CNOC calls on government to act in interest of Canadians, not big telecoms

OTTAWA (FEBRUARY 18, 2020)– Act quickly and stop the selfish delay tactics by Canada’s large telecoms -- Bell, Telus, Rogers, Shaw, Videotron, Cogeco and Eastlink -- to thwart competition and the affordability of high-speed Internet in Canada.

That’s the message Canadian Network Operators Consortium (CNOC) is conveying in its submission to the Governor in Council concerning three petitions by Canada’s largest telecoms asking Federal Cabinet to overturn a Canadian Radio-television and Telecommunications Commission (CRTC) ruling that corrected the wholesale rates they charge independent service providers like CNOC members.

“Canadians suffer because the large telecoms are holding affordable internet hostage with their unnecessary delay tactics and threats of pulling investment,” says Matt Stein, CNOC Chair. “They gamed the system, inflated rates for years and got caught. We need the federal government to act swiftly and to do what is right – uphold the CRTC decision that set the correct, final wholesale rates last August.

“Afterall, the CRTC is the expert on costing issues.”

The CRTC decision, 2019-288, was a correction of wholesale rates dating back to 2016 and includes retroactive payments of overcharges totalling approximately $325 million. As a result, a number of CNOC members passed benefits onto their customers in the form of price reductions, higher speeds and value-added services.

However, the large telecoms’ delay tactics including appealing to the Federal Court of Appeal in addition to the applications to the CRTC to review and vary the correction, combined with the petitions to the Governor in Council, have put the brakes on retroactive payments in addition to freezing the new, lower corrected rates wholesale providers pay.

The result is growing frustration among Canadians that they continue to pay some of the highest connectivity rates in the world. More than 152,000 Canadians voiced this frustration in support of the CRTC decision.
“That’s an astonishing number, yet a barometer of the frustration felt by Canadians from St. John’s to Victoria,” adds Stein. “This reinforces the need for the federal government to take action do what’s right – 152,000 Canadians can’t be wrong.

“As a nation, we owe it Canadians to ensure they have better choice, more competition and most importantly, Internet access that is affordable.”

CNOC’s entire submission can be found here.

About CNOC

CNOC is the voice of Canadian independent ISPs, representing more than 30 competitive telecommunications providers that operate wireline and/or wireless networks in many regions of Canada. CNOC’s mission is to increase the level of competitive choice and innovation in the delivery of communications services to Canadians.

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