



Research on Telecommunications Services in Northern Canada

Executive Summary

Prepared for the Canadian Radio-television and Telecommunications Commission (CRTC)

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November 2020

This public opinion research report presents the results of omnibus questions and focus groups conducted by Environics Research on behalf of the Canadian Radio-television and Telecommunications Commission. The research study was conducted between September and October 2020.

Cette publication est aussi disponible en français sous le titre *Recherche sur les services de télécommunication dans le Nord canadien*

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Executive summary

Background and objectives

The Canadian Radio-television and Telecommunications Commission (CRTC) launched a consultation to review its regulatory framework for Northwestel Inc. and the state of telecommunications services in Canada's North.¹ Northwestel is the dominant telecommunications service provider in Canada's North, operating in 96 communities in Yukon, the Northwest Territories, Nunavut, northern British Columbia and Fort Fitzgerald, Alberta.

The CRTC collects and publishes detailed information on the state of telecommunications services in Canada in its *Communications Monitoring Report*. To expand its knowledge of the needs of those living in Canada's North, public opinion research was identified as one method for the CRTC to supplement its existing datasets, with a view to addressing potential issues with respect to the quality, availability, and affordability of telecommunications services.

This research included a set of quantitative omnibus questions placed on Environics' *North of 60° and Remote Community Monitor* and focus groups with residents in Northwestel's serving territory of Yukon, the Northwest Territories, Nunavut and northern British Columbia.

Specific objectives of the research included, but were not limited to:

- Assessing what role telecommunications services play in the lives of Canadians in Canada's North; and
- Assessing whether currently available telecommunications services meet the needs of Canadians living in Canada's North.

Methodology

Quantitative phase

Environics' syndicated *North of 60° and Remote Community Monitor* is an existing survey that covers a geographic area beyond Northwestel's serving territory. This random-probability telephone survey is conducted annually with 1,000 adult residents of Yukon, the Northwest Territories and Nunavut and the other two regions of Inuit Nunangat, Nunavik (northern Quebec) and Nunatsiavut (Labrador). The 2020 edition of the survey included six questions about telecommunication services and three questions about broadcasting services for the CRTC.

Fieldwork was conducted between September 11 and October 11, 2020, using industry-standard random-digit dialling (RDD) techniques. A survey of this size will yield results which can be considered accurate to within +/- 3.1 percentage points, 19 times out of 20. Margins of error are larger for regional and demographic subgroups of the population.

¹ For the purposes of this public opinion research, "Canada's North" refers to Northwestel's serving territory, which includes Yukon, the Northwest Territories, and Nunavut, as well as areas in northern British Columbia and Fort Fitzgerald, Alberta.

Qualitative phase

EnviroNics conducted seven focus groups with residents in Northwestel's serving territory. One group was conducted with Indigenous residents and one with non-Indigenous residents in each of Yukon, the Northwest Territories and Nunavut; in northern British Columbia, one group was held with both Indigenous and non-Indigenous residents. The focus groups were conducted by teleconference between October 13 and October 28, 2020 and were approximately 90 minutes in length.

Statement of limitations: Qualitative research provides insight into the range of opinions held within a population, rather than the weights of the opinions held, as measured in a quantitative study. The results of this type of research should be viewed as indicative rather than projectable to the population.

Contract value

The contract value was \$66,080.14 (including HST).

Key findings

The overarching finding of this research is that telecommunication services are central to the lives of people living in Canada's North. Most have a landline, home Internet and a cell phone. Network outages are perceived to negatively impact residents' well-being, because – as discussed in the focus groups – they use telecommunication services for everything from entertainment and communication to accessing goods and services and running their businesses.

The focus groups found residents most critical of their Internet service, compared to landline and cell phone services; they attribute the problems to a lack of competition in their region. Both the qualitative and quantitative research indicate the main concern is that prices are too high for the Internet service received, which is hampered by network outages and slow speeds.

The focus groups also revealed concerns about landline and cell phone service. For residents of Yukon, the Northwest Territories and Nunavut, the main limitation is a lack of cell service outside city limits. Moreover, while many prefer to rely on their cell phones, in these regions served by Northwestel, they indicate they must pay to maintain a landline as part of their Internet package. In northwest British Columbia, residents have no cell service in their communities, which is a safety concern.

The quantitative research found lower use of home Internet and cell phones in smaller centres and among the Indigenous peoples that comprise a higher proportion of the population in those centres. The results of the focus groups suggest there are concerns about these residents falling behind other Canadians as a result.

The key findings for each phase of the research are summarized below:

Quantitative phase

- Almost all Northern residents report having a landline telephone (95%). Large majorities also have home Internet access (86%) and a cell phone (78%), but both are less common in smaller communities, and accordingly, less common among Indigenous people, who comprise a larger share of the population outside main centres.

- The research confirms that Northwestel is the main provider of home Internet service for Northerners. Northwestel is almost the sole reported provider in Yukon and the Northwest Territories and is second to SSi in Nunavut. Reported method of Internet service varies by community size: cable is most prominent in capital cities, while those in smaller communities rely to a greater extent on DSL through a phone line or satellite Internet.
- Satisfaction ratings of current Internet service suggest room for improvement. Only one-third of Northerners with home Internet access hold positive views of their provider's efforts to meet their household needs for Internet, while another three in ten describe it as "average". Cost is the main factor that distinguishes positive and negative ratings. Satisfaction ratings do not vary significantly by Internet provider, but negative views are more prominent in smaller communities of less than 1,000 residents.
- Northerners believe that outages to their TV, phone or Internet service affect their personal, social and economic well-being, including almost half (48%) who say such outages have a major or moderate impact.
- Even with limitations on Internet and mobile access in the North, the main sources for local news and information are the Internet/social media (37%) and radio (30%), well ahead of television and newspapers. These are the two most popular sources among all demographic groups, although preference for the Internet skews to Northerners under 60 years of age and those with higher education and incomes. Preference for getting local news from the radio skews to older Northerners (60+), who also report more hours per week listening to the radio overall.

Qualitative phase

- Focus group participants described telecommunication services as an integral part of their everyday lives, affecting their ability to communicate, and to access information and goods and services not available locally, such as health care, education and government services. They believe these services are even more important in the North than in southern Canada, because of their remoteness from the rest of Canada and the world.
- The focus groups further confirmed that Northwestel is the largest, and in most participants' experience (outside of Nunavut), the only Internet provider in Canada's North. Participants viewed Northwestel's dominance as "monopolistic" and expressed a desire for more competitors to enter the North in hopes it would lower prices and give them the option of more reliable and faster Internet service.
- In contrast to Internet service, participants felt they have more choice in mobile phone providers and were generally satisfied with the service they receive. The main limitation in Yukon, Northwest Territories and Nunavut is the lack of cell service outside town or city limits (i.e., when they go outside their community). However, in northern British Columbia, focus group participants have no cell service even within their community and highlighted personal security concerns associated with being unable to reach emergency services when away from home.
- Affordability, reliability, and quality were the three biggest problems participants identified with their telecommunication services, especially in respect to Internet. Participants noted that the high prices of Internet made it an unaffordable service to many in their communities, which they felt, has negative consequences, especially for young people who could not participate in online learning during the COVID-19 pandemic. Unreliable Internet service and poor quality (low speeds and data caps) were also

cited as detrimental to those in the North as it limited their living standards (e.g., access to education, information and government services) compared to those in the southern Canada.

Political neutrality statement and contact information

I hereby certify as senior officer of Environics that the deliverables fully comply with the Government of Canada political neutrality requirements outlined in the Communications Policy of the Government of Canada, and Procedures for Planning and Contracting Public Opinion Research. Specifically, the deliverables do not include information on electoral voting intentions, political party preferences, standings with the electorate, or ratings of the performance of a political party or its leaders.



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