Intervention

Regarding the Consultation on *Review of basic telecommunications services*:

Telecom Notice of Consultation CRTC 2015-134,
9 April 2015 and CRTC 2015-134-1, 3 June 2015.

Intervenor:

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By submitting this intervention I am indicating my intent to become party to
this proceeding.

I also wish to appear at the public hearing on 11 April 2016 in Gatineau,
Quebec.
Part One – Intervention

1. Telecom Notice of Consultation CRTC 2015-134 describes this consultation as the review of the Commission’s “policies regarding basic telecommunications services in Canada.” Further, Phase 1 is specifically targeted to “gather information from the industry to better understand which telecommunications services are being offered across Canada and whether any areas in Canada are underserved or unserved.”

2. This intervention puts forth evidence gathered across a program of academic research as a rejoinder to industry perspectives. This research focuses on digital connectivity – chiefly broadband and wireless internet – as a central component of basic telecommunications services.

3. Mainly based on a long-term study of the Canadian Internet Use Survey, my research with Professor Catherine Middleton at Ryerson University finds persisting digital divides that complicate assumptions about Canadians’ meaningful engagement with digital communications technology. Yet the collection of such survey data is also argued to be insufficient for fully understanding how Canadians engage with digital technology as a basic telecommunications service. As such, we also refer to more qualitative research previously conducted with specific subgroups of Canadians, such as youth and seniors.

4. This intervention situates the academic research and its limitations within the questions posed for discussion in this proceeding. We aim to present evidence directed toward the ultimate question of how basic telecommunications services should be defined and regulated by the Commission.
Part Two – Responses to the specific consultation objectives

5. In response to the objectives outlined in the Telecom Notice of Consultation CRTC 2015-134, this section highlights specific areas where action to address Canadians’ evolving needs for telecommunications services, the Commission’s role regarding access to basic telecommunications services, and regulatory measures is needed.

6. Our research holds implications for the consultation objectives of defining basic services and how Canadians’ engagement with the Digital Economy might be improved, as well as the regulatory role of the Commission regarding basic telecommunications services. These are addressed according to the specific questions for discussion articulated in Telecom Notice of Consultation CRTC 2015-134.

I. Canadians’ evolving needs for telecommunications services

Most important services

7. Our research addresses the general assumption within much academic and policy literature that digital connectivity is essential for Canadians to be able to participate fully in contemporary civic and social life. The Digital Canada 150 policy directive is exemplary in this regard, in its claim that “Our economy, social lives, business opportunities, arts, academic opportunities – so much of our day-to-day lives – are digital now.” Statements such as these imply that non-use inherently results in a lack of job opportunities, avenues for civic participation, access to government services, and abilities to participate in Canadian cultural developments, among other activities.

8. Given the assumption that digital connectivity and literacy is essential for participation – an assumption that underlies regulatory frameworks such as those suggested in Digital Canada 150 – broadband and wireless internet services might be deemed among the most important basic telecommunications services for Canadians.

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Barriers and enablers

9. Despite the apparent importance of digital connectivity, our long-term study of the Canadian Internet Use Survey or CIUS (formerly the Household Internet Use Survey or HIUS), produced by Statistics Canada between 1999 and 2012, shows that a persistent segment of the population (16.6% as of 2012) remains offline for the most part. We discuss this segment as “non-users.”

10. Canadian non-users can be categorized into two camps: those who are non-users by choice, and those who are non-users due to involuntary circumstances. These involuntary circumstances include prohibitive costs of service, lack of access to infrastructure, and lack of skills or training. While these barriers seem to shift in frequency over the years of the survey’s results, the proportion of non-users by choice or due to lack of motivation remains small but relatively consistent.

11. Given these findings, we propose a “dual digital divide” between those who choose not to be connected and those who are not connected due to extraneous circumstances. The dual digital divide complicates assumptions that digital connectivity is necessarily perceived by all Canadians as essential. This does not mean, however, that digital connectivity should be disregarded as part of essential services. Rather, we suggest that mere access to digital connectivity is insufficient to meet policy objectives of citizen engagement via the internet.

12. Previous qualitative research bears out this conclusion. As presented to the Commission during the Wireless Code consultation (CRTC 2012-557), particular groups of Canadians including youth and seniors framed wireless connectivity as

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essential even if they were not necessarily connected at the time. Whether they were not connected due to choice or circumstance, there was a unanimous consideration of connectivity as crucial for everyday social life among participants in the studies mentioned.

13. Older populations comprise a demographic group in particular need of improved recognition in regulatory frameworks. The CIUS has accounted for the age breakdown of respondents through its demographic measures, and shows some acknowledgment of the way that usage tends to be stratified by age in its addition of the variable “age reasons/senior” to the rationale for non-adoption question in the 2007, 2009, and 2010 surveys. Age-related reasons may also be seen to correlate with socioeconomic concerns about the internet’s affordability as well as the more social phenomenon of having no need or interest in connecting.

**Participation in Canada’s Digital Economy**

14. To return to Digital Canada 150, its key provision to address in light of the research discussed is the connection between basic telecommunications infrastructure and Canadians’ digital participation. One shortcoming of the strategy is in its instrumental focus on digital skills training for workers and innovation in the digital technologies sector.

15. Instead, we suggest a broader scope for policy objectives around increasing Canadians’ participation in the digital economy. This broader scope would situate economic participation as part of everyday social life, and digital connectivity as one avenue for participation among others.

16. This is to say that any public discussion on attempting to measure and set standards for what should be considered basic service must situate economic participation through the internet within a more holistic approach to access that accounts for both supply side and demand side barriers.

II. The Commission’s role regarding access to basic telecommunications services

**Definition of basic services**

17. At its core, the concept of basic service suggests that digital connectivity – as a central part of contemporary telecommunications – be viewed as a kind of utility, much like
electricity or water. As a utility, digital connectivity is not framed as a choice and thus requires regulation in order to help provide access especially to less advantaged or profitable segments of the Canadian population. Our research concurs with this viewpoint for the most part, in that the CIUS suggests that an overwhelming majority of Canadians (83.4% as of 2012) do not view internet connectivity as a choice.

18. Regulatory parameters for digital connectivity thus need to ensure a sufficient scope of network infrastructure (especially for rural and remote areas) and quality of service. While the CIUS offers the classification of urban versus rural areas, finer grained data on regional particularities are lacking. As such, it is difficult to discern the impact of specific location on usage patterns.

19. Quality of service should not be attached to differential pricing in order to avoid further entrenchment of existing inequalities in the provision of digital connectivity. Pricing in fact remains an important consideration in the provision of basic services, as indicated in the HIUS and CIUS results that show cost of internet services as a persistent concern for Canadians since the late 1990s.

20. In addition to Canadians’ ability to access digital connectivity, their capabilities and digital skills are crucial for ensuring meaningful participation in the Digital Economy as well as broader social life. Drawing from the finding that some Canadians are non-users by choice, we propose that not only access to connectivity but an understanding of how connectivity opens onto to locally relevant online content is crucial for realizing digital communication’s broader social benefits. On the side of telecommunications service providers, consumer guides could help Canadians to be able to make the most of their access to digital connectivity.

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7 Principal Researcher danah boyd of Microsoft Research in the US has suggested a similar approach to particular internet platforms such as Facebook, where she argues for its regulation as a social utility, stating: “Don’t forget: we spent how many years being told that the Internet wasn’t a utility, wasn’t a necessity... now we’re spending what kind of money trying to get universal broadband out there without pissing off the monopolistic beasts because we like to pretend that choice and utility can sit easily together.” See:


Market forces

21. While an improved market landscape in Canadian telecommunications services should be marked by increased competition to help ensure that consumers get fair prices and improved services, competition should not be the only solution to the issue of essential service provision. Even if the marketplace was able to achieve perfect competition, regulatory safeguards still need to be in place to ensure that less economically viable geographic areas and populations still have access to digital connectivity as part of basic telecommunications services.

22. Moreover, there is an urgent need for a new policy framework that does not simply reproduce the common fallacy that the market will single-handedly rectify divides. Instead, what is needed is a set of complementary but diverse policy solutions based on more comprehensive data that accounts for all of the factors that may influence usage. One of these comes back to the issue of affordability, since cost is among the least measured international statistics about network usage, despite surveys like the CIUS which show the impact of price on the decision to connect.

23. Usually, as in the case of Digital Canada 150, government policies focus on supply-side solutions to closing digital divides. By contrast, demand-side policies are necessary especially for lower income, senior, or disadvantaged users,10 where in order to be effective, policies must be targeted to the specific reasons for non-adoption with a consideration of how Canadians’ needs and expectations are historically conditioned.11

III. Regulatory measures for basic telecommunications services

24. The existing basic service objective should reflect the increasingly central place of digital connectivity in Canadians’ lives beyond just for participation in the digital economy. One important consideration is the way that traditional landline voice communication is happening over the internet, as facilitated by

11 Maria Sourbati (2008), ‘It could be useful, but not for me at the moment’: Older people, internet access and e-public service provision, New Media & Society 11(7), p. 1096; see also Sally Wyatt (2002), They came, they surfed, they went back to the beach: Why some people stop using the internet, paper prepared for Society for Social Studies of Science conference, San Diego, October 1999: http://virtualsociety.sbs.ox.ac.uk/reports/surf.htm
applications such as Skype.\textsuperscript{12} Therefore, raising the targets for broadband service quality and speeds would seem critical for ensuring the ability to meet the existing basic service objective.

25. As described in the notice of consultation, the Commission is already regulating wireline telephone service through a local subsidy regime. These subsidies should be increasingly extended toward broadband and wireless internet as digital connectivity comes to replace some of the functions of landline telephony.

26. In addition to extending the existing basic service objective, policy at different levels is needed to address digital disengagement as “a complex compound problem involving cultural, social and attitudinal factors and in some cases informed ‘digital choice’.”\textsuperscript{13} Yet government policy strategies need to be sensitive to the multiple, situated ways of defining the digital divide and its impacts in order to effectuate beneficial changes in internet adoption and usage.\textsuperscript{14}

27. In order to inform such nuanced and responsive regulatory frameworks, Professor Middleton and I intend to conduct further research on what it means for Canadians to be non-users because they are “not interested” in digital connectivity. In addition to our own work, we look toward national statistics which could be improved to rectify some of the key omissions of the CIUS. For example, the survey only measures those over 16 years of age, and it does not represent the Territories or First Nations reserves. While we note that the CIUS has not been conducted since 2012, we hope that such large-scale research on Canadians’ connectivity needs will continue to be undertaken into the future.

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\textsuperscript{12} Between the 2005 and 2009 CIUS, for example, “making telephone calls” as an internet activity has grown steadily. See: http://www5.statcan.gc.ca/cansim/a26?id=3580130&retrLang=eng&lang=eng


\textsuperscript{14} Martin Hilbert (2011), The end justifies the definition: The manifold outlooks on the digital divide and their practical usefulness for policy-making, Telecommunications Policy 35, pp. 715-736.