

Canadian Radio-television and Telecommunications Commission

Telecom Notice of Consultation CRTC 2024-294

PDF version

Ottawa, 22 November 2024

Public record: 1011-NOC2024-0294

Call for comments – Making it easier to choose a wireless phone or Internet service – Removing barriers to switching plans

Deadline for submission of interventions: 9 January 2025

Deadline for submission of replies: 24 January 2025

[Submit an intervention or view related documents]

Summary

The Commission is launching three public proceedings to help Canadians better manage their cellphone and Internet service plans.

The Commission is building on existing protections to make it easier for Canadians to change or cancel their plans.

Canadians need to be able to modify or cancel their plans without fees that may discourage them from doing so.

The Commission has put in place different ways to protect Canadians in the Wireless Code and the Internet Code, and this public proceeding is another step in giving Canadians more control over the services they receive.

In this notice, the Commission is seeking comments on how to ensure that Canadians can modify or cancel their plans without fees acting as a barrier. A complete list of questions can be found in the appendix to this notice.

Additionally, important information on how interested persons can participate in this proceeding can be found <u>below</u>.

This is one of three proceedings launched today that address amendments to the *Telecommunications Act* set out in Division 37 of *An Act to implement certain provisions of the budget tabled in Parliament on April 16, 2024*. The other two proceedings are Telecom Notices of Consultation 2024-293 and 2024-295.

Canada

Introduction

Why we are launching this proceeding

- 1. The Commission is launching this proceeding to determine how it can amend the <u>Wireless Code¹</u> and the <u>Internet Code²</u> (the Consumer Protection Codes) by prohibiting fees that could be a barrier to Canadians switching plans.
- 2. This proceeding also addresses the amendments to the *Telecommunications Act* (the Act) set out in *An Act to implement certain provisions of the budget tabled in Parliament on April 16, 2024.* These amendments require the Commission to prohibit fees whose main purpose is to discourage subscribers from modifying or cancelling their plans.
- 3. This proceeding helps advance the work that the Commission is doing to enhance consumer protections.

What we are examining

- 4. The Commission has put in place different ways to protect Canadians in the Consumer Protection Codes, which help guide the relationship between telecommunications service providers (service providers) and their customers.
- 5. This proceeding will help build on those consumer protections by (i) removing fees that may be a barrier to Canadians who wish to switch plans; and (ii) helping Canadians more quickly, affordably, and easily modify or cancel their plans. This will help empower Canadians to take advantage of competitive offers.
- 6. The Consumer Protection Codes already require that service providers disclose any one-time costs and provide details related to any early cancellation fee. The Commission is of the preliminary view that it would also be beneficial to Canadians to prohibit the imposition of a fee:
 - that is related to the activation or modification of a telecommunications service plan; or
 - whose main purpose is to discourage subscribers from modifying their plan or cancelling their contract for a telecommunications service.
- To better understand the current fees that Canadians may be charged, Commission staff issued a request for information on 23 July 2024 asking service providers for more details on all fees currently charged to Canadians. The responses received on 23 August 2024 have been added to the record of this proceeding.

¹ See Telecom Regulatory Policies 2013-271 and 2017-200.

² See Telecom Regulatory Policy 2019-269.

Call for comments

- 8. In light of the above, the Commission is seeking comments on the following issues, as detailed in the appendix to this notice:
 - which fees discourage Canadians from modifying or cancelling their plan and in what instances they should be prohibited;
 - whether the Commission should amend the protections in the Consumer Protection Codes related to early cancellation fees to facilitate switching;
 - how to best ensure effective compliance with and enforcement of prohibiting fees that discourage Canadians from modifying or cancelling their plans in an adaptable manner; and
 - whether any specific service providers or classes of service providers should be exempt from the prohibition of these fees.
- 9. The Commission's decisions must advance the policy objectives set out in section 7 of the Act. This proceeding addresses two of those objectives. The Commission aims:
 - 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 (paragraph 7(a)); and
 - to respond to the economic and social requirements of users of telecommunications services (paragraph 7(h)).
- 10. In making decisions, the Commission must also implement the <u>2023 Policy</u> <u>Direction</u>.³ It emphasizes that the Commission should consider how its decisions enhance and protect the rights of consumers,⁴ including taking measures to ensure that consumers can promptly, affordably and easily cancel, downgrade, transfer or otherwise change their services.⁵

Out-of-scope issues

11. This proceeding is limited to examining the issues outlined in paragraph 8 and detailed in the appendix to this notice. For greater clarity, the following issues are outside the scope of this proceeding and will not be considered by the Commission unless they are directly related to the above-mentioned consumer protection requirements:

³ Order Issuing a Direction to the CRTC on a Renewed Approach to Telecommunications Policy, SOR/2023-23, 10 February 2023

⁴ See paragraph 2(d).

⁵ See subparagraph 17(b)(iv).

- rates and competitiveness of the marketplace;
- false advertising;
- availability of specific service features, services, or bundles of services;
- privacy obligations of service providers under the *Personal Information Protection and Electronic Documents Act*; and
- other changes to the Consumer Protection Codes that are unrelated to the prohibition of fees that may be barriers to switching plans.

What you need to know to participate in this proceeding

Procedure

12. The <u>Canadian Radio-television and Telecommunications Commission [CRTC] Rules</u> of <u>Practice and Procedure</u> (the Rules of Procedure) apply to this proceeding. The Guidelines on the CRTC Rules of Practice and Procedure (Broadcasting and Telecom Information Bulletin 2010-959) are meant to help members of the public understand the Rules of Procedure so that they can more effectively participate in Commission proceedings.

Submitting an intervention

- 13. The Commission invites comments that address the issues and questions set out above and in the appendix to this notice. The Commission will accept comments that it receives no later than **9 January 2025**.⁶
- 14. Interested persons who require assistance submitting comments can contact the Commission's Hearing & Public Proceedings group at <u>hearing@crtc.gc.ca</u>.
- 15. Interested persons who file an intervention automatically become a party to this proceeding. Only parties to the proceeding can participate in further stages of the proceeding.
- 16. Submissions must be filed by sending them to the Secretary General of the Commission using only one of the following means:
 - completing the Commission's intervention form;
 - sending a fax to 819-994-0218; or

⁶ For the computation of all time periods set out in this notice, as indicated in section 12 of the <u>Canadian</u> <u>Radio-television and Telecommunications Commission Rules of Practice and Procedure</u>, the period beginning on 21 December in one year and ending on 7 January in the following year must not be included.

- writing by mail to CRTC, Ottawa, Ontario K1A 0N2.
- 17. Submissions longer than five pages should include a summary. Submissions will be posted in the official language and format in which they are received.
- 18. The deadline to submit an intervention to the Commission is 5 p.m. Vancouver time (8 p.m. Ottawa time). Parties are responsible for ensuring the timely delivery of their submissions and will not be notified if their submissions are received after the deadline. Late submissions will not be considered by the Commission and will not be made part of the public record.

Submitting a reply

19. Parties can file replies with the Commission by **24 January 2025**. Their replies can address any matters on the record of the proceeding.

Privacy notice

20. Please note the following:

- Documents will be posted on the Commission's website exactly as received. This includes any personal information contained in them, such as full names, email addresses, postal/street addresses, and telephone and fax numbers.
- All personal information parties provide as part of this public proceeding, except information designated as confidential, will be posted on the Commission's website and can be accessed by others.
- However, the information parties provide can only be accessed from the webpage of this particular public proceeding. As a result, a general search of the Commission's website using either its search engine or a third-party search engine will not provide access to the information that was provided as part of this public proceeding.
- The personal information that parties provide will be used and may be disclosed for the purpose for which the information was obtained or compiled by the Commission or for a use consistent with that purpose.

Confidentiality

- 21. The Commission's proceedings are designed to allow members of the public to provide input so that it can make better, more informed decisions. As a result, the general rule is that all information filed with the Commission is placed on the public record and can be reviewed by all parties and members of the public.
- 22. However, the Commission also often needs detailed information from the companies it regulates and supervises to make an informed decision. This information can be

commercially sensitive, especially as the environment in which the companies operate becomes more competitive. The Commission will therefore accept certain information as confidential.

23. Parties can request that information be filed in confidence under subsection 39(1) of the Act with a detailed rationale as to why that information should be considered confidential. The Commission reminds parties that make such a request that when a document is filed with confidential information, an abridged version must also be filed so that it can be included in the public record.

Accessible formats for people with disabilities

- 24. The Commission requires regulated entities and encourages all parties to file submissions in accessible formats (for example, text-based file formats that enable text to be enlarged or modified or read by screen readers) for this proceeding. To help in this regard, the Commission has posted on its website <u>guidelines</u> for preparing documents in accessible formats.
- 25. If submitted documents have not been filed in accessible formats, you can contact the Commission's Hearing & Public Proceedings group at hearing@crtc.gc.ca to request that Commission staff obtain those documents in accessible formats from the party that originally submitted the documents in question.

Accessing documents

- 26. Links to interventions, as well as other documents referred to in this notice, are available on the Commission's "Consultations and hearings: have your say" page.
- 27. Documents are available upon request during normal business hours by contacting:

Documentation Centre <u>Examinationroom@crtc.gc.ca</u> Tel.: 819-997-4389 Fax: 819-994-0218

Client Services Toll-free telephone: 1-877-249-2782 Toll-free TTY: 1-877-909-2782

28. Interested persons can find electronic versions of the documents by clicking on "[Submit an intervention or view related documents]" at the top of this notice.

Secretary General

Related documents

- Call for comments Making it easier to choose a wireless phone or Internet service Enhancing self-service mechanisms, Telecom Notice of Consultation CRTC 2024-295, 22 November 2024
- Call for comments Making it easier to choose a wireless phone or Internet service Enhancing customer notification, Telecom Notice of Consultation CRTC 2024-293, 22 November 2024
- *The Internet Code*, Telecom Regulatory Policy CRTC 2019-269, 31 July 2019; as amended by Telecom Regulatory Policy CRTC 2019-269-1, 9 August 2019
- *Review of the Wireless Code*, Telecom Regulatory Policy CRTC 2017-200, 15 June 2017
- *The Wireless Code*, Telecom Regulatory Policy CRTC 2013-271, 3 June 2013
- *Guidelines on the CRTC Rules of Practice and Procedure*, Broadcasting and Telecom Information Bulletin CRTC 2010-959, 23 December 2010

Appendix to Telecom Notice of Consultation CRTC 2024-294

Questions for discussion

The Commission is seeking comments from interested persons on the questions below as part of their interventions, which are to be submitted no later than **9 January 2025**.⁷

Interested persons may also address responses from telecommunications service providers (service providers) to the <u>request for information</u> sent by the Commission on 23 July 2024.

Q1. Which fees or types of fees discourage Canadians from modifying or cancelling their plan, and in what instances should they be prohibited? Why or why not?

Q2. Should all fees charged when signing a new contract be considered fees whose main purpose is to discourage subscribers from modifying or cancelling their plans? Why or why not?

Q3. Should fees charged to end an existing contract be considered fees whose main purpose is to discourage subscribers from modifying or cancelling their plans? Why or why not? What if the customer is moving to a different plan with the same provider?

Q4. Should the Commission amend how it addresses early cancellation fees in the <u>Wireless Code</u> and the <u>Internet Code</u> to facilitate switching? Why or why not? If so, how?

Q5. To lessen the administrative burden and provide consistency for Canadians, the Commission wishes to minimize the amount of future process required to maintain the list of prohibited fees and types of fees. How can the Commission best ensure effective compliance with and enforcement of prohibiting fees that discourage Canadians from modifying or cancelling their plans in an adaptable manner?

Q6. Should any specific providers or classes of service providers be exempt from the prohibition of these fees? Why or why not?

⁷ For the computation of this time period, as indicated in section 12 of the <u>Canadian Radio-television and</u> <u>Telecommunications Commission Rules of Practice and Procedure</u>, the period beginning on 21 December in one year and ending on 7 January in the following year must not be included.