

## **CRTC 2024-318 - Opening Statement –Canadian Telecommunications Association**

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Good morning, Chair and Commissioners. My name is Eric Smith, and I'm here on behalf of the Canadian Telecommunications Association. Thank you for the opportunity to participate in this important consultation on making it easier for Canadians to shop for Internet services.

We fully agree with the Commission that consumers must be able to make informed decisions. That is why our members maintain high standards of transparency regarding the advertising of Internet services.

Key product and plan details—such as price, speed, data limits, term and discounts—are clearly presented at point-of-sale, such as product websites. These practices reflect years of continuous consumer engagement through which service providers have learned what is important to consumers.

And the data shows this approach is working. According to the Commission's own research:

- 72% of Canadians feel very or moderately knowledgeable about Internet service shopping;
- 85% are very satisfied, somewhat satisfied, or neutral about the information they can find when shopping for Internet services;
- 83% feel the same about the amount of information they are able to find, while 81% feel the same about being able to find the specific information they really want to have; and
- only 13% of Canadians identify specific information as being hard to find or difficult to understand.

When asked about specific types of product information, 2% or fewer reported difficulty finding or understanding any of the listed main product attributes, including speed and reliability. Most notably, only 1% said it is difficult to compare services, prices, or providers.

In short, current practices, driven by intense market competition, provide Canadians with clear, relevant, and accurate information about Internet services that make it easy to shop for and compare service offerings.

Despite this, it has been proposed that Canada adopt a standardized broadband consumer label like the one introduced by the FCC in the United States. We strongly urge the Commission not to pursue this approach. Not only are standardized labels unnecessary, but mandating labels would also misdirect scarce resources from expanding and improving broadband networks as well as the development of service innovations that can make a real difference to consumers.

Our written submissions in this proceeding offer a comprehensive response to the questions posed by the Commission in its consultation document, but I will highlight a few key points.

**First, Bill C-288 does not mandate a consumer broadband label.** The purpose of Bill C-288 is to ensure the accuracy of broadband speed advertising, even though the Commission's own performance tests indicate that Internet speed advertising is accurate. It requires providers to disclose "typical download and upload speeds during peak periods." It does not mandate a broadband label, nor does it require disclosure of other product attributes. The advertising of broadband speeds should be the narrow focus of this proceeding.

**Second, there is no clear evidence that a standardized label is necessary or will benefit consumers:**

- No proof has been offered that the FCC's new label has helped U.S. consumers.
- No evidence suggests consumers in countries without standardized labels—like Canada, the UK, or Australia—struggle more than Americans when shopping for Internet services.

Supporters of standardized labels fail to acknowledge service providers' existing practices for prominently displaying to consumers almost all the same information found in the FCC broadband label. This has made it easy for consumers to find relevant information and compare providers and plans, as evidenced by the Commission's own consumer survey.

Supporters of standardized labels also fail to acknowledge that service providers are already required to provide key contract information to consumers pursuant to the Internet Code, and that the Commission's own consumer code survey shows that most Canadians have not made a complaint about their Internet service in the past twelve months and most find their Internet contract clear and easy to understand.

Some intervenors point to the portion of the Commission's consumer survey where respondents were asked about the concept of a standardized format and shown a sample broadband label. Participants were asked whether this type of information or label would

be “helpful” or “unhelpful” and whether it would make it “easier to compare” or “more difficult to compare” plans. When one considers the design of the questions, it is not a surprise that more respondents chose helpful than unhelpful and easier to compare than more difficult to compare.

However, saying something would be helpful rather than unhelpful does not mean it is a better solution than existing practices for providing information to consumers.

Participants were not asked to compare different ways that information can be displayed. They were not asked to consider how service providers in Canada already provide product and plan information, nor were they asked to review how service providers in other countries, like the U.K. or Australia, provide such information.

They were also not asked to consider the information they already receive from service providers pursuant to the Internet Code. Additionally, they were not asked to consider whether a standardized format or consumer label would be desired even if the cost of building complex systems and processes to produce such labels would divert scarce resources from improving broadband services or might result in an increase to their monthly bill.

Without providing any context or asking survey participants to consider these related factors, the results of the survey questions about standardized formats and labels are of little value and should be given little weight by the Commission.

**Thirdly, there is no need to prescribe product information beyond peak-period speeds.**

Market forces, together with the requirements of the Internet Code, have resulted in consumers being provided with the key information regarding service plans and contractual information in an accessible and easy-to-understand manner. There is no need to require service providers to abandon these existing practices in favour of unproven and costly standardized formats.

Similarly, we urge caution on expanding the scope of required disclosures to include service metrics beyond broadband speed. Bill C-288 was introduced to address concerns around broadband speed advertising—not latency, jitter, packet loss, or oversubscription ratios.

In fact, requiring providers to disclose low-relevance metrics risks confusing or misleading consumers—especially when such metrics may vary based on factors outside a provider’s control, such as customer equipment or environmental conditions. As the Commission’s own research shows, and service providers’ experience confirms, most consumers don’t ask for this information, and don’t consider it when selecting a plan.

**Fourth**, as for how broadband speeds should be tested and disclosed, **we recommend** following the lead of other jurisdictions and **establishing a single peak period. We also support flexibility in how providers test and report speeds.** Countries like the UK, Australia, and the U.S. allow providers to use internal, third-party or industry-standard tools to measure speeds. There is no one-size-fits-all methodology that works across networks, technologies or geographies.

**In conclusion**, service providers already deliver clear, relevant, and accessible information to Canadians. The current system works. No convincing evidence has been presented that a standardized label would provide a measurable benefit to Canadian consumers. The U.S. label is an outlier, is largely unproven, and is currently subject to re-examination under the FCC's recently announced "Delete Delete Delete" proceeding.

Other countries—such as the UK and Australia—have not mandated labels and provide flexibility in how providers disclose broadband speed information. They also rely on general advertising laws to address any concerns about misleading advertising. Canada should do the same.

Imposing a mandatory label format would require service providers to abandon effective, consumer-tested practices in favour of a rigid and unproven standardized format. This would create unnecessary cost and complexity, provide no material benefit to consumers, and divert resources away from the more important objective of improving broadband networks in rural and remote communities.

It would also run counter to the 2023 Policy Direction which requires the Commission to:

- ensure that the measures it imposes are efficient and proportionate to their purpose; and
- base its decisions on sound and recent evidence.

We urge the Commission to focus narrowly on implementing Bill C-288—ensuring disclosure of typical peak-period speeds—without layering on additional regulatory burdens that are unnecessary, unproven, and costly.

Thank you. I welcome your questions.