



## Flash! Conferences Report: Connecting Canada, Connecting Canadians

### Introduction

For the CRTC's Future of Television process, OpenMedia invited our supporters to register to host discussions and give their input, using a distributed events tool to allow them to self-organize. In all, 10 events took place across the country:

1. Capilano College (Professor Michael Markwick's class)
2. SFU (2 events - Professor Kathi Cross's class, and a self-organized event by OpenMedia's former Community Engagement Assistant Awna Besan)
3. New Westminster, BC
4. Chapel Arts Theatre, Vancouver (facilitated by the Vancouver Design Nerds)
5. Langdon, Alberta
6. University of Winnipeg, Manitoba
7. Toronto Reference Library
8. Ralph Thornton Centre, Toronto
9. McGill University, Montreal

We created two different short videos (Figure 1) to help promote these events.



Over 20,000 people visited our online discussions, leaving over 400 comments; nearly 128 Canadians registered via our online system, and they were joined by over 200 university students from SFU, Capilano, McGill and the University of Winnipeg.



Figure 1: Promotional Video for our Connected Canada events

People were on the whole extremely enthusiastic and happy to have the opportunity to provide input. While enthusiastic about the dialogue opportunity, many participants expressed frustration with their lack of choice for telecom and broadcast services, and the level of control and concentration of ownership in media/telecom markets. Participants expressed an interest in Canadians enjoying access to publicly funded media on all available mediums, but were critical of the efforts and ability for telecom companies to force their content and services on Canadians. There was overall desire for genuine access to a range of independent options for telecom and media services - and a decentralized market in general.

## Our Findings

### Programming

Participants in the distributed Connected Canada events shared similar concerns over their ability to access cutting-edge and affordable digital services. In their discussions about programming, a couple key issues emerged. The first is the way in which content, programming and Internet access is monopolized by Canada's telecom providers, and the resulting lack of flexibility in how content is delivered ("It gets really interesting when the cable company also provides internet, like Rogers, Bell, or Shaw. They don't want people to just go on Netflix and watch a show, because then they don't get money every step of the way" - Winnipeg). And the second was the importance of public media, and the importance of ensuring it is able to reach all Canadians in our telecommunications system.

Turning to the first point, the Canadians surveyed feel that having only three companies control the majority of the market has left them with few options for how they access digital content and services. Even if subscribers were able to switch to a service provider that better suited their needs, they say that paying hidden fees and overcoming obscure contract obligations would be too complicated for them. This situation is only made worse by the Canada's telecommunications monopoly blocking out other companies who try to make it into the market, and leave them with no ability to seek better or more affordable services.

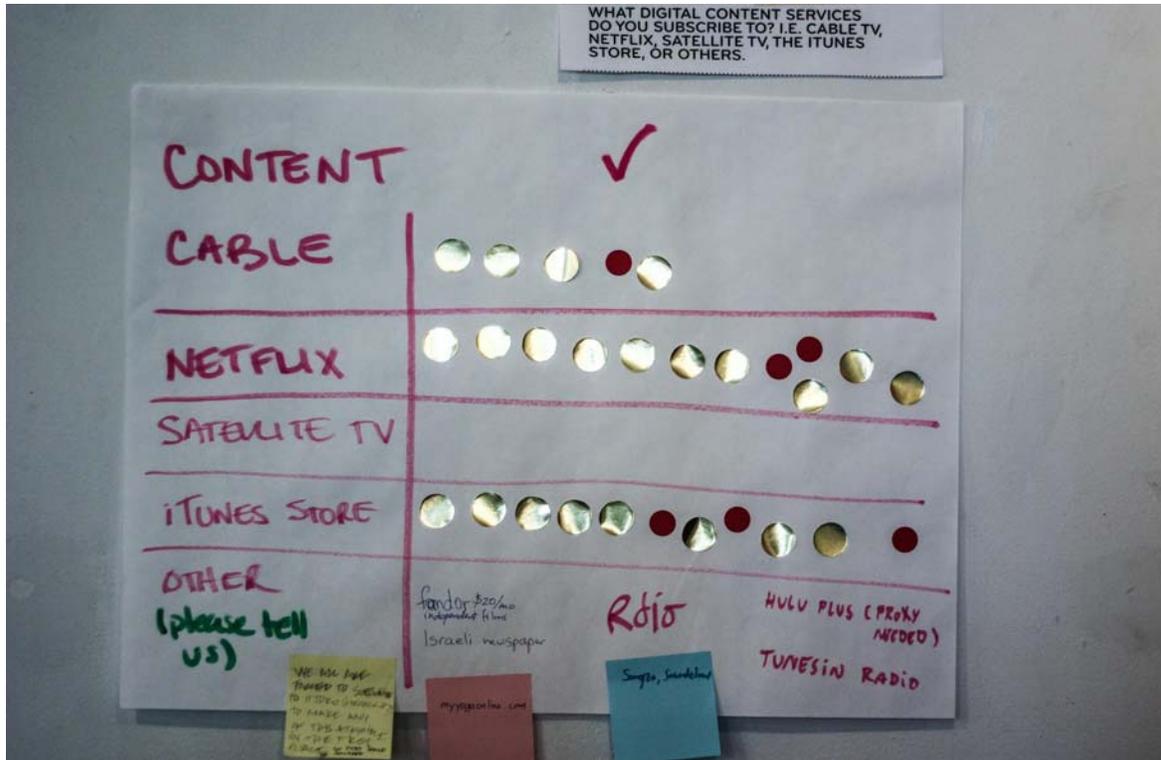


Figure 2: Responses to a “Hot Dots” activity at the Vancouver Design Nerds event in Vancouver, BC

Some participants were split on whether exclusive ownership by dominant countries of *certain* content services was necessarily a bad thing, citing examples such as Rogers exclusive agreement with the NHL:

**“...The general perspective was that there should be no monopolies (like Rogers and hockey).” – Montreal, QC**

**“Participants felt that there was a lot emotional feelings around the NHL and Rogers, but generally felt it was up to these companies to come up with whatever arrangements they liked.” – New Westminster, BC**

**“I do feel that the rights to hockey night in Canada should stay with the CBC. historically Hockey Night in Canada has been responsible for a substantial amount of CBC's profits and loss of such rights could be detrimental to the future of CBC.” – Capilano University**

Generally, however, participants supported the suggestion for cost-based access to content by any service provider. One participant noted the big content owners’ market power/vertical integration, stressing that all providers should have cost-based access to content

because “the media outlet is also the content provider.” – Vancouver

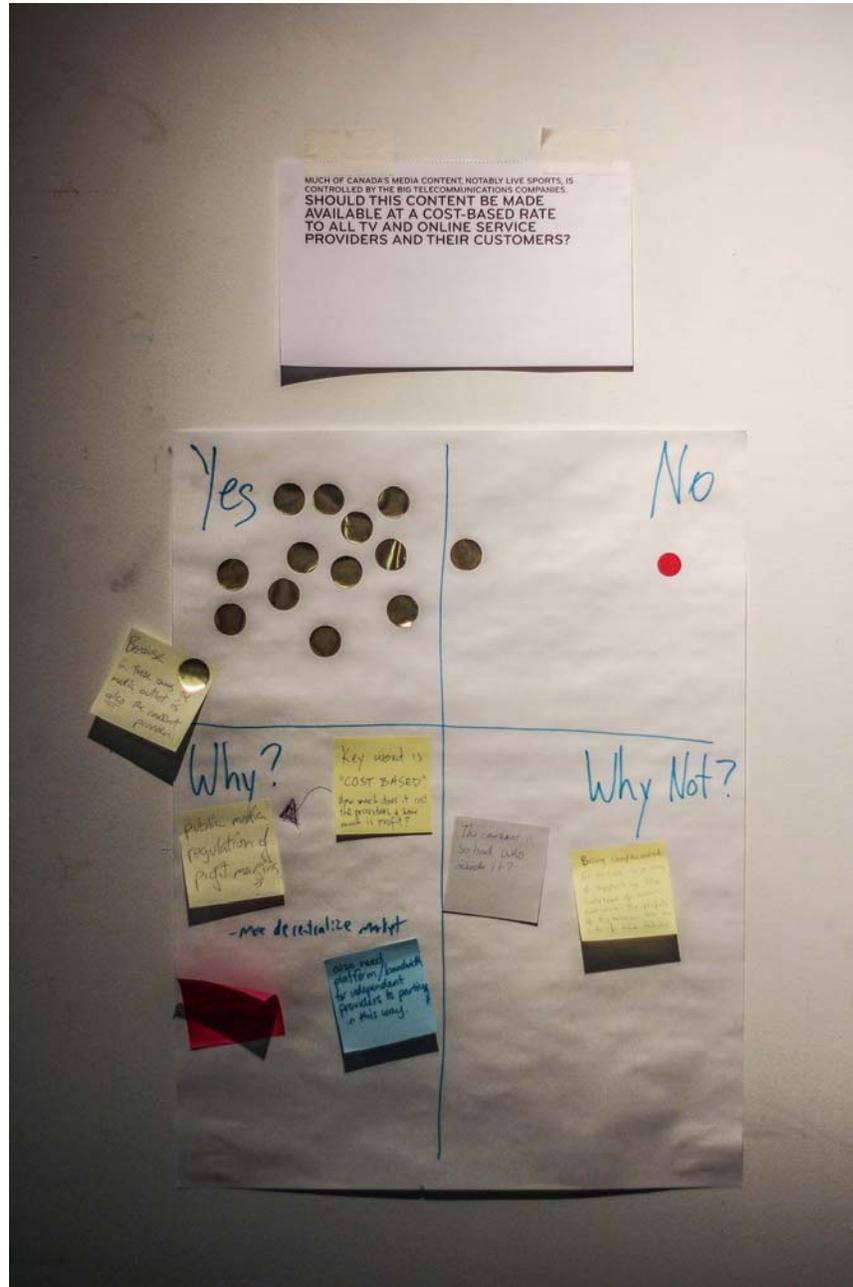


Figure 3: Image from a “Hot Dots” activity as the Vancouver Design Nerds Event in Vancouver BC.

Participants universally disliked the restrictive “packages” or “bundles” that are offered by all cable providers, finding them to be expensive and ill-suited to their needs. Worse, there are no

competing services that come any closer to offering Canadians what they want. In what must surely be a common complaint, participants overwhelmingly indicated that in a bundle or package of channels, very few are truly of value to them.

***“We should be able to choose which movies or shows we would like to watch instead of having to buy a movie or tv package that include shows that we don't want (because the company doesn't want those all together in one package)” – Toronto, ON***

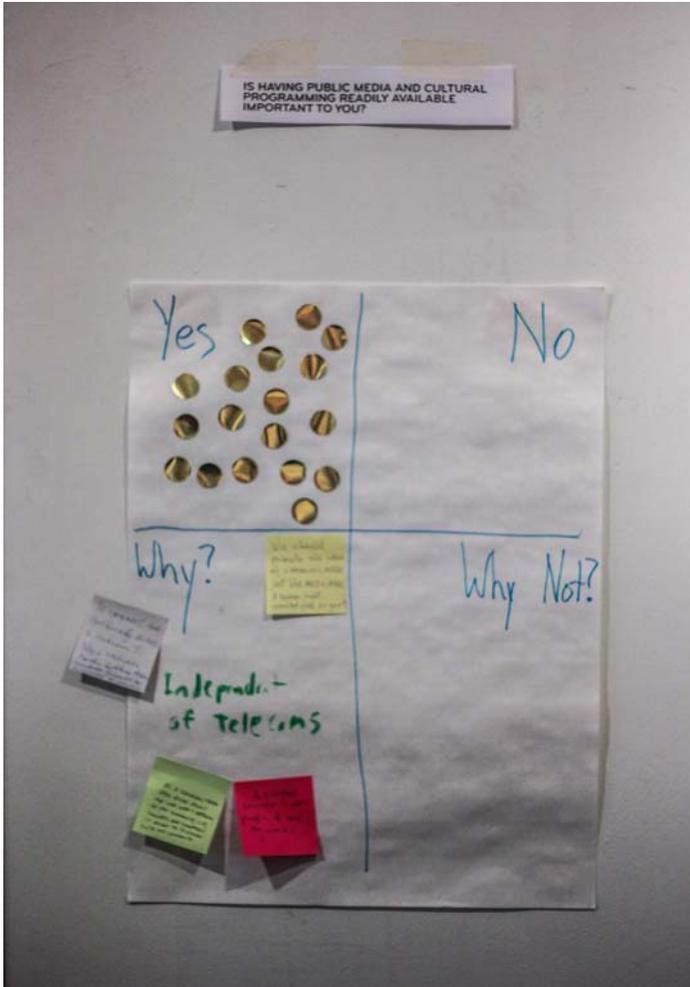
***“[I] only want one or two channels – have to buy entire bundle. Should make it ‘a la carte’ and only pay for what you actually want” – Langdon, AB***

***“Everyone was frustrated by cable channel bundling, as they felt the cable company shouldn't dictate what content subscribers purchase.” – New Westminster, BC***

***“Yes, there should be more diversity of options for people to choose from rather than big companies being able to control so much and leave people with no options for other places to get the content they want to get.” – Capilano University, North Vancouver, BC***

However, their dissatisfaction with the current structure of traditional bundles or packages was met with enthusiasm for new online delivery systems. Almost all participants in urban areas said they either already used services such as Netflix or the iTunes music store, or are seriously considering adding such services to their homes. However, most who have yet to switch to digital services cite poor or inconsistent Internet service as their main reason for staying locked in to their traditional TV service.

Turning to the importance of publicly funded media, the general consensus amongst event attendees was that it should be mandatory for telecom carriers to include publicly-funded media across all digital services and packages. This means that no telecommunications company or service provider should be able to block or impact the delivery of public media, such as the CBC or APTN, which are primary vehicles for Canadian content.



***“Public media must be available to all Canadians at no cost. No corporation should be able to restrict access to any programming provided by our government for its citizens.” – Montreal, QC***

***“...Anything paid for by taxpayers should be accessible to everyone.” – Langdon, AB***

***“[Public media] allow Canadians to appreciate what other Canadians are thinking.” – Langdon, AB.***

***“CBC Radio was deeply loved by everyone in the room, and it was felt that CBC was an important part of our national identity as Canadians. Participants argued that CBC was really important in keeping people connected to their local communities.” – New Westminster, BC***

For participants, the takeaway here was – to paraphrase one attendee – that if public media isn’t available to all Canadians, then it’s not really “public” media at all. Moreover, it was noted that public media were key in expanding the range of debate on issues that

concerned all Canadians.

## Program Distribution: Access to Digital Services

While Canadians expressed a clear desire for new innovative digital services, such as video streaming services in the home, they understood that there are many hurdles for Canada’s telecom market to overcome. There is simply no range of options for Internet and cable TV access in most markets. Even if there is more than one choice available, participants noted that the services do not differ in any meaningful way.

Those in well-serviced areas – infrastructurally speaking (i.e., fast network speeds and a relatively larger range of services) – lamented that Internet-based alternative delivery systems

had a long way to go in terms of consistency and fairness of service offerings. From our dialogue in New Westminster:

***“EVERY PARTICIPANT felt that everyone paid something different for their digital services. Even people with the same services from the same company would pay different amounts depending on what promotions had been applied, or if they'd spoken with someone from their companies "retention" department.” – New Westminster, BC***

Though participants generally felt that their Internet and cell phone bill was too high, for most participants in well-served areas, Internet service costs less than traditional cable, and offers a wider range of options (i.e., more value). This was particularly an incentive to switch to digital access among younger participants at our university-based events. However, for many – especially in less urban areas – network speeds, affordability and capacity would need to dramatically improve to make digital alternatives viable.



Participants indicated that while they would like to switch from traditional television service to Internet-based streaming services (e.g., Netflix, iTunes Music Store, etc.), there is no local provider able to provide the quality of connection necessary for these services. As one attendee put it:

***“[We] have not considered switching. It’s a hassle to change between companies. Don’t know where to start if wanting a change. You can get Internet TV... Hesitant to go head with that because Internet connection is not good. Stuck with what we have.” – Langdon, AB***

When asked about changing service providers in order to increase the quality of service, the overwhelming consensus was that there were no real or authentic options available.

Participants indicated that they didn't see government as taking an active role in the telecom market – that is, doing little to address the monopoly held by our major telecom firms. While there were divergent opinions on *what* should be done, most participants expressed a desire for better options in their region:

***“Breakup the big companies into smaller companies to create competition” – Toronto, ON***



***“If companies have less rules to follow they exploit to a higher extent... Big 3 make it difficult for other companies to break into the market... Rules are much more flexible in other industries than in telecom.” – Langdon, AB***

Several stressed the importance of options independent of the major Canadian firms – the example of Eastlink was given in the maritimes as a positive development – some noted that the problem came back to the larger issues of how independent providers acquire their services. One

group offered the following:

***“The discussion also came back to the problem with companies monopolizing both the pipe and content – more choice and more competitive playing field would minimize this problem!” – Montreal, QC***

***“Distribution of [resources] needs to be done without the sole focus being on profit or monetizing, it absolutely must also include encouraging genuine competition in the marketplace, of which there is currently virtually none.” – Vancouver, BC***

Some participants also highlighted the need for rules tailored to the current concentration of market power and not overly limiting of free enterprise. One participant in Langdon, AB offered the following:

***“Rules are fine but they restrict growth and free enterprise. Fine line. [I] support free enterprise but rules must be reasonable too.”***

Participants also proposed possible solutions to solve the issue of poor Internet services. These generally fell along two lines: first, that communities should come together and decide how to invest in their telecommunications infrastructure, and second, that funds derived from the management of public goods such as wireless spectrum be used to re-invest in systems that better serves Canadians. The first approach cited Olds, Alberta as an example of how local community-based initiatives can meaningfully intervene and create better conditions where our telecommunications providers may not. One participant said he saw this as an important strategy for “...[market] diversification and creating more local and independent alternatives.” Approaches taken in Alberta also came up in the online conversation:

***(Via Facebook): Do what Alberta did and start our own ISP in each area, cut out providers all together [...]. With separate ownership of the cell towers all wireless cell phone companies would have access to all wireless spectrum bands. The separately owned cell towers would sell bandwidth access to all wireless cell phone companies. The biggest obstacle to the separate ownership of cell towers from wireless cell phone companies are incumbent cell phone companies who enjoy monopolistic benefits of their monopolistic ownership of frequency bands. It would be no small challenge to insure that possible centralized ownership of cell towers was not used to provide preferential access to one or more wireless cell phone companies.***

Participants in both the online and in-person conversations also looked at community-driven solutions like a national wireless co-op:

***(Via Facebook) We need to start a national digital telecom co-op. Run and administered like a gas coop, you buy a membership, pay for your services (cable, internet, cell) and receive taxable dividends at the end of the year. Members have a say in what services are provided/offered and help set pricing levels.***

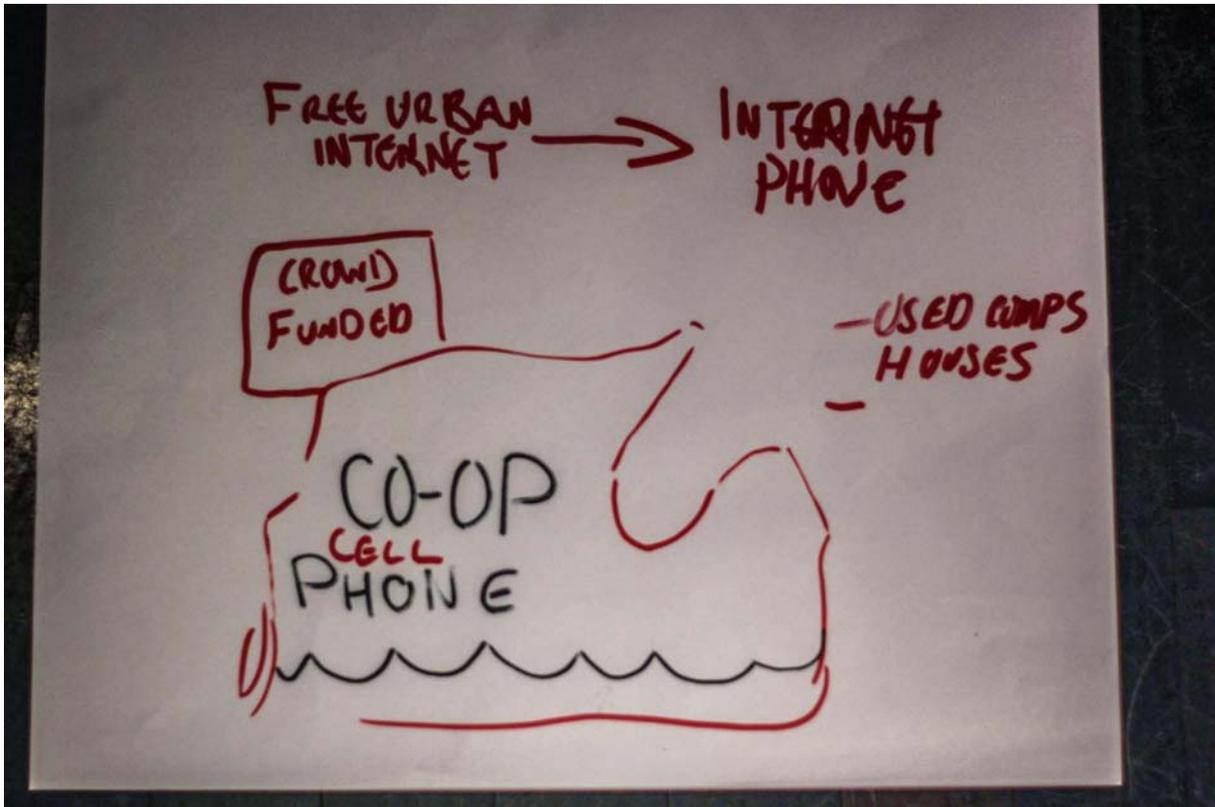


Figure 4: Drawing suggesting a wireless co-op from a break-out group at the Vancouver Design Nerds event

Many participants also suggested that government ought to use proceeds from the sale of advanced wireless spectrum to reinvest in communications infrastructure across the country. There was near universal agreement on this point.

***“Money that comes from [the sale of spectrum] should go back into infrastructure for communication, Internet, etc. Investment for the future to make it open and affordable for us” – Langdon, AB***

***“We think that the government should put more funding into the internet. Most people find themselves on the internet more and more and seem to be leaving television, so upgrading the internet service seems like a meaningful upgrade.” – SFU, Burnaby, BC***

Note, though, that one participant in Winnipeg had a creative idea for how spectrum should be allocated, saying:

***“Instead of auctioning spectrum, how about leasing spectrum to wireless providers, and instead of a lump sum up front, see how companies use spectrum, and then have them pay based on how many customers they are actually serving at periodical intervals? that way, company doesn’t have to pay up front, has room to innovate without large financial burden, uncertainty.”***



Figure 4: Participants at the Vancouver Design Nerds event discuss the idea of a public endowment fund with the proceeds from the spectrum auction, modeled on the Toronto Atmospheric Fund.

Participants in the online conversation also spoke to the idea of government funding for Internet access, stating:

***(Via Facebook) Though for example take a look at Australia, like Canada their current infrastructure is failing, and their idea is to have a subsidized fibre network. I feel like this sort of plan/idea would certainly be a great start to fixing our own situation.***

***(Via Facebook): We in Saskatchewan are fortunate - Sask-Tel is a crown corp and so far the present government has promised not to privatize ----- Access is a province-wide co-op and provides TV and internet - as well as telephone ..... in both cases the profits stay in the province..... Saskatchewan has few cities, lots of smaller towns and villages and a huge hinterland. In the case of the northern areas I understand that telephone is provided by radiowaves as well as satellite .... I believe we have some of the lowest rates all around [...] the spirit of co-operation is strong in this province and crown controlled services are not bad either, since the profits roll back into crown coffers. Electricity and Gas are also crown-corps with equally happy results.***

Regardless of the approach, the takeaway here is clear: Canadians face major structural and economic barriers when it comes to choosing providers in our telecom and cable distribution market, and find navigating the plans and options available very overwhelming. While most of the participants were television subscribers, few were happy with the range of service they were receiving, and even fewer were happy with how much they were paying for it. The takeaway here was that even if they were unhappy enough with the cost to actually switch services, they had to either chose a similarly priced service, or had no competing service to choose.

Some participants also indicated that public funding can also help improve the availability of Canadian content across different mediums. Strong public broadcasters such as CBC and APTN, if empowered to improve their online presence, can be a means of ensuring Canadians are able to access Canadian content in the manner they want and through the networks they want.

## Online Conversation

As Connected Canada events happened all across the country, OpenMedia.ca recognized the need to amplify the voices of Canadians who were either unable to participate in events or who did not have any hosted events in their local community. We hosted an online discussion to gather the ideas, strategies, and solutions put forward by Canadians as part of our Connected Canada efforts. The discussion was moderated for 2 hours on various social media platforms (including Facebook, Twitter, Google+, reddit) as well as via the comment section of a blog on the OpenMedia.ca website that was written specifically for this purpose (Table 1).<sup>1</sup> In response to our call for online participants, nearly 24,000 OpenMedia.ca supporters took to the web to participate in the discussion.

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<sup>1</sup> Although the conversation was moderated by the OpenMedia.ca team for two hours, comments have continued be posted across the fora for a few days after the discussion. We have collected these comments and distilled the common themes below.

**Table 1: Total number of comments received for the online Connected Canada discussion**

Number of comments	
89	Facebook
61	Twitter
65	Google+
66	Reddit
169	Website comments
<b>450</b>	<b>TOTAL COMMENTS</b>

\*\*Numbers as of January 28, 2014

Central points that emerged are as follows:

### **I. What do you think about what's on television?**

The majority of questions from the online discussion was not focused on television as a medium. However, there was ample discussion about content production and distribution. Key themes from this discussion include:

#### **A. Need for diversity and choice as a general point:**

A lack of interest in content that is produced and owned by large media conglomerates.

*(via Google+): I am not very interested in content from large conglomerates, but i want to see diversity and choice and quality, and a bill of rights that the pipe is wide open, and accessible to all! We need a digital bill of rights, to affordable access and give me the indie movies and docs online, how long do i have to wait??*

*(Via Twitter): Cdn TV is in a sad state. Having a singular content jammed down your throat is brutal.*

*(Via Google+): I don't object to paying for content. I object to not getting the content due to geography, to unreasonable CAPs, or needing a specific computer type (I'm Linux)*

*(Via Twitter): Simsubbing is awful, too. If I want to watch a game or show on a US channel, I should be able to. CDN content laws are weak.*

#### **B. Concerns with control of content by big ISPs/telecommunications companies:**

Many Canadians expressed concerned about trouble accessing content, a majority of

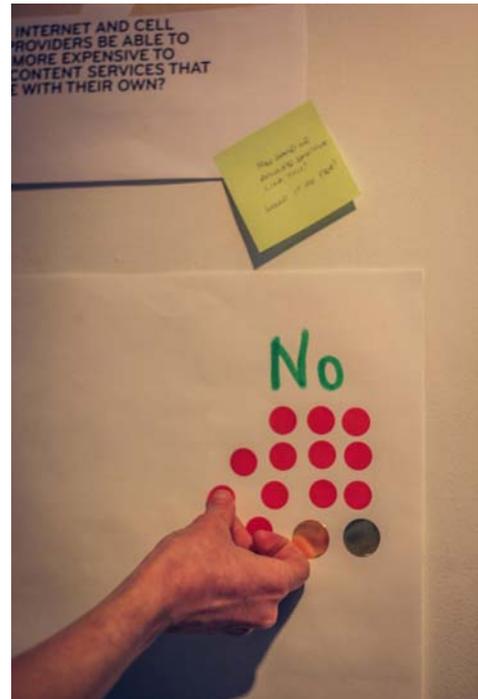
whom highlighted gatekeeping by the major content providers as the reason.

*(Via the website) "...the only way to address that issue is to create a system that allows customers to buy their channels from someone other than the cable network operator and to therefore force cable network operators to compete at the content level. I don't know how we got into a situation where Shaw, Rogers and a handful of other cable network operators are also the only channel brokers, but it's a bad system. [...]"*

*(Via the website): The world in general, and Canada in particular, has really blown it with digital service providers because we have allowed licensed monopoly utilities to control the "content" flowing over the "pipes" as well as the pipes themselves. These functions absolutely need to be in separate business units operating at arms length. For example, Bell Media's content should not be used as a marketing tool to steer customers to Bell's network; anyone with an IP address from any ISP should be able to buy/access anyone's content. As an analogy, imagine Bell Canada controlled who you could call from a Bell Canada phone number? Imagine if Bell Canada decided to enter the pizza business and then they started to block or degrade the quality of your service if you call any other pizza company; and then they increase the prices of their pizza? Conversely, suppose Bell Canada bought Pizza Hut and then only accept pizza orders from Bell Canada phone numbers. That's essentially what is already starting to happen in the digital services domain, especially in mobile, but cable and wireline too.*

*(Via Reddit): The reality is RoBelUs control overwhelming stakes in telephone, wireless, cable/satellite, broadcast (radio and TV), magazines, newspapers, and so on. This is a pathological situation which only exists due to them exploiting 'Canadian Content' rules with respect to ownership of media and telecommunications assets. These rules have never benefited consumers*

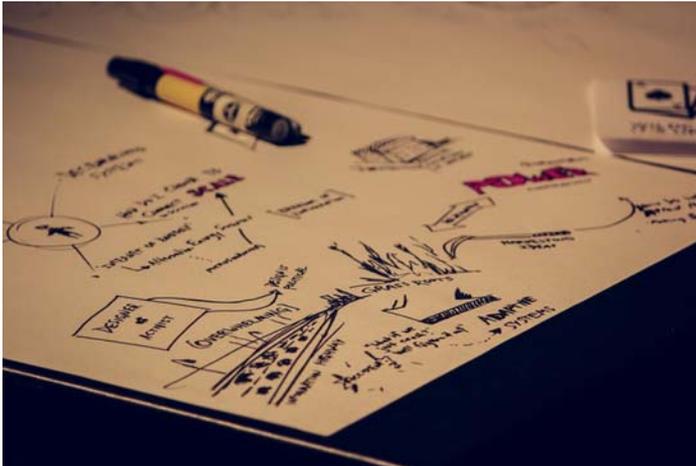
*(Via Google+): I believe that the content producers and the delivery networks have to be separated. Shaw, Bell, Rogers, etc., can't possibly operate an appropriately competitive delivery network if their goal is to own the content and lock people down to their properties.*



## 2. What do you think about how you receive television programming?

The majority of discussion referred to how television as a medium in itself is no longer the way many Canadians want to receive their programming. One of the main reasons is the **high price of cable and Internet services and a lack of competition** (including rising prices without

proper justification for said prices):



*(Via the website): We spend 6 Month/year in Europe (France). My little village in the south of France has an Internet connection with 1Gbit/sec. no throttling, no Data limits, TV over the Internet and long distance calls to Canada for free. It costs me a whopping 45Eur/month (\$65)... Thanks to no competition, here we are totally ripped off.*

*(Via the website): A while ago I read that one of the Shaw sons is retiring in his mid forties and will enjoy an annual income of about 20+ million dollars. This month my Shaw bill informs me that they are raising my fees by \$60 annually. Sorry, but I can't print the words I feel about this outrage.*

*(Via Google+): It would be nice to stop the incessant monopoly held by the Bell company who between themselves and the cable company fix prices so in Canada there is no fair deal. What happened to the client was to always get the respect and benefit of the doubt. Now we pay in advance which for any other service we would walk away from as imposing. There are but two companies, one cable which owns all subsidiary companies, either shaw or eastlink as the parent for all other services coast to coast. And bell who owns all small licensed cell phone and home phone business other than provided by cable companies. There needs to be more businesses and fair competition should be a requirement so the consumer benefits as we did in the past.*

A lack of satisfaction with how TV content is delivered:

*(Via the website): Forcing consumers to pay for things they don't want (bundling is one example), marking up or even sabotaging competing providers by blocking their content is going to become more common unless powerful regulations are put in place. Furthermore, the general attitude of the public and the government toward the rights and ownership of widely used networks must change drastically. Communications networks of all kinds must be considered essential, and telecommunications companies must be reduced drastically in size and power, along with many other overly massive (often global) corporations who have control over indispensable public assets such as natural resources, vital infrastructure, and human lives. New regulations must include a powerful focus and incentive to transparency.*

*(Via Google+): How does it make sense for my basic Shaw cable internet services to continually go up in price because Shaw does something stupid like buy a money-loser like Global? Also, I'd like to know how any of the incumbents are able to justify the price they charge for bandwidth (regardless whether it's home service, mobile, etc) when internet bandwidth is a nearly-free commodity for them now.*

There was one dissenting view about the role of media conglomerates blocking access:

***(Via Google+): Accessing streaming content isn't always the providers but the networks, which I know in Canada are mainly owned by the providers. But both CTV and global can be downloaded and offer streaming content if you login with your providers information. I know I use the global go app and can also watch live TV on my device. You want free streaming isn't going to happen. Closest thing is Netflix. You want free go get your digital antenna and you can get CBC which is government funded. And most the content we watch in Canada is American anyways so we don't have control of the rights anyways. Which is why we can't access hulu and it's not cause our providers are blocking it but because the states isn't showing it across their border.***

The general tone of discussion pointed to how disenfranchised Canadians are with their service, including a lack of information as to when and why prices for cable and the Internet keep rising.

There was also discussion about how the current broken telecom market is an issue of **political concern:**

***(Via Google+): Since the price of digital connection impacts small businesses (98% of Canadian companies), it should definitely be of political concern. The same goes for the cost of shipping. Only 46% of Canadian small businesses have a website (RBC 2013) and even less are eCommerce equipped. Facilitating the success of Canadian eCommerce could seriously boost our economy, and a big part of that is making it affordable.***

***(Via Facebook): Internet use has become such a necessary part of life that it underscores something missing in Canada's Constitution - the right to communicate. I don't believe Sec. 2 (expression, assembly, religion) covers it adequately. We should consider this as a political goal (among the other great ideas being discussed here), one Canadians in all provinces and territories would support.***

The idea that the Internet is an essential service was also raised on several occasions:

***(Via Facebook): Internet access needs to be an essential utility like gas or electricity. Take it away from greedy corporations and make it belong to us. As it should have all along. Make pricing non profit based on cost. And no service levels. Every single connection should be as fast possible with the current technology and infrastructure.***

***(Via Facebook): In Germany, based upon a federal court ruling in 2013, Internet is consider an essential service [...] Although the French courts beat the Germans to it, declaring in 2009 that, "Internet access is a fundamental human right."***

There was a strong call for reining in the big telecom conglomerates and their monopolization of services. Participants in the online conversation directly addressed the role of the CRTC in this vein was discussed, and the need for the CRTC to improve regulation in support of Canadians - not conglomerates. These comments reflect how many Canadians are aware of the history of the

telecom market - and why many Canadians believe that the situation with regards to access, choice, and affordability of these services has gotten worse over time.

***(Via the website): The irony here is that back in the 70s, the big telco AT&T was split up by Judge Green and here in Canada, the CRTC forced a separation of Bell Canada into separate regional operators, as well as splitting it's own network services from value-added services (remember Bell Sigma, Bell Data, etc.) In addition, Bell was required to wholesale it's last-mile plant and allow competitive long-distance marketers. Bell and TELUS are also (well, used to be) required to wholesale their DSL last-mile infrastructure. So what went wrong with cable and cellular? Why are these networks different? For example, why am I required to buy my cable TV channels only from the same people who provide my physical cable (in my case, Shaw)? Why am I required to obtain my IP address from that same company. Why is Shaw and Rogers not required to wholesale out their physical last-mile cable infrastructure. Something seems to be wrong here.***

***(Via Google+): The gov't needs a clear message that the CRTC (among other govt authorities) has failed Canadians. The path they've created to allow this mess to happen has to now be un-done. They created the means to make this all happen, and they can rightly start creating a new path in a new direction.***

## Conclusion

The Canadians who participated in our “Connected Canada” events were extremely positive about the opportunity to give input into a policy-making process that will have such a notable impact on their daily lives. We should consider, however, that many are not familiar with terms like “cost-based rate” or “spectrum,” and that the work of public interest advocates (whether working for external organizations like OpenMedia, or for the CRTC itself) is to translate these terms into language and practical examples that are relatable, and open up doors into more participatory decision-making, instead of presenting citizens with a brick wall. Even when they are not familiar with jargon, Canadians are savvy about how the current structure of our market, and rapidly changing technology, create serious challenges with truly free choice of media content and affordability of services in our country. They want concerted action from decision-makers to decentralize our market, and give them more flexible options from providers who are genuinely interested in serving their communities. Canadians are full of creative ideas about how to make these options a reality - when we connect Canadians, we get to hear these many practical and imaginative solutions for connecting Canada.