

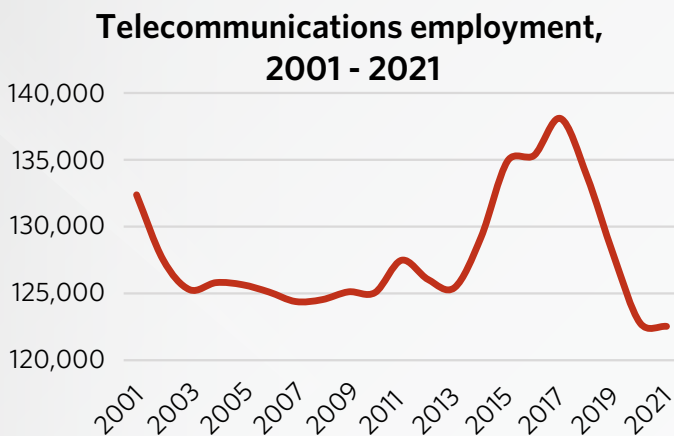
Telecommunications Sector Profile

Sector Facts and Figures

Total GDP <i>Share of Canadian GDP</i>	\$39.6 billion 2.00%
Total Employment (2021) <i>Change since 2011</i>	122,500 -3.9%
Real wage growth (2011-2019)	+3.0%
Labour Productivity (2019)	\$161.9/hr
Average Work Hours/Week (2019)	35.1
Greenhouse Gas Emissions (2019) <i>Change since 2009</i> <i>Share of Canadian industry total</i>	1,582kt +55.4% 0.25%
Union Coverage Rate	31%
Unifor Members in the Industry	26,000
Share of Total Unifor Membership	9%
Number of Unifor Bargaining Units	190
Average Bargaining Unit Size	137

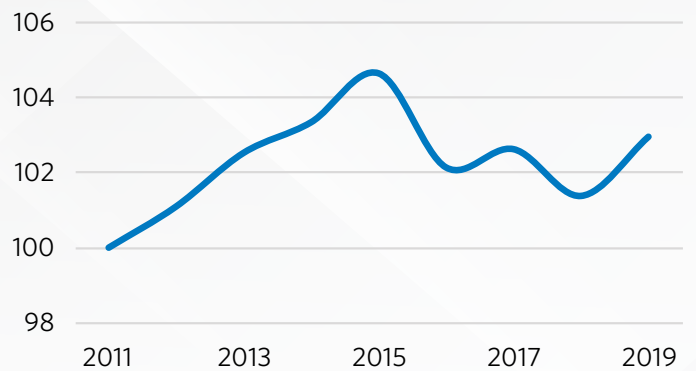
Current Conditions

Telecommunications is a significant Canadian industry that is comprised of several hundred service providers. However, the sector is dominated by a few major players: the 'big three' that include Bell Canada, Telus and Rogers. These three companies account for approximately 89% of the total retail mobile revenue market share. The five largest telecommunications service providers (the 'big three,' Shaw, and Quebecor) account for roughly 87% of total revenues in the sector. Other significant companies such as SaskTel and Cogeco, tend to be more regionally-based.



Economic conditions in this rapidly-evolving industry are subject to significant change. The sector employs 122,500 people, which is four percent lower than in 2011. Average wages in this sector increased in real dollars by 3.0% between 2011-2019. During the pandemic, the telecommunications sector did not experience a significant slow-down or shutdown of operations at any point. Unlike several other sectors, there were no dramatic

Telecommunications : Real wages (2011=100)



declines in employment when the pandemic began and in the subsequent periods afterward. However, a significant proportion of office employees moved to a teleworking model and continue to work remotely.

There are major central collective agreements that cover members and locals who share the same employer. However, Unifor's major collective agreements in the sector expire at different times.

Unifor's telco membership faces a common set of challenges, including the changing ownership landscape of companies, access to services for Canadians, contracting out and offshoring work, technological change, job security and attacks on employee compensation and benefits, among others.

Unifor in the Telecommunications Industry

Select Unifor Employers	Approx. # Members
Bell Canada	19,000
SaskTel	3,000
Progistix Solutions	270
Wirecomm	200
Rogers Cable	130

Unifor is the leading union in the telecommunications sector, with roughly 26,000 members working at large and small employers across the country. Bargaining units include members working as technicians, customer service staff, and office and clerical staff. Unifor is also the only union representing sales staff in the sector. Telecommunications

is also one of the union's largest sectors and it is home to one of Unifor's single largest employers, Bell Canada (and its subsidiaries).

Three-quarters of sectoral membership work for Bell Canada or one of its subsidiaries, including Bell Aliant, Bell Western, Bell Technical Solutions, Expertech, NorthernTel, Télébec and Bell MTS. More than 10 percent work for SaskTel, and the remaining members work for a variety of private (sometimes publicly-traded) firms. Regionally, Ontario and Quebec make up two-thirds of sectoral membership, with the rest of the union's members working throughout B.C., the Prairies and the Atlantic region.

Moving Forward: Developing the Telecommunications Industry

Telecommunications services continue to evolve with new technology and changing consumer demands. There has been a considerable shift away from legacy services (e.g. private line, long-distance) and towards fixed internet and mobile services. The pandemic rapidly accelerated this shift, as broadband internet and mobile services have become essential to participate in today's society.

Governments at all levels have committed significant public dollars toward building broadband infrastructure, with the goal of ensuring access to broadband services for all Canadians. These funds have gone to both large and small companies, including those who are building infrastructure in rural and remote communities.

In recent years, the large companies have heavily invested in building broadband fibre networks, including fibre-to-the-premise (FTTP) and fibre-to-the-node (FTTN) connections. In tandem with building fibre networks, these companies continue to aggressively obtain spectrum and build

cell towers, in an effort to expand their 5G networks and wireless home internet (WHI) capacity. The sector is been rapidly shifting toward 5G technology and the Internet of Things (IoT), with a focus on developing applications for this rapid increase in internet speed for industry and home use.

With this major evolution in the sector, the federal government needs to establish a clear telecommunications strategy that will not only provide better access to services for Canadians, but will be an important element of the country's economic recovery. The massive investments in telecommunications infrastructure should be benefitting local communities by creating local jobs and relying on Canadian expertise and products throughout the supply chain. Without legislative initiatives to support this strategy, jobs in the sector will continue to be contracted out and/or sent abroad in an attempt to reduce labour costs.

Major Sector Development Issues

- Broadband internet, mobile services and 5G are shaping the future of the industry.
- Companies continue to contract out and offshore work to reduce labour costs, with no accountability.
- Federal legislation is required to ensure more accountability for companies receiving public funds to build infrastructure. This includes robust reporting requirements around contracting out, along with a broader framework around due diligence to ensure human rights and labour standards are met throughout supply chains.