

City Council

Notice of Motion

MM12.4	ACTION			Ward:All
--------	--------	--	--	----------

In Support of Competitive and Affordable Internet Prices for Toronto - by Councillor Mike Layton, seconded by Councillor Paul Ainslie

** Notice of this Motion has been given.*

** This Motion is subject to referral to the Executive Committee. A two-thirds vote is required to waive referral.*

Recommendations

Councillor Mike Layton, seconded by Councillor Paul Ainslie, recommends that:

1. City Council support competitive and affordable internet prices for its residents and support the CRTC decision of July, 2015 for large telecom companies to make their fibre-optic networks available to small competitors at wholesale prices.
2. City Council forward a copy of this decision to the Minister of Innovation, Science and Economic Development, the Minister of Infrastructure and Communities, the Minister of Finance, and the Minister of Canadian Heritage.
3. City Council request, similar to the City of Calgary, an opportunity to consult with the Minister relating to the Minister's recommendation to the Governor-in-Council on Bell's Petition against the CRTC decision.

Summary

Large cable and telecom providers' monopolies over telecommunication infrastructure pushed out competition in Toronto for years allowing providers to price gouge and leaving many who cannot afford it without access to the internet.

Most, if not all, Torontonians would agree that the monopoly of large companies such as Bell and Rogers over large telecommunications infrastructure should not allow them to charge unreasonable prices. That is why the Canadian Radio-television and Telecommunications Commission (CRTC), an administrative tribunal of the Federal Government, works to foster competition in telecommunication markets to help ensure everyone has access to quality broadband service at affordable prices.

After months of hearings and legal submissions, in July 2015 the CRTC ruled that companies

such as Bell, Telus, and Rogers, would have to make their new fibre-optic networks available to small competitors like TekSavvy, Primus and many others at wholesale prices. They did this to drive competition, incent other companies to invest in the network, which they believe will lead to greater choice and make the internet more affordable as companies compete for our dollars.

In the fall, Bell filed an appeal of this decision to the new federal government asking them to overrule the CRTC decision. Interested parties had 30 days to respond and recently those responses were made public.

The [City of Calgary submitted an almost 30 page document](#) in support of the CRTC decision to have a competitive market and affordable internet. They pointed out that Bell's appeal alleged that the CRTC decision would cause them to reduce their investment in fibre optic and as a result lead to a loss of employment in Canada. In response to this the City of Calgary argued that:

“Bell's Petition should be recognized for what it is: Bell's attempt to maintain its dominance as a provider of telecommunications services and potential status as a monopoly provider of FTTP services in the geographical areas of Canada where it provides telecommunications services.”

Calgary's submission outlines in great detail the municipality's role in this and how cities stand to benefit from the CRTC decision. They also remind us that for more than a century, major telecom companies such as Bell, have benefited from publicly funded support and access to our Right Of Ways and government owned infrastructure, which they have used to build their underground and aboveground networks and many large companies will likely pull fibre optic cable through these existing conduits - significantly reducing their costs.

The City of Calgary's submission on Bell's appeal of the CRTC decision was comprehensive and clearly explained why increased competition is good for the city and for its residents. Coalitions and campaigns are emerging across Canada and the US to fight for greater access to and affordability of the internet. Here in Toronto the Association of Community Organizations for Reform Now (ACORN) has been running an Internet For All campaign advocating for affordable, high speed internet. They point to Statistics Canada studies showing that 40 percent of Canada's lowest income households do not have home internet access - excluding them from society, government, and the economy.

Making sure that Toronto residents have competitive and affordable internet prices helps to foster transformative change. Internet affordability is as much about fairness as it is about social inclusion, access to employment and government services, and simply making it easier for kids, especially those in low income households, to do their homework.

No decision has been made on Bell's appeal and Council has an opportunity to formally share its position. The CRTC decision to foster competition and innovation as well as affordability is fair to Torontonians and should be upheld.

Background Information (City Council)

Member Motion MM12.4

(December 21, 2015) Letter from Mayor Naheed K. Nenshi, City of Calgary - Submission Regarding Notice No. DGTP-002-2015, Petition to the Governor in Council concerning

Telecom Regulatory Policy CRTC 2015-326 by Bell Canada
<http://www.toronto.ca/legdocs/mmis/2016/mm/bqrd/backgroundfile-88727.pdf>