1 This Report, which covers the period 1 April 1972 to 31 March 1973, is submitted to Partner Governments in accordance with paragraphs 46 and 47 of the Constitution of the Commonwealth Telecommunications Organisation.

2 The principal functions of the Council, as laid down in the Constitution, are reproduced in Annex A to this Report, for ready reference.

3 The year under review was an important milestone in the collaborative arrangements of the Partnership. The Commonwealth Telecommunications Conference which met in Ottawa in November 1972 at the invitation of Canada (see Section III below) concluded that Council's proposals for a new Unified Accounting Scheme should be adopted. Following upon the Conference's recommendations to the Commonwealth Governments, the 'Wayleave' system of financial accounting among Partners, which had prevailed for nearly a quarter century past, ceased with the end of the fiscal year 1972/73. The Financial Agreement 1969 was replaced by the Financial Agreement 1973 from 1 April 1973. From this date, the new Unified Accounting Scheme designed for modern conditions, embracing all traffic and all media, will apply for accounting between the Partners.

4 The number of Commonwealth countries represented on Council remained unchanged at 23 during the year. Of these, Kenya, Tanzania and Uganda continued to be jointly represented as East Africa. The British Overseas Territories and Associated States were separately represented, as provided under paragraph 11 of the Constitution. A

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list of Representatives on Council during 1972/73 is attached as Annex B to this Report.

5 Two Council Meetings were held during the year, the Ninth Meeting in London from 27 June to 14 July 1972 and the Tenth in Montreal from 6 to 10 November with resumed sessions in Ottawa on 17 and 23 November. Mr G A Richards TC QC (Trinidad & Tobago) was re-elected as Chairman for a third term, and Mr J Hodgson (Britain) and Mr J-C Delorme (Canada) were elected as Vice-Chairmen. A summary of the chief matters dealt with by the Council during the year is set out in the Sections below.

II. PROGRESS IN IMPLEMENTATION OF THE  
RECOMMENDATIONS OF THE COMMONWEALTH  
TELECOMMUNICATIONS CONFERENCE 1966

6 The past year saw significant progress in the implementation of the two remaining recommendations of the 1966 Conference, viz development of Unified Accounting and Network Planning (paragraphs 128-129 of the 1966 Conference Report). At its Ninth Meeting, Council agreed to recommend to Partner Governments the adoption of a cost-orientated unified accounting scheme as developed through extensive studies over the past four years by Council. For Network Planning, the machinery already established by Council for short-term planning has been operating effectively; for developing long term planning techniques, further studies were commissioned during the year.

7 UNIFIED ACCOUNTING

7.1 Relevant details of the Unified Accounting Scheme proposed by Council were included in its Report submitted in August 1972 to Partner Governments in preparation for the 1972 Conference. Those details are therefore not repeated in this Report.

7.2 The Council prepared, in advance, interim Definitions and Procedures as required under the Financial Agreement 1973, for application from 1 April 1973.

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7.3 Extensive arrangements were also completed and put into effect in advance, for collecting, organising and processing the voluminous data necessary for computational purposes under the Unified Accounting Scheme.

7.4 The Bureau was heavily engaged in these activities throughout the year.

### 8 SHORT-TERM NETWORK PLANNING

A Network Plan was developed and approved by Council for implementation in 1973/74. A provisional Network Plan for 1974/75 was also prepared to assist Partners in their planning of equipment provisioning.

### 9 OPERATION AND MAINTENANCE OF NETWORK

The machinery established in 1971/72 to monitor implementation of agreed Network Plans and to develop and co-ordinate procedures for improving operational exploitation of the Network, got into its full stride and functioned actively during the year.

### 10 LONG TERM PLANNING

Further studies were commissioned to develop techniques suitable for Long Term Planning of the network deployed by the Partner countries. Council took note of the need to speed up these studies and is taking further action on that basis.

### 11 COUNCIL'S COMMITTEES

The Council reviewed its Committee structure in the light of its need for additional specialist assistance on subjects such as tariffs, accounting and marketing. It saw advantages in avoiding a proliferation of Committees and took note that the Standing Committee (Planning) had completed its principal task of developing a unified accounting scheme. Council therefore decided to replace both this Committee and the Operations and Maintenance Committee by a single Standing Committee of Council which would advise Council in all aspects of its business and would oversee the work of all the specialist working groups. The new Standing Committee was established at the Tenth Meeting of Council.

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III. IMPLEMENTATION OF THE CONCLUSIONS AND  
RECOMMENDATIONS OF THE COMMONWEALTH  
TELECOMMUNICATIONS CONFERENCE 1972

12 Following upon the progress reported in Section II, especially the emergence of the proposed Unified Accounting Scheme, the Commonwealth Telecommunications Conference 1972 met in Ottawa, at Canada's invitation, from 13 to 24 November. In preparation for the Conference, Council had submitted to Governments a special Report reviewing the development of the Organisation since its establishment following the 1966 Conference and indicating how the recommendations of that Conference had been implemented. This Report was later tabled as a Conference Paper, together with an addendum incorporating additions agreed by Council at its Tenth Meeting.

13 The Conference considered and accepted the Council's proposals for the new Scheme of Unified Accounting and recommended to Governments to implement the Scheme with effect from 1 April 1973. It recommended termination of the Financial Agreement 1969 and the introduction from 1 April 1973 of the new Financial Agreement 1973. By 31 March 1973, twelve Partner Governments (Australia, Barbados, Botswana, Britain, Canada, Cyprus, The Gambia, Kenya, Malawi, Sierra Leone, Sri Lanka, Trinidad & Tobago) had signed the necessary Terminating Agreement and the new Financial Agreement which then came into force from 1 April 1973. More Governments have subsequently signed or intimated their decision to do so.

14 On Network Planning and Operation, the Conference noted the effective measures taken by Council for Short-Term Planning, and for co-ordination of Operation and Maintenance to maximise the exploitation of the Network. It stressed the need, especially, to press on with measures to develop and establish Long Term Planning.

15 The Conference also considered the desirability of making certain amendments to the Constitution of the Organisation in the light of experience. It agreed to recommend to Governments a revised Constitution incorporating the proposed amendments. The revised



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Constitution would come into force when ratified in due course.

16 The details of the proceedings and recommendations of the 1972 Conference are contained in its Report which was duly circulated to all Commonwealth Governments.

IV. OTHER MATTERS DEALT WITH BY THE COUNCIL  
AND THE BUREAU DURING THE YEAR.

17 ADMINISTRATION OF THE ARRANGEMENTS UNDER THE FINAN-  
CIAL AGREEMENT 1969

17.1 First Wayleave Scheme Facilities

Under Article 2(b)(ii) of the Financial Agreement 1969, Partner Governments' concurrence is required for the inclusion of facilities in the Commonwealth common-user system. A consolidated list of changes approved by Council during 1971/72 was submitted and Partner Governments' approval obtained. Changes in facilities approved by Council during 1972/73 have since been circulated for the approval of Partner Governments.

17.2 Wayleave Accounts

Some progress was made during the year with the consolidation of Wayleave accounts. Both the 1965/66 and 1966/67 accounts were finally cleared and consolidated statements circulated. For the subsequent years, however, audited Wayleave statements remain outstanding from a number of National Bodies. This matter was again discussed by Council and various causes of delay in producing audited statements were noted. As the Partnership embarks on a new system of accounting from 1 April 1973, early consolidation and finalisation of the pending accounts of the 'Wayleave' system is clearly desirable. Partners have been asked to give the matter their urgent attention.

17.3 Proposals for New and Changed Services

The number of proposals for new or changed services submitted by Partners and processed by the Bureau totalled 533 compared with 688 in the previous year.

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### 17.4 Depreciation Rates

In the previous year Council had commissioned a study of the situation in which Partners had adopted diverse rates of depreciation for various assets used in the common-user system. Council considered the recommendations at its Ninth Meeting and prescribed depreciation rates appropriate for each type of asset to be applied uniformly in Partnership accounts by all Partners from 1 April 1972.

### 17.5 Gold Franc Telegraph Accounting Rates

Council took note of growing foreign pressure, especially from countries in Europe, for an improvement in their financial position in regard to their telegraph traffic when routed over the common-user system. A specialist study was commissioned and the recommendations are to be considered by Council at its Eleventh Meeting.

## 18 CO-OPERATION WITH THE COMMONWEALTH CABLE MANAGEMENT COMMITTEE

The close co-operation between the Council and the Commonwealth Cable Management Committee continued to be maintained and at the Committee's invitation the General Secretary attended as an observer both the Twelfth Meeting of the Committee in Vancouver in September 1972 and an ad hoc meeting in Ottawa in November 1972.

## 19 DOMESTIC AFFAIRS AND ACCOUNTS OF THE ORGANISATION

19.1 The Budget for 1972/73 as approved by Partner Governments provided for a total expenditure up to £288,300, compared with a Budget total of £234,200 in 1971/72 and actual expenditure in that year of £224,467. Actual expenditure in 1972/73 totalled £245,867 made up of £5,103 under Conference expenses, £43,512 under Council expenses and £197,252 under Bureau expenses. The audited Statement of Accounts for 1972/73 is attached as Annex C to this Report in accordance with paragraph 46 of the Constitution.

19.2 Provision was included in the 1972/73 Budget for an increase of one in Bureau office support staff bringing the total to 36, viz 4 Chiefs of Division, and 32 other staff.

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V. GENERAL DEVELOPMENTS IN COMMONWEALTH AND  
WORLD TELECOMMUNICATIONS

20 Both telephone and telex traffic continued to grow substantially during the year, but telegram traffic declined slightly. This is broadly in keeping with the trends in recent years. The estimated totals for each of the three principal types of traffic carried on the Commonwealth network during 1972/73 are shown, together with those of previous years for comparison, in the pillargraphs at Annexes D, E and F. Expansion of facilities by Partners, to cope with the increasing traffic, continued in various areas although in some these still remain inadequate, with consequent suppression of potential traffic.

21 Three more Commonwealth satellite earth stations came into operation during 1972/73: Barbados, Britain's Goonhilly III and Canada's Lake Cowichan (Vancouver Island) station. These additions brought the total number of Commonwealth earth stations to 23. Further Commonwealth stations planned or under construction are as follows:

<u>Earth Station</u>	<u>Via Satellite</u>	<u>Expected Operational Date</u>
Singapore (Sentosa II)	Pacific	First quarter of 1974
Zambia	Indian	August 1974
Nigeria (Lanlate II)	Indian	November 1974
Fiji	Pacific	1975
India (Dehra Dun)	Indian	1975
Sri Lanka	Indian	1975
Malaysia (Kuantan II)	Pacific	1976

22 Various cable projects were also planned or executed to help meet the ever increasing demand for broadband facilities and to provide diversity of media. The Britain-Netherlands cable of 1260 circuits, mentioned in the last Report, was brought into service and a further cable is planned. A second Britain-Spain cable of 1380 circuits is planned for service early in 1975 and another large capacity cable between Britain and France is scheduled for service immediately before the new trans-Atlantic cable TAT 6 is completed. CANTAT 2, the 1840 circuit

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cable between Britain and Canada, is now expected to be ready for service in April 1974. This will be supplemented by Commonwealth circuits to be purchased in the non-Commonwealth TAT 6 cable. In the Pacific area approval has been received from the Australian and New Zealand Governments for the laying of a second trans-Tasman cable of 640 circuits, and planning has proceeded for Commonwealth participation in a further trans-Pacific cable system. Plans have been announced for a land coaxial cable between Hong Kong and Kwangchow (Canton), which will be ready for service about the middle of 1974 and will carry terminal and transit traffic between Hong Kong and China.

23 In the Caribbean new microwave systems of 960 circuits capacity are planned to link the various Commonwealth islands in that area, from Antigua through to Trinidad.

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**FUNCTIONS OF COUNCIL:**

**Extract from the Constitution of the  
Commonwealth Telecommunications Organisation**

- "22. The functions of the Council shall be:-
- (a) to consult, record agreements reached and make recommendations where appropriate on all external telecommunications matters of Commonwealth interest; (See Explanatory Note 6.)
  - (b) to administer the financial arrangements between Partners to the Commonwealth Telegraphs Agreements 1948 and 1963 or such financial arrangements which may replace them, and financial arrangements between any group of Governments which those Governments request be administered by the Council;
  - (c) To seek to achieve, as time and circumstances permit, unified financial arrangements for the operation of the Commonwealth telecommunications system;
  - (d) to provide an authoritative and informative source of advice;
  - (e) to draw attention to developments in the field of telecommunications and to highlight significant trends;
  - (f) to consider and recommend approval of the annual budget and any supplementary budget and administer control of expenditure;
  - (g) to recommend a suitable candidate for the post of General Secretary, to determine the salary and conditions of employment for this officer and delineate the scope of his activities;
  - (h) to perform such other functions as Governments represented on the Council may decide. (See Explanatory Note 7.)

**Explanatory Note 6**

The following are given as examples of matters requiring such consideration by the Council:-

- (a) commercial exploitation of the Commonwealth external telecommunications system, including future use of satellites;
- (b) development of the system to meet Commonwealth traffic needs;
- (c) nature, type and extent of information to be disseminated;
- (d) all technical and traffic matters including aspects of telecommunications 'research and development' (R & D) which affect external telecommunications of the Commonwealth.

Explanatory Note 7

With particular reference to the matter of correspondence between the Chairman, the Vice-Chairmen, the General Secretary and others, it is recommended that the Council ensure by provisions in its rules and procedures that a central record of correspondence be maintained."

## LIST OF REPRESENTATIVES ON THE COUNCIL

During the year 1 April 1972 to 31 March 1973

Note: In some cases Governments appoint Representatives to represent them in Council for specific periods or occasions; in such cases the term of appointment is indicated against the name. Where no term is indicated, the appointment is continuous until the Government notifies a change.

CHAIRMAN	Mr G A Richards TC QC (Trinidad & Tobago)	
VICE-CHAIRMEN	Mr J Cl Christophides (Cyprus)	Up to 21 June 1972
	Mr J Hodgson (Britain)	From July 1972
	Mr J-C Delorme (Canada)	From July 1972
REPRESENTATIVES		
AUSTRALIA	Mr H White	
BARBADOS	Mr R W Hobbah MBE	
	Mr C R Edwards	For Tenth Council Meeting
BOTSWANA	Mr W. E Cromarty	
BRITAIN	Mr J Hodgson	
BRITISH OVERSEAS TERRITORIES AND ASSOCIATED STATES	Mr W G Moore	
CANADA	Mr J-C Delorme	
CYPRUS	Mr J Cl Christophides	Up to 21 June 1972
	Mr N S Roussos	From 22 June 1972
GAMBIA, THE	Mr E A Nying	
GHANA	Mr E M Koram	
GUYANA	Mr J L Philadelphia	
INDIA	Mr B S Dutt	Up to 14 November 1972
	Mr P G Damle	For Ninth Council Meeting and from 15 November 1972

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ANNEX B  
(Contd)

INDIA (Contd)	Mr R Parthasarathy	For Tenth Council Meeting
JAMAICA	Mr H G Barber CD	For Ninth and Tenth Council Meetings
	Mr G A Gauntlett	Alternate Representative for Ninth Council Meeting
KENYA	Mr H Z E Ramogo	(Joint Representative for Kenya, Tanzania and Uganda)
MALAWI	Mr R E Raby	
MALAYSIA	Mr Buyong Abdullah	
	Mr Koh Ah Seng	For Tenth Council Meeting
NEW ZEALAND	Mr S M Thompson	
NIGERIA	Mr V A Haffner	
	Mr R O Khalidson	For Ninth Council Meeting
SIERRA LEONE	Mr A K Fraser	For Ninth Council Meeting and from November 1972
SINGAPORE	Mr Goh Seng Kim	
	Mr Ng Hong Yew	For Ninth and Tenth Council Meetings
SRI LANKA	Mr T Kulanthaivelu	Up to January 1973
	Mr P M D Fernando	For Ninth Council Meeting
TANZANIA	Mr H Z E Ramogo	(Joint Representative for Kenya, Tanzania and Uganda)
TRINIDAD & TOBAGO	Mr G A Richards TC QC	
	Mr D C Buck	For Ninth and Tenth Council Meetings
UGANDA	Mr H Z E Ramogo	(Joint Representative for Kenya, Tanzania and Uganda)
ZAMBIA	Mr P Ngoma	

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ANNEX C  
(Ref: Paragraph 19)

## COMMONWEALTH TELECOMMUNICATIONS ORGANISATION

## STATEMENT OF ACCOUNTS FOR YEAR ENDED 31ST MARCH, 1973

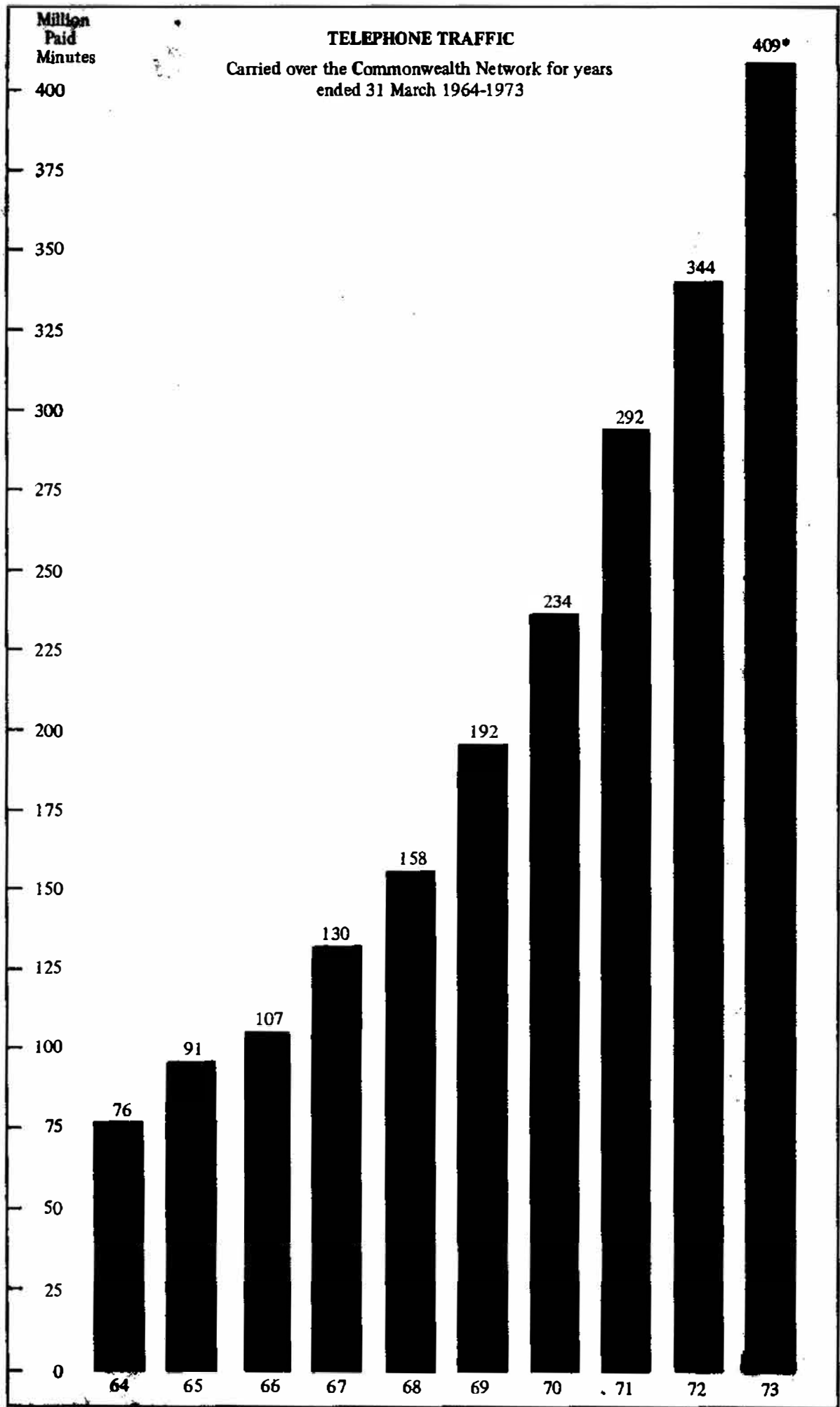
1971/72		RECEIPTS		1972/73	1971/72	PAYMENTS		1972/73			
						Conference	Council	Bureau	Total		
Cash and bank balances at 1st April, 1972											
£ 89,678	Deposit account		£ 19,759		£101,979	£2,262	£ 9,371	£100,972	£112,585		
664	Current account		621								
37	Cash in hand		44								
				£ 20,424	15,537						
Contributions from Governments represented on Council					27,109						
					6,109						
	£17,250	Australia	31,510		12,447						
	750	Barbados	1,370		1,187						
	750	Botswana	1,370								
	92,250	Britain	168,510		10,028						
	12,375	Canada	22,605		820						
	750	Cyprus	1,370		2,146						
	750	Gambia	1,370		43,422						
	723	Ghana	1,370		158						
	750	Guyana	1,370		2,855						
	3,750	India	6,850		175						
	750	Jamaica	1,370								
	750	Kenya	1,370								
	750	Malawi	1,370		223,972						
	1,875	Malaysia	3,425		495						
	3,750	New Zealand	6,850								
	2,250	Nigeria	4,110		224,467						
	750	Sierra Leone	1,370								
	4,125	Singapore	7,535								
	1,125	Sri Lanka	2,055								
	750	Tanzania	1,370								
	750	Trinidad and Tobago	1,370								
	750	Uganda	1,370								
	750	Zambia	1,370								
	750	British Overseas Territories	1,370								
149,973				274,000	19,759						
	Outstanding contributions 1971/72				621						
	Ghana		27		44						
2,995				27							
2,455	Interest on deposit account		2,306								
( 911)	Less: Corporation tax		982								
				1,324							
<u>£244,891</u>				<u>£295,775</u>	<u>£244,891</u>						<u>£295,775</u>

## AUDITORS' REPORT

LONDON. 25 May 1973. We have examined the books and accounts of the Commonwealth Telecommunications Organisation for the year ended 31 March 1973, and we certify the attached accounts to be in accordance therewith. We confirm that they satisfy the requirements of paragraph 5.2 of the Rules for Financial Control - Annex E reference Minute 62.8 of Third Council Meeting.

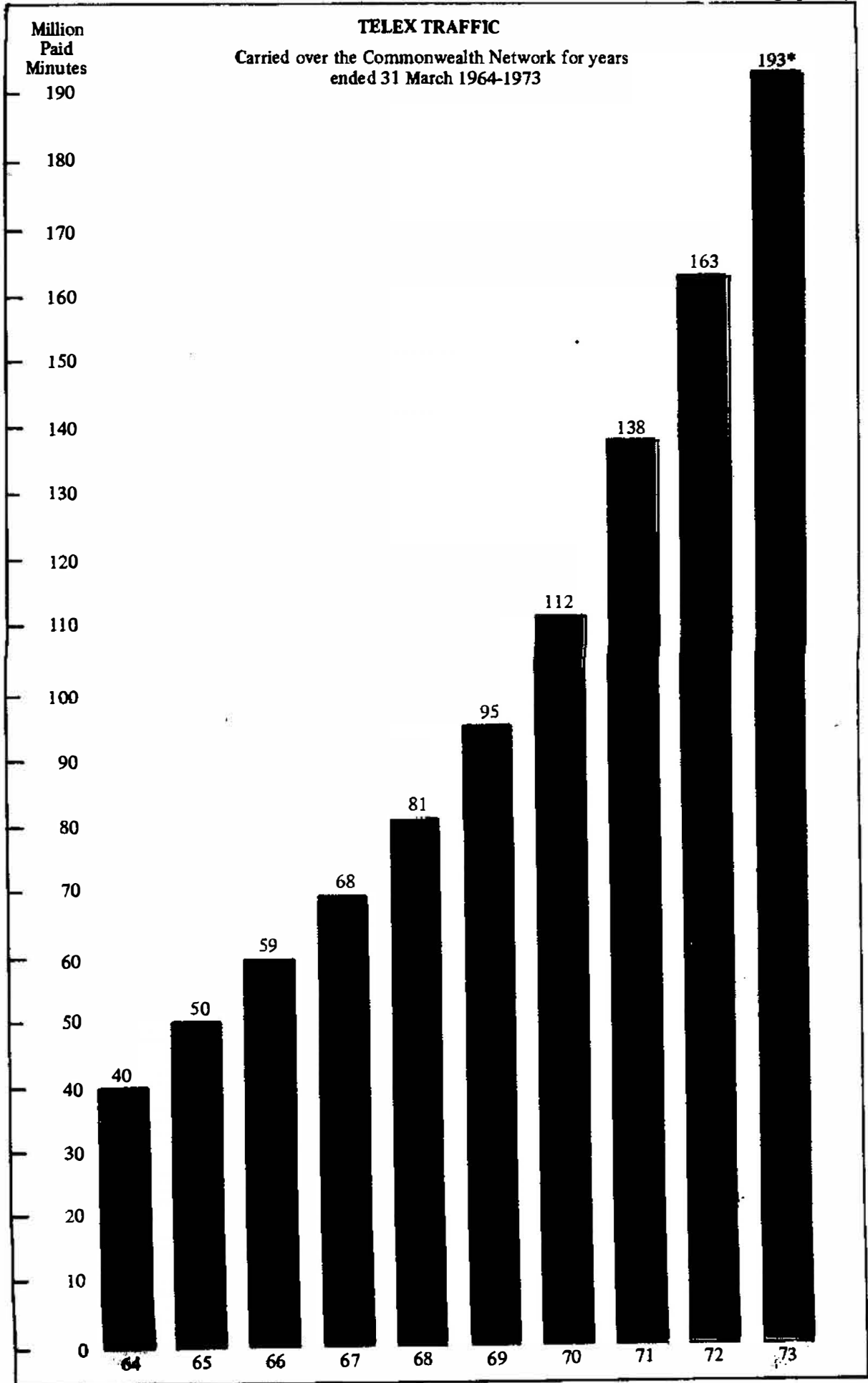
THOMSON Mc LINTOCK & CO  
Chartered Accountants

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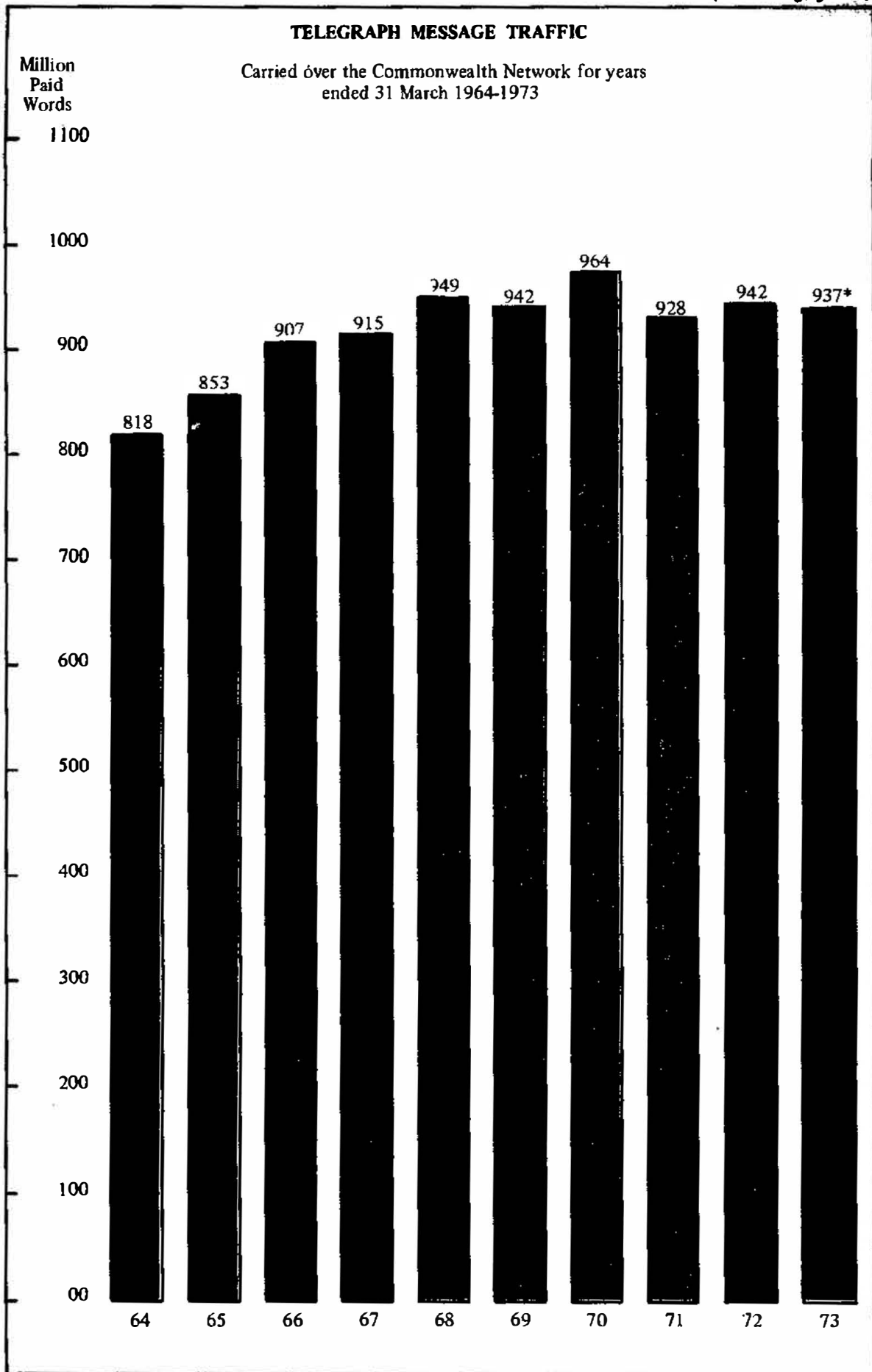


\*Bureau Estimate

(Ref: Paragraph 20)



\*Bureau Estimate



\*Bureau Estimate