

This pricing supplement together with the prospectus to which it relates, as amended or supplemented, and each document deemed to be incorporated by reference into the prospectus, as amended or supplemented, constitutes a public offering of these securities only in the jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. No securities commission or similar authority in Canada has in any way passed upon the merits of these securities and any representation to the contrary is an offense.

These securities have not been and will not be registered under the *United States Securities Act* of 1933 (the "1933 Act") and may not be offered or sold within the United States of America except pursuant to the exemption from the 1933 Act under Rule 144A.

PRICING SUPPLEMENT NO. 3 DATED JULY 14, 1999
(TO SHORT FORM SHELF PROSPECTUS AND PROSPECTUS SUPPLEMENT,
EACH DATED NOVEMBER 28, 1997)



Bell Canada
\$ 200,000,000
MTN Debentures
(UNSECURED)

TERMS OF ISSUE

Designation:	6.55% Debentures, Series M-3, Due 2029	Interest Rate:	6.55%
Principal Amount:	Cdn \$ 200,000,000	Interest Payment Dates:	May 1 and November 1
Date of Issue:	July 19, 1999	Initial Interest Payment Date:	November 1, 1999
Maturity Date:	May 1, 2029	Form of Issuance:	Global debenture, in book-entry only form, registered in the name of CDS & Co.
Price to the Public:	99.378%		
Agents' Commission:	0.50%		
Net Proceeds to Bell Canada:	\$ 197,756,000	CUSIP Number:	07813Z AC 8
Redemption:	See "Redemption" on page 2		

AGENTS

Nesbitt Burns Inc. CIBC World Markets Inc. RBC Dominion Securities Inc. ScotiaMcLeod Inc. TD Securities Inc.

Lévesque Beaubien Geoffrion Inc. Merrill Lynch Canada Inc.

REDEMPTION

Bell Canada will be entitled, at its option, to redeem the 6.55% Debentures, Series M-3, Due 2029 ("Series M-3 Debentures"), in whole at any time or in part from time to time, by giving prior notice of not less than 30 days and not more than 60 days to the holders thereof, at the greater of the "Canada Yield Price" (as defined herein) and the principal amount thereof, together in each case with accrued and unpaid interest to but excluding the date fixed for redemption. "Canada Yield Price" means a price equal to the price of the Series M-3 Debentures, calculated on the banking day preceding the day on which the redemption is authorized by Bell Canada, to provide a yield from the date fixed for redemption to the maturity date of the Series M-3 Debentures to be redeemed equal to the "Government of Canada Yield" plus 0.25 %. "Government of Canada Yield" means the yield from the date fixed for redemption to the maturity date of the Series M-3 Debentures to be redeemed, assuming semi-annual compounding, which an issue of non-callable Government of Canada bonds would carry on the remaining term to the maturity date of the Series M-3 Debentures to be redeemed. The "Government of Canada Yield" in the case of redemption of the Series M-3 Debentures will be the average of the yields provided by two registered Canadian investment dealers selected by the Trustee (as defined below) and approved by Bell Canada. In case of partial redemption, the Series M-3 Debentures will be redeemed on a *pro rata* basis.

AMENDMENT TO TRUST INDENTURE

The trust indenture bearing formal date of November 28, 1997 (the "1997 Original Trust Indenture") executed by Bell Canada and CIBC Mellon Trust Company, as trustee (the "Trustee"), was amended pursuant to a first supplemental trust indenture between the same parties (the "First Supplemental Trust Indenture") bearing formal date of July 12, 1999 (the 1997 Original Trust Indenture as amended by the First Supplemental Trust Indenture being referred to herein as the "Trust Indenture") in order to provide for the issuance of a separate global debenture certificate ("U.S. Global Debenture") representing MTN Debentures of a particular series sold under Rule 144A of the 1933 Act. A U.S. Global Debenture, and all beneficial interests therein, will be subject to certain restrictions on transfer set out in the Trust Indenture and will bear a legend regarding such restrictions, as set forth in the Trust Indenture, and a distinct CUSIP number.

The 1997 Original Trust Indenture was also amended pursuant to the First Supplemental Trust Indenture in order to provide that all MTN Debentures issued on or after July 12, 1999 shall, unless otherwise specified in the Corporation Order creating each specific series of MTN Debentures, be redeemable, at Bell Canada's option, at the greater of the "Canada Yield Price" and their principal amount.

RECENT DEVELOPMENTS

On July 8, 1999, the Supreme Court of Canada denied Bell Canada's leave to appeal the decision of the Federal Court of Appeal of November 17, 1998 which had overturned the decision of the Federal Court of Canada of March 17, 1998. In that decision, the Federal Court had granted Bell Canada's motion to quash the Canadian Human Rights Commission's ("CHRC") decision to refer the complaints to a Human Rights Tribunal ("Tribunal") on the basis that the investigation into the complaints by the CHRC was unfair and that its interpretation of the *Canadian Human Rights Act* was erroneous. The case will be returned to the Tribunal for further investigation and resolution. Hearings by the Tribunal had been scheduled for early August 1999.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which are not specifically listed in the Short Form Shelf Prospectus of Bell Canada dated November 28, 1997 (the "Prospectus"), and which have been filed by Bell Canada with the various securities commissions or similar authorities in Canada, are specifically incorporated by reference in and form an integral part of the Prospectus:

- (a) Annual Information Form of Bell Canada, dated March 11, 1999, for the year ended December 31, 1998;
- (b) Consolidated Financial Statements of Bell Canada for the year ended December 31, 1998, and the Auditors' Report thereon provided on pages 7 to 21 of the Bell Canada 1998 Financial Information;
- (c) Material Change Report of Bell Canada dated April 1, 1999 in connection with the announcement by BCE Inc., Bell Canada's parent company, of a strategic partnership with Ameritech Corporation ("Ameritech") whereby Ameritech would acquire a 20% indirect minority interest in Bell Canada;
- (d) Unaudited interim consolidated financial statements of Bell Canada for the three months ended March 31, 1999;
- (e) Management's Discussion and Analysis of 1999 First Quarter Results of Bell Canada dated May 10, 1999; and
- (f) Material Change Report of Bell Canada dated June 1, 1999 in connection with the announcement by BCE Inc. of the completion of the closing, on June 1, 1999, of the transaction with Ameritech referred to in (c) above.