

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 regulatory authority in Canada has expressed an opinion about these securities and it is an offense to claim otherwise.

These securities have not been and will not be registered under the *United States Securities Act of 1933* and may not be offered, sold or delivered within the United States of America or to U.S. persons.

PRICING SUPPLEMENT NO. 1 DATED MARCH 11, 2004
(TO SHORT FORM SHELF PROSPECTUS AND PROSPECTUS SUPPLEMENT
DATED JUNE 13, 2003 AND JUNE 18, 2003, RESPECTIVELY)



Bell Canada
\$ 450,000,000
MTN Debentures (UNSECURED)

TERMS OF ISSUE

Designation:	6.10% Debentures, Series M-17, Due March 16, 2035	Redemption:	See "Redemption" on page 2
Principal Amount:	\$ 450,000,000	Interest Rate:	6.10% per annum
Date of Issue:	March 16, 2004	Interest Payment Dates:	March 16 and September 16
Maturity Date:	March 16, 2035	Initial Interest Payment Date:	September 16, 2004
Price to the Public:	99.572%	Form of Issuance:	Global debenture, in book-entry only form, registered in the name of CDS & Co.
Agents' Commission:	0.50%	ISIN Number:	CA 07813Z AT 18
Net Proceeds to Bell Canada:	\$445,824,000		

AGENTS

Merrill Lynch Canada Inc.	BMO Nesbitt Burns Inc.	CIBC World Markets Inc.	Casgrain & Company Limited	Desjardins Securities Inc.
National Bank Financial Inc.	RBC Dominion Securities Inc.	Scotia Capital Inc.		TD Securities Inc.

REDEMPTION

Bell Canada shall be entitled, at its option, to redeem the 6.10% Debentures, Series M-17 Due March 16, 2035 (the "Series M-17 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 par, together in each case with accrued and unpaid interest to but excluding the date fixed for redemption. "Canada Yield Price" shall mean a price equal to the price of the Series M-17 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-17 Debentures to be redeemed equal to the "Government of Canada Yield" plus 0.28%. "Government of Canada Yield" shall mean the yield from the date fixed for redemption to the maturity date of the Series M-17 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-17 Debentures to be redeemed. The "Government of Canada Yield" in the case of redemption of the Series M-17 Debentures will be the average of the yields provided by two registered Canadian investment dealers selected by CIBC Mellon Trust Company, as trustee under the trust indenture between Bell Canada and CIBC Mellon Trust Company dated as of November 28, 1997, as amended, and approved by Bell Canada. In case of partial redemption, the Series M-17 Debentures shall be redeemed on a *pro rata* basis.

USE OF PROCEEDS

Bell Canada will use the proceeds resulting from the issue of the Series M-17 Debentures to repay maturing debt and for general corporate purposes.

RECENT DEVELOPMENTS

Summary of 2003 Fourth Quarter Results

Bell Canada's revenues were \$4.3 billion in the fourth quarter of 2003, up 12% compared to the same period last year due mainly to the consolidation of Aliant Inc. ("Aliant") and Bell ExpressVu Limited Partnership ("ExpressVu") effective January 1, 2003. However, when adjusting Bell Canada's revenues for the fourth quarter of 2002 to include Aliant's and Bell ExpressVu's revenues, Bell Canada's revenues would have declined by 3.8% in the fourth quarter of 2003 compared to the same period last year reflecting the sale of the directories business in November 2002, which contributed \$91 million in revenues in the fourth quarter of 2002, and a decrease of \$78 million from Bell Canada's continuing businesses. The decline in revenues from Bell Canada's continuing businesses in the fourth quarter of 2003 was a result of continuing market softness and competitive pressure in the Enterprise and Wholesale business units, as well as a more disciplined focus on signing better quality contracts that yield higher margins. This led to lower long distance, data, and terminal sales and other revenues in these units. Lower revenues in Bell Canada's Enterprise and Wholesale units more than offset growth in Bell Canada's Consumer business, particularly in wireless, high-speed Internet access and direct-to-home satellite television services.

Bell Canada's net earnings applicable to common shares were \$670 million in the fourth quarter of 2003, compared to \$1.4 billion for the same period last year. The decrease in net earnings was largely a result of the gain on the sale of the directories business in November 2002.

Bell Canada to assume full ownership of Bell West

On February 2, 2004, Bell Canada confirmed that it will assume 100% ownership of Bell West Inc. by August 2004 as Manitoba Telecom Services Inc. ("MTS") announced that it has formally exercised its option to sell its 40% interest in Bell West to Bell Canada. The amount payable for MTS's ownership interest is due by August 3, 2004 and is estimated to be approximately \$645 million, payable in cash. Bell Canada currently intends to maintain its approximately 22% ownership level in MTS and will maintain its operating alliance agreements with MTS.

Migration to Internet Protocol

On December 17, 2003, Bell Canada announced its strategy to become a world-leading Internet Protocol (IP)-based communications company. Bell Canada's overall objective is to migrate 100% of its traffic onto a national IP backbone network within three years, and to provide 90% of its customers with access to a full suite of value-added IP services. IP-based communications are expected to provide increased value to Bell Canada's customers through simpler provisioning, greater self service and new features. They are also expected to provide Bell Canada with significant opportunities to reduce costs in the future.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which are not specifically listed in the Short Form Shelf Prospectus of Bell Canada dated June 13, 2003 (the "Prospectus"), and which have been filed by Bell Canada with the various securities regulatory authorities in Canada, are specifically incorporated by reference in and form an integral part of the Prospectus:

- (a) Unaudited interim consolidated financial statements of Bell Canada for the periods ended June 30, 2003 and September 30, 2003, respectively;
- (b) Management's Discussion and Analysis of 2003 Second and Third Quarter Results dated July 29, 2003 and October 28, 2003, respectively; and
- (c) Safe harbor notice concerning forward-looking statements of Bell Canada dated March 10, 2004.