



30 March 2015

John Traversy
Secretary General
CRTC
Ottawa, ON K1A 0N2

Dear Mr. Secretary General,

Re: Results of the fact-finding process on the role of payphones in the Canadian communications system - Follow-up process concerning the public notification policy for the removal of the last payphone in a community – Call for comments, Telecom Notice of Consultation 2015-66 (Ottawa, 26 February 2015)

- 1 The Forum for Research and Policy in Communications (FRPC) is a non-profit and non-partisan organization established to undertake research and policy analysis about communications, including broadcasting. The Forum supports a strong Canadian broadcasting system that serves the public interest.
- 2 We are pleased to participate in the process initiated by Telecom Notice of Consultation 20-15-66, regarding the notification process to be followed when regulated companies decide to eliminate consumers' access to payphone service.
- 3 Our comments on the issues raised in the Commission's notice are attached.
- 4 We look forward to the opportunity of reviewing other comments submitted in this proceeding, and may participate in the reply stage of this proceeding.

If you have any questions, please do not hesitate to contact the undersigned.

Sincerely yours,

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***Results of the fact-finding process on the role of
payphones in the Canadian communications system
- Follow-up process concerning the public
notification policy for the removal of the last
payphone in a community – Call for comments,
Telecom Notice of Consultation 2015-66
(Ottawa, 26 February 2015)***



Submission of the
Forum for Research and Policy in Communications

30 March 2015

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PRÉCIS OF FRPC'S SUBMISSION

- Notification requirements for the removal of the last payphone should be defined to include municipalities and First Nations reserves, as TNoC 2015-66 proposes, and should use Statistics Canada census-tract information to enable the CRTC to understand which communities have or do not have payphone service
- Using census-tract information will enable the CRTC to meet its legal mandate of protecting the interests of those most likely to be harmed by the loss of payphone access to Canada's communications system:
 - All residents of Canada, in times of public emergency, including the hundreds of thousands of people who were affected by 204 declared public emergencies between 2004 and 2012
 - Hundreds of thousands of people in the midst of personal crises, including victims of crime as well as male and female victims of abuse
 - The 23,000 households without any telephone service, the 2.2 million households without cellphone service, and the 2.3 million households that do not have cellphones for every household member
 - The 25 million visitors to Canada who may not have cellphone service when they arrive
- Requirements to notify people in census tracts when their last payphone is being removed should be mandatory for all local exchange carriers, as proposed in TNoC 2015-66, regardless of the carriers' size – although FRPC notes that this notification requirement will be irrelevant to prospective visitors to Canada who may lose access to inexpensive pay-per-use telephone service when they arrive at bus and train stations, airports and ports, and for this reason recommends that the CRTC include public payphone service in its next basic-obligation-to-serve proceeding
- FRPC recommends that the Commission
 - describe the process to be followed when payphones have been removed, but communities seek their reinstatement,
 - include public payphone service as part of future obligation-to-serve proceedings,
 - resume the collection of information about payphone service in Canada to give the CRTC an evidence-based foundation for its policy determinations, and
 - initiate a proceeding to set standards for independent reports commissioned by the CRTC for use in public proceedings, particularly with respect to the presentation of evidence in those reports

EXECUTIVE SUMMARY

- ES 1** The Forum for Research and Policy in Communications (FRPC) is a non-profit and non-partisan organization established to undertake research and policy analysis about communications, including broadcasting.
- ES 2** FRPC supports a strong Canadian telecommunications system that serves the public interest, and welcomes this review of the CRTC's approach to the removal of the last payphone from communities.

Introduction

- ES 3** Public payphones were first installed in Canada in 1881, and were operated by Canada's regulated telephone companies until 1998, when the sector was opened to include competitive payphone service providers. Regulated Canadian payphone rates rose from \$0.10 to \$0.25 per call in 1981, and to \$0.50 in 2007. The CRTC denied an application to raise the rates to \$1.00 per call in 2013, and temporarily halted the removal of the last payphones from community, to gather facts about the role of payphones in Canada and the impact that their removal and payphone rate increases may have on vulnerable Canadians.
- ES 4** TNoC 2015-66 presents the results of the CRTC's fact-finding process, including two studies available about payphones in Canada. It states that the CRTC has concluded from its fact-finding process that payphone location service providers "are best able to assess the telephony needs of their clients, patrons, and community members", and to determine where and how payphone service should be made available – without, however, providing any evidence to support its conclusion.
- ES 5** TNoC 2015-66 also states some of the Commission's other conclusions: the CRTC says that payphones continue "to fulfill a specific role that has social benefits and that serves the public interest".
- ES 6** TNoC 2015-66 asks if the public notification process now in place to warn communities that they are about to lose their last payphone should be changed. This process requires telephone companies to inform communities two months before their last payphone is removed.
- ES 7** The CRTC asks whether 'community' should be defined to include municipalities and First Nations reserves, whether people who do not have access to any mobile service carrier should be warned about last-payphone removals and whether all telephone companies, not just the larger ones, should be required to observe the public notification process.

CRTC's fact-finding studies

- ES 8** The CRTC's own 2015 *Results* report discusses payphones' availability and use, and people's reliance on payphones, as well as the impact of payphone rate increases and

payphone removals. It concludes that the use and availability of payphones is decreasing. It did not interview any payphone location providers to understand why they might be terminating payphone service, provides very little information about payphone availability and use, and offers no empirically based estimates about the impact of payphone rate increases, or decreased access to payphones, on vulnerable Canadians.

- ES 9** As the CRTC commissioned RedMobile “to assess the socio-economic impact of alternatives to payphones and evaluate the role of payphones in emergency situations and [public service] infrastructure”, FRPC anticipated that the study would quantify the impact of payphone withdrawal on people with low incomes. While the 2014 RedMobile report notes that the least expensive alternative to a \$0.50 payphone call costs \$12.50 per month, it does not analyze the impact that a 2,400% increase in the cost of a call could have on low-income people. The 45 words it devotes to the “Impact to Low-Income and Socially Vulnerable Groups” states that one public-safety association expressed concerns about reducing payphone presence in areas where many lower-income or “socially vulnerable” people live. The RedMobile report provides no statistics about the availability and use of VoIP and cellphone service either across Canada or by low-income groups. It concludes instead that “Continued infrastructure investment in alternatives to payphones ... have resulted in expanded coverage and improved service quality, providing dependable service in most places.” The RedMobile report should receive very little or no weight as a socio-economic impact analysis, due to the absence of data about low-income groups’ use of payphone alternatives, and about the impact of requiring these groups to pay for alternatives to payphones.

CRTC annual monitoring reports

- ES 10** The CRTC’s annual monitoring reports have such serious gaps and presentation inconsistencies that very little is known about the number of payphones in Canada. The limited data available from the reports indicate that from 1998 to 2014 the number of payphones decreased anywhere from 49% (based on ILECs and large ILECs), to 69% (based on ILECs and a group of ILECs). No information is available about competitive payphone service providers for much of this period, and no information is presented about the location of payphones in Canada. No information is provided about the numbers of communities that have lost payphone service, or the costs to those communities about replacing payphone service with publicly accessible courtesy telephones.

Telephone service provider data

- ES 11** Although the CRTC has described payphone service as crucial for rural communities, some payphone service providers were unable to identify the municipalities they serve, while others overestimated their service locations. Comparing the towns, cities and reserves that Bell Canada and Bell Aliant serve in Ontario and Quebec with Statistics Canada’s identification of towns, cities and reserves found that Bell served 50% (595 of 1,189) of the towns, cities and reserves identified by Statistics Canada in Quebec, and served more towns, cities and reserves (618) in Ontario than Statistics Canada had

identified (558). The two companies offered payphone service to 35% (58) of the 166 Indian Reserves identified by Statistics Canada in the 2011 Census.

Impact of payphone removal

ES 12 Answering the CRTC's questions about an appropriate payphone-removal notification process that will safeguard the public interest required the collection of facts about the people most likely to be affected by the loss of payphones in their areas:

- Those affected by public emergencies – all Canadians: from 2004 to 2012 hundreds of thousands of lives were affected across Canada by 204 publicly declared emergencies, including fires, severe weather (tornadoes, hurricanes, winter storms) and landslides, and one hundred evacuation orders were issued to residents in a range of communities in this period, including fifteen Indian reserves. More recent public emergencies that involved the loss of power and evacuation orders included extreme weather conditions in Newfoundland and Labrador, and Saskatchewan in 2014 (where payphones continued to operate while cellphones and landlines did not)
- Those affected by personal emergencies – 335 thousand people were victims of violence in 2011, with higher levels of violence in rural areas
- The 4.5 million households with no telephone service, with no cellphones, or with insufficient cellphones for each household member: in 2013, 23,261 households had no telephone service, 2.2 million households did not have any cellphones, and 2.3 million households had cellphones, but for only half the household members
- The 25 million people who travelled to Canada from abroad, and may not have cellphone services when they arrive, as well as those travelling within Canada by car, bus, train or plane

Conclusions

ES 13 In our view the available evidence demonstrates that millions of Canadians rely on and need payphone service in their daily lives, during natural disasters and in times of crisis.

ES 14 The current notification process does not safeguard the public interest because it leaves decisions about the existence or loss of payphone service to payphone location providers – even though neither of the CRTC's two reports for this proceeding presented any evidence from such providers.

ES 15 While payphone alternatives are described as affordable, available and usable, Statistics Canada data demonstrate that very few households rely solely on cellphones, cable or VoIP telephones. In reality, most households use a combination of technologies, of which payphones are the least expensive for local telephone calls.

ES 16 Statistics Canada data also show that millions of households either do not have cellphones at all, or do not have them for every household member.

ES 17 FRPC therefore supports modifications to the CRTC's last-payphone notification process.

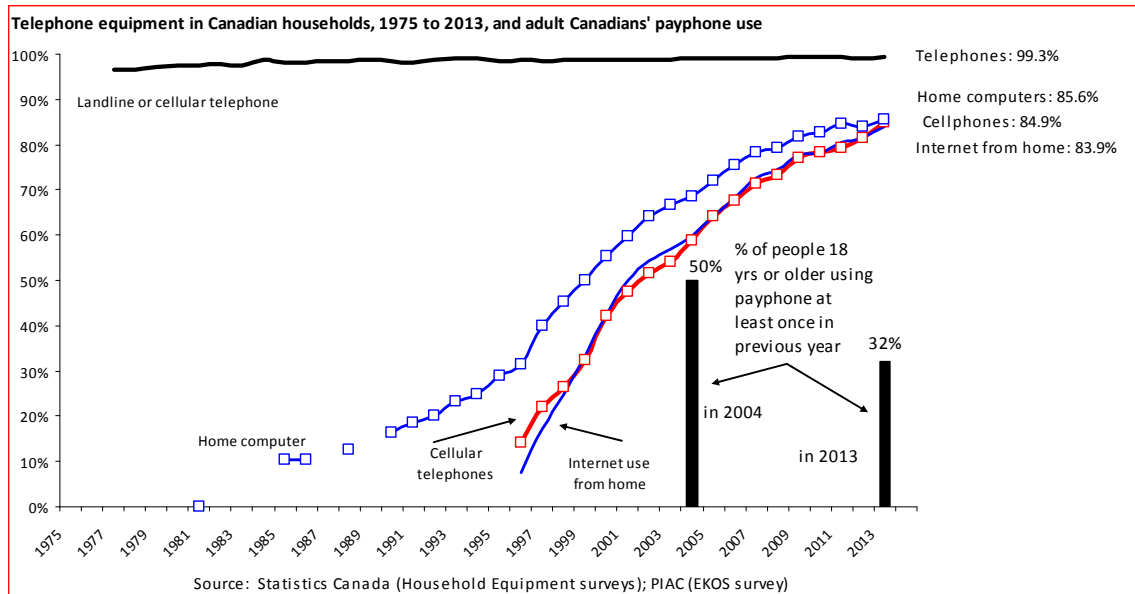
Recommendations

- 1** **Definition of community:** the CRTC should align its definition of 'community' with Statistics Canada's definition of census tracts, and enable the CRTC to ensure payphone service for stable (long-standing) neighbourhoods in rural areas, towns and major urban centres.
- 2** **Notification requirements:** a last-payphone requirement should include options for replacing payphones and their costs, a complaints process, and the identification of the CRTC as the final authority for approving the removal of the last payphone in any community.
- 3** **Information requirements:** as too little is known about payphone service in Canada, the CRTC should obtain more precise information in its annual data-collection process to identify payphone locations, communities served by payphones, communities without payphone service, as well as numbers and source of complaints about the removal of payphones that have been removed.
- 4** **Standards for quantitative research:** the CRTC should initiate a public proceeding to address the professional standards it should require when commissioning reports to provide empirical evidence in CRTC proceedings, and specifically invite social scientists to participate in that proceeding to obtain their advice about the minimum standards for professional quantitative research; in the alternative the CRTC should publish reports six months ahead of public consultation notices, to provide time for the public to review and, if necessary, prepare rebuttal evidence.
- 5** **Access requirements:** as this proceeding does not address the necessity for reliable, low-cost telephone service to be available to all members of the public, regardless of location, income and background, FRPC urges the CRTC to include public-interest payphones in its next basic-obligation-to-serve proceeding, to consider whether (for example) the CRTC should mandate the retention of payphones in municipal centres, hospitals, community centres, libraries and other locations.

I INTRODUCTION

- 1 The Forum for Research and Policy in Communications (FRPC) is a non-profit and non-partisan organization established to undertake research and policy analysis about communications, including broadcasting.
 - 2 FRPC supports a strong Canadian communications system that serves the public interest, and we therefore welcome the CRTC's decision to review its approach to notifying Canadians when their communities stand to lose continued access to payphones, by asking how the concept of 'community' should be defined.
 - 3 FRPC agrees that payphone service is an important part of Canada's telecommunications system, and serves the public interest. FRPC supports the maintenance of requirements to notify communities when their last payphone will be removed, a definition of community that includes First Nations reserves, neighbourhoods within municipalities which have poor cellphone service, and the establishment of requirements to maintain payphone service at communities' request. FRPC also respectfully submits that the maintenance of payphone service should be addressed by the CRTC in its next 'basic-obligation-to-serve' proceeding.
- A *Purpose of TNoC 2015-66 – last call for payphones***
- 4 Until the late 1970s Canadians who could not afford home phone service, who were away from their homes or who were out of their office, relied on other people's telephones or public pay telephones – payphones – to make calls.
 - 5 Bell Canada installed its first public telephone in Canada in 1881,¹ and coin-operated payphones were invented in the United States a few years later, in 1888.² Montreal's first public coin-operated payphone was installed just before the 20th century, in 1899.³ The first cellphone call was made in New York in early April 1973, using a device that weighed nearly a kilo.⁴ Payphones that allowed calls to be placed without coins were introduced in the United States a few years later, in 1977.⁵
 - 6 Payphones were the exclusive domain of Canada's regulated telephone companies until 1998, and were part of their regulated business. The CRTC regulated the types of services to be made available to payphone users, including operator assistance, connections to emergency (911) help, and services for those with limited or no sight or hearing. Payphone calls were set at a dime (\$0.10) until 1981, when the CRTC allowed rates to increase to a quarter (\$0.25).⁶ In 2007 Canadian telephone companies' payphone rates were allowed to increase to \$0.50; calls made using calling cards were permitted to increase from \$0.75 to \$1.00.
 - 7 The introduction of mobile and other types of telephone service has led to decreases in payphone use. The first widely available alternative to payphones was the mobile telephone,⁷ introduced by Alberta Government Telephones (now Telus) in 1983.⁸ Internet-based telephone service was introduced in 2003.⁹

- 8 Statistics Canada estimates that in 2013 four out of five Canadian households had at least one mobile telephone,¹⁰ up from 58.9% in 2004. Over this period, the percentage of adult Canadians who used a payphone at least once in the previous year decreased from 50% to 32%:



- 9 This public proceeding concerns the removal of payphones from Canadian communities. It flows from efforts over the last decade by telephone companies to increase payphone telephone rates and to remove unprofitable payphones from communities. These efforts culminated in 2013, when the CRTC denied an application seeking to double the cost of payphone calls made with coins,¹¹ and imposed a temporary moratorium on the removal of a community's last payphone.¹² The moratorium was to enable the Commission to seek facts about payphones' role and the impact of payphone removal¹³ on people who are vulnerable to its loss due to income, age, or other reasons. A fact-seeking process was needed due to a 2009 CRTC decision in to terminate telephone companies' payphone-reporting requirements.
- 10 The proceeding's notice – *Results of the fact-finding process on the role of payphones in the Canadian communications system - Follow-up process concerning the public notification policy for the removal of the last payphone in a community – Call for comments*, Telecom Notice of Consultation 2015-66 (Ottawa, 26 February 2015) – asks if the public notification policy now in place to warn communities that their last payphone is being removed, can or ought to be improved. Despite the importance assigned to payphones by the CRTC, TNoC 2015-66 does not question telephone companies' decisions to remove payphones from communities.

B Payphones: serving the public interest

- 11 TNoC 2015-66 reconfirms the CRTC's long-standing position that payphone service serves the public interest:

8. Based on its assessment of the results of the fact-finding process, the Commission considers that while payphone service is not relied upon to the same extent as it was in prior years, it continues to fulfill a specific role that has social benefits and that serves the public interest.

12 FRPC agrees that payphones serve the public interest, as a low-cost, pay-per-use telephone service for Canadians from all walks of life, and for visitors to Canada and Canadian communities.

13 TNoC 2015-66 then goes on to say that decisions about payphone removals should be left to payphone location providers, because the CRTC believes they “are best able to assess the telephony needs of their clients, patrons, and community members”,¹⁴ and are best positioned “to determine where and how payphone service should be made available” in conjunction with incumbent local exchange carriers (ILECs) and local governments.¹⁵ FRPC respectfully disagrees that the evidence presented in the CRTC’s reports supports this conclusion.

14 The effect of the CRTC’s approach to a crucial telephone service that serves the public interest is to leave decisions about the service to the market: TNoC 2015-66’s purpose is not to prevent the market from removing payphones, but to let people know when the removal is about to happen.¹⁶

15 The CRTC then adds that it wants to give Canadians the opportunity to voice their concerns about certain payphones’ removal to their local governments,¹⁷ and to empower local governments to respond to their community members’ needs.¹⁸

16 TNoC 2015-66 therefore asks Canadians for their views on

- defining “community” to include municipalities and First Nations reserves, so that the removal of the last payphone in a First Nations reserve or a municipality will trigger notification requirements,¹⁹
- requiring notification of any payphone being removed from locations, determined by street address, that do not have access to mobile wireless service by any carrier,²⁰ and
- mandating all ILECs – not just the Bell companies, MTS, Sasktel and Telus – to observe the public notification process.²¹

17 The CRTC has made two studies available about payphones in Canada. These are described, and their results briefly summarized below.

II REMOVING PAYPHONES: CONTEXT

A Legislation

18 The 1993 *Telecommunications Act* does not refer explicitly to payphones, or to any other telephone device. Parliament instead requires telecommunications to safeguard, enrich and strengthen Canadian society and the country’s economy (s. 7(a)).

Telecommunications must be reliable and affordable, in all regions of Canada, as well as in urban and rural areas (s. 7(b)), and must respond to telecommunications users' economic and social requirements. Finally, Parliament required the CRTC to foster competition, and to regulate efficiently and effectively (Table 1).

Table 1: *Telecommunications Act, section 7 policy objectives*

7. It is hereby affirmed that telecommunications performs an essential role in the maintenance of Canada's identity and sovereignty and that the Canadian telecommunications policy has as its objectives
- (a) to facilitate the orderly development throughout Canada of a telecommunications system that serves to safeguard, enrich and strengthen the social and economic fabric of Canada and its regions;
 - (b) to render reliable and affordable telecommunications services of high quality accessible to Canadians in both urban and rural areas in all regions of Canada;
 - (c) to enhance the efficiency and competitiveness, at the national and international levels, of Canadian telecommunications;
 - (d) to promote the ownership and control of Canadian carriers by Canadians;
 - (e) to promote the use of Canadian transmission facilities for telecommunications within Canada and between Canada and points outside Canada;
 - (f) to foster increased reliance on market forces for the provision of telecommunications services and to ensure that regulation, where required, is efficient and effective;
 - (g) to stimulate research and development in Canada in the field of telecommunications and to encourage innovation in the provision of telecommunications services;
 - (h) to respond to the economic and social requirements of users of telecommunications services; and
 - (i) to contribute to the protection of the privacy of persons.

19 While they are also required to help achieve Parliament's telecommunications objectives, and have been available in Canada for more than a century, payphones are the long-neglected sibling of residential, long-distance and mobile telephone service.

B *Historical and regulatory context*

20 The CRTC introduced payphone competition in 1998. It had considered doing this in 1994, when it allowed competition in local residential telephone service. At that time the CRTC decided against allowing competition in the payphone sector, and instead directed ILECs²² to report payphone installations²³ and total coin-operated payphones.²⁴ ILECs that removed or installed payphones were to provide the civic address, city/town, and number of those payphones.²⁵ The CRTC also told Bell and Telus to report annually on the number and proportion of payphones with coin capacity, incoming call capacity

and coin capacity as well as incoming call capacity.²⁶ To our knowledge the Commission did not publish these reports.

21 A year after the CRTC decided to allow local telephone competition, but not payphone competition, a university applied to provide limited payphone service on its campus. The CRTC denied York University's application²⁷ on the grounds that it would not serve the public interest, because

- it would be difficult to prohibit some types of competition in payphones, while allowing other forms of competition
- York had not provided adequate consumer safeguards, such as the requirement for operator service and direct access to 911 emergency service.

1 *Payphone competition allowed in 1998 to stimulate innovation and 'discipline' rates*

22 The CRTC finally decided to allow competition in local payphone service in 1998. It expected payphone competition to foster the domestic industry, stimulate innovation, raise total market revenues²⁸ and "discipline the rates for pay telephone services".²⁹

23 While allowing competition, the CRTC again required Bell Canada and Telus to report on the location of payphones in the territories they serve, and to submit annual reports identifying locations where payphones were removed, and the reasons for the removal.³⁰ These annual reports were not published by the CRTC.

24 The Commission also required new payphone providers to register when they offered such service,³¹ and set basic information requirements to guard consumers' interests. The CRTC said that these safeguards would be "sufficient to protect the Canadian consumer"³²

25 In allowing payphone competition the CRTC rejected the idea of public interest payphones, defined in the United States as payphones that meet public policy objectives but that would not otherwise exist.³³ The Commission said the idea lacked "compelling evidence on the record", and that it considered that "the vast majority of people who use pay telephones do so as a matter of convenience or emergency", rather than as a replacement for basic telephone service. The CRTC also thought that "establishing such a regime could prove to be contentious and a heavy administrative burden."³⁴

2 *CRTC began payphone study in 2002 after receiving application to double rates*

26 In early 2001 the CRTC considered applications involving ILEC payphone rates. Bell asked the CRTC for permission to double its payphone rates.³⁵ It told the Commission that payphone "competitors had not made significant inroads into the payphone market in Ontario and Quebec",³⁶ blaming the then-current payphone rate of \$0.25 per call³⁷ for its competitors' insignificant inroads.³⁸ The company said that if it could not double its rates, it would "remove a significant number of its payphones by the end of 2006"), concentrating its "remaining payphones ... in high-traffic, low-cost locations (i.e., malls and airports)."³⁹

27 The CRTC rejected Bell's proposal in 2002, and instead maintained public and semi-public payphone rates at their current levels. The Commission concluded that payphone service was an important public service that was not obsolete,⁴⁰ finding that people with low incomes, or living in remote or rural areas, rely more on payphone service than others –describing it as “crucial” for rural communities.⁴¹ It said that it was “particularly concerned with the impact that the removal of the last pay telephone in a small or rural community may have on that community”,⁴² and therefore required “notification and reporting when the last pay telephone of a community is targeted for removal....”⁴³

28 The CRTC also launched a separate proceeding on payphone service policy issues,⁴⁴ and received submissions on these issues in 2003.⁴⁵

3 *Last-payphone-removal notification introduced in 2004*

29 In 2004 the CRTC concluded that while “demand for pay telephone service is declining, pay telephone service is still an important public service that wireless services have not rendered obsolete.”⁴⁶ It found that people with low incomes, or living in remote or rural areas, rely more on payphone service than others:

... although wireless service may constitute an alternative for many consumers, it is not an affordable option for all. The Commission considers that access to pay telephone service is particularly crucial in rural and remote communities, where consumers may not have access to basic residential service and where telecommunications service providers may not offer wireless services.⁴⁷

30 The CRTC therefore required large incumbent local exchange carriers (ILECs) to notify payphone providers, local governments, the local community and the payphone's users about payphone removals, when the payphone being removed was the last one in a community.⁴⁸ More specifically, the CRTC said “the public interest would be best served” if communities were told when the removal of a payphone would terminate payphone access to the public switched telephone network.⁴⁹ Before they removed “the last pay telephone in the area served by a wire centre”,⁵⁰ ILECs – now the Bell companies, SaskTel and Telus – had to

- notify the provider of the payphone location and the local government at least two months (60 days) beforehand
- post a notice on the payphone being scheduled for removal (again, 60 days' beforehand),⁵¹ “in a large enough format to attract users' attention”,⁵² including the “ILEC's name, address and toll-free number and the directions to, and the location of, the nearest pay telephone”,⁵³ and
- publish a notice in local newspapers “where the pay telephone to be removed is the last one in a particular community”⁵⁴

31 The CRTC's view was that providing 60-days' warning would give local governments “sufficient time ... to consider options for continued public access to pay telephone service.”⁵⁵ It suggested that ILECs' notice permit payphone users to register their concerns, and have those concerns addressed:

... should include an ILEC toll-free number where customers could register their concerns or requests for information. The Commission believes that consumers who depend on that particular pay telephone as their only means of accessing the PSTN would benefit from such a notice and notes that customer concerns could then be addressed on a timely basis.⁵⁶

32 The CRTC's 2004 decision did not list the payphone locations and numbers, and did not explain whether the CRTC would be prepared to order ILECs to continue to provide service, if local governments or communities were to make such an application.

33 The CRTC also directed ILECs⁵⁷ to report payphone installations,⁵⁸ and total coin-operated payphones,⁵⁹ as well as the civic address, city/town, and number of payphones remaining at given premises, when they removed or installed payphones.⁶⁰ The CRTC directed Bell and Telus to report annually on the number and proportion of payphones with coin capacity, incoming call capacity and coin capacity as well as incoming call capacity.⁶¹ To the best of our knowledge, the CRTC did not publish these reports, although their information would have been relevant to this proceeding.

4 *Cash payphone rates doubled in 2007*

34 In 2007 the CRTC again said that it considered "pay telephone service a necessary and valuable service",⁶² but allowed payphone rates for cash calls and calling cards to increase to \$0.50 and \$1.00, respectively. While Telus was at that time charging \$0.35 per call and did not seek an increase,⁶³ the CRTC feared that without the increase "ILECs may remove unprofitable pay telephones which would result in consumers having reduced access to the service."⁶⁴

5 *Payphone reporting eliminated in 2009*

35 In 2009 the CRTC dropped many of the reporting requirements it had established for payphones, because it said it could always request the same information from telephone service providers.⁶⁵

6 *CRTC in 2010: payphones are 'necessary and valuable'*

36 In 2010 the CRTC launched a proceeding about telephone companies' basic service obligations.⁶⁶ It decided to consider issues related to high-speed Internet access within the context of the basic service objective,⁶⁷ but although it described payphones as "a necessary and valuable service" in 2007 the CRTC did not address payphones in its 2011 decision about companies' basic obligation to serve.

C *Trigger for TNoC 2015-66 – Bell's 2012 application to double payphone rates*

37 In early 2012 the Bell companies applied for permission to increase the rates charged for local payphone calls, to \$1.00 for cash calls and \$2.00 for non-cash calls.⁶⁸ The CRTC denied the application in July 2013,⁶⁹ and also launched a fact-finding process to collect information about payphones' role in Canada's communications systems by early September 2013.⁷⁰ The CRTC subsequently granted the companies' requests to file the information in early October,⁷¹ and asked that they file additional information by the

end of February 2014. The CRTC-commissioned RedMobile report was completed by March 2014.

- 38 The CRTC issued the current call for comments on its approach to community notification in late February 2015.

III Information about payphones from the CRTC

- 39 The CRTC released two studies in conjunction with the current proceeding (TNoC 2015-66). The first was authored by the CRTC and was published in February 2015: *Results of the Fact-Finding Process on the Role of Payphones in the Canadian Communications System* (CRTC Results report).⁷² The second, commissioned by the CRTC from RedMobile Consulting, was completed a year ago:⁷³ *Evaluation of payphone alternatives and payphones in emergency preparedness* (RedMobile report).

- 40 We address these reports below, along with additional information that is relevant to the approach the CRTC takes regarding payphone service in Canada.

A ***How can the CRTC conclude that payphone location providers are “best able” to assess Canadians’ needs, without any evidence from location providers themselves?***

- 41 The Commission states in TNoC 2015-66 that based on

... the results of the fact-finding process, the Commission considers that location providers, through their local knowledge, are best able to assess the telephony needs of their clients, patrons, and community members, and are therefore, in conjunction with ILECs and local governments, best positioned to determine where and how payphone service should be made available.⁷⁴

- 42 The CRTC’s *Results* report states that “the vast majority of annual payphone removals, on average 75%, are initiated by location providers and not payphone service providers for a variety of reasons.”

- 43 Little evidence is available on the record of this proceeding about payphone location providers. Neither of the two reports published in conjunction with TNoC 2015-66 states the numbers of payphone location providers in Canada or their locations. Neither report states whether its authors contacted or interviewed payphone location providers (although their identity must be known because they sign contracts with telephone companies to maintain payphone service). Neither report offers direct evidence from payphone location providers about the decisions they make to provide or withdraw payphone service. The *Results* report instead offers a range of hearsay statements from ILECs, that elsewhere in the same report are quoted as saying that Canadians are relying less on payphones because they prefer the wireless services – that are offered primarily by ILECs, and with which ILECs earn significantly higher profits and higher profit margins than they apparently do with payphones.

- 44 The *Results* report states that a courtesy phone is “a more cost-effective and efficient solution” in cases “where publicly accessible telecommunications is [*sic*] needed”, using

- evidence from “location providers, including government institutions and community organizations.” Appendix A of the *Results* report identifies the organizations and people who were consulted regarding payphones: 14 consumer groups and community organizations, 39 incumbent local exchange carriers, seven government institutions (five towns, cities or municipalities, the Yukon government and the Manitoba Minister for Healthy Living, Seniors, and Consumer Affairs), and a number of individuals. The *Results* report does not identify any of these parties as a payphone location provider. It also does not state whether any of the seven government institutions (being five municipalities or towns, one territorial government and one provincial ministry) believes that its views are representative of all “government institutions and community organizations” in Canada.
- 45 FRPC respectfully submits that the CRTC lacks the evidence required for it to conclude that payphone location service providers “are best able to assess the telephony needs of their clients, patrons, and community members”, and to determine where and how payphone service should be made available. FRPC also respectfully recommends that the CRTC modify its payphone-removal procedures to protect the public interest, and include public-interest payphones in its next proceeding on the basic obligation to serve.
- B February 2015 CRTC report: insufficient facts on which to base conclusions about payphone location providers**
- 46 The CRTC *Results* report “collected data and views from Canadians, community and consumer organizations, local and provincial governments, and payphone service providers” in June 2013 about “the extent to which Canadians rely on payphones and the effects, if any, that further payphone removals and possible rate increases may have on Canadians.”⁷⁵ It asked for data and evidence about the availability of, use of and reliance on payphones, and the impact of rate increases and payphone removals.
- 47 In the absence of information from payphone *location* providers, the CRTC *Results* report reported incumbent local exchange carriers’ opinions about payphone location providers’ actions and motives.
- 48 The *Results* report found that telephone companies did not view payphones as playing an important role that serves the public interest, but as a convenience⁷⁶ whose existence is negotiated with public and private location providers.⁷⁷ All ILECs said that payphones “were intended to provide a convenience service and not a basic service”, and that “[g]iven Canadians’ increased adoption of wireless service and data applications, the need and utility of payphones has lessened dramatically”. The companies “argued that Canadians are choosing not to use payphones”, and that there are too many payphones to meet present demand
- 49 As for consumer and public-interest organizations, the *Results* report found they view payphone service a necessity for those who do not have, cannot afford or cannot obtain mobile telephone service, as well as those who can afford mobile service but who require anonymity, must wait for long periods on hold until their calls are answered, and whose mobile telephones do not work,⁷⁸ presumably due to inadequate cell phone coverage or battery-related issues.

50 The *Results* report provided the following facts about payphones in Canada:

- In 2004 50% of survey respondents had used payphone service at least once in the previous year; in 2013 the answer to a similar question was 32%, with 61% saying that had used a payphone when they were unable to use a mobile phone
- ILECs “continue to be the primary providers of payphone service across Canada and as a result, the Commission continues to regulate the ILECs’ local payphone rates under the price cap regime”: maximum rates for cash calls are \$0.50 and for calling card calls, \$1.00, while long-distance rates are not regulated
- in 2013 Bell Aliant and Bell Canada maintained 11,137 payphones that they described as being used very little or not at all,⁷⁹ and based payphone removals on the following considerations:
 - Revenues generated and usage
 - profitability (considering factors such as revenue, repair costs, hydro, maintenance costs, and vandalism)
 - proximity to the nearest payphone
 - location (indoors or outdoors)
 - needs of the location provider (e.g. requests to reduce the number of payphones at one location versus all payphones); and
 - availability of wireless service in the community.
- 75% of annual payphone removals are initiated by location providers, for a variety of reasons (that were not described by the report)
- “approximately 55,000 payphones will remain in service across Canada” by 2016
- As for payphone users, the reasons given for relying on payphones instead of other telephone services included:
 - inability to afford landline telephones
 - when minutes of users’ prepaid wireless service run out
 - inability to afford mobile phones
 - making calls to government offices where callers must wait on hold for long periods
 - when making long-distance calls with toll-free calling cards;

- when placing collect calls;
- in situations where anonymity is required (domestic abuse, individuals in crisis, etc.); and
- when making calls to government service agencies, offices that are open during weekday hours, or other toll-free calls that may entail lengthy wait times and/or lengthy conversations

51 The CRTC *Results* report stated that no payphone service provider had removed the last payphone in any community, but did not explain how payphone providers defined ‘community’, or what this statement means for payphone providers who do not know the municipalities they serve. In 2012, meanwhile, Eastlink told the CRTC that “certain pay telephones would be removed from service due to lack of use, and that some were the last pay telephone in a community.”⁸⁰ As well, an intervener to the 2014 data-collection proceeding that led to the CRTC *Results* report said that the only, and therefore last, payphone was removed from Oliphant, Ontario.⁸¹ Have last payphones been removed – or not?: the CRTC *Results* report does not answer this question. The *Results* report also provides no information about the numbers of communities that are now close to having their last payphone removed.

52 While the CRTC *Results* report lists four alternatives to payphones, it does not offer any information about their numbers, locations or costs:

- semi-public payphone service (i.e. the location provider pays a monthly fee to maintain the payphone terminal)
- public courtesy phones (i.e. a regular business telephone line with toll denial that is accessible to the public)
- competitive payphone service
- “courtesy payphones” whose coin feature is disabled to allow free access local, toll-free, and 9-1-1 calls

53 The CRTC *Results* report found that 32% of Canadians had used a payphone at least once per year, and that annual payphone call volumes are declining by 24% per year.⁸² The majority of those interviewed for the CRTC *Results* report viewed payphones as an important and valued service⁸³ that is used because it is affordable and accessible, and “is sometimes used as a last resort in times of inconvenience and emergency.”⁸⁴

C *March 2014 RedMobile report: no data on which to base conclusions about socio-economic impact of decreased payphone access*

54 While the RedMobile company called its report, “Evaluation of Payphone Alternatives and Payphones in Emergency Preparedness”, the company clearly states that “[t]he purpose of this study is to to assess the socio-economic impact of alternatives to payphones and evaluate the role of payphones in emergency situations and PS

infrastructure.”⁸⁵ The report does not name its authors or describe their professional qualifications.⁸⁶

55 The RedMobile report begins by stating that “[i]t is the responsibility of all persons who use this Report to independently confirm the accuracy of the data, information, or results obtained through their use.” With this warning in mind, FRPC notes the RedMobile report’s findings:

- Corded public payphones are capable of operating without local power,⁸⁷ their reliability enables the “effective and efficient delivery of public safety services”, and all payphones have access to 911 emergency services even if there is no power to the terminal
- “911 service is offered toll-free over public payphones”, but “... finding a public payphone is increasingly becoming difficult Decisions to remove terminals are made on a market-driven business cases rather than regulatory provisions to provide public service” [sic].
- Decreasing numbers of payphones remove “potential fixed access points to contact emergency services”, and a tweet from E-Comm 9-1-1 in May 2013 found “that 64% of the 65,681 calls they received were from cellular phones”
- Total fixed residential telephone subscriptions decreased from 19.92 million in 2011, to 19.38 million in 2012 (ie, by 0.54 million), while cable telephone subscriptions increased from 3.8 million to 4.4 million (i.e., by 0.6 million), over the same period
- At the end of 2012 there were 27.9 million mobile telephone subscriptions, of which 19% were pre-paid, and 0.8 million voice-over-internet protocol subscribers

56 Of the seven types of telephone service listed in the RedMobile report as being available in Canada, prices for the first call made without payphones range from \$12.50 to \$540.90 – a significant increase from the \$0.50 price of any local payphone call:

RedMobile report: telephone service choices

Type of telephone service	Costs	Cost of first 1-minute call	Monthly fees
Payphone	\$0.00	\$0.50	\$0.00
VOIP	Computer with spkr or handset (\$10) Broadband internet installation	\$12.50	\$2.50 Broadband internet Electricity to run computer
Residential telephone service	Installation Handset (\$10) Monthly plan (\$25)	\$35.00	\$25.00
Cable subscription	Installation Cable installation	\$35.00	\$25.00 Electricity to run cable

RedMobile report: telephone service choices

Type of telephone service	Costs	Cost of first 1-minute call	Monthly fees
	Handset (\$10) Cable-handset adaptor		
Pre-paid cellphone	Handset (\$50) Monthly plan or pay-as-you-go fees	\$70.00	\$20.00 Electricity to charge phone Accessory to charge phone when electricity unavailable
Post-paid cellphone	Handset (\$50) 2-year plan	\$79.00	\$29.00 Electricity to charge phone Accessory to charge phone when electricity unavailable
Satellite telephone	Handset (~\$500)	\$540.90	\$40.00

- 57 The RedMobile report did not provide information about the use of these alternatives in Canada, either overall, in urban or rural communities, or in terms of users' socio-economic characteristics.
- 58 The RedMobile report identified six reasons that telephone users might prefer payphones to other telephone service alternatives: unmetered calls, toll-free calls, cash payments (making credit checks unnecessary), anonymity,⁸⁸ "concerns of the most marginalized" about theft, and "the cost of purchasing and maintaining [*sic*] a personal device", and quality of service (reception).
- 59 The RedMobile report concludes that consumers are expected to prefer alternatives to payphones and that,
- ... As such, payphone usage will likely continue to see decline [*sic*]. Thus, eventually, resulting in, diminishing value for the on-going support of payphones.⁸⁹
- 60 The RedMobile report also concludes that payphone alternatives exist that are affordable, available and usable:

RedMobile's analysis of alternative options indicates that, in an environment where payphones become less available, options exist that meet some or all of the following:

- **Affordability:** Options such as cellular services and VoIP have reached a maturity level in Canada that has resulted in lower total cost of ownership. The cost of devices and service continue to decline. Also, as a result of increased competition, consumers have more flexible options for payment terms and credit requirements.
- **Availability:** Continued infrastructure investment in alternatives to payphones (i.e. cellular, broadband connectivity) have resulted in expanded coverage and improved service quality, providing dependable service in most places. In addition, as payphones become less available, alternatives like cellular phones become more attractive. The

ability of consumers to be accessible for incoming calls is also a major benefit of alternatives.

- Usability: Payphones offer consumers a well-known and easy to use interface. However, devices for alternatives are starting to provide consumers with more user-friendly, easy to use interfaces that can be adapted to meet their personal needs

- 61 The report concludes as well that accessing payphones in emergencies is difficult not only because of decreasing numbers, but because users must know where the payphones are to use them.⁹⁰
- 62 Finally, the report makes the very important observation that as payphone usage and availability decline, “[t]he greater challenge ... for [public service] groups is in the education of consumers, as it becomes dangerous when consumer expectations run too far ahead of emergency service capabilities.”⁹¹
- 63 The RedMobile report does not provide any empirical evidence relevant to conclusions about the socio-economic impact of decreasing payphone numbers or increased payphone rates, and does not provide any empirical evidence about the impact of emergencies on Canadians’ access to telephone service.

D CRTC monitoring reports: gaps and inconsistencies

- 64 The CRTC required telephone service providers to provide information about payphones in 1994, 1998 and 2004. The information included payphones’ civic addresses, payphone set payment options, and payphone technology (whether sets could both make and receive calls) (Table 2).

Table 2: Data requested by the CRTC from telephone service providers about payphones, 1994-2004

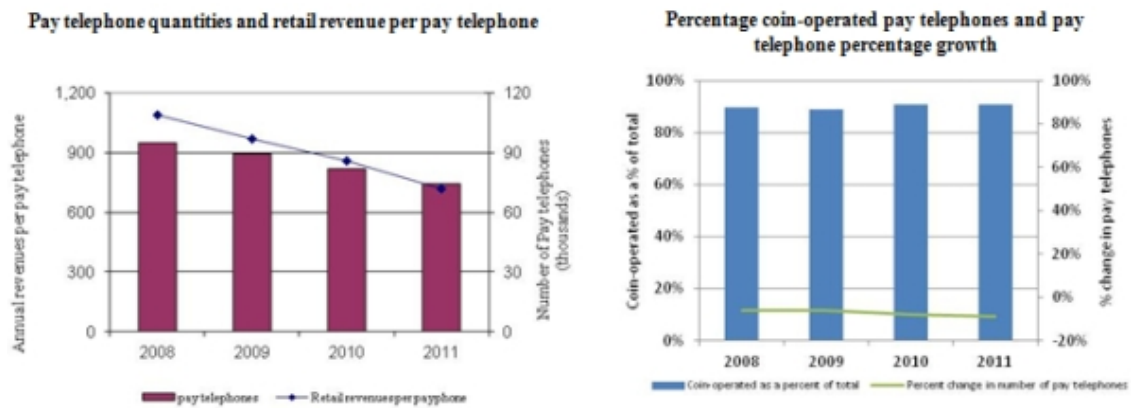
Payphone data	1994	1998	2004
ILECs - installations	X		X
ILECs – total coin-operated	X		X
ILECs – civic address, town showing # of payphones, when installing or removing payphones	X		X
Bell, Telus - # and % of payphones	X		
with coin capacity	X		
Incoming call capacity	X		
Coin capacity and incoming call capacity	X		
Location of payphones		X	
Location where payphones removed		X - annual	
Reasons for removal		X - annual	
Payphone competitors			
Registration		X	

- 65 While the CRTC did not publish the data it received from payphone service providers, it included some of the information in annual reports.

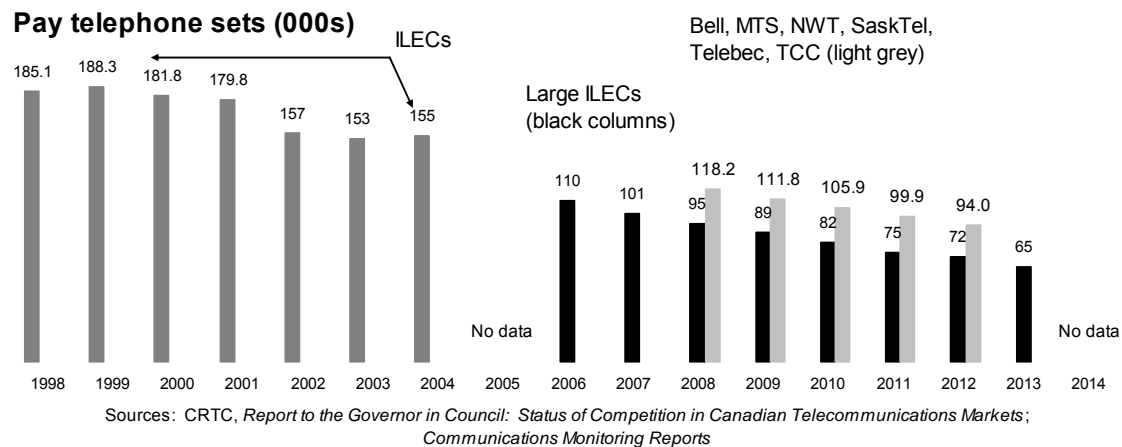
- 66 The CRTC’s published data have gaps and inconsistencies that make the data unreliable. Appendix 1 shows the types of data published by the CRTC about payphones, from 1998 to 2014: information about payphones in the 2001 to 2005 reports,⁹² no information in the 2006 to 2008 reports, and information in the 2009 to 2014 reports.⁹³ The CRTC’s data presentation changed over time, showing the total number of payphones in Canada of ILECs from 1998 to 2004, then of large ILECs from 2006 to 2013 and next of a group of telcos (Bell, MTS, NorthwesTel, SaskTel, and the Telus companies) from 2008 to 2012.
- 67 In addition to gaps and inconsistent presentation, the CRTC’s published information about payphones generally lacks meaningful detail, often consisting of unlabelled bar charts without actual numbers (see, for example, Figure 1, showing the CRTC’s 2012 data on numbers of payphones).⁹⁴

Figure 1: CRTC’s 2012 Communications Monitoring Report, Figure 5.2.3

Figure 5.2.3 Large incumbent TSPs’ pay telephone revenues and quantities



- 68 The lack of detail about payphones in the CRTC’s monitoring reports makes it difficult to heed the RedMobile report’s warning that “... all persons who use this Report ... independently confirm the accuracy of the data, information, or results obtained through their use.”
- 69 The gaps and inconsistencies aside, the limited information from the CRTC does suggest that the number of payphones available in Canada has decreased over the last seventeen years. The CRTC’s data show that the number of payphones decreased from 1998 to 2013 either by half (49%, decreasing from 189.1 thousand to 94 thousand for ILECs and large ILECs), or by more than two-thirds (69%, decreasing from 189.1 thousand to 65 thousand, for ILECs and a groups of ILECs) (see Figure 2).

Figure 2: Pay telephone sets, 1998 to 2014

70 This decrease may be overstated, however, as the CRTC did not publish information about competitive payphone service providers for most of this period.

E Telephone service provider data: overestimates and inconsistencies

71 While the CRTC described payphone service as “particularly crucial” for rural communities in 2004,⁹⁵ neither the CRTC’s annual reports nor the reports commissioned by the CRTC for this proceeding provide statistics about the locations of payphones in Canada.

72 Some payphone service providers were unable to identify the municipalities they serve.⁹⁶ While others did identify the locations they serve, they raised more questions than they answered. For example, Bell Canada and Bell Aliant reported that they offered payphone service in 889 wire centres in Ontario and Quebec, and that they provide payphone service to 1,231 communities or reserves in these two provinces.⁹⁷

73 The Bell companies’ 2014 reports overstate the numbers of communities they serve. Some communities or reserves were listed twice but were served by both companies, and others were listed twice by the same company.⁹⁸ When double-counted communities are removed,⁹⁹ the Bell companies did not offer payphone service to 1,231 different communities or reserves in Ontario and Quebec, but to 1,215 (Appendix 2).

74 As time constraints prevented a similar analysis for all payphone location data available on the record, FRPC recommends that the CRTC use data from companies’ reports about payphone locations with caution, to avoid overestimating the number of communities and reserves that may still be served with at least one payphones.

75 FRPC also notes that the Bell companies’ figures are inconsistent with information about the numbers of communities and reserves in Canada which is published by Statistics Canada. It identified 1,747 organized municipalities, cites, villages, and reserves in Ontario and Quebec in the 2011 Census (Appendix 3).

- 76 Comparing Bell's figures for the communities it serves in Ontario and Quebec, with those from Statistics Canada's 2011 census shows that
- in Quebec, Bell served 595 (50%) of the 1,189 communities and reserves that Statistics Canada identified in that province, and that
 - in Ontario, Bell served 610 communities and reserves, although Statistics Canada has actually identified only 558 organized communities and reserves in that province.
- 77 Inconsistencies such as these make it impossible to evaluate the degree to which rural and urban communities have or do not have pay telephone service.

IV Who needs payphones?

- 78 Understanding the impact that removing payphones in general, or the last payphone from communities will have so as to establish a notification process that safeguards the public interest requires information about Canadians' access to payphone service alternatives. The people most likely to be affected by the loss of payphones from communities are those who do not have telephones, who do not have cellphones, or who have cellphones that are not operational due to poor or non-existent reception, non-payment issues or device-related problems.

A All Canadians, during emergencies

1 Public emergencies – involving all Canadians, wherever they live

- 79 Canada's *Emergencies Act*¹⁰⁰ makes "the safety and security of the individual" one of the "fundamental obligations" of government, and payphones play a critical role in public and personal emergencies. Indeed, the federal government devotes resources to an entire department – Public Safety Canada – to deal with emergencies in this country.
- 80 Major emergencies often affect standard telephone service for everyone in the affected area, and Canada is scarcely immune to the grave effects of natural disasters. In 2003, for example, Hurricane Juan struck Nova Scotia, causing communities across the province to lose their telephone services: payphones enabled residents to contact their families, friends and others.¹⁰¹ From 2006 to 2009 88 communities in Ontario declared emergencies that included 45 floods and 12 forest fires.¹⁰²
- 81 In fact, statistics from data collected by Public Safety Canada show that hundreds of thousands of people in Canadian communities experienced more than two hundred public emergencies from 2004 to 2012, including fires (126 events) and severe weather (88 events) (Table 3).

Table 3: Types of emergencies in Canada, 2004 - 2012

Type of emergency	2004	2005	2006	2007	2008	2009	2010	2011	2012	2004-2012
Hurricane / Typhoon / Tropical Storm	1			2	3	1	2	1		18

Tornado	1			1	2	2	3	1		10
Storm - Unspecified/Other					1	1				2
Storms and Severe Thunderstorms	1	2	4	10	11	7	2			42
Storm Surge	1		1				1			3
Winter Storm	1	1	1	2	4		1			13
Severe weather, subtotal	5	3	6	15	21	11	9	2		88
Earthquake							1			1
Fire			1		1					3
Wildfire		3	4	6	6	1	5	4	5	34
Fires, subtotal		3	11	21	28	12	15	6	5	126
Flood	3	9	6	4	10	5	8	7	4	73
Landslide		1		1						2
Leak / Spill Release		2		1						3
Total, all emergencies	8	18	17	27	38	17	23	13	9	204

Source: Public Safety Canada, *Canadian Disaster Database*, <http://www.publicsafety.gc.ca/cnt/rsrscs/cndn-dsstr-dtbs/index-eng.aspx>

- 82 Evacuations were ordered 100 times due to these emergencies (Appendix 8), and fifteen Indigenous reserves were affected by these evacuations (Appendix 9).
- 83 Fifty-one Indian reserves (included in Table 3, above) were affected by emergencies between 2004 and 2012 which ranged from severe weather (33 events), to wildfires and floods (18) (see Table 4).

Table 4: Numbers of Indian reserves affected by emergencies, by types of emergency, 2004 - 2012

# reserves affected	2004	2005	2006	2007	2008	2009	2010	2011	2012	2004-2012
Hurricane / Typhoon / Tropical Storm				3	4		1	5		13
Storms and Severe Thunderstorms			2		4	3				9
Tornado							1			1
Winter Storm	1	1		4	4					10
Severe weather, subtotal	1	1	2	7	12	3	2	5		33
Wildfire				1	1		1	3		6
Flood	1	4		1		1	4		1	12
Total, all emergencies	2	5	2	9	13	4	7	8	1	51

Source: Public Safety Canada, *Canadian Disaster Database*, <http://www.publicsafety.gc.ca/cnt/rsrscs/cndn-dsstr-dtbs/index-eng.aspx>

- 84 More recent examples of major public emergencies that are not yet included in the Public Safety Canada database include:
- The loss of power for 190,000 people in January 2014 in Newfoundland & Labrador, which may have included three Indian Reserves, due to extreme weather¹⁰³

- The closures of the Trans-Labrador highway and evacuation of the Town of Wabush in June 2014, due to fire¹⁰⁴
- The state of emergency declared by 37 communities in Saskatchewan in June 2014 when bridges, roads and culverts were washed out by up to 200 millimetres of rain:¹⁰⁵ payphones continued to operate when landlines failed¹⁰⁶

85 While it may be true, as the RedMobile report notes, that payphones are typically unidirectional – calls can be made, but not received – the point is that payphones allow callers to reach help, from 9-1-1 service, government agencies, families and friends, when people do not have a cellphone at all or when their cellphones no longer work. This is why national, provincial and municipal emergency preparation plans continue to assume that communication by payphone is possible during emergencies, when residential telephone and cell service malfunction, or when people are forced to leave their homes. (The contents of the “basic emergency kit” recommended and described by the federal government, for example, includes “change for payphones”.¹⁰⁷)

86 FRPC notes that the RedMobile report and others have reported that more calls are being made to 911 services for emergency assistance from mobile or cellphones, than from payphones. Before concluding that cellphones have taken the place of payphones for emergency-reporting purposes, the evidence on which these conclusions are based should be carefully evaluated.

87 A major problem is that data purporting to show that more emergencies are reported using cellphones than payphones are unreliable: while more people may use their cellphones to report emergencies, they are also be using their cellphones to report the *same* emergency. The over-estimation of cellphones in reporting emergencies was identified by the City of Ottawa’s Community and Protective Services in 2005, when it described “multiple reporting of significant single events” which was “due greatly in part to cellular telephone usage”.¹⁰⁸

88 Multiple cellphone calls about the same emergency mean that the proportion of emergencies reported using payphone calls is underestimated. In 2003 Ottawa reported that 50.4% of the 252,122 calls made to 911 service in the City were from cellphones, and 49.6% from landlines.¹⁰⁹ If just one quarter of the cellphone calls were about the same events (meaning that the other three-quarters of calls were each about different events), landline calls including payphone) would have made up 57% of the total calls received, not 49.6%.

Calls placed to 911 in Ottawa (2003)	#	%
Made from cellphone	127,069	50.4%
Made from landline	125,053	49.6%
Total calls	252,122	100.0%
If 75% cellphone calls were unique,	95,302	43.2%
Made from landline	125,053	56.8%
Total unique calls	220,355	100.0%

89 That said, FRPC notes that even if a substantial percentage of 911 calls are made using cellphones, 911 calls continue to be placed from payphones. Almost eighty thousand 911 calls were placed in Quebec using payphones, with smaller communities tending to

make proportionately more 911 calls using payphones, than larger communities (Appendix 7).

90 It is also important to note that people may lose access to the residential and cellphone service even when emergencies have not been declared, leaving payphones as the only available telephone service:

- In October 2014 downtown Calgary lost power for five days,¹¹⁰ meaning that those without power may have been unable to recharge their cellphones for use when outside their homes or businesses
- In February 2015 thousands of Bell Aliant cellphone customers lost service because of a broken fibre optics cable¹¹¹

91 A definition of community that permits all but one payphone to be removed across Canada ignores the fact that Canada is a large country in which a range of communities experiences public emergencies every year.

92 How will the CRTC ensure that local payphone service providers consult with their communities about the potential impact of payphone removals on future public and private crises, before the providers decide to remove payphones?

93 Rather than allowing all but one payphone to be removed before communities are notified, **the CRTC should establish standards for ensuring public access to telephone service during emergencies** that ensure that people need not travel large distances (in potentially unsafe conditions) to seek assistance, to contact their families and friends, and to reach others, such as employers.

2 *Private emergencies*

94 Individuals also experience emergencies for which they seek assistance by telephone. In 2011 the police reported that 335,514 people were victims of violence,¹¹² with higher levels of violence in small cities, towns and rural areas, than in urban areas.¹¹³ People who have been robbed may no longer have cellphones with which to alert 911 – and as a result may rely on payphones to seek help.

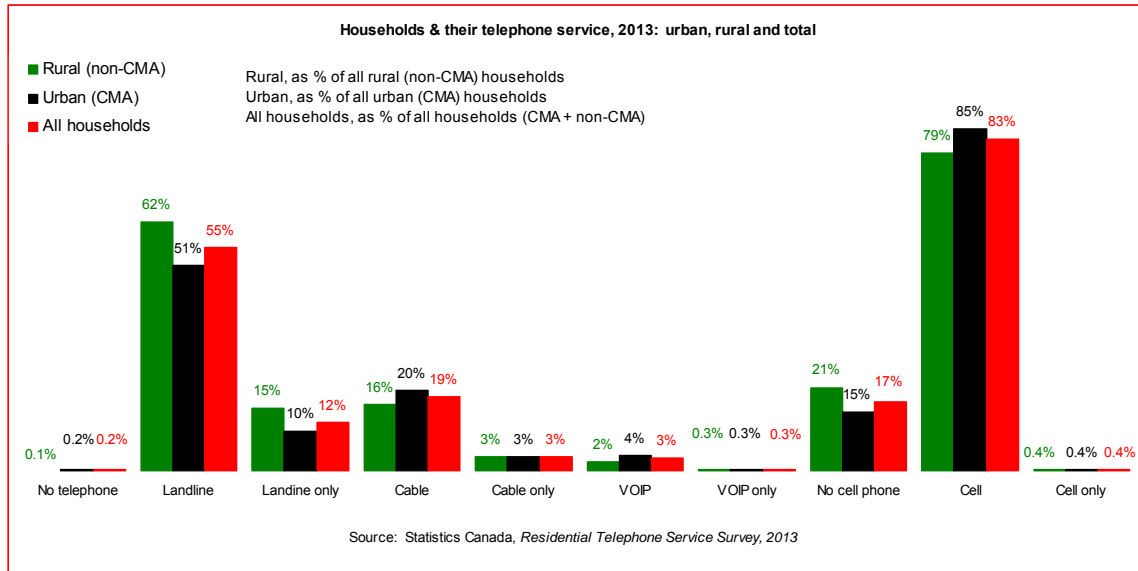
95 Thousands of women seek shelter from abuse each year. In 2009/10, 64,500 women (accompanied in some cases, by their children [39,208 children])¹¹⁴ were admitted to 593 shelters for abused women in Canada.¹¹⁵

96 Many women rely on payphones to contact women's shelters because they do not have cellphones,¹¹⁶ or because they feel unsafe making calls for help from their homes: spouses, partners or boyfriends were responsible for 83% of the cases involving violence against women, and for 12% of the cases involving violence against men.¹¹⁷

97 Payphones may be especially important in this context to the 961 Indian reserves identified in the 2011 Census,¹¹⁸ as only 4% (39) had shelters for abused women:¹¹⁹ payphones may be the only source of help for thousands of these women. Some Indian

- reserves may not even have payphones, however: Bell Canada and Bell Aliant reported that they provide payphone service in 58 Indian reserves in Ontario and Quebec (Appendix 2) – in other words, to just 35% of the 166 Indian reserves identified by Statistics Canada in the 2011 Census (Appendix 3).
- 98 In addition to the threat of violence from others, thousands of people harm themselves each year by committing or attempting suicide.¹²⁰ In 2011 the Toronto Transit Commission, Distress Centres of Toronto and Bell Canada announced a program that included 141 payphones at designated areas on the city’s subway platforms which would connect those contemplating suicide with distress-centre counsellors.¹²¹
- 99 People may also require assistance for health emergencies, and it is incorrect to assume that they can rely on strangers for help in such crises. In 2013, for example, the CBC reported that a person suffering from an asthma attack asked to use a fast-food restaurant’s telephone to call for help, but was denied access to the phone – and told to use a payphone across the street from the restaurant.¹²²
- 100 A definition of community that allows payphones to be removed from Indian reserves, and small villages, towns or communities within larger urban centres will leave victims of violence, those thinking of harming themselves, and those with health-related problems with fewer avenues to obtain help.
- B** ***The 2.2 million households without cellphone service***
- 101 Statistics Canada has been collecting information about residential households’ telephone service for almost twenty years.¹²³ FRPC used the 2013 *Residential Telephone Service Survey* microdata file to analyze telephone ownership in Canada’s provinces.¹²⁴
- 102 Analyzing households’ telephone service data (Appendix 4) shows that in 2013
- 23,261 households (0.2% of all households) did not have any telephone service
 - 2.2 million households (15.8%) had either landline, cable or VoIP telephones, but no cellphones
 - 0.06 million households (0.4%) had cellphones only, and
 - 11.5 million households (82.6%) had at least one cellphone and one or more other telephone services.
 - Four out of every five rural and urban households had at least one cellphone , although a fifth (21%) of Canada’s rural households did not have any cellphones at all (Figure 3).

Figure 3: Telephone services used by households in Canada, in 2013



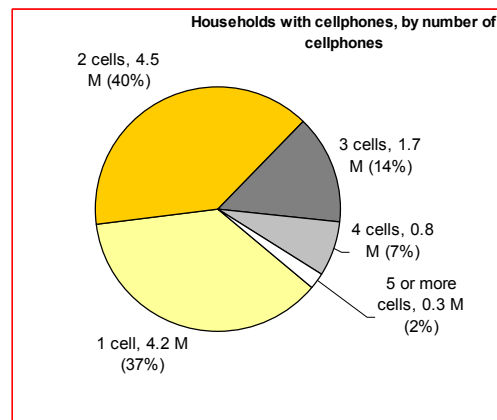
- 103 The fact that four out of five households has at least one cellphone does not mean, however, that every member of the household has his or her own cellphone.
- 104 According to Statistics Canada’s 2011 census data about households and family households, more than half of all family-based households (5 million households, or 55% of all households) have 3 or more members (Appendix 5).

Figure 4: Households with 1, 2, 3, 4 and 5 or more cellphones

Meanwhile, more than three-quarters (77%) of households with cellphones had just one or two of the devices (Figure 4).

Figure 4

- 105 In brief, while many households have cellphones, there are not enough cellphones to go around. Five million households had three or more members in 2011, but only 2.7 million households had three or more cellphones in 2013 – leaving 2.3 million households without enough cellphones for each household member.



106 While members of those families who are outside their homes may borrow cellphones from friends and strangers, they are also likely to use payphones – especially in public and personal emergencies. Payphones therefore remain important to the roughly¹²⁵ 2.3 million households whose third, fourth and other members do not have cellphones.

107 In our view the removal of all but one payphone from their communities creates undue barriers to access outside their homes for several million people in Canada: the 2.2 million households that did not have any cellphones, and the 2.3 million households that did not have cellphones for each household member.

C *The 986,477 people in Canada's lowest income quintile without cellphones*

108 FRPC notes that although the purpose of the RedMobile report was to “to assess the socio-economic impact of alternatives to payphones and evaluate the role of payphones in emergency situations and PS infrastructure”,¹²⁶ it did not analyse the impact of decreasing numbers of payphones on low-income groups. It quoted the concerns of an unnamed public safety organization about reducing the number of payphones in areas where many low-income people live:

5.6.5 Impact to Low-Income and Socially Vulnerable Groups

One public safety association voiced concerns regarding the impact of reduced payphone presence in areas with a high concentration of lower income or socially vulnerable groups. Concerns revolve around providing access to public safety services in situations where affordability becomes a barrier to telephone services.

109 While Statistics Canada's 2013 *Residential Telephone Service Survey* data did not include socio-economic income data, we note that the CRTC has previously reported that the 20% of Canadian households with the lowest household income had the highest level of wireline-only subscribers – 35.7%, and the highest level of mobile wireless telephone service – 22.8%.¹²⁷

110 In 2013 Statistics Canada estimated that there were 2,763,242 households in the lowest before-tax household income quintile.¹²⁸ Applying this information to the CRTC's undated statistics indicates that almost one million low-income households – 986,477 (35.7% of 2.7 million) – would be affected by the loss of more pay telephones in their communities as they rely solely on landline telephone service.

111 Requiring low-income households to obtain cellphones as substitutes for payphone service would be problematic for at least three reasons. First, the purchase of a cellphone (and plan) would meet the payphone needs of only one member of the low-income family – unless the household purchased plans for each member of the family. Second, there is no evidence that low-income families have the discretionary income to buy one or more cellphones and cellphone plans, and no evidence that provincial governments will increase financial support to low-income families to support the purchase of cellphones for each household. Third, there is no evidence that all or the majority of low-income households have reasonable cellphone coverage – meaning that cellphones could be useless to some households, even if they have the discretionary income required to obtain the devices and service plans.

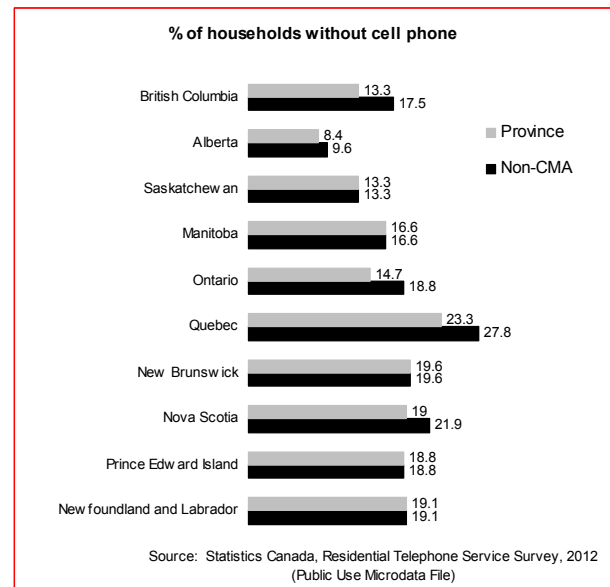
112 The removal of all but the last payphone in communities where households cannot afford to buy cellphones and monthly cellphone plans, will create undue hardships on those households – by requiring them either to re-allocate their financial resources to buy cellphones and cellphone plans, or to travel greater distances to use the remaining low-cost payphones.

D The 1.1 million people living in remote areas

113 In 2001 the CRTC said that it was “of the view that in remote communities, the use of local service payphones plays a more important role in providing reliable and affordable telecommunications of high quality to the general population than in urban communities. The Commission also notes that wireless alternatives are not available in remote communities to the same extent as they are in urban centres.”¹²⁹

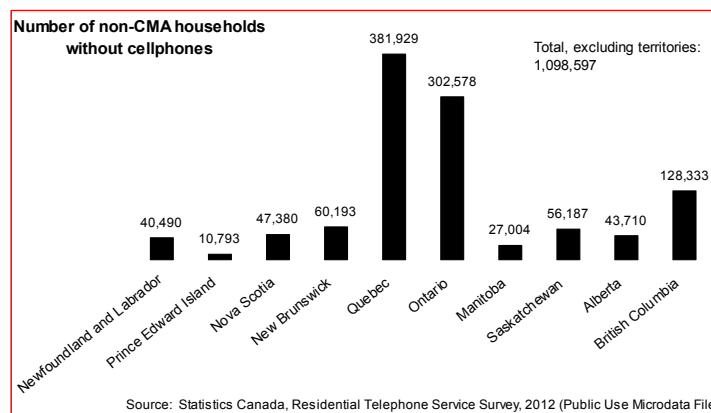
114 The 2013 *Residential Telephone Service Survey* data confirm that the percentage of households without cellphones is higher in non-CMA areas, than in urban centres (Figure 5).

Figure 5: % of households without cellphones, by province



115 Just over one million households in non-CMA areas did not have cellphones in 2013 (Figure 6).

Figure 6: Number of non-CMA households without cellphones, by province



116 The removal of all but one payphone in a remote area removes low-cost access to Canada's telecommunications system from just over one million households living in Canada's non-metropolitan areas.

E *The 342 million visitors to Canada and its communities*

117 The CRTC's *Results* report and the RedMobile report focussed on Canadians and Canadian households, and did not address the use of payphones by non-residents.

118 It is unreasonable to assume that every visitor to Canadian cities and Canada will be able to rely on their cellphones to contact family, friends, assistance or emergency aid. Even if they have cellphones that work with the local cellphone service provider in the area they are visiting, visitors may use payphones to avoid excessive roaming charges.

119 In 2012 Canadians made 316.3 million same-day or overnight trips to other communities in Canada,¹³⁰ while 25.3 million non-residents entered Canada.¹³¹

120 A definition of 'community' that permits payphones to be removed from airports, ports and bus terminals will leave millions of visitors to communities in Canada with very limited or no access to telephone service in Canada. We also note that even if those communities received notice that their last payphone was being removed, the 341.6 million people who travel to those communities are unlikely to have had an opportunity to be aware of the removal, so as to make alternative arrangements.

V *Conclusions and recommendations*

121 The CRTC introduced payphone competition in 1998 as a way of stimulating innovation and disciplining rates.

122 Since 1998 payphone rates have increased by 100%, suggesting that competition has been ineffective in 'disciplining' rates when compared to regulation.

123 TNoC 2015-66 has asked Canadians if the public notification policy now in place to warn communities that their last payphone is being removed, can or ought to be improved.

124 After reviewing the information available about payphones from the CRTC's annual reports and the reports it has commissioned, from telephone companies and from Statistics Canada, FRPC believes that the evidence demonstrates that millions of Canadians rely on and need payphone service in their daily lives, during natural disasters, and in times of crisis – and that the current notification process does not serve their interest because it leaves decisions about the existence or loss of all payphone service to telephone companies and payphone location providers.

125 Respectfully, the CRTC's current payphone policy is insufficient to protect Canadian consumers, and the public interest.

A Conclusions: the CRTC should decide how payphones serve the public interest

126 TNoC 2015-66 sets out the CRTC's belief that payphone location providers "are best able to assess the telephony needs of their clients, patrons, and community members",¹³² and are best positioned "to determine where and how payphone service should be made available" in conjunction with incumbent local exchange carriers (ILECs) and local governments.¹³³

127 Neither the notice nor the two reports commissioned by the CRTC for this proceeding presented evidence to establish that payphone location providers, ILECs and local governments know where or how payphone access is currently provided. The reports should have, but did not, provide clear facts and information about

- the numbers of payphones in Canada, in urban and rural locations, over time
- the numbers of payphones that are in working order
- the current locations of last payphones
- the identity of payphone location providers
- the consultation process undertaken by payphone location providers to determine the interests of their local communities
- the locations that have already lost their last payphones
- numbers and source of complaints made about the loss of payphones
- the impact of payphone loss on urban and rural communities – ie, requirements to replace payphones with courtesy and semi-public telephones, or increased demands from the public for access to business telephones
- the impact of payphone loss on communities' lower-income and vulnerable members, and.r
- the percentage of lower-income and vulnerable members of Canadian society who have regular and ongoing access to and use of payphone alternatives.

128 While the *Results* report describes four alternatives to ILEC payphones, it provides no information about the current numbers, location, costs or conditions of use of semi-public payphones (location provider pays monthly fees to maintain the payphone), public courtesy phones (regular business telephone accessible to the public for local calls only), competitive payphones and courtesy payphones (payphones whose coin feature is disabled, allowing no-charge local, toll-free and 911 calls).

129 As for existing payphones, the evidence from the Bell Canada companies about the location of their payphones showed that they overstated the number of communities they serve, while not serving many other communities. Meanwhile local, provincial and federal governments appear to believe incorrectly that payphone service is ubiquitous, as they advise Canadians to keep coins handy for payphones.

130 Moreover, although the RedMobile report concludes that payphone alternatives are affordable, available and usable¹³⁴ the statistical evidence establishes that the

households that rely solely on cellphones, cable or VoIP telephones are in the minority: the majority of households rely on a combination of telephones that includes cellphones, conventional landline phones and other devices.

- 131 In our view the available evidence shows that significant numbers of Canada's population may need to rely from time to time on payphones, including
- unknown numbers of people contemplating self-harm or suicide
 - 23 thousand households that do not have any telephone service
 - 65 thousand victims seeking shelter from family abuse
 - almost 1 million people in the lowest income quintile in Canada, who do not have cellphones
 - 1.1 million households outside of urban centres that do not have cellphones
 - 2.2 million households that rely on wireline, cable or VoIP telephone service and do not have cellphones
 - 2.3 million households that do not have cellphones for each household member, and
 - 25.3 million non-resident visitors to Canada who may not have a cellphone that works in Canada.
- 132 FRPC therefore recommends that the Commission's notification process be amended to ensure that the public interest is served, and that the agenda of the next basic-obligation-to-serve proceeding include discussion of public-interest payphones.

B Recommendations

133 FRPC's recommendations are set out below, in bold font.

1 Definition of community

134 FRPC's central concern with the current notification approach is that its very expansive concept of 'community' creates undue hardships for people with low incomes, and for all people in times of emergency.

135 **FRPC therefore recommends that the Commission align its definition of 'community' with Statistics Canada's definition of census tracts.** The census-tract concept measures stable neighbourhoods within rural areas, towns and larger cities. Using the census-tract concept to define and measure 'community' will enable the CRTC to understand how populations in those communities will be affected by the removal of payphones. This information will then enable the Commission to ensure that the removal of last payphones in communities does not create undue inconvenience and financial burdens for low-income Canadians in general, and for all Canadians during times of emergency.

2 *Notification requirements*

136 Our second concern with the current notification requirement is that it does not set out a clear process through which individuals, businesses, communities, and these different groups' advocates may object to the loss of payphones in their communities, and retain that service. We note that in the 1998 competitive payphone proceeding Canada's major telephone companies told the Commission that "in order for a complaint process to be effective, it must be simple for consumers to invoke and it must produce timely results."¹³⁵

137 **FRPC recommends that the last-payphone notification be simple and timely. It should include a list of the options for replacing payphones and their costs, as well as a complaints process, and the identification of the CRTC as the authority of last resort. Once complaints are filed, the removal of the last payphone in a community should be suspended until the Commission has had a chance to consider the matter.**

3 *Information requirements*

138 Our third concern is with the evidentiary record of this proceeding. Combing through the hundreds of files submitted by telephone companies revealed the unpalatable truth that regardless of how many documents were filed, very few facts and even fewer accurate facts are available about current payphone service in Canada's municipalities and smaller urban and rural locations. This in turn means that the CRTC has inadequate evidence on which to base a decision to allow more payphones to be removed. Worst, the incomplete and sparse record leaves the impression that the idea of ensuring that all Canadians have access to a means of communicating with the outside world is unimportant to the Commission – even though we do not believe this is the case.

139 FRPC respectfully submits that the CRTC bears a duty before allowing further reductions in payphone service, to obtain actual, and more precise, evidence about the level of payphone service that now exists across Canada. **The CRTC should require all payphone service providers to list the number of municipalities and First Nations communities that they serve within each wire centre, as well as those that now lack payphone service. The CRTC should then ask Statistics Canada to determine, using telecommunications service providers' lists, the areas of Canada that do or do not have payphone service, and the numbers of people in those areas.**

140 **The CRTC should also require payphone service providers to record the numbers and origin of complaints they receive about payphone removal, and the types of replacements that have been made for payphone service (if any).**

141 Moreover, FRPC urges the CRTC to **initiate a public proceeding to address the standards that the CRTC should use and apply when commissioning reports to provide evidence in CRTC proceedings.** In our view, it is impossible for the CRTC to foster competition, and to regulate efficiently and effectively, without objective evidence. Its role as a quasi-judicial tribunal requires more.

- 142 FRPC notes in this regard the 2013 comments of the Federal Court with respect to expert evidence submitted in administrative proceedings. The Court compared the “rigorous validation process” available through the procedures used in court-based litigation, with the procedures often used in administrative proceedings:

[39] Some of these procedures intended to validate expert opinions include the early exchange of reports, by which I mean that normally there is a rebuttal report as a first line of validation. The parties are normally entitled to obtain extensive background information on the drafting of the reports, including production of correspondence between lawyers and experts and knowing whether there are other reports in existence not being relied upon. These procedures are further enhanced by the right to question opposing parties in discovery in relation to issues raised in reports. Most importantly, courts are provided the opportunity to assess the reliability of the expert opinions under cross-examination by competent lawyers, often under the direction of their own experts. In some cases, decision-makers will even involve neutral experts to assist resolution of more controversial points of opposing forensic experts.

[40] This is not to say that every expert report prepared for litigation should be dismissed as having no, or little, weight. But **what the court’s experience with forensic experts does suggest in relation to these reports being proffered before administrative tribunals where there exists no defined procedure to allow for their validation, is that caution should be exercised in accepting them at face value, particularly when they propose to settle important issues to be decided by the tribunal.** In my view therefore, unless there is some means to corroborate either the neutrality or lack of self interest of the expert in relation to the litigation process, they generally should be accorded little weight.¹³⁶

[bold font added]

- 143 The reports provided to the public in this proceeding offer little background information about the drafting of the reports, to the point that the authors of the RedMobile report are not even identified. None of the correspondence between the reports’ authors and the Commission have been produced – which might have explained in the case of the RedMobile report why the report’s title suggests it was to evaluate alternatives to payphones in emergencies (*Evaluation of Payphone Alternatives and Payphones in Emergency Preparedness*), while the report itself said something else: “The purpose of this study is to assess the socio-economic impact of alternatives to payphones and evaluate the role of payphones in emergency situations and PS infrastructure.”
- 144 The “socio-economic impact” analysis purportedly undertaken by the RedMobile report consists in its entirety of a 45-word statement that quotes a single association’s “concerns”. This is simply not a socio-economic impact analysis – which should include, at a minimum, actual identification of the socio-economic groups being studied, their social and economic circumstances, and a quantitative analysis of the potential impact of a change in policy on the groups’ social and economic circumstances.
- 145 Rather than continuing to spend its resources on the unsupported commentary of unidentified authors with unknown expertise and unknown prior affiliations, **the CRTC**

- should convene social science experts to establish basic standards for undertaking professionally quantitative research. The CRTC should, as a bare minimum, ensure that the fact-finding reports that it commissions actually collect relevant statistics.** This will avoid results such as the one in this proceeding, in which the CRTC has announced its conclusion that payphone location providers are best able to assess the needs not only of their clients and patrons, but also community members – even though its own report does not expressly identify any payphone location providers who were interviewed as part of the report’s fact-finding process.
- 146 In the alternative, the CRTC should publish reports on which it plans to rely in each proceeding several months before the proceeding, to provide the public with an opportunity to review the research and, if necessary, commission rebuttal reports.**
- 4** *Access requirements*
- 147** Our fourth concern is that this proceeding does not address the more fundamental question about low-cost, reliable telephone service and the public interest. The impression gained from reviewing the past seventeen years of public policy making is that Canadians have been marched from regulated pay telephone service, to competitive payphone service, to the abandonment of payphone service, in very short order and with very little meaningful consideration.
- 148** The notification process now being discussed in this proceeding still does not address the role of payphones in Canadian communications. It simply allows payphone service providers to terminate service, even when the cost of providing that service is not even material to the providers’ shareholders.¹³⁷
- 149** In our view, Canadian society needs reliable telephone service that is available at a low-cost to all members of the public – whether on the streets, in public buildings such as hospitals, in shelters for victims of abuse and for the homeless, as well as in airports, and bus and train stations.
- 150** **The CRTC should include public-interest payphones on the agenda of the next proceeding held to consider telephone companies’ basic obligation to serve, as well as the location of that service. The proceeding should consider, for example, whether payphone service should be mandated for municipal buildings, hospitals and community centres where services are often accessed by the public in times of emergency, prisons, large shopping plazas, libraries and other locations.**

Appendices

Appendix 1: CRTC data about payphones, by year of publication

Appendix 2: Summary of communities and reserves with pay telephone service from Bell Canada or Bell Aliant

Appendix 3: Numbers of communities and Indian reserves in Ontario and Quebec, 2011 Census

Appendix 4: Telephone service in 2013: households, urban households and rural households

Appendix 5: Household size in Canada (2011 Census)

Appendix 6: 911 calls made from payphones, by size of community (Quebec, 2012)

Appendix 1: CRTC data about payphones, by year of publication

Year of CRTC publication	Total sector		Competitors		ILECs				
	# payphones	Payphone revenues	# registered with CRTC	# of competitive payphone placed in service	payphones installed	payphone revenues	payphone calls	payphone minutes	By type of revenue (local, long-distance)
2001*			In 2001	In 2001	In 2001				
2002			In 2002		1998-2001				
2003			In 2002	Bar chart, no numbers, 1999-2002					
2004				Bar chart, no numbers, 1999-2003					
2005	In 2004					2003-2004, per payphone			
2006									
2007									
2008**									
2009					Large ILECs: Bar chart, no numbers, 2006-08				
2010	No data				Large ILECs: Bar chart, no numbers, 2006-09				
2011	Bar chart, no numbers, 2006-10								
2012									
2013					Large ILECs: Bar chart, no numbers, 2008-12				
2014					Large ILECs 2009-13				

* first of five annual reports about competition in telecommunications in Canada

** merged broadcasting and communications monitoring reports begin

Appendix 2: Summary of communities and reserves with pay telephone service from Bell Canada or Bell Aliant, and comparison with 2011 Census communities and reserves

Payphone location	Company	Ontario	Quebec	Total
Community	Bell Aliant	422	272	694
	Bell Canada	158	320	478
Reserve	Bell Aliant	41	7	48
	Bell Canada	6	5	11
Total		627	604	1,231
Bell Canada and Bell Aliant – number of unique communities served (i.e., total communities based on first occurrence of each place name)				
Communities		569	588	1,157
Reserves		46	12	58
Total unique place names		610	595	1,215

Appendix 3: Numbers of communities and Indian reserves in Ontario and Quebec, 2011 Census

Census subdivision types by province and territory, 2011 Census			
Census subdivision type	Quebec	Ontario	Total
Municipalité	619		619
Ville	222		222
Township		207	207
Paroisse (municipalité de)	179		179
Indian reserve /Réserve indienne	27	139	166
Unorganized / Non organisé	96	16	112
Town		88	88
Village	45	11	56
Municipality		54	54
City		46	46
Canton (municipalité de)	45		45
Village nordique	14		14
Terre inuite	12		12
Indian settlement /Établissement indien	6	5	11
Terres réservées aux Cris	8		8
Village cri	8		8
Municipality /Municipalité		3	3
City / Cité		2	2
Cantons unis (municipalité de)	2		2
City / Ville		2	2
Terres réservées aux Naskapis	1		1
Town / Ville		1	1
Village naskapi	1		1
Total	1,285	574	1,859
Total, less unorganized	1,189	558	1,747
Communities & reserves served by Bell	595	610	1,205
Difference between StatsCan and Bell	594	-52	542
As % of the Statistics Canada data	50%	-9.3%	31.0%

Sources: Statistics Canada, *Geography Catalogue*, Cat. No. 92-196-X, Appendix D, Table D.1

("Census subdivision types, province and territory, 2011 Census"),

<http://www.statcan.gc.ca/pub/92-196-x/2011001/app-ann/app-annd-eng.htm>)

Appendix 4: Telephone service in 2013: households, urban households and rural households

Type of telephone service	Non-CMA		CMA		Total households	
	Number	% of total households	Number	% of total households	Number	% of All households
No telephone	4,751	20.4%	18,510	79.6%	23,261	0.2%
Landline	3,502,875	45.3%	4,235,447	54.7%	7,738,322	55.5%
Landline only	874,964	51.8%	813,565	48.2%	1,688,529	12.1%
Cable	932,456	36.1%	1,650,044	63.9%	2,582,500	18.5%
Cable only	191,750	40.7%	279,426	59.3%	471,176	3.4%
VOIP	119,628	28.1%	306,678	71.9%	426,306	3.1%
VOIP only	15,514	40.8%	22,483	59.2%	37,997	0.3%
Landline, cable, VOIP	1,082,228	49.2%	1,115,474	50.8%	2,197,702	15.8%
No cell phone	1,170,294	49.0%	1,219,363	51.0%	2,389,657	17.1%
Cell	4,459,571	38.7%	7,056,601	61.3%	11,516,172	82.6%
Cell only	24,724	41.7%	34,555	58.3%	59,279	0.4%
1	1,856,290.0	43.9%	2,368,973.0	56.1%	4,225,263.0	30.3%
2	1,752,365.0	38.9%	2,756,238.0	61.1%	4,508,603.0	32.3%
Subtotal - 1 or 2	3,608,655.0	41.3%	5,125,211.0	58.7%	8,733,866.0	62.6%
3	538,397.0	32.6%	1,112,382.0	67.4%	1,650,779.0	11.8%
4	234,014.0	28.1%	599,783.0	71.9%	833,797.0	6.0%
5	53,591.0	25.5%	156,899.0	74.5%	210,490.0	1.5%
6	10,931.0	29.1%	26,655.0	70.9%	37,586.0	0.3%
7	3,940.0	45.2%	4,779.0	54.8%	8,719.0	0.1%
8	79.0	11.7%	598.0	88.3%	677.0	0.0%
10	-	0.0%	179.0	100.0%	179.0	0.0%
All households	5,651,743.0	40.5%	8,292,779.0	59.5%	13,944,522.0	100.0%

Appendix 5: Household size in Canada (2011 Census)

2011 Census information about households

Average household size	2.5
% of households with 3 or more members	38.3%
# of households with 3 or more members	5,102,495
Average census family household size	3.1
% of census family households with 3 or more members	54.9%
# of households with 3 or more members	5,000,450

Statistics Canada, 2011 Census of Population, Statistics Canada
Catalogue no. 98-313-XCB2011022

Appendix 6: Emergencies in which communities were evacuated, 2004-2012

Year	Description	Start date	Location	# evacuations
2004	Derailment Release	August 10, 2004	Estevan SK	1
	Flood	March 24, 2004	South-Central Manitoba	1
	Flood	May 19, 2004	Attawapiskat ON	1
	Storms and Severe Thunderstorms	July 11, 2004	Edmonton AB	1
Total, 2004				4
2005	Flood	April 23, 2005	Kashechewan ON	1
	Flood	May 1, 2005	Fredericton, Jemseg, Sheffield, Maugerville NB	1
	Flood	May 11, 2005	Fort Good Hope NT	1
	Flood	May 25, 2005	Bridgewater NS	1
	Flood	June 2, 2005	Regional municipalities of Daly, Sifton, Blanshard, Brandon, Strathclair and Woodworth, Oak Lake, Rivers and Dominion City, Melita, Elphinstone, Rural Municipality of Franklin and the town of Deloraine and The Pas MB	1
	Flood	June 8, 2005	Black Diamond	1
	Flood	June 23, 2005	Cumberland House, Cumberland House Cree First Nation SK	1
	Flood	September 27, 2005	Stephenville NL	1
	Infestation	October 26, 2005	Kashechewan ON	1
	Landslide	January 19, 2005	North Vancouver BC	1
	Leak / Spill Release	September 28, 2005	Abbotsford BC	1
	Leak / Spill Release	December 13, 2005	Glovertown NL	1
	Storms and Severe Thunderstorms	September 26, 2005	Lorette River, Quebec City QC	1
	Wildfire	May 29, 2005	Chisasibi QC	1
	Wildfire	June 5, 2005	Chibougamau, James Bay QC	1
	Wildfire	August 28, 2005	Kelowna BC	1
Total, 2005				16
2006	Fire	August 15, 2006	Amherstburg ON	1
	Fire		Boisbriand QC	1
	Flood	April 13, 2006	Red Earth SK	1
	Flood	April 23, 2006	Kashechewan ON	1
	Flood	May 20, 2006	Slocan River BC	1
	Flood	May 27, 2006	Aklavik NT	1
	Flood	October 28, 2006	Saint-Joseph et Vallée QC	1
	Non-Residential	July 24, 2006	Galiano Island BC	1
	Storms and Severe Thunderstorms	August 19, 2006	Sainte-Anne-des-Plaines QC	1
	Wildfire	June 16, 2006	Mistissini QC	1
	Wildfire	July 3, 2006	Tumbler Ridge BC	1
	Wildfire	July 4, 2006	Nordegg AB	1
	Wildfire	July 6, 2006	Cariboo-Chilcotin BC	1
Total, 2006				13
2007	Derailment Release	May 10, 2007	Bellefleur NB	1
	Flood	April 3, 2007	Selkirk MB	1
	Flood	April 19, 2007	Red Earth First Nation SK	1
	Flood	June 5, 2007	Terrace, Smithers & Mount Currie BC	1
	Flood	December 10, 2007	Prince George BC	1
	Leak / Spill Release	July 5, 2007	Dartmouth NS	1
	Non-Residential	May 25, 2007	Windsor ON	1
	Non-Residential	June 3, 2007	Hamilton ON	1

Year	Description	Start date	Location	# evacuations
	Storms and Severe Thunderstorms	August 15, 2007	Gaspé QC	1
	Storms and Severe Thunderstorms	December 17, 2007	Matane QC	1
	Wildfire	May 13, 2007	Northwest Ontario	1
	Wildfire	May 27, 2007	Sept-Îles QC	1
	Wildfire	June 17, 2007	Happy Valley - Goose Bay NL	1
	Wildfire	July 20, 2007	South Indian Lake MB	1
	Wildfire	August 1, 2007	Kootenay BC	1
	Wildfire	August 3, 2007	Natuashish NL	1
Total, 2007				16
2008	Fire	August 15, 2008	Zama City AB	1
	Flood	February 18, 2008	Port Bruce ON	1
	Flood	April 25, 2008	Albany River ON	1
	Flood	April 29, 2008	Quebec City QC	1
	Flood	May 9, 2008	James Bay ON	1
	Flood	May 30, 2008	Saint John River NB	1
	Non-Residential	August 10, 2008	Toronto ON	1
	Storms and Severe Thunderstorms	July 22, 2008	La Tuque QC	1
	Wildfire	May 16, 2008	Newbrook AB	1
	Wildfire	May 28, 2008	Norway House and Sherridon MB	1
	Wildfire	June 13, 2008	Halifax NS	1
	Wildfire	June 30, 2008	Northern Saskatchewan	1
	Wildfire	July 1, 2008	Deschambault Lake SK	1
Total, 2008				13
2009	Flood	March 24, 2009	Roseau River First Nation, Sioux Falls, Peguis First Nation, St. Andrews, St. Clements and Selkirk MB	1
	Flood	May 1, 2009	Rock Creek and Henderson Corner in the Klondike Valley YT	1
	Flood	November 14, 2009	Duncan and North Cowichan (Vancouver Island) BC	1
	Wildfire	July 18, 2009	Kelowna, Kamloops and Cariboo BC	1
Total, 2009				4
2010	Flood	May 29, 2010	Winnipeg MB	1
	Flood	June 17, 2010	Southern Alberta	1
	Flood	August 22, 2010	Meat Cove NS	1
	Flood	September 24, 2010	Kingcome Inlet and Bella Coola BC	1
	Flood	November 7, 2010	Yarmouth and Halifax NS	1
	Flood	December 5, 2010	Gaspé and Bonaventure QC	1
	Hurricane / Typhoon / Tropical Storm	September 21, 2010	Newfoundland and Labrador	1
	Storms and Severe Thunderstorms	July 22, 2010	North Battleford SK	1
	Storms and Severe Thunderstorms	November 8, 2010	Yarmouth County NS	1
	Wildfire	May 12, 2010	County of Thorhild AB	1
	Wildfire	May 23, 2010	Wemotaci reserve and La Tuque QC	1
	Wildfire	June 15, 2010	13km East of Cranberry Portage MB	1
	Winter Storm	December 13, 2010	Lambton County ON	1
Total, 2010				13
2011	Flood	April 19, 2011	Assiniboine, Roseau and Red Rivers MB	1
	Flood	April 22, 2011	Saint-Jean-sur-Richelieu (Richelieu River) QC	1
	Flood	May 10, 2011	Brandon MB	1

Year	Description	Start date	Location	# evacuations
	Flood	May 29, 2011	Calgary AB	1
	Flood	June 2, 2011	Dauphin Lake, Souris River, Assiniboine River, Pipestone Creek, Oak Lake, Plum Lakes, Plum Creek, and the Qu'Appelle River MB	1
	Flood		Wollaston Lake SK	1
	Flood	June 17, 2011	Weyburn and Estavan SK	1
	Flood	July 12, 2011	Eckville, Lacombe, Paddle River, Fort Vermilion, and Peace River AB	1
	Hurricane / Typhoon / Tropical Storm	August 28, 2011	New Brunswick	1
	Wildfire	May 1, 2011	Towns of Slave Lake, High Prairie, Little Buffalo, Lesser Slave Lake, Municipal Districts of Lesser Slave River, Red Earth Creek, and Loon Lake Whitefish Atikameg, and Woodland Cree First Nations AB	1
	Wildfire	June 12, 2011	Hall Lake SK	1
	Wildfire	June 21, 2011	Mishkeegogamang Ojibway First Nation (New Osnaburgh), Northern ON	1
	Wildfire	July 6, 2011	Northern Ontario	1
Total, 2011				13
2012	Flood	March 19, 2012	Perth-Andover, NB	1
	Flood	March 24, 2012	Fort Albany and Kashechewan First Nations, Ontario	1
	Flood	June 23, 2012	Sicamous, BC	1
	Wildfire	May 20, 2012	Kirkland Lake	1
	Wildfire	June 23, 2012	Sheshatshiu, Newfoundland Labrador	1
	Wildfire	July 11, 2012	Mackenzie County, Alberta	1
	Wildfire	September 9, 2012	Peachland, British Columbia	1
	Wildfire	October 2, 2012	Vita, Manitoba	1
Total, 2012				8
Total, 2004 - 2012				100

Source: Public Safety Canada, *Canadian Disaster Database*, <http://www.publicsafety.gc.ca/cnt/rsrscs/cndn-dsstr-dtbs/index-eng.aspx>

Appendix 7: 911 calls made from payphones, by size of community (Quebec, 2012)

Size of community from which 911 calls were made in Quebec (2012)	Total 911 calls	911 Calls from payphone	
		# of calls	% of calls
62,000	80,778	4,362	5.4%
65,000	33,045	727	2.2%
75,200	30,294	515	1.7%
98,070	23,026	449	2.0%
102,000	40,800	408	1.0%
118,400	27,525	556	2.0%
167,450	44,048	925	2.1%
405,170	230,333	4,146	1.8%
560,560	398,643	5,581	1.4%
1,337,000	363,220	7,446	2.1%
1,917,240	1,453,243	53,770	3.7%
Total, all communities	2,724,954	78,885	2.9%

Appendix 8: Times when evacuations have been ordered in Canada, 2004-2012

Year	Description	Start date	Location	# communities affected
2004	Derailment Release	August 10, 2004	Estevan SK	1
	Flood	March 24, 2004	South-Central Manitoba	1
	Flood	May 19, 2004	Attawapiskat ON	1
	Storms and Severe Thunderstorms	July 11, 2004	Edmonton AB	1
2004 Total				4
2005	Flood	April 23, 2005	Kashechewan ON	1
	Flood	May 1, 2005	Fredericton, Jemseg, Sheffield, Maugerville NB	1
	Flood	May 11, 2005	Fort Good Hope NT	1
	Flood	May 25, 2005	Bridgewater NS	1
	Flood	June 2, 2005	Regional municipalities of Daly, Sifton, Blanshard, Brandon, Strathclair and Woodworth, Oak Lake, Rivers and Dominion City, Melita, Elphinstone, Rural Municipality of Franklin and the town of Deloraine and The Pas MB	1
	Flood	June 8, 2005	Black Diamond	1
	Flood	June 23, 2005	Cumberland House, Cumberland House Cree First Nation SK	1
	Flood	September 27, 2005	Stephenville NL	1
	Infestation	October 26, 2005	Kashechewan ON	1
	Landslide	January 19, 2005	North Vancouver BC	1
	Leak / Spill Release	September 28, 2005	Abbotsford BC	1
	Leak / Spill Release	December 13, 2005	Glovertown NL	1
	Storms and Severe Thunderstorms	September 26, 2005	Lorette River, Quebec City QC	1
	Wildfire	May 29, 2005	Chisasibi QC	1
	Wildfire	June 5, 2005	Chibougamau, James Bay QC	1
Wildfire	August 28, 2005	Kelowna BC	1	
2005 Total				16
2006	Fire	August 15, 2006	Amherstburg ON	1
	Fire		Boisbriand QC	1
	Flood	April 13, 2006	Red Earth SK	1
	Flood	April 23, 2006	Kashechewan ON	1
	Flood	May 20, 2006	Slocan River BC	1
	Flood	May 27, 2006	Aklavik NT	1
	Flood	October 28, 2006	Saint-Joseph et Vallée QC	1
	Non-Residential	July 24, 2006	Galiano Island BC	1
	Storms and Severe Thunderstorms	August 19, 2006	Sainte-Anne-des-Plaines QC	1
	Wildfire	June 16, 2006	Mistissini QC	1
	Wildfire	July 3, 2006	Tumbler Ridge BC	1
	Wildfire	July 4, 2006	Nordegg AB	1
	Wildfire	July 6, 2006	Cariboo-Chilcotin BC	1
2006 Total				13
2007	Derailment Release	May 10, 2007	Bellefleur NB	1
	Flood	April 3, 2007	Selkirk MB	1
	Flood	April 19, 2007	Red Earth First Nation SK	1
	Flood	June 5, 2007	Terrace, Smithers & Mount Currie BC	1
	Flood	December 10, 2007	Prince George BC	1
	Leak / Spill Release	July 5, 2007	Dartmouth NS	1

Year	Description	Start date	Location	# communities affected
	Non-Residential	May 25, 2007	Windsor ON	1
	Non-Residential	June 3, 2007	Hamilton ON	1
	Storms and Severe Thunderstorms	August 15, 2007	Gaspé QC	1
	Storms and Severe Thunderstorms	December 17, 2007	Matane QC	1
	Wildfire	May 13, 2007	Northwest Ontario	1
	Wildfire	May 27, 2007	Sept-Îles QC	1
	Wildfire	June 17, 2007	Happy Valley - Goose Bay NL	1
	Wildfire	July 20, 2007	South Indian Lake MB	1
	Wildfire	August 1, 2007	Kootenay BC	1
	Wildfire	August 3, 2007	Natuashish NL	1
2007 Total				16
2008	Fire	August 15, 2008	Zama City AB	1
	Flood	February 18, 2008	Port Bruce ON	1
	Flood	April 25, 2008	Albany River ON	1
	Flood	April 29, 2008	Quebec City QC	1
	Flood	May 9, 2008	James Bay ON	1
	Flood	May 30, 2008	Saint John River NB	1
	Non-Residential	August 10, 2008	Toronto ON	1
	Storms and Severe Thunderstorms	July 22, 2008	La Tuque QC	1
	Wildfire	May 16, 2008	Newbrook AB	1
	Wildfire	May 28, 2008	Norway House and Sherridon MB	1
	Wildfire	June 13, 2008	Halifax NS	1
	Wildfire	June 30, 2008	Northern Saskatchewan	1
	Wildfire	July 1, 2008	Deschambault Lake SK	1
2008 Total				13
2009	Flood	March 24, 2009	Roseau River First Nation, Sioux Falls, Peguis First Nation, St. Andrews, St. Clements and Selkirk MB	1
	Flood	May 1, 2009	Rock Creek and Henderson Corner in the Klondike Valley YT	1
	Flood	November 14, 2009	Duncan and North Cowichan (Vancouver Island) BC	1
	Wildfire	July 18, 2009	Kelowna, Kamloops and Cariboo BC	1
2009 Total				4
2010	Flood	May 29, 2010	Winnipeg MB	1
	Flood	June 17, 2010	Southern Alberta	1
	Flood	August 22, 2010	Meat Cove NS	1
	Flood	September 24, 2010	Kingcome Inlet and Bella Coola BC	1
	Flood	November 7, 2010	Yarmouth and Halifax NS	1
	Flood	December 5, 2010	Gaspé and Bonaventure QC	1
	Hurricane / Typhoon / Tropical Storm	September 21, 2010	Newfoundland and Labrador	1
	Storms and Severe Thunderstorms	July 22, 2010	North Battleford SK	1
	Storms and Severe Thunderstorms	November 8, 2010	Yarmouth County NS	1
	Wildfire	May 12, 2010	County of Thorhild AB	1
	Wildfire	May 23, 2010	Wemotaci reserve and La Tuque QC	1
	Wildfire	June 15, 2010	13km East of Cranberry Portage MB	1
	Winter Storm	December 13, 2010	Lambton County ON	1
2010 Total				13

Year	Description	Start date	Location	# communities affected
2011	Flood	April 19, 2011	Assiniboine, Roseau and Red Rivers MB	1
	Flood	April 22, 2011	Saint-Jean-sur-Richelieu (Richelieu River) QC	1
	Flood	May 10, 2011	Brandon MB	1
	Flood	May 29, 2011	Calgary AB	1
	Flood	June 2, 2011	Dauphin Lake, Souris River, Assiniboine River, Pipestone Creek, Oak Lake, Plum Lakes, Plum Creek, and the Qu'Appelle River MB	1
	Flood	June 2, 2011	Wollaston Lake SK	1
	Flood	June 17, 2011	Weyburn and Estavan SK	1
	Flood	July 12, 2011	Eckville, Lacombe, Paddle River, Fort Vermilion, and Peace River AB	1
	Hurricane / Typhoon / Tropical Storm	August 28, 2011	New Brunswick	1
	Wildfire	May 1, 2011	Towns of Slave Lake, High Prairie, Little Buffalo, Lesser Slave Lake, Municipal Districts of Lesser Slave River, Red Earth Creek, and Loon Lake Whitefish Atikameg, and Woodland Cree First Nations AB	1
	Wildfire	June 12, 2011	Hall Lake SK	1
	Wildfire	June 21, 2011	Mishkeegogamang Ojibway First Nation (New Osnaburgh), Northern ON	1
	Wildfire	July 6, 2011	Northern Ontario	1
2011 Total				13
2012	Flood	March 19, 2012	Perth-Andover, NB	1
	Flood	March 24, 2012	Fort Albany and Kashechewan First Nations, Ontario	1
	Flood	June 23, 2012	Sicamous, BC	1
	Wildfire	May 20, 2012	Kirkland Lake	1
	Wildfire	June 23, 2012	Sheshatshiu, Newfoundland Labrador	1
	Wildfire	July 11, 2012	Mackenzie County, Alberta	1
	Wildfire	September 9, 2012	Peachland, British Columbia	1
Wildfire	October 2, 2012	Vita, Manitoba	1	
2012 Total				8
Total, 2004-2012				100

Appendix 9: Number of evacuations in which Indigenous reserves were affected

Year	Description	Start date	Location	Evacuation involved
2004	Flood	March 24, 2004	South-Central Manitoba	1
Total				1
2005	Flood	June 8, 2005	Black Diamond	1
	Flood	June 23, 2005	Cumberland House, Cumberland House Cree First Nation SK	1
Total				2
2007	Flood	April 19, 2007	Red Earth First Nation SK	1
	Wildfire	May 13, 2007	Northwest Ontario	1
Total				2
2008	Wildfire	June 30, 2008	Northern Saskatchewan	1
Total				1
2009	Flood	March 24, 2009	Roseau River First Nation, Sioux Falls, Peguis First Nation, St. Andrews, St. Clements and Selkirk MB	1
Total				1
2010	Flood	June 17, 2010	Southern Alberta	1
	Hurricane / Typhoon / Tropical Storm	September 21, 2010	Newfoundland and Labrador	1
	Wildfire	May 23, 2010	Wemotaci reserve and La Tuque QC	1
Total				3
2011	Hurricane / Typhoon / Tropical Storm	August 28, 2011	New Brunswick	1
	Wildfire	May 1, 2011	Towns of Slave Lake, High Prairie, Little Buffalo, Lesser Slave Lake, Municipal Districts of Lesser Slave River, Red Earth Creek, and Loon Lake Whitefish Atikameg, and Woodland Cree First Nations AB	1
		June 21, 2011	Mishkeegogamang Ojibway First Nation (New Osnaburgh), Northern ON	1
		July 6, 2011	Northern Ontario	1
Total				4
2012	Flood	March 24, 2012	Fort Albany and Kashechewan First Nations, Ontario	1
Total				1
Total, all evacuations affecting Indigenous reserves				15

Endnotes

¹ International Telecommunications Union, “Historical Timeline of Canadian Telecommunications Achievements”, <http://www.itu.int/newsarchive/wtsa2000/english/media/timeline.pdf>. Users paid the shopkeeper for each call.

² William Gray filed a patent for a coin-accepting telephone in the United States, in April 1888: <http://sabr.org/bioproj/person/561473b7>.

³ “Bell Canada (and other Canadian telecommunications companies)”, http://www.beatriceco.com/bti/porticus/bell/canadian_bell_companies.html.

⁴ “Martin Cooper: Inventor of the cell phone”, http://www.cellular.co.za/cellphone_inventor.htm.

⁵ <http://www.telephonetribute.com/payphones.html#history>: “AT&T introduced “Charge-a-Call,” a “coinless” pay phone, in 1978 (and the term “pay phone” began to replace “coin phone”).”

⁶ See e.g., *NORTHWESTEL INC. – GENERAL INCREASE IN RATES*, Telecom Decision CRTC 85-23 (Ottawa, 29 October 1985), <http://www.crtc.gc.ca/eng/archive/1985/DT85-23.HTM>.

⁷ While car-mounted “Mobile Telephone Systems” were available in the United States in 1946, they suffered from limited channels and time constraints: “A brief History of Canada’s Cellular Services and Telecommunication Reforms”, (undated), https://wiki.sfu.ca/fall08/cmns488e100/images/7/72/Canada_Cellphone_History.pdf.

⁸ *Ibid.*

⁹ Primus Canada, “Internet-Based Phone Service Celebrates 10 Years in Canada” (Toronto, 21 January 2014), http://primus.ca/index.php/ab_en/news-and-events/internet-based-phone-service-celebrates-10-years-in-canada.

¹⁰ Statistics Canada, “Dwelling characteristics and household equipment, by province (Canada)”, CANSIM, table 203-0027, <http://www.statcan.gc.ca/tables-tableaux/sum-som/I01/cst01/famil133a-eng.htm>.

¹¹ Telecom Decision CRTC 2013-336.

¹² *Removal of the last payphone in a community*, Telecom Regulatory Policy CRTC 2013-708 (Ottawa, 17 December 2013), <http://www.crtc.gc.ca/eng/archive/2013/2013-708.htm>.

¹³ *Ibid.*

¹⁴ TNoC 2015-66, at para. 10.

¹⁵ *Ibid.*, at para. 10.

¹⁶ *Ibid.*, at para. 11.

¹⁷ *Ibid.*, at para. 16:

By modifying the existing framework in the manner proposed above, the Commission considers that Canadians in urban and rural communities would have the opportunity to voice their concerns about the removal of certain payphones to their local governments, while local governments would be empowered to respond to the needs of their community members.

¹⁸ *Ibid.*, at para. 16.

¹⁹ *Ibid.*, at para. 13.

²⁰ *Ibid.*, at para. 14.

²¹ *Ibid.*, at para. 15. The current requirement applies to the Bell companies (Bell Aliant, Télébec and Bell Canada), MTS, SaskTel and Telus.

²² Including SaskTel; *Access to pay telephone service*, Telecom Decision CRTC 2004-47 (Ottawa, 15 July 2004), <http://www.crtc.gc.ca/eng/archive/2004/dt2004-47.htm>, at para. 71.

²³ *Ibid.*, at para. 69.

²⁴ *Ibid.*, at para. 70.

²⁵ Telecom Decision CRTC 2004-47, *supra* note 22, at para. 72.

²⁶ *Ibid.*, at para. 73.

²⁷ *YORK UNIVERSITY - PROVISION OF COMPETITIVE LOCAL PAY TELEPHONE SERVICE*, Telecom Decision CRTC 95-20 (Ottawa, 18 September 1995), <http://www.crtc.gc.ca/eng/archive/1995/DT95-20.htm>, at Part I (The Application). Bell opposed York's application.

²⁸ *LOCAL PAY TELEPHONE COMPETITION*, Telecom Decision CRTC 98-8, <http://www.crtc.gc.ca/eng/archive/1998/DT98-8.HTM>: "In the Commission's view, introducing competition in the local pay telephone market will stimulate service innovation, foster a viable domestic industry and increase total market revenues."

²⁹ *Ibid.*, at Part IV ("REGULATORY FRAMEWORK FOR NEW ENTRANTS").

³⁰ *Ibid.*:

ILECs are directed to file reports within 45 days of this Decision indicating where pay telephones were located as of 1 July 1998 in their respective serving territories. Thereafter, ILECs are directed to file annual reports indicating locations where pay telephones were removed and the reasons why.

³¹ *Ibid.*

³² *Ibid.*, at Part III, section A ("Should Competition be permitted in the Local Pay Telephone Market?").

³³ *Ibid.*, at Part III, section B, subsection viii ("Public Interest Pay Telephones").

³⁴ *Ibid.*

³⁵ *Regulatory framework for second price cap period*, Telecom Decision CRTC 2002-34., <http://www.crtc.gc.ca/eng/archive/2002/dt2002-34.htm>, at para. 525: to \$0.50 per call, for calls placed at indoor payphones. Bell proposed to keep the \$0.25 rate for outdoor payphones. Telus received permission to increase its payphone rates by 40% (from \$0.25 to \$0.35) in July 2000 (*Public and semi-public telephone services*, Order CRTC 2000-648 (Ottawa, 12 July 2000), <http://www.crtc.gc.ca/eng/archive/2000/O2000-648.htm>).

³⁶ Telecom Decision CRTC 2002-34, para. 522.

³⁷ *Ibid.*, at para. 523.

³⁸ Several complaints were brought to the CRTC alleging anti-competitive behaviour by ILECs with respect to basic pay telephone service. See e.g., *First Canadian Telecom alleges anti-competitive behavior by Bell Canada in payphone marketplace*, Order CRTC 2000-60 (Ottawa, 31 January 2000), <http://www.crtc.gc.ca/eng/archive/2000/O2000-60.HTM>; *Commission rules on Goldiphones allegations of Bell Canada's interference in payphone marketplace*, Order CRTC 2000-61 (Ottawa, 31 January 2000), <http://www.crtc.gc.ca/eng/archive/2000/O2000-61.HTM>; *Payphone card promotion*, Order CRTC 2000-502 (Ottawa, 31 May 2000), <http://www.crtc.gc.ca/eng/archive/2000/O2000-502.htm>;

³⁹ *Ibid.*, at para. 524.

⁴⁰ Telecom Decision CRTC 2004-47, *supra* note 22, at para. 33.

⁴¹ *Ibid.*, at para. 32.

⁴² *Ibid.*, at para. 37.

⁴³ *Ibid.*

⁴⁴ *Ibid.*, at para. 542.

⁴⁵ *TELUS Québec – Interim rates for the 2004 annual price cap period*, Telecom Decision CRTC 2004-48, (Ottawa, 16 July 2004), <http://www.crtc.gc.ca/eng/archive/2004/dt2004-48.htm>, at para. 5.

⁴⁶ Telecom Decision CRTC 2004-47, *supra* note 22, at para. 33.

⁴⁷ *Ibid.*, at para. 32.

⁴⁸ *Ibid.*, at para. 56. The CRTC noted at para. 58 that "there are removals that do not have a major impact on users. For instance, the Commission notes that removal of a pay telephone from a bank of pay telephones would not have a substantial impact on accessibility [or] where a pay telephone is moved to an other location within a building."

⁴⁹ *Ibid.*, at para. 60.

⁵⁰ *Ibid.*, at para. 61.

⁵¹ *Ibid.*, at para. 63.

52 *Ibid.*, at para. 65.

53 *Ibid.*, at para. 65.

54 *Ibid.*, at para. 64.

55 *Ibid.*, at para. 62.

56 *Ibid.*, at para. 63.

57 Including SaskTel; *Ibid.*, at para. 71.

58 *Ibid.*, at para. 69.

59 *Ibid.*, at para. 70.

60 *Ibid.*, at para. 72.

61 *Ibid.*, at para. 73.

62 *Price cap framework for large incumbent local exchange carriers*, Telecom Decision CRTC 2007-27, (Ottawa, 30 April 2007), <http://www.crtc.gc.ca/eng/archive/2007/dt2007-27.htm>, at para. 113.

63 *Ibid.*, footnote 8, and dissenting opinion of Commissioner Stuart Langford.

The CRTC's staff had previously denied a December 2006 MTS Allstream application to increase its local-call payphone rates, on the ground of prematurity. See Paul M. Godin, A/Director General, Competition, Costing and Tariffs, Telecommunications, CRTC, *Re: Tariff Notice No. 67*, (Ottawa, 11 December 2006), <http://www.crtc.gc.ca/eng/archive/2006/lt061211a.htm>.

64 Telecom Decision CRTC 2007-27, *supra* note 62, at para. 113.

65 *Regulatory requirements pertaining to the monitoring and reporting of certain data*, Telecom Regulatory Policy CRTC 2009-183, (Ottawa, 8 April 2009), <http://www.crtc.gc.ca/eng/archive/2009/2009-183.htm>:

24. The Commission notes that the local pay telephone report was established in order to enable the Commission to monitor the impact of competition on the pay telephone market. The Commission also notes that only the ILECs are required to file annual reports with details related to pay telephone installations and removals.

25. The Commission considers that eliminating the annual pay telephone report would not prevent it from monitoring the impact of pay telephone competition. The Commission expects that TSPs will maintain records of pay telephone installations and removals, and notes that it can request such information from TSPs, as required.

26. Accordingly, the Commission eliminates the regulatory requirement for ILECs to file annual local pay telephone reports. The Commission will request information from TSPs as required in order to gather data related to pay telephone installations and removals.

66 *Obligation to serve and other matters*, Telecom Regulatory Policy 2011-291 (Ottawa, 3 May 2011), <http://www.crtc.gc.ca/eng/archive/2011/2011-291.htm>.

67 Telecom Notice of Consultation 2010-43, (Ottawa, 28 January 2010), <http://www.crtc.gc.ca/eng/archive/2010/2010-43.htm>, at para. 16.

68 *Bell Aliant Regional Communications, Limited Partnership; Bell Canada; and Télébec, Limited Partnership – Application to increase the price ceiling for local payphone calls*, Telecom Decision CRTC 2013-336, (Ottawa, 16 July 2013), <http://www.crtc.gc.ca/eng/archive/2013/2013-336.htm>, at para. 5.

69 *Ibid.*

70 *Fact-finding process on the role of payphones in the Canadian communications system*, Telecom Notice of Consultation 2013-337 (Ottawa, 16 July 2013), <http://www.crtc.gc.ca/eng/archive/2013/2013-337.htm>.

71 *Ibid.*, deadline extended in <http://www.crtc.gc.ca/eng/archive/2014/lt140217c.htm>.

72 (Ottawa, 26 February 2015), <http://www.crtc.gc.ca/eng/publications/reports/rp150226a.htm>.

73 25 March 2014, <http://www.crtc.gc.ca/eng/publications/reports/rp150226.htm>.

74 TNoC 2015-66, at para. 10.

75 CRTC Results report, "Summary".

76 CRTC *Results* report, "ILEC views": "All ILECs submitted that payphones were intended to provide a convenience service and not basic service."

⁷⁷ “All ILECs submitted that flexibility is required in determining where payphone service is made available. The placement of any payphone requires entering into contracts with location providers that represent both private sector entities (e.g. entities that own retail locations, commercial buildings, hotels, gas stations, and entertainment venues) and entities, such as municipalities, that own/manage public sector sites (e.g. provincial and federal government buildings, hospitals, transit/subway/rail/bus stations, and airports).”

⁷⁸ *Ibid.*, “Consumer views”.

⁷⁹ Being 10,501 payphones with revenues of less than \$0.50/day, and 636 payphones that were not used in 13 months from 2012 to 2013. It is not clear from the report how many calls were made from the low-revenue payphones, or whether the 636 payphones that were not used were either fully operational or publicly accessible.

⁸⁰ *Amtelecom Limited Partnership and People’s Tel Limited Partnership – Pay telephone rates*, Telecom Order CRTC 2012-566 (Ottawa, 16 October 2012), <http://www.crtc.gc.ca/eng/archive/2012/2012-566.htm>, at para. 3. The CRTC’s online public file materials did not include the document in which Eastlink made this statement.

⁸¹ It is unclear which provider operated the payphone.

⁸² *Ibid.*

⁸³ *Ibid.*

⁸⁴ *Ibid.*

⁸⁵ The RedMobile report repeats this statement several times:

A key element of this study was to assess alternatives and the impact that they might have on consumers, particularly those considered to be in vulnerable groups. ...

...

In an environment where payphones become less available, the study looked at the impact of this trend on the most vulnerable consumers. ...

...

... The purpose of this study is to assess the socio-economic impact of alternatives to payphones and evaluate the role of payphones in emergency situations and PS infrastructure.

...

RedMobile determined that affordability, availability, and usability considerations were appropriate classifications to analyze the socio-economic impact of payphones and alternative technologies.

...

... In this study, RedMobile analyzed the Canadian payphone industry and alternative communications option to:

1. Assess the socio-economic impact of payphones and alternatives based on affordability, availability, and usability
2. Evaluate the role of payphones and alternatives in emergency situations and within Public Safety infrastructure.

⁸⁶ A study prepared for Industry Canada about future demand for radio spectrum in Canada describes the “Red Mobile” company, areas of specialization and clientele, but does not describe its authors’ professional qualifications:

Red Mobile Consulting is a Global Management Consulting firm specializing in the ICT sector. Red Mobile Co. provides market research, strategy, and implementation planning services to the world’s foremost ICT Service Providers, Government and Regulatory bodies, and Enterprises.

Our areas of specialty include wireless and mobile services for the government, financial, retail and healthcare verticals.

Our client base includes the top Fortune 500 firms and leading ICT sector players worldwide.

Red Mobile Co. is committed to working with its clients globally, to help them effectively tackle and manage the challenges of an ever-changing business and technology environment. Red Mobile Co.’s innovative methodology takes into account emerging forces of competition, including disruptive technologies and new business models.

LinkedIn lists two people who include RedMobile in their current work profiles: Dawood Khan, P. Eng., shown as a Partner at RedMobile and a member of the Canadian Wireless Telecommunications Association; and Michael Dixon, who worked at Motorola for 25 years and now provides wireless advisory services and who may also be an engineer (see <http://www.web4wireless.ca/about.html>).

⁸⁷ As power is delivered from the telephone service's central office.

⁸⁸ The RedMobile report notes that the "lack of call history has been claimed as important in some instances (for example, in the case of domestic abuse where the abusing party has access to service history)." The report does not explain its use of the term, "claimed".

⁸⁹ RedMobile report, Part 1 ("Executive Summary"), at "Conclusion".

⁹⁰ *Ibid.*: "...while payphones are handy if you know where they are, they are not ubiquitous and readily available, making access to them in time-sensitive situations a challenge."

⁹¹ *Ibid.*, "Emergency Communications – Payphones & Alternatives:".

⁹² See:

CRTC, *Status of Competition in Canadian Telecommunications Markets*, Report to the Governor in Council, September 2001, at 40;

CRTC, *Status of Competition in Canadian Telecommunications Markets*, Report to the Governor in Council, December 2002, at 74;

CRTC, *Etat de la concurrence dans les marchés des télécommunications au Canada*, Rapport à la gouverneure en conseil, novembre 2003, at 95-97;

CRTC, *Etat de la concurrence dans les marchés des télécommunications au Canada*, Rapport à la gouverneure en conseil, novembre 2004, at 95-98;

CRTC, *Etat de la concurrence dans les marchés des télécommunications au Canada*, Rapport à la gouverneure en conseil, octobre 2005, at 42-43.

⁹³ See:

CRTC, *Communications Monitoring Report*, 2009, at Figure 5.2.3;

CRTC, *Communications Monitoring Report*, 2010, at Figure 5.2.3;

CRTC, *Communications Monitoring Report*, 2011, at Figure 5.2.3;

CRTC, *Communications Monitoring Report*, 2013, at iii, Figure 5.2.1, Figure 5.2.5, and

CRTC, *Communications Monitoring Report*, 2014, at 169-170.

⁹⁴ It is sometimes, but not always, possible to extract data from the unnumbered HTML versions of the charts by left-clicking one's cursor over the chart, and 'inspecting the elements'.

⁹⁵ Telecom Decision CRTC 2004-47, para 32.

⁹⁶ See e.g., NorthernTel. It said that it "does not have a current list of the municipalities that fall within its serving territory". DMTS/KMTS/Northern Tel, Limited Partnership, Response to Request DMTS-KMTS-NorthernTel(CRTC)7Feb14-301 (TNoC 2013-337), 28 February 2014, p. 1 of 1.

⁹⁷ Bell Aliant Regional Communications, Limited Partnership and Bell Canada, Response to Request (28 February 2014), The Companies(CRTC)7Feb14-301 TNC 2013-337.

⁹⁸ Beckwith, Brighton, Champlain, Fenelon, Mariposa, North York, Orford, Otonabee-South Monaghan, Ottawa, Québec, Saint-Liguori, Stanstead, Stanstead-Est, Tay, Wellesley and Georgina Island. Cacouna, Deer Lake, Essipit, Kasabonika Lake, Kitigan Zibi Anishinabeg, Mashteuiatsh, Poplar Hill, Wasauksing First Nation, Wendake were each listed as a community and as a reserve.

The number of communities served by both companies may in fact be higher – the companies' responses often refer to communities and reserves with similar names: Chapleau and Chapleau Ojibway; Fenelon and Fenelon Falls; Stanstead and Stanstead-Est; Tay and Tay Valley; Wellington and Wellington North;

⁹⁹ For example, by counting a community that appears twice in the companies' lists, once.

¹⁰⁰ R.S.C., 1985, c. 22 (4th Supp.).

¹⁰¹ Hurricane Juan hit 10 years ago today

CBC News Posted: Sep 29, 2013 11:15 AM AT Last Updated: Sep 29, 2013 11:15 AM

Ahttp://www.cbc.ca/news/canada/nova-scotia/hurricane-juan-hit-10-years-ago-today-1.1872443

¹⁰² Emergency Measures Ontario, *Progress Report 2006-2009*, http://www.emergencymanagementontario.ca/stellent/groups/public/@mcscs/@www/@emo/documents/abstract/emo_progressreport_pdf.pdf, at 15.

¹⁰³ Newfoundland and Labrador, *Fire and Emergency Services - Newfoundland and Labrador: Annual Report 2013-14*, <http://www.gov.nl.ca/fes/publications/FES-NLAnnual%20Report13-14.pdf>, at 12.

¹⁰⁴ *Ibid.*

¹⁰⁵ CBC News, "Saskatchewan flooding: 37 communities declare state of emergency", (30 June 2014), <http://www.cbc.ca/news/canada/saskatchewan/saskatchewan-flooding-37-communities-declare-state-of-emergency-1.2692213>.

¹⁰⁶ TripAdvisor, http://www.tripadvisor.ca/ShowUserReviews-g181727-d188193-r166827267-Ramada_Canmore-Canmore_Kananaskis_Country_Alberta.html:

BesthotelinCanmore1, Manager at Ramada Canmore, responded to this review, 22 July 2013
... We apologize for the inconvenience of not having your phone available. Many staff members lent their phones for use by guest while our phone system was down due to completely unforeseen and rapid flooding; furthermore, the payphone in the lobby never ceased to function.

¹⁰⁷ Government of Canada, *Your Emergency Preparedness Guide*, <https://www.getprepared.gc.ca/cnt/rsrscs/pblctns/yprrdnssgd/index-en.aspx>.

¹⁰⁸ Steve Kanellakos, Deputy City Manager, Community and Protective Services, City of Ottawa, *Report to Emergency and Protective Services Committee*, (7 April 2005) <http://ottawa.ca/calendar/ottawa/citycouncil/epsc/2005/04-14/ACS2005-CPS-EMU-0001%20-%209-1-1.htm>.

¹⁰⁹ Perry McConnell, Acting Deputy City Manager, Emergency Measures Unit, Community and Protective Services, City of Ottawa, *Report to Emergency and Protective Services Committee*, (3 June 2004) <http://ottawa.ca/calendar/ottawa/citycouncil/epsc/2004/06-10/ACS2004-EPS-EMU-0001%20-%202003%20annual%20911%20Report.htm>, Table 1.3.

¹¹⁰ "Power restored to downtown Calgary five days after outage", *Calgary Herald*, (12 October 2014), http://live.calgaryherald.com/Event/Part_of_downtown_Calgary_in_darkness_after_underground_electrical_fire?Page=0.

¹¹¹ "Internet, cell service knocked out in parts of Labrador" *The Telegram* (9 February 2015), <http://www.thetelegram.com/News/Local/2015-02-09/article-4037738/Internet,-cell-service-knocked-out-in-parts-of-Labrador/1>.

¹¹² "Measuring violence against women: Statistical Trends," *Juristat*, Cat. No. 85-002-X, at 8,
¹¹³ *Ibid.*, at 58, Chart 2.4 (Victims of police-reported intimate partner and non-intimate partner violence, by victim's place of residence, Canada, 2011").

¹¹⁴ *Juristat*, at 105.

¹¹⁵ *Juristat*, at 106.

¹¹⁶ Dale Kenny, Director of Community Relations and Finance, (13 March 2012), Application 2012-0046-9, Intervention 16

... I monitor crisis calls made by women seeking support and shelter who call from across Canada. The women we work with come from all walks of life, however, the majority of women we serve are marginalized by society standards and are very poor economically. As a result, they do not have access to either a cell phone or a landline and therefore must rely on a pay phone to contact us for safety. We do offer a toll free number, however, many women are not aware of that number until after their first call to us. We often deal with dangerous situations where a woman's safety is in jeopardy. Although the woman has the option to call 911 from a payphone, due to the circumstances she may be very afraid to contact the police and there needs to be other ways she can connect with services such as ours

¹¹⁷ *Ibid.*, at 8.

¹¹⁸ Statistics Canada, *Geography Catalogue*, Cat. No. 92-196-X, Appendix D, Table D.1 ("Census subdivision types, province and territory, 2011 Census"), <http://www.statcan.gc.ca/pub/92-196-x/2011001/app-ann/app-ann-d-eng.htm>.

¹¹⁹ *Ibid.* At least 8% of all murdered women aged 15 years and older who were murdered between 2001 and 2011 were Aboriginal, double their representation (4%) in the Canadian population. *Ibid.*, at 19, footnotes omitted.

¹²⁰ According to Statistics Canada 3,728 people committed suicide in 2011: Statistics Canada, CANSIM, table 102-0551, <http://www.statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/hlth66a-eng.htm>.

¹²¹ Toronto Transit Commission, "TTC, Distress Centres of Toronto, Bell Canada partner in new suicide prevention program", (Toronto, 16 June 2011), https://www.ttc.ca/News/2011/June/TTC_Distress_Centres_of_Toronto_Bell_Canada_partner_suicide_.js

¹²² CBC, "Tim Hortons Tells Sick Customer To Use Payone To Call 911" (3 May 2013), http://www.huffingtonpost.ca/2013/03/05/tim-hortons-emergency-london-ontario_n_2814217.html.

¹²³ The agency's database is comparable over time: "The questionnaire has remained the same since the start of the survey in 1996, except for the addition of the cell phone only question in May 2002 and the follow-up confirmation of having cell phone(s) only in May 2003." Statistics Canada, *Residential Telephone Service Survey (RTSS)*, "Definitions, data sources and methods", <http://www23.statcan.gc.ca/imdb/p2SV.pl?Function=getSurvey&SDDS=4426&Instal=147661&SurvId=24488>.

¹²⁴ FRPC believes that is likely that the results slightly overestimate phone ownership levels, as the 2013 survey was not administered in the territories or on Indian reserves: *Ibid.*, "Data sources and methodology".

¹²⁵ The figures are rough approximations because the household member numbers data are from 2011, while the household cellphone figures are from 2013.

¹²⁶ The RedMobile report repeats this statement several times:

A key element of this study was to assess alternatives and the impact that they might have on consumers, particularly those considered to be in vulnerable groups. ...

...

In an environment where payphones become less available, the study looked at the impact of this trend on the most vulnerable consumers. ...

...

... The purpose of this study is to assess the socio-economic impact of alternatives to payphones and evaluate the role of payphones in emergency situations and PS infrastructure.

...

RedMobile determined that affordability, availability, and usability considerations were appropriate classifications to analyze the socio-economic impact of payphones and alternative technologies.

...

... In this study, RedMobile analyzed the Canadian payphone industry and alternative communications option to:

1. Assess the socio-economic impact of payphones and alternatives based on affordability, availability, and usability
2. Evaluate the role of payphones and alternatives in emergency situations and within Public Safety infrastructure.

¹²⁷ CRTC, *Communications Monitoring Report 2014*, at 15.

¹²⁸ Income Statistics Division, Statistics Canada, *User Guide for the Survey of Household Spending, 2013*, Household Expenditures Research Paper Series, Cat. No. 62F0026M, no. 1, Appendix IX – Estimated number of households and average household size by domain (Text table 1 – Estimated number of households and average household size by domain defined at the national level, Canada, 2013).

¹²⁹ *Commission approves terms and conditions for local exchange and local payphone competition in the territories of TELUS Communications (Québec) Inc. and Télébec ltée*, Telecom Order 2001-761, (Ottawa, 3 October 2001), <http://www.crtc.gc.ca/eng/archive/2001/O2001-761.htm>, at para. 20.

¹³⁰ Statistics Canada, "Trips by Canadians in Canada, by province and territory", CANSIM table 426-0018 (trips defined as being 40 kilometres or more one-way), <http://www.statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/arts26a-eng.htm>.

¹³¹ Statistics Canada, "Non-resident travellers entering Canada", CANSIM table 427-0001, <http://www.statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/arts34-eng.htm>.

¹³² Para. 10, TNoC 2015-66.

¹³³ *Ibid.*, at para. 10.

¹³⁴ Section 7, "Conclusions" ("Payphones and alternatives").

¹³⁵ Telecom Decision CRTC 98-8, at Part III, section C ("Mechanism to Ensure Enforceability of Safeguards").

¹³⁶ *Czesak v. Canada (Citizenship and Immigration)*, 2013 FC 1149.

¹³⁷ Suzanne Morin, Bell Aliant General Counsel- Regulatory & Privacy Chief, and Philippe Gauvin, Bell Canada Senior Counsel – Regulatory Law & Policy, *Re Telecom Notice of Consultation CRTC 2013-337, Fact-finding process on the role of payphones in the Canadian communications system (TNC 2013-337) – Responses to Requests for Disclosure Related to the Companies' Responses to Requests for Information*, Letter to CRTC Secretary General (21 October 2013), File No. 865--C12-201310060

While other parties may have disclosed certain information on the public record in certain other contexts, the Companies continue to maintain that the disaggregated service-specific information related to demand and revenues for their payphone services, and unique locations that was filed in confidence by the Companies in the above-referenced responses is considered confidential and represents information that the Companies have continuously treated as confidential and have not released on the public record in any context.

The Companies note as well that although competition from other payphone service providers may not be extensive, the fact is that there are other payphone service providers in the market, and there are also other competitors that offer alternative products that compete with the Companies' payphone services, and disclosure of confidential disaggregated service-specific data, which would not normally be disclosed by the Companies, would be of value to them. As such, disclosure of disaggregated information related to payphones would provide valuable insight to existing and potential competitors in the marketplace regarding the Companies' payphone business which could cause specific direct harm to the Companies.

...

Finally, the Companies note that ... while BCE reports statistics on wireless services, this is because that data is judged to be material by BCE, as defined by Canadian securities law. More specifically, the Companies note that Canadian securities laws require the public filing with securities commissions of MD&As (Management's Discussion and Analysis of Financial Condition and Results of Operations) that accompany financial statements. For purposes of determining what constitutes "material" information to be included in MD&As, securities laws define "material" as follows:

Would a reasonable investor's decision whether or not to buy, sell or hold securities in your company likely be influenced or changed if the information in question was omitted or misstated? If so, the information is likely material.

Based on this, BCE has determined that the number of wireless subscribers and ARPU, and some wireline statistics as well, could fit in that definition and therefore disclosed those statistics in its MD&As. However, BCE has determined that data related to payphone services do not fit that definition and therefore are considered confidential and have not been disclosed. This is the case for other companies as well.

***** End of Document *****