

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.

PRICING SUPPLEMENT NO. 3 DATED OCTOBER 24, 2001
(TO SHORT FORM SHELF PROSPECTUS AND PROSPECTUS SUPPLEMENT,
DATED JUNE 11, 2001 AND JUNE 12, 2001, RESPECTIVELY)



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

TERMS OF ISSUE

Designation:	7.85% Debentures, Series M-11, Due 2031	Net Proceeds to Bell Canada:	\$ 202,832,000 (plus \$1,204,384 accrued interest)
Principal Amount of this Issue:	Cdn \$ 200,000,000	Redemption:	See "Redemption" on page 2
Aggregate Principal Amount of Series M-11 Debentures Outstanding (including the Series M-11 Debentures described in this Pricing Supplement):	Cdn \$400,000,000	Interest Rate:	7.85% per annum
Date of Issue:	October 30, 2001	Interest Payment Dates:	April 2 and October 2
Maturity Date:	April 2, 2031	Initial Interest Payment Date:	April 2, 2002
Price to the Public:	101.916% (plus \$6,021.92 accrued interest per \$1,000,000 from October 2, 2001)	Form of Issuance:	Global debenture, in book-entry only form, registered in the name of CDS & Co.
Agents' Commission:	0.5%	CUSIP Number:	07813Z AL 8

AGENTS

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

REDEMPTION

Bell Canada shall be entitled, at its option, to redeem the 7.85% Debentures, Series M-11, Due 2031 (the "Series M-11 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-11 Debentures calculated on the business 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-11 Debentures to be redeemed equal to the "Government of Canada Yield" plus 0.5%. "Government of Canada Yield" shall mean the yield from the date fixed for redemption to the maturity date of the Series M-11 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-11 Debentures to be redeemed. The "Government of Canada Yield" in the case of redemption of the Series M-11 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-11 Debentures shall be redeemed on a *pro rata* basis.

CURRENT OPERATING RESULTS

Total operating revenues, total operating expenses, and net earnings applicable to common shares of Bell Canada, based on unaudited results, for the three months and nine months ended September 30, 2001, along with comparative figures for the corresponding periods of 2000, are summarized below:

	Millions of dollars			
	For the three months ended September 30		For the nine months ended September 30	
	<u>2001 (unaudited)</u>	<u>2000 (unaudited)</u>	<u>2001 (unaudited)</u>	<u>2000 (unaudited)</u>
Total operating revenues	3,620	3,415	10,467	9,759
Total operating expenses	2,584	2,449	7,835	7,118
Net earnings applicable to common shares	440	293	1,511	993

RECENT DEVELOPMENTS

On October 17, 2001, Bell Canada announced that Bell Mobility Inc. ("Bell Mobility") and the Aliant Telecom Wireless Companies (a business unit of Aliant Inc.) entered into an enhanced ten year reciprocal agreement with Telus Mobility (a business unit of Telus Corporation) which is expected to significantly expand access to advanced digital voice and data services across Canada and to bring competition to rural areas. This agreement extended the current roaming and resale agreements between Bell Mobility and Telus Mobility. It is anticipated that this agreement will enhance the reach of Bell Mobility's digital PCS service across rural Alberta and British Columbia by providing access to the Telus Mobility network in the two provinces. Similarly, Telus Mobility customers will gain access to the Bell Mobility digital PCS network in Ontario and Québec. As a result of this agreement, Bell Mobility is expected to be able to avoid capital expenditures of more than \$500 million over the term of the agreement.

On November 2, 2000, the Federal Court of Canada allowed Bell Canada's application for judicial review of the Canadian Human Rights Tribunal's (the "Tribunal") determination that it could proceed with an inquiry into the 1994 pay equity complaints filed by members of the Communications, Energy and Paperworkers Union of Canada and the Canadian Telephone Employees' Association. The Federal Court found that the Tribunal lacked institutional independence and prohibited further proceedings in the matter. Hearings before the Tribunal into the merits of the case were suspended. The Canadian Human Rights Commission appealed this decision and on May 24, 2001, the Federal Court of Appeal allowed the appeal. On August 20, 2001, Bell Canada filed for leave to appeal the Federal Court of Appeal decision to the Supreme Court of Canada. Hearings before the Tribunal resumed in September 2001.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which are not specifically listed in the Short Form Shelf Prospectus of Bell Canada dated June 11, 2001 (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) Unaudited interim consolidated financial statements of Bell Canada for the period ended June 30, 2001, and;
- (b) Management's Discussion and Analysis of 2001 Second Quarter Results dated August 14, 2001.