

Telecom Notice of Consultation CRTC 2024-293

Making it easier to choose a wireless phone or Internet service – Enhancing customer notification

CRTC Reference No.: 1011-NOC2024-0293

Intervention of OpenMedia

Prepared by the Samuelson-Glushko Canadian Internet Policy and Public Interest Clinic

February 14, 2025

Executive Summary

OpenMedia submits this intervention to advocate for enhanced consumer protection and transparency in Canada's telecom market. Our primary aim is to urge the Commission to expand the proposed "nutrition labels" in Telecom Notice of Consultation CRTC 2024-318 beyond Internet service providers to include mobile service providers. OpenMedia believes that all Canadians deserve access to clear, standardized, and comparable information to make informed decisions about their telecom plans. By bridging the transparency gap between Internet and mobile services, the Commission can empower consumers, reduce confusion, and foster a more competitive marketplace.

The Commission has taken a significant step toward greater transparency for Internet consumers but has not extended comparable protections to mobile consumers, despite clear evidence that they face identical challenges. Mobile users experience the same difficulties as Internet users when evaluating service plans, and growing complaints highlight the consequences of missing, unclear, or misleading information. Addressing this inconsistency would advance the Commission's mandate to "promote competition, affordability, consumer interests, and innovation" in Canada's telecom market.

The evidence overwhelmingly demonstrates that consumers need access to standardized, easily comparable information to make informed decisions. OpenMedia recommends:

- 1. **Expanding "nutrition labels"** to mobile services to provide clear, standardized information across all telecom services.
- 2. **Mandating machine-readable formats** to facilitate third-party comparison tools and ensure data accessibility.

By adopting these measures, the Commission can empower Canadians, reduce consumer frustration, and promote fairness in the telecom market, establishing a more transparent and competitive environment for all Canadians.

Introduction

1. OpenMedia submits this intervention to advocate for enhanced consumer protection and transparency in Canada's telecom market.¹ Our primary aim is to urge the Canadian Radio-television and Telecommunications Commission to expand the "nutrition labels" proposed in *Telecom Notice of Consultation CRTC 2024-318 (NOC 318)* beyond Internet service providers to include mobile service providers.² OpenMedia believes all Canadians deserve access to clear, standardized, and comparable information to make informed decisions about their telecom plans. The Commission can empower consumers, reduce confusion, and foster a more competitive marketplace by bridging the transparency gap between Internet and mobile services.

2. In his dissenting opinion in *Telecom Notice of Consultation CRTC 2024-293*, Commissioner Bram Abramson highlights that the current consultation misses key opportunities to enhance consumer information.³ He advocates for a broader approach that includes data-driven consumer protection and emphasizes the importance of engaging with the broader data ecosystem to improve the quality of information available to consumers.⁴

3. OpenMedia agrees with Commissioner Abramson; the Commission's current approach does not go far enough in addressing the systemic transparency issues that prevent Canadians from making fully informed choices about their mobile wireless services.

¹ OpenMedia has an extensive track record of advocating for transparent and accurate broadband labelling; see OpenMedia, "<u>Taking your voice to the Standing Committee on Industry, Science, and Technology</u>" (24 March 2023) online: <<u>https://openmedia.org/article/item/bill-c-288-taking-your-voice-to-the-standing-committee-on-industry-</u> science-and-technology> and OpenMedia, "<u>Parliament must fast-track pro-consumer Bill C-288</u>" (23 September 2022) online: <<u>https://openmedia.org/press/item/parliament-must-fast-track-pro-consumer-bill-c-288></u>.

² Canadian Radio-television and Telecommunications Commission, "<u>Telecom Notice of Consultation CRTC 2024-</u> <u>318</u>" (4 December 2024).

 ³ Canadian Radio-television and Telecommunications Commission, "<u>Telecom Notice of Consultation CRTC 2024-293 – Dissenting opinion of Commissioner Bram Abramson</u>" (22 November 2024) at para 3.
⁴ *Ibid* at para 7.

4. While the Commission has taken a step toward greater transparency for Internet consumers, it has not extended comparable protections to mobile consumers—despite clear evidence that they face identical challenges. Mobile consumers struggle just as much as Internet users when evaluating service plans, with increasing complaints highlighting the real-world consequences of missing, unclear, or misleading information. The Commission should act decisively by expanding its proposed "nutrition labels" to mobile services. This is not just a logical step; it is necessary to ensure fairness, transparency, and competition in Canada's telecom market. Addressing this discrepancy in the Commission's protections for Internet and mobile consumers would be an important step in "[promoting] competition, affordability, consumer interests and innovation."⁵

The Commission Should Expand Coverage of the "Nutrition Labels"

5. The Commission has acknowledged the importance of transparency in helping consumers "[choose] which service is right for them and [...] ensure that they receive the services that are offered to them."⁶ This principle must be applied consistently across all telecom services. *NOC 318* contemplates introducing the obligation for Internet service providers to provide information about home Internet plans in a standardized format. This is a strong and important step towards more robust consumer protection in Canada. However, the Commission has not taken the next logical step to "[harmonize] the provisions of its codes" by implementing basic transparency requirements in its policies for *both* internet and mobile consumer providers.⁷ This inconsistency

⁵ <u>Order Issuing a Direction to the CRTC on a Renewed Approach to Telecommunications Policy</u>, PC 2023-110, C Gaz II, 157 at para 2.

⁶ Canadian Radio-television and Telecommunications Commission, "<u>Telecom Notice of Consultation CRTC 2024-</u> <u>318 - Summary</u>" (4 December 2024).

⁷ <u>Order Issuing a Direction to the CRTC on a Renewed Approach to Telecommunications Policy</u>, PC 2023-110, C Gaz II, 157 at para 17.

risks leaving millions of Canadians without the information they need to make sound financial decisions.

6. OpenMedia recognizes that *NOC 318* is partially modelled on the United States' Broadband Consumer Labels, which focus exclusively on Internet services. However, the Federal Communications Commission (FCC) implemented those labels in response to the *Infrastructure Investment and Jobs Act*, with the specific goal of improving broadband access throughout the country.⁸ By contrast, one of the CRTC's stated goals in launching recent public proceedings is to help Canadians "better manage their cellphone and Internet service plans" and "make it easier for Canadians to choose their next plan."⁹ Because this proceeding is centred on consumer protection rather than infrastructure expansion, the Commission has a greater responsibility to address consumers' needs directly. To fully achieve this, the Commission must extend standardized labelling requirements to mobile service providers. Effective and meaningful consumer protection starts with transparency. When consumers know better, companies must do better; when consumers lack knowledge, they are vulnerable to exploitation by providers.

Consumers Lack Access to Comparable Data

7. Recent public opinion research contracted by the Commission confirms that mobile consumers need and want standardized, comparable plan data just as much as Internet consumers.¹⁰ Surveyed home Internet and mobile service consumers reported nearly identical levels of dissatisfaction with the current information made available by their providers when

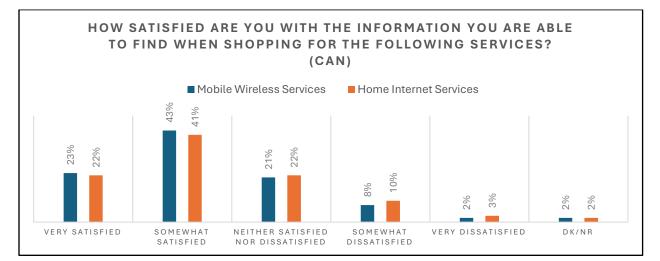
⁸ Infrastructure Investment and Jobs Act, Pub L No 117-58, 135 Stat 429, § 60504(a) (2021).

⁹ Canadian Radio-television and Telecommunications Commission, "<u>Telecom Notice of Consultation CRTC 2024-293</u>" (22 November 2024).

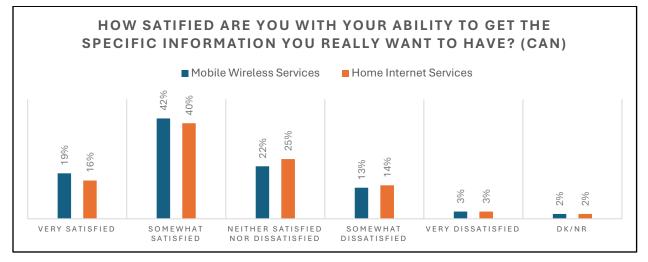
¹⁰ Public opinion research to enhance the transparency of information provided to broadband consumers: final report / prepared for the Canadian Radio-Television and Telecommunications Commission (CRTC) (Ottawa: Canadian Radio-television and Telecommunications Commission, 2024) [Public opinion research].

OM Intervention February 14, 2025

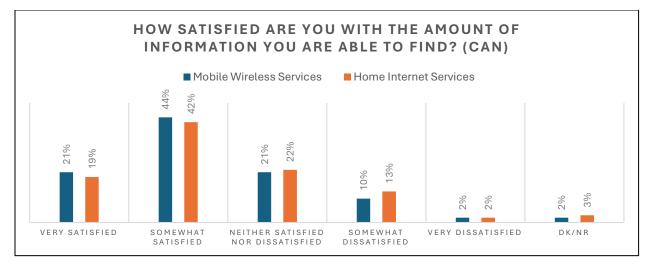
selecting a plan. These strikingly similar levels of dissatisfaction with the information provided by respective providers indicate that the core issue remains the same: inadequate transparency by providers and a lack of access to adequate information for consumers. Importantly, both mobile and Internet consumers expressed frustration with their inability to compare services across different providers:

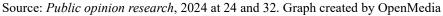


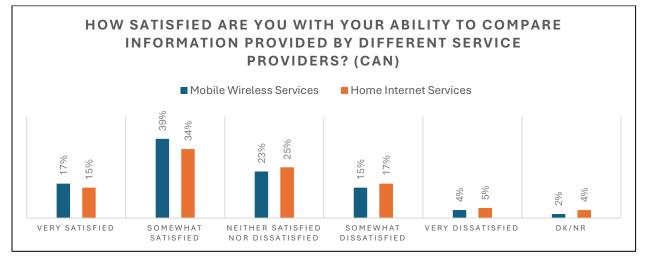
Source: Public opinion research, 2024 at 22-23. Graph created by OpenMedia.



Source: Public opinion research, 2024 at 23 and 30. Graph created by OpenMedia.







Source: Public opinion research, 2024 at 25 and 33. Graph created by OpenMedia.

8. Moreover, wireless-related complaints have reached a five-year high. In its 2023-2024 Annual Report, the Commission for Complaints for Telecom-Television Services (CCTS) reported that wireless issues accounted for 52% of all complaints—a staggering 27% year-over-year increase.¹¹ The top three issues cited in these complaints were disclosure issues, incorrect charges for monthly plans, and failure to receive promised credit or refunds.¹² As the CCTS notes, "billing

¹¹ Commission for Complaints for Telecom-Television Services, <u>2023-2024 Annual Report</u> (Ottawa: Commission for Complaints for Telecom-Television Services, 2024) at ch 6.

¹² *Ibid*.

issues often arise when information is not clear. As a result, the customer may be confused. Their expectation may not be met, or they may suspect that the provider is charging them incorrectly."¹³

9. These are not just minor inconveniences—they are real financial burdens. The lack of clear, standardized information leads to hidden fees, unexpected overages, and misleading promotional offers that disproportionately impact vulnerable consumers. Standardized "nutrition labels" would mitigate these issues by empowering consumers with clear, accurate, and easily comparable data.

Survey Results Provide a Window into What Data Consumers Need

10. OpenMedia recognizes that the content of any proposed mobile "nutrition labels" would be subject to a call for comments. However, existing research provides a clear starting point. According to a survey conducted on the Commission's behalf, a decisive plurality of consumers consider the following data points "absolutely necessary" when selecting a mobile service plan:

Length of contract commitment73%How much data can be used each month71%Overage fees68%What happens, if anything, for going over a data limit66%Any costs associated with cancelling or changing the service or contract66%The service agreement or contract63%	Data	Absolutely necessary information
How much data can be used each month71%Overage fees68%What happens, if anything, for going over a data limit66%Any costs associated with cancelling or changing the service or contract66%The service agreement or contract63%Coverage61%When any limited time discounts expire60%	Price	85%
Overage fees68%What happens, if anything, for going over a data limit66%Any costs associated with cancelling or changing the service or contract66%The service agreement or contract63%Coverage61%When any limited time discounts expire60%	Length of contract commitment	73%
What happens, if anything, for going over a data limit66%Any costs associated with cancelling or changing the service or contract66%The service agreement or contract63%Coverage61%When any limited time discounts expire60%	How much data can be used each month	71%
Any costs associated with cancelling or changing the service or contract66%The service agreement or contract63%Coverage61%When any limited time discounts expire60%	Overage fees	68%
The service agreement or contract63%Coverage61%When any limited time discounts expire60%	What happens, if anything, for going over a data limit	66%
Coverage61%When any limited time discounts expire60%	Any costs associated with cancelling or changing the service or contract	66%
When any limited time discounts expire 60%	The service agreement or contract	63%
	Coverage	61%
The existence and cost of any service deposits 57%	When any limited time discounts expire	60%
	The existence and cost of any service deposits	57%

Source: Public opinion research, 2024 at 27.

11. Critically, the data should be provided to the Commission and made available to consumers in a standardized, machine-readable format. The FCC, for example, requires providers to submit

¹³ *Ibid*.

OM Intervention February 14, 2025

Telecom Notice of Consultation CRTC 2024-293 Reference No.:1011-NOC2024-0293

plan data in a standard XML file, which must be made available to consumers and third parties "to more easily collect and aggregate data for the purpose of creating comparison-shopping tools for consumers."¹⁴ OpenMedia strongly recommends following this example, which has allowed third parties in the United States to create numerous comparison-shopping tools to help empower consumers.¹⁵ Just as the Commission mandates accessible formats for calls for comments, it should apply the same principles to consumer-facing data, ensuring transparency and ease of access for all Canadians.¹⁶

12. Some providers may argue that standardized labels limit their flexibility in marketing plans. However, transparency does not hinder competition—it enhances it.¹⁷ Standardized labels create a fairer and more competitive telecom market where providers must differentiate themselves through better service, better pricing, and better value by ensuring that all consumers have access to the same baseline information.

13. Critics may suggest that existing regulations are sufficient to protect consumers. But the data tells a different story: consumer complaints are rising, and dissatisfaction levels have reached record highs. The current system is struggling to provide consumers with the transparency and clarity they need to make well-informed decisions. Being left to navigate and analyze complex information alone has diminished their ability to evaluate options effectively, make smart

¹⁵ See for example: whistleOut, "<u>Compare Internet Plans</u>", online:< https://www.whistleout.com/Internet>; CompareInternet.com, "<u>Compare Top Internet Providers</u>", online:

¹⁴ Federal Communications Commission, "<u>Broadband Consumer Labels</u>" (15 October 2024), online: https://www.fcc.gov/broadbandlabels>.

https://www.compareinternet.com/reviews/compare-internet-providers/; BroadbandNow, "Compare Internet Service Plans & Pricing by Address", online: https://broadbandNow, "Compare Internet Service Plans & Pricing by Address", online: https://broadbandNow, "Compare Internet

¹⁶ Note especially the preamble of *Accessible Canada Act*, SC 2019, c10: "Parliament considers that it is essential to ensure the economic, social and civic participation of all persons in Canada, regardless of their disabilities, and to allow them to fully exercise their rights and responsibilities in a barrier-free Canada."

¹⁷ See Competition Bureau Canada, "<u>Empowering competition: A landmark year</u>" (30 October 2024) online: <<u>https://competition-bureau.canada.ca/how-we-foster-competition/education-and-outreach/empowering-competition-landmark-year</u>.

decisions, and demand better services. A lack of access to information and practiced obscurity by providers has impeded consumers' decision-making processes, preventing them from fully understanding the benefits and drawbacks of various products or services. Why should Canadian consumers expect less transparency than those in other countries? Why do we require clear labeling for other essential services, like food and energy, but not for mobile wireless plans—an essential service for modern life? Stronger, enforceable transparency measures are essential to address these shortcomings.

Conclusion and Recommendations

14. Expanding standardized "nutrition labels" to mobile service providers is not just a logical step—it is a necessary one. The evidence overwhelmingly demonstrates that mobile consumers struggle with the same transparency issues as Internet users, and rising complaint volumes further underscore the need for reform. By adopting clear, machine-readable, standardized labels for mobile services, the Commission can empower Canadians, reduce consumer frustration, and promote fairness in the telecom market. However, this commitment to transparency should not end with service plans. Just as consumers deserve clarity about their mobile service terms, OpenMedia continues to advocate that they also deserve transparency regarding the environmental impact and durability of the devices they purchase.¹⁸ Why should Canadians be left in the dark about the sustainability and longevity of their mobile phones when such labelling is becoming commonplace in other markets? By ensuring that standardized labeling applies to both service plans and the devices themselves, the Commission can set a new standard for consumer empowerment and environmental responsibility.

¹⁸ See OpenMedia's submission in response to Innovation, Science and Economic Development Canada's consultation on the Right to Repair: OpenMedia, "<u>Re: Right to Repair Consultation</u>" (26 September 2024) online: https://openMedia_R2R_consultation_submission_%28240926%29_-redacted.pdf>.

15. To ensure this initiative is successful, OpenMedia recommends:

a. Expanding "nutrition labels" to mobile services to provide consumers with clear,

standardized information across all telecom services; and

b. **Mandating machine-readable formats** to facilitate third-party comparison tools and ensure data accessibility.

The Commission must seize this opportunity to establish a fairer, more transparent telecom marketplace for all Canadians.

*** END OF DOCUMENT ***