

Ms. Danielle May-Cuconato
Secretary General
Canadian Radio-television and Telecommunications Commission
Ottawa, ON K1A 0N2

1 February 2016

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Dear Ms. May-Cuconato,

Please find attached my follow up Intervention regarding Telecom Notice of Consultation CRTC 2015-134: Review of basic telecommunications services.

As noted in my July 2015 intervention, I request to appear at the public hearing in Gatineau in 2016.

Yours sincerely,

Catherine Middleton

Follow Up Intervention

Regarding Telecom Notice of Consultation CRTC 2015-134: Review of basic telecommunications services

Intervenor:

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1. In my initial intervention¹ regarding the Commission's Review of basic telecommunications services I argued that i) to render reliable and affordable telecommunications services of high quality the Commission's focus should be on encouraging the development of *future proof* infrastructure that will enable the delivery of services to Canadians by their choice of service providers; ii) the concept of *basic service* is insufficient to ensure universal access to a world-class communications system; and iii) a strong national vision articulating the ways in which a digital economy can benefit Canadians is needed to inform a forward-looking discussion of the characteristics of telecommunication services that will enable participation in our digital economy in the future. These arguments were consistent with those made by various other parties to the consultation, and underpin the supplementary comments made in the following paragraphs.
2. In this brief submission, I draw on comments made in initial submissions by other parties to this proceeding, and on recent research, to reinforce four key themes that are central to the Commission's stated objectives of ensuring that all Canadians² have access to a world-class communications system and that they are able to participate in the digital economy. These are i) the importance of an aspirational approach when shaping the policy environment that will encourage the development of telecommunications services for future use; ii) the need to encourage a transition to next generation broadband infrastructure; iii) the need for a new inclusive model, supplementing the Connecting Canadians program, to ensure that 100% of Canadians have access to broadband; and iv) the central role of affordability in determining whether Canadians will choose to access the telecommunications services that enable participation in the digital economy and provide access to services.
3. Some intervenors, including Bragg Communications Inc. carrying on business as Eastlink, and what was at the time MTS Allstream, outline a constrained view of basic service. For instance, Eastlink claims that "expanding the BSO may

¹ Middleton, C. (2015). Intervention Regarding Telecom Notice of Consultation CRTC 2015-134 and CRTC 2015-134-1: Review of Basic Telecommunications Services. Intervention Number 311.

² As in my earlier intervention, I note that all discussions of 'Canadians' refer to individuals accessing telecommunications services in Canada, regardless of their citizenship.

inappropriately raise consumers' expectations that they are entitled to a broadband service that fulfills all of their expected uses, rather than necessary uses"³ and MTS Allstream argues that "MTS believes ADSL technology is sufficient for Canadians to fully participate in today's digital economy"⁴. The Commission is urged to reject these miserly visions of internet provision for Canadians, and instead to embrace an aspirational approach that will allow for innovation and access to services that are not yet part of our everyday experience but will be impossible with broadband infrastructure designed only to deliver a basic level of access.

4. Some intervenors rejected the idea of setting specific speed targets to meet Canadians' future needs for broadband connectivity, arguing instead that what is needed is a transition to next generation broadband infrastructure. This infrastructure approach, articulated by Cisco⁵, Cybera⁶, and Campbell Patterson Communications⁷, among others, encourages a focus on policies that will ensure the availability of symmetrical, low latency, high bandwidth networks, ideally available to any service provider through open access wholesale arrangements. On this point, the Commission's efforts to encourage competition in Canada's broadband markets through wholesale access to fibre networks⁸ are acknowledged as central to the development of world-class telecommunications infrastructure in the country.
5. Many intervenors noted that the problem of ensuring the availability of broadband services is being satisfactorily addressed by the Connecting Canadians⁹ program that was put in place by the Harper government as part of Digital Canada 150. The Commission is urged not to place undue faith in the ability of the Connecting Canadians program to solve the problems of connectivity in parts of the country where commercial service providers will not build broadband networks, especially as there appears to be minimal information available about the progress being made under this program.¹⁰ On this point, the Commission should look to the Government

³ Bragg Communications Inc. (2015). Eastlink Comments – Telecom Notice of Consultation CRTC 2015-134 – Review of Basic Telecom Services. Intervention Number 317. p. 5.

⁴ MTS Allstream (2015). Review of Basic Telecommunication Services – TNC 2015-134- Request to Appear at Public Hearing and Intervention. Intervention Number 329. Paragraph 28.

⁵ Cisco Systems Inc. (2015). Comments of Cisco Systems Inc. To Telecom Notice of Consultation CRTC 2015-134. Intervention Number 312.

⁶ Cybera (2015). Review of Basic Telecommunications Services – CRTC Telecom Notice of Consultation 2015-134. Intervention Number 300.

⁷ Campbell Patterson Communications (2015). Intervention Re: Telecom Notice of Consultation 2015 – 134, Review of Basic Telecommunications Services. Intervention Number 239.

⁸ Canadian Radio-Television and Telecommunications Commission (2015). Telecom Regulatory Policy CRTC 2015-326: Review of Wholesale Wireline Services and Associated Policies.

<http://www.crtc.gc.ca/eng/archive/2015/2015-326.htm>.

⁹ <https://www.ic.gc.ca/eic/site/O28.nsf/eng/50010.html>

¹⁰ <https://www.ic.gc.ca/eic/site/O17.nsf/eng/07535.html>

of British Columbia's initial submission¹¹ for ideas about moving away from "episodic federal funding" to something along the lines of its proposed National Internet Access Fund that will focus on a more permanent solution for all Canadians without broadband access.

6. As noted in my initial submission, the Canadian Internet Usage Survey has not been administered since 2012. The 2012 data suggested that the primary reason that Canadians were not using the internet was that they were not interested in it. At that time, 66% of non-users indicated this was their main reason for not using the internet, compared to just 8% who explicitly identified the cost of service or equipment as the primary reason for non-use.¹² While recent research from Ipsos Public Affairs¹³ supports this finding, there is evidence from the US¹⁴ that affordability is an important barrier to access, as individuals increasingly recognize that the internet is becoming essential to everyday life. In developing policies to ensure universal access to telecommunications services, a focus on affordability must be a central component.

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¹¹ Province of British Columbia (2015). Comments on Telecom Notice of Consultation 2015-134. Intervention Number 304.

¹² Landry, K. M., & Lacroix, A. (2014). The Evolution of the Digital Divides in Canada. *Telecommunications Policy Research Conference*. Arlington, VA.
<http://ssrn.com/abstract=2418462>

¹³ Ipsos Public Affairs (2015). *Public Perspectives: Participation in the Digital Economy*.
<http://www.ipsos-na.com/knowledge-ideas/public-affairs/articles/?q=public-perspectives-ca-2015-12>.

¹⁴ Rhinesmith, C. (2016). *Digital Inclusion and Meaningful Broadband Adoption Initiatives*. Evanston, IL: Benton Foundation. benton.org/broadband-inclusion-adoption-report.