



Wednesday, February 3, 2016

Dear Councillor,

We are writing on behalf of OpenMedia, a community-based organization that works to keep the Internet open, affordable, and surveillance-free. OpenMedia is contacting you to express our support for Councillor Layton's motion, [In Support of Competitive and Affordable Internet Prices for Toronto](#), and we respectfully ask that you do the same.

This motion comes at a crucial time for Internet policy in Canada. Last year, the CRTC made a critical [decision](#) to allow smaller, independent ISPs to sell blazing-fast fibre Internet services to customers in the marketplace. [Experts](#) believe this ruling will help make fibre available to millions of Canadian households and businesses who otherwise could not afford these important but [very expensive](#) services – services that are presently offered only by Canada's large, incumbent telecom providers who control over 90% of the residential market and 25% of the business market for Internet services.

Following the CRTC's decision, providers such as Bell, Rogers, and Telus [confirmed](#) in a series of public announcements that they were finally deploying next-generation fibreoptic networks to homes in urban centres across the country, including Toronto.

Within 48 hours of the federal election however, Bell changed its tune and announced it would be appealing the CRTC's decision to federal Cabinet, through a rarely-used Parliamentary procedure. If granted, Bell's appeal would ensure that individual Canadians and businesses face higher prices for Internet. Without rules mandating fair access to fibre networks, entrenched players like Bell can set unreasonably high rates for smaller Internet providers who want to sell services in our Internet market.

If successful, this move will lock us into the status quo: Canadians presently pay some of the highest prices in the industrialized world for what are widely recognized as “middle of the road” Internet services.

Unfortunately, a select group of businesses with strong relationships to Bell, and a few city mayors – including [Toronto's own Mayor Tory](#) – lent their support to the overpriced status quo, writing letters in support of Bell's appeal. In doing so, they not only ignored the needs of Canadians, but also the wishes of Bell's own investors, including The Royal Bank of Canada, which stated in an August [report](#) that it expected the CRTC ruling would have little impact on incumbents' fibre deployment plans.

OpenMedia has been working on this case since the beginning, and recently filed a substantial [intervention against Bell's appeal](#), backed by support from **nearly 65,000 Canadians** – including thousands of Toronto residents – who are demanding more choice, more innovation, and more affordable Internet access.



We are asking the federal Cabinet to reject Bell's appeal, on the grounds that it puts investment in advanced fibre networks at risk, while reducing customer choice and affordability. International [evidence shows](#) that countries with fair open access rules enjoy higher rates of fibre deployment and Internet speeds than those without. It follows that, without such fair access rules in Canada, we could continue to fall behind our international counterparts on key metrics of affordability, speed, and deployment. This type of reckless move is not something Canadians or residents of Toronto can afford.

We hope that Toronto will join the Canadian Federation for Independent Business, groups representing civil society, leading Canadian academics, and other municipalities that support open access rules, including the City of Calgary, in standing up to Bell. We need fair open access rules to drive investment in our infrastructure. We must protect and foster the culture of digital innovation that is central to the future of our economy – and the City of Toronto has a key role to play in this.

Thank you for giving this issue the much-needed attention it deserves. Please let us know if you have any questions or if we can provide any additional information.

Sincerely,

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