UNIFOR TELECOMMUNICATIONS STRATEGY:

CONNECTING CANADA INTO THE FUTURE

August 2025

UNIFOR

Contents

INTRODUCTION

The history of Canada's telecommunications industry is intertwined with technological advancements and the evolution of communication. From the conception of the telephone by Alexander Graham Bell in Ontario to the rise of mobile networks, the industry has helped shape the country's economic and social landscape for nearly two centuries. The industry has made substantial contributions to Canada's economy, supporting millions of jobs and driving infrastructure investment across the country.

The industry is constantly evolving, with new technologies and applications that have impacts on everyday Canadians and telecommunications workers. Regulatory developments, competition, service demands, economic conditions, security, and environmental concerns are just some of the many factors that are shaping the industry.

The late 1990s and early 2000s witnessed significant mergers and acquisitions, and the widespread adoption of internet technology. The rise of mobile telecommunications in the 2000s and the rapid growth of wireless subscriptions continued to transform the industry over the next decade. The COVID-19 pandemic demonstrated the critical importance of telecommunications infrastructure in keeping people connected and further entrenched society's reliance on connectivity and digital services.

Broadband internet and mobile wireless services are now considered essential services in order for Canadians to fully participate in society. Even prior to the pandemic, the Canadian Radio-television and Telecommunications Commission (CRTC) established the universal service objective, which recognizes that all Canadians should have access to cellphone and internet services on both fixed and mobile wireless networks.[1]

The *Telecommunications Act* governs telecommunications services and affirms the CRTC's power to regulate the sector. The federal and provincial and territorial governments have also played a role in supporting infrastructure development and service provision. However, is the current approach of largely unfettered competition between a few large companies, light government support, and limited regulation from the CRTC the most beneficial approach for workers and consumers?

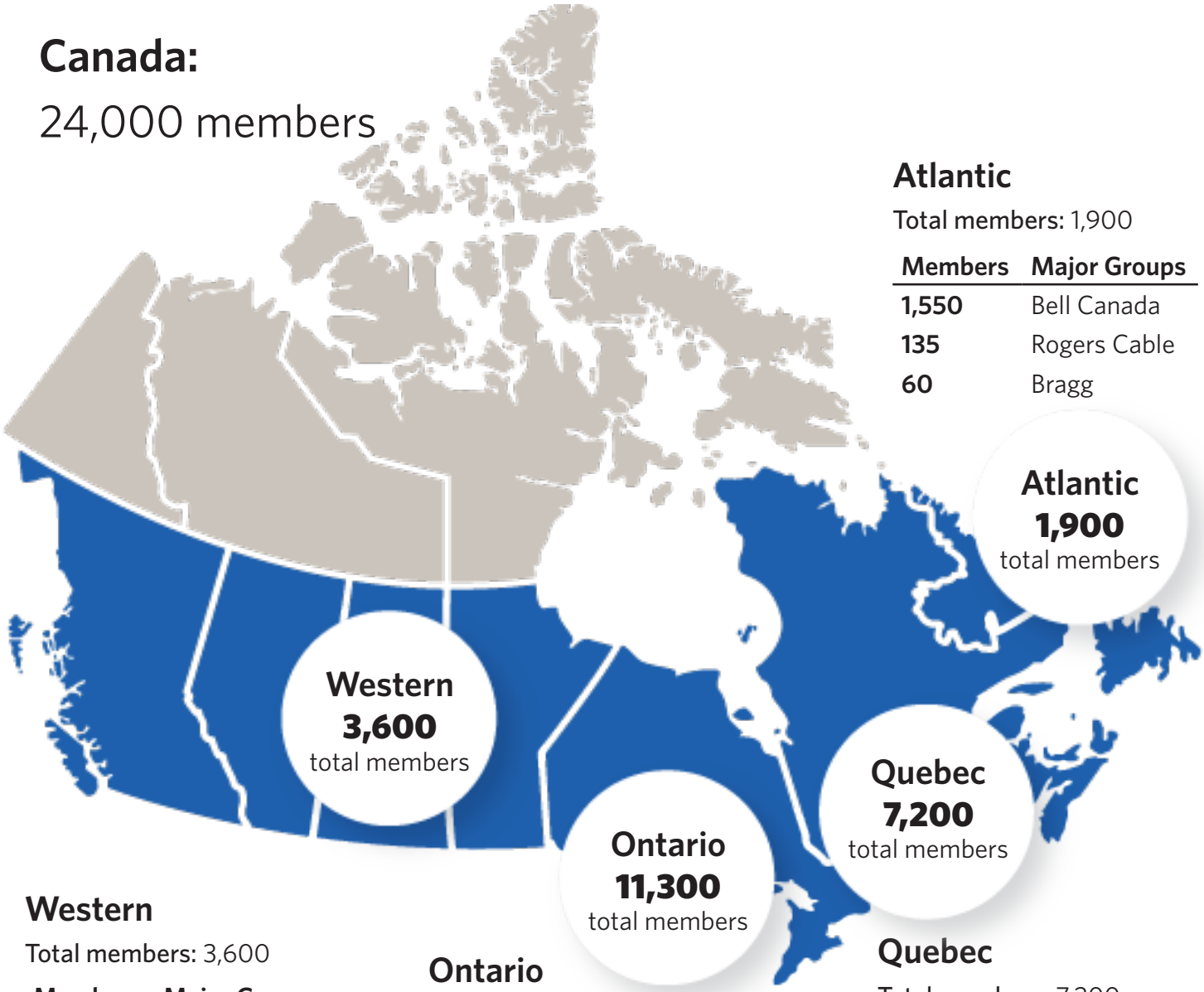
With adoption of new technology and other economic and societal factors, the telecommunications industry will look very different a decade from now. As the industry evolves, workers in Canada must not be left behind and the interests of everyday people who rely on these basic services must be protected. In order to meet these challenges, a unified strategic approach that is supported by all levels of government and the industry is essential.

1 Telecom Regulatory Policy CRTC 2016-496

UNIFOR TELECOMMUNICATIONS MEMBERSHIP ACROSS CANADA

Canada:

24,000 members



Atlantic

Total members: 1,900

Members	Major Groups
1,550	Bell Canada
135	Rogers Cable
60	Bragg

Western

Total members: 3,600

Members	Major Groups
75	Bell Canada (Bell West)
3,000	SaskTel
450	Bell Canada (MTS – Manitoba)

Ontario

Total members: 11,300

Members	Major Groups
2,500	Bell Canada (Clerical)
2,500	Bell Canada (Craft)
220	Bell Canada (Sales)
3,600	Bell Technical Solutions
800	Expertech
270	Progistix
200	Wirecomm
110	Zayo

Quebec

Total members: 7,200

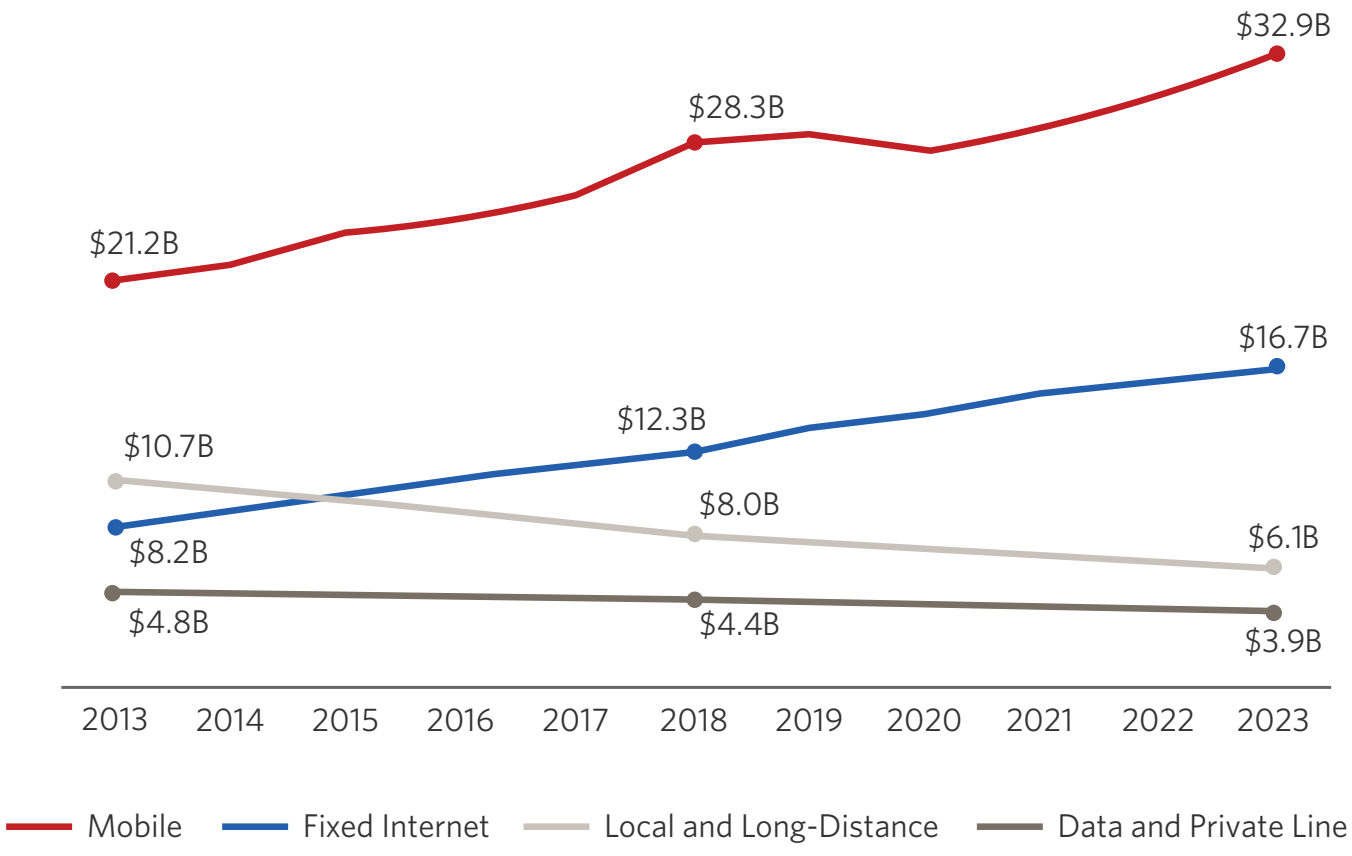
Members	Major Groups
2,200	Bell Canada (Clerical)
1,400	Bell Canada (Craft)
480	Bell Canada (Sales)
1,950	Bell Technical Solutions
575	Expertech

PROFILE OF THE TELECOMMUNICATIONS INDUSTRY

Industry highlights

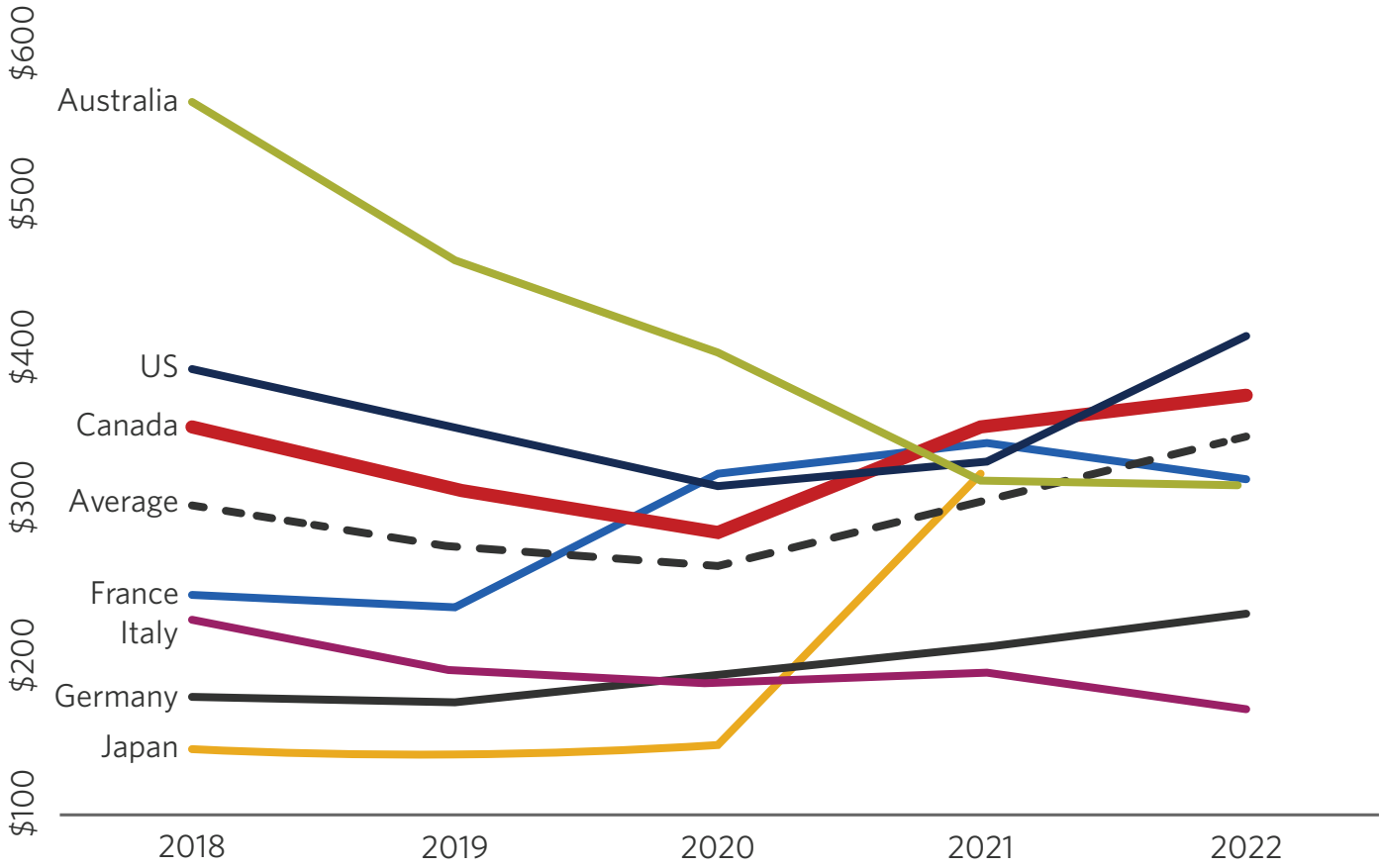
- $59.6 billion in total revenues in 2023*85.6% of total industry revenues in 2023 were from the four largest service providers: Bell, Telus, Rogers, and Quebecor.*
- 89.5% of the retail mobile revenue is from Bell, Telus and Rogers.*
- $1.18 billion in federal funding (Connect to Innovate, Universal Broadband Fund, CRTC Broadband Fund) was provided between 2022 to 2024 for broadband infrastructure. This is in addition to provincial, territorial and local funding sources.*

Long-term telecommunications revenues ($ billions), 2013 to 2023



Source: CRTC data collection

Annual investment in telecommunications services per capita (in CAD), 2018 to 2022



Employment

- 117,000 workers are employed in the telecommunications industry in Canada. The number of workers has declined annually since 2017, where 138,000 workers were employed.[#]
- Union coverage in the telecommunications sector is 25%.[∞]

Services for customers

- 99.5% of Canada's population has access to mobile networks.*
- The average data usage for mobile data subscribers has almost doubled from 2020 to 2023.*
- Between 2020 and 2024, the average price of 10 GB cell phone plans decreased by 60%, while the average price decreased by 68% for 50 GB cell phone plans.*
- Over 95% of Canadians have access to the CRTC universal service obligation (USO) residential internet speeds of 50 megabits per second (Mbps) for download and 10 Mbps for upload.*

- Almost 90% of Canadians have the option of even faster gigabit Internet speeds. This is higher than its peer countries (e.g. USA, France, UK, Germany, Italy).*
- Nearly 60% of Canadians have an option from two competitors (fibre and cable).*
- Between 2020 and 2024, the average price of 50/10 Mbps internet decreased by 27%, while the average price decreased by 36% for gigabit speed internet.*
- The top customer complaints to the Commission for Complaints for Telecom-Television Services (CCTS) are:~
    - Billing or contract issues (41%)
    - Service or repair issues (16%)
    - Disclosure issues or third party credit reporting (13%)

Sources:
* CRTC Canadian Telecommunications Market Report 2025
# Statistics Canada. Table 14-10-0202-01
∞ Statistics Canada, custom data from Labour Force Survey results.
~ CCTS 2024-25 mid-year review

TELECOMMUNICATIONS SERVICES FOR ALL

Telephone and internet services are not a luxury – they are basic services that people rely on every day in order to fully participate in modern society. For most households and businesses, they are utilities that allow us to function, much like water and energy. Because of the essential nature of these services, they should be accessible to everyone. This means ensuring that there are no financial barriers to accessing these services, and that there should be equal access to high quality services no matter where someone lives.

The CRTC has a role in protecting the public interest. For example, the CRTC has played a direct role in establishing rules to protect consumers from predatory practices, to establish fair contract and pricing structures, and to ensure that consumers are able to access quality services. However, can the CRTC alone ensure that customers are protected and have proper access to telecommunications services?

Many Canadians still do not have access to services because of the cost. While the broader issue of poverty and the high cost of living must be addressed more systemically, the reality is many people cannot afford mobile devices or high speed internet services. A 2024 survey commissioned by the CRTC found:[2]

- 19.5% of Canadians modified their cell phone plan in the last month because of cost
- 10.8% of Canadians modified their internet service in the last month because of the cost
- 18.4% of Canadians cancelled or considered cancelling their cell phone plan in the last month because of the cost
- 18.8% of Canadians cancelled or considered cancelling their internet plan in the last month because of the cost
- 63% of Canadians in the lowest income bracket were confident that they could pay their cell phone bill over the next three months
- 67% of Canadians in the lowest income bracket were confident that they could pay their cell phone bill over the next three months

Some jurisdictions have attempted to address affordability through public access or open network initiatives – for example, free Wi-Fi infrastructure on public transit. But these initiatives have been small and have not received enough support from governments to establish on a larger scale. The technology is available and the opportunities are there for governments to be more ambitious.

Fixed internet and mobile wireless coverage for those living in rural, remote, Indigenous communities and northern areas is still too low. According to the CRTC, 99.5% of Canada's population has access to mobile networks, but coverage is 97.5% in rural communities and 88.7% within First Nations reserves. For access to gigabit-speed internet service, 89.1% of Canadian households have access to this service. Yet, only 53.2% of rural households and 43.4% of First Nations reserve households have access to this service.[3]

While the data illustrates some of the gaps, Canadians' lived experience may differ. Public opinion research indicates that only 56% of Canadians agree they have a reliable Internet service and 54% agree they have a reliable cellphone service.[4] Gaps in access to fixed internet speeds are currently being filled by fixed wireless access (FWA) and satellite services, but there are limits to these technologies.

2 Ipsos, Public Opinion Research Tracker: October 2024, prepared for the CRTC.
3 CRTC Canadian Telecommunications Market Report 2025
4 Ipsos, Public Opinion Research Tracker: October 2024, prepared for the CRTC

In recent years, the federal government has supported the expansion of terrestrial broadband internet infrastructure – especially in rural, remote and Indigenous communities – through funding initiatives like Connect to Innovate and the Universal Broadband Fund. These two funds, along with the CRTC's Broadband Fund, has provided a cumulative total of $1.2 billion in funding from 2022 to 2024.[5] This figure does not capture the additional public funding through provincial, territorial, and local initiatives.

Recommendation 1: *The federal government and CRTC should continue to regularly monitor and report on prices for telecommunications services across all regions. The federal government and CRTC should continue to consider all tools in the toolbox to prevent predatory retail practices and ensure that Canadians have access to affordable service plans.*

Recommendation 2: *The federal government should continue to improve the Connecting Families initiative to ensure that more low-income families and seniors have access to affordable service plans. This could include broadening eligibility and measures to increase participating internet service providers.*

Recommendation 3: *The federal government and CRTC should continue to invest in terrestrial broadband infrastructure to improve access for rural, remote and Indigenous communities.* ***Funding to service providers must have strings attached to ensure that these projects create good local jobs.***

Recommendation 4: *Municipalities – with support from the federal and provincial governments – should develop public Wi-Fi strategies. Municipalities may be well-positioned to deploy public Wi-Fi in public spaces and city-owned/operated buildings like civic centres, community centres, libraries, shelters, long-term care homes, and public transit hubs, among others.*

5 CRTC Canadian Telecommunications Market Report 2025

PUBLIC OWNERSHIP AND CONTROL

The telecommunications industry in Canada is largely privatized, which means that most of the telecommunications infrastructure is owned by private companies or corporations, and the provision of services is typically provided by (often the same) private companies or corporations. However, this has not always been the case everywhere in Canada.

In the early 1900s, government ownership of the telephone system was established in Alberta (Alberta Government Telephones – AGT), Saskatchewan (SaskTel), and Manitoba (Manitoba Telephone Service – MTS). However, the Alberta government privatized AGT in 1990 to form Telus, and the Manitoba government privatized MTS in 1997. SaskTel remains a Crown corporation that competes with other large and small companies in the province.

SaskTel remains the exception to an otherwise privatized industry where one company (Bell) maintained a natural monopoly for a large portion of the 20th century before more companies began entering the competitive market. Currently, three companies – Bell, Telus and Rogers – comprise the overwhelming majority of the market share in Canada, while smaller service providers have entered regional markets.

Canadians and workers have to ask – is the current structure of the telecommunications industry working for everyday Canadians and workers? Most of the essential telecommunications infrastructure Canada is owned by these large corporations. What would happen if more of this essential infrastructure was owned publicly or within a not-for-profit structure?

SaskTel has demonstrated (over a century) that a publicly-owned telecommunications company can succeed even in a competitive market for services. SaskTel has not only demonstrated that it can build infrastructure and provide reliable services at competitive prices, but the Crown corporation continuously generates revenue for the province. In 2024, SaskTel returned $38.2 million to the provincial coffers.[6]

Meanwhile, some municipalities and Indigenous communities have established their own telecommunications infrastructure to provide services to residents. Some examples include Tbaytel owned by the Corporation of the City of Thunder Bay, Tamaani Internet that was established by the Kativik Regional Government, the Cree Regional Authority led creation of Eeyou Communications Network, and K-Net, which was established by the Keewaytinook Okimakanak Tribal Council.

Various levels of government could explore the potential for deeper public involvement in the telecommunications sector. For example, some of the larger operators are looking to sell portions of their infrastructure to raise cash, as demonstrated by Rogers' $7 billion sale of a minority stake in a portion of its wireless network infrastructure in October 2024.[7] Meanwhile, Telus declared that the company was willing to sell a minority stake in its wireless tower network in March 2025. In February 2025, Bell Canada announced that they were conducting a strategic review of non-core assets to potentially put up for sale.

The public sector can potentially build long-term resilience in the telecommunications sector by leveraging existing public infrastructure and technologies. Canada could explore the possibility of leveraging existing hydro infrastructure – which in many cases are public entities that employ their own telecommunications network to support the power grid – to expand telecommunications services in particular areas. For example, Hydro One (Ontario) has a subsidiary that provides high speed fiber connectivity, cloud and network functions. Hydro-Québec invests heavily in its telecommunications networks to support its grid.

6 https://www.saskatchewan.ca/government/news-and-media/2024/july/08/sasktel-reports-net-income-of-954-million

7 https://www.thestar.com/business/rogers-reveals-buyer-structure-of-7b-deal-for-stake-in-its-network-infrastructure/article_5d033102-cb4c-5a44-b0b6-430c3aa74be0.html

Canada could also explore the possibility of leveraging the existing National Research and Education Network (NREN) and its CANARIE network – which provides ultra high-speed information networks and services to public post-secondary and research institutes – to expand services to remote communities.

Various levels of government should seriously explore the opportunities for more direct government intervention in order to expand existing public networks, build critical infrastructure, and create more resiliency in the sector. There are well-established examples of successful government and community-led initiatives in the provision of telecommunications services, and we should leverage existing public infrastructure and government purchasing power to expand public involvement in the industry.

Recommendation 5: *The federal government should establish a funding framework and mechanism that seeks to purchase assets from companies looking to divest from their telecommunications infrastructure. This could also include the whole purchase of a telecommunications company operating in Canada.*

Recommendation 6: *Canada should explore the possibility of leveraging existing public hydro infrastructure – particularly where public entities employ their own telecommunications network to support the power grid – to expand telecommunications services in targeted areas.*

Recommendation 7: *Government funding to expand broadband infrastructure should include, where possible, partnering with Indigenous communities to establish locally-owned service providers and telecommunications infrastructure.*

FROM TELCO TO "TECHCO"

One of the dominant threads within the current discourse is how companies in the industry will need to transform and prepare for the future. The technologies behind telecommunications infrastructure and services are different from what they were a decade ago, and will be different from what they will be a decade from now.

For example, copper has been the foundational backbone of telephone networks for decades and is still used in modern applications. Fibre optic cables have been replacing copper, as it offers significantly higher bandwidth and data transmission speeds, and is the preferred choice for high-speed, long-range networks. Meanwhile, 5G technology is ushering a new wave of capabilities as the world continues its digital transformation.

Companies are adapting by building and updating their backend infrastructure. The technological transformation has led companies to look beyond core network functions. In some cases, telecommunications companies are investing in related technological aspects like cloud computing, cybersecurity and artificial intelligence. Bell Canada, for example, suggests that the company is transforming from a "telco" to a "techco." In May 2025, Bell launched Ateko, which is a consolidation of acquired tech companies that is "poised to revolutionize business operations with AI-driven automation and technology collaboration." [8]

This intentional shift to become a tech company reflects Bell's (and other major companies) strategy of entering a technological space that is new and has room to grow. While telecommunications companies are still invested in providing fundamental services like land telephone lines, fixed internet, and wireless services, they are driven to expand the scope of their services to keep up with the digital transformation and create new revenue streams.

Meanwhile, laws and regulations need to catch up with the rapidly changing technology and industry. For example, there is a severe lack of regulations governing the use of artificial intelligence, not just in Canada but globally. In May 2025, the prime minister announced the creation of a new Ministry of Artificial Intelligence and Digital Innovation. However, much progress needs to be made in developing a comprehensive legal framework for AI that protects fundamental rights. Canada can build on the European Union's *AI Act*, for example, which is the first comprehensive AI law in the world.

> ***Recommendation 8:*** *Despite the drive to enter the market and/or expand their digital services, telecommunications companies must continue to invest in the foundational infrastructure that enables Canadians to stay connected at home or on their phone.*
>
> ***Recommendation 9:*** *The new Minister of Artificial Intelligence and Digital Innovation and the ministry must involve the voices of workers and unions in developing a comprehensive legal framework for AI and digital innovation.*

8 https://www.newswire.ca/news-releases/bell-canada-introduces-ateko-new-tech-services-brand-simplifying-enterprise-operations-with-leading-automation-and-tech-collaboration-813817672.html

THE LABOUR FORCE

Telecommunications revenue, subscribers and services have expanded year over year over the last decade. Yet, the number of workers in the industry has not increased in the same way. There were approximately 117,000 telecommunications workers in Canada in 2024, the lowest number in the last two decades. The number of workers in the industry peaked in 2017 at 138,000 and has declined year-over-year since then.

A likely reason for this decline has been the active strategy of the large companies to eliminate Canadian jobs through outsourcing. Over the past couple of decades, these companies have looked to undermine collective agreements through non-unionized labour in jurisdictions with weaker labour standards. Companies have not hesitated to move operations offshore – particularly customer service or call centre work – in a simple effort to reduce their operating costs.

Companies need to be held accountable and cannot be active players in eliminating good, local jobs. The federal government and other levels of government in Canada continue to provide subsidies and incentives to the major telecommunications companies to build and expand high-speed infrastructure. But governments have not held these companies accountable for their business practices like contracting out and offshoring.

Unifor has long held the position that any public funding for privately-built and owned infrastructure must come with strings attached that serve the public interest. This includes ensuring that good, local jobs are maintained and created instead of continuing to push these jobs out of the country or into non-unionized contracted jobs. Canadian-based companies should also be more transparent about offshoring functions that are part of Canadian operations.

Workers in the telecommunications industry have also been impacted by the deployment of new technology in their workplaces. The use of artificial intelligence, advanced analytics, surveillance tools and other technologies are changing these workplaces and impacting workers in new ways. Workers are concerned about whether their jobs will be at risk, especially with the fast pace of new technology being introduced in their workplaces. Workers continue to confront the day-to-day impact of new technologies as certain functions are taken way from them and/or their employers are using new tools for performance management and discipline.

With this technological shift, workers need to be protected and supported – whether it involves supporting people in transitioning to new roles, reducing stress in the workplace, protecting bargaining unit work, protecting jobs, or any other any potential negative impacts on workers' health and well-being.

Workers and unions must be active participants in the implementation of new technology in their workplaces. This would enable companies to minimize the negative job related impacts (e.g. job losses, displacement, health and safety, etc.), while potentially providing new and attractive opportunities for workers.

> ***Recommendation 10:*** *The federal government must require mandatory reporting of offshoring and contracting out activities by companies before and while receiving government funding for infrastructure projects or if they are providing services through government procurement processes.*
>
> ***Recommendation 11:*** *The federal government and CRTC must establish funding criteria for approved projects, on a go-forward basis, that would create good local jobs, and prevent offshoring and contracting out of any related project operations.*
>
> ***Recommendation 12:*** *Companies must ensure that workers and unions are involved in any technological transition in the workplace. This which would ensure that jobs are protected, workers have opportunities to acquire new skills, and the negative impacts on workplace conditions are minimized.*

FOREIGN OWNERSHIP AND DOMESTIC RESILIENCY

The *Telecommunications Act* requires that all telecommunications companies that own or operate telecommunications transmission equipment in Canada must be at least 80% Canadian-owned and controlled. Companies are exempt from this rule if they represent less than 10% of the total annual revenue of the industry. Using 2023 figures, a foreign company would be able to operate if their total revenue was less than $5.96 billion.

There are a number of concerns regarding the impact of increased foreign-based carriers in the Canadian market. First, there is no strong evidence that suggests more foreign-based carriers would lead to lower prices or better services. The Competition Bureau has found that wireless phone prices were typically lower in parts of the country where there was a strong regional competitor alongside a national wireless carrier.[9] In general, regional carriers in Canada are not foreign-owned companies.

The CRTC has attempted to increase competition in the high-speed internet market by enabling greater wholesale access to networks. Over the last decade and through ongoing processes, the CRTC has asserted its ability to regulate the market by mandating the largest telecommunications companies across the country to provide smaller competitors with workable wholesale access to their fibre networks. The CRTC first mandated wholesale access in Ontario and Quebec in November 2023, and subsequently expanded this mandate to the rest of Canada in August 2024.[10] [11]

With the existing measures, the lack of foreign companies from entering the market is not preventing competition among service providers in the country. Loosening the foreign ownership rules would only encourage consolidation of the market by a large foreign company.

Greater foreign ownership also has implications for the broader economy and workers. Foreign companies who operate in Canada generally have their headquarters and central offices in their home countries, where they employ local people and/or outside experts who move to these destinations. Increased foreign ownership in the sector may also escalate the trend of off-shoring since such companies have established networks and infrastructure outside of Canada and may be less incentivized to keep jobs in the country.

Despite restrictions in the ownership structure of telecommunications companies, this has not stopped foreign companies from purchasing infrastructure. For example, U.S. companies have begun purchasing wireless backhaul infrastructure like towers, transmitting infrastructure, and data centres.

Canada has the ability to more tightly regulate the industry to ensure that domestic capacity is protected. The federal government has already demonstrated some ability to do this through the ban on Huawei for participating in 5G network development and phasing out equipment, for national security purposes. In response to the U.S. trade war, the Ontario government cancelled its Ontario Satellite Internet program contract with Starlink, which is owned by U.S.-based SpaceX.[12]

One takeaway from the U.S. trade war is that Canada could do more to develop its domestic industrial capacity and minimize its exposure to severe trade actions. Canada can take further measures such as tightening up foreign ownership rules, blocking purchases of Canadian companies by foreign companies, restricting approvals or imposing stricter conditions for any foreign company expanding services in Canada,

9 https://competition-bureau.canada.ca/en/how-we-foster-competition/education-and-outreach/position-statements/acquisition-mts-bell
10 https://crtc.gc.ca/eng/archive/2023/2023-358.htm
11 https://crtc.gc.ca/eng/archive/2024/2024-180.htm
12 https://www.cbc.ca/news/canada/thunder-bay/ontario-starlink-1.7475817

blocking foreign companies from acquiring basic telecommunications infrastructure (e.g. wireless backhaul infrastructure, data centres), and preventing foreign satellite businesses from expanding their services in Canada.

While Canada can take protective measures like the ones mentioned above, it should be proactively instituting measures to improve the resiliency of the industry and its networks. This includes incentives for companies to expand their terrestrial infrastructure (especially in remote areas) and supporting Canadian satellite companies operating in the country. The government could incentivize companies to develop more production capacity to reduce dependence on foreign suppliers. Government procurement for telecommunications equipment or services should prioritize Canadian companies and require that work must be performed locally and within Canada.

Recommendation 13: *The federal government should tighten up foreign ownership rules, explore measures to restrict foreign companies from expanding telecommunications services in Canada, and institute measures to prevent foreign companies from acquiring basic telecommunications infrastructure. Telecommunications infrastructure must be treated as a national security and strategic asset, safeguarding Canada's sovereignty, and economic independence in an increasingly volatile global landscape.*

Recommendation 14: *Government procurement at all levels for telecommunications equipment or services should prioritize Canadian companies and require that work must be performed locally.*

Recommendation 15: *The federal government should explore incentives for Canadian companies to develop more domestic production capacity and reduce their dependence on U.S. or other foreign suppliers. Incentives should be contingent on creating good jobs locally and keeping jobs in Canada.*

PRIVACY AND TRANSPARENCY

With rapid technological change, the emergence of the Internet of Things (IoT), artificial intelligence, and the continued offshoring of work, the issue of data privacy and transparency is important for Canadians. Legislation such as the *Privacy Act* protections the privacy of individuals with respect to personal information held by federal government institutions, while the *Personal Information Protection and Electronic Documents Act (PIPEDA)* regulates how private sector organizations collect, use, and disclose personal information.

While the Office of the Privacy Commissioner of Canada oversees compliance with both the *Privacy Act* and *PIPEDA*, Canadians remain concerned about the effectiveness of existing legislation and enforcement. The telecommunications industry received heavy criticism in 2014 when the Privacy Commissioner revealed that federal enforcement agencies requested an annual average of 1.2 million requests for private information from telecommunications companies.[13]

Most of these requests were made without a warrant and companies kept detailed records of access requests without reporting the numbers publicly. The companies did not disclose what type of information was sought by agencies or released, and what type of judicial oversight was involved. Companies also did not inform their customers whenever information was turned over to federal authorities.

More recently it was revealed that certain government agencies are using tools capable of extracting personal data from phones or computers. These tools include software that can be used to access a person's cloud-based data and reveal their online activity. Experts have expressed concern about the widespread use of such technology within the federal government and that these practices are normalizing surveillance.[14]

Meanwhile, more and more Canadian data is stored on foreign soil like the United States. Canadian privacy laws have limited jurisdiction outside Canada's borders, so Canadians are increasingly concerned about how these foreign laws and regulations are governing their data, and the potential for cross-border access by foreign governments or law enforcement agencies.

Data breaches, offshoring of operations, ownership of data centres by foreign companies, and the storage of Canadian data outside of the country could potentially place personal data at risk. Once personal information is transferred to another country, it becomes subject to that country's laws, which may or may not align with Canadian privacy standards. Meanwhile, reporting requirements for Canadian companies regarding privacy and user data access are minimal.

> ***Recommendation 16:*** *Improvements to federal privacy laws, including the Privacy Act and PIPEDA, should focus on improving transparency and reporting requirements for telecommunications companies, while establishing robust procedures for obtaining personal information by federal agencies.*
>
> ***Recommendation 17:*** *Canada must assert autonomy over all aspects of its digital infrastructure and ecosystem. Measures to achieve data sovereignty should consider more localization of data storage, robust rules around metadata privacy, and strict regulations for transferring data across borders.*

13 https://www.thestar.com/news/canada/government-agencies-seek-telecom-user-data-at-jaw-dropping-rates/article_c1e841b1-9d46-5a72-8bb7-9aff73fe290e.html

14 https://www.cbc.ca/news/canada/ottawa/federal-canada-government-department-privacy-1.7041255

SPECTRUM

Radio frequency spectrum is a limited, shared and public resource that is regulated by Innovation, Science and Economic Development Canada (ISED). Spectrum is used extensively for communication, but also plays a function in areas related to transportation, defence, public safety, weather prediction and agriculture. Spectrum supports services like commercial mobile, broadcasting, satellite, space science, aeronautical and maritime functions, among others.

As technology changes, governments have had to stay current with how spectrum is regulated. In general, Canada's spectrum approach relies on market forces to make telecommunications services available, with some regulatory management. Historically, ISED has allocated spectrum through competitive (e.g. auctions) and non-competitive (e.g. first-come, first-served) licensing processes. However, this approach has not been effective enough in addressing service gaps – especially in rural, remote and Indigenous communities.

After the competitive auction method of allocating spectrum was established in 1999, some companies were able to 'flip' spectrum by successfully bidding on spectrum and then subsequently selling the licenses without using them. For example, Videotron earned hundreds of millions of dollars in 2017 by selling unused spectrum licenses to Rogers (in Toronto) and Shaw (in Western Canada).[15]

ISED has since implemented "use it or lose it" requirements for the allocation of spectrum, which theoretically allows the Minister to invoke various compliance and enforcement measures if the licensee does not meet its deployment conditions. In practice, auctioned licenses required spectrum to be used to provide service to a certain percentage of a service area by a series of deadlines. However, licensees could meet these requirements by serving more urban areas, leaving rural and underserved areas without services.[16]

ISED has indicated that they've imposed more stringent requirements that require companies to extend coverage into rural areas and with tighter timelines for service delivery. It remains to be seen whether these requirements will increase access in these communities. Other mechanisms to improve access include the existing "spectrum set-aside" measure to make more spectrum available to regional and smaller providers, and potentially implementing spectrum requirements related to wireless coverage of roads and highways.

Indigenous communities have called for more inclusive measures in assigning spectrum over their territories. The federal government announced the development of rules that would give Indigenous applicants priority access to unused spectrum in a new spectrum licensing framework in 2024.[17]

The government must continue to meaningfully engage with Indigenous communities. In the telecommunications context, advancing Indigenous self-determination and economic reconciliation could mean community-owned networks that would provide agency in determining how to effectively provide services. It could also include the concept of spectrum sovereignty, where Indigenous communities would have the rights to the spectrum that exists over their lands.

15 https://www.theglobeandmail.com/business/article-as-major-wireless-auction-looms-critics-call-on-ottawa-to-close-policy/

16 ISED Spectrum Outlook 2023 to 2027.

17 https://www.canada.ca/en/innovation-science-economic-development/news/2024/01/government-of-canada-strengthens-use-it-or-lose-it-spectrum-policy-and-develops-rules-that-will-give-indigenous-applicants-priority-access-to-unuse.html

Recommendation 18: *ISED should strengthen "use it or lose it" requirements and enforcement measures to ensure that spectrum is efficiently used and enables service access to remote communities.*

Recommendation 19: *ISED should develop a strategy for allocating spectrum set-aside to support publicly-owned service providers and/or the deployment of public Wi-Fi in municipal and public spaces.*

Recommendation 20: *ISED should develop a robust framework for increasing spectrum access to Indigenous communities. Such a framework should include but not be limited to priority access to unused spectrum and greater self-governance over spectrum on Indigenous lands.*