



Canadian Radio-television and  
Telecommunications Commission

Conseil de la radiodiffusion et des  
télécommunications canadiennes

# Answering the Call:

## Building a Safe, Convenient Telemarketing Environment for Canadians

Presented to the Minister of Innovation, Science and Economic Development  
September 2022

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(Aussi disponible en français)

# The Unsolicited Telecommunication Rules and Protecting Canadians

At the Canadian Radio-television and Telecommunications Commission (CRTC), we regulate and supervise Canadian broadcasting and telecommunications in the public interest. [Part of our mandate](#) is to protect Canadians from unsolicited telecommunications—an authority granted to us by Parliament under the *Telecommunications Act*. The goal of our resulting regulatory framework is to protect the privacy of Canadians and prevent undue inconvenience and nuisance from unsolicited telecommunications, while still allowing legitimate uses of telemarketing. This protection is enforced by the *Unsolicited Telecommunications Rules* (UTR/the Rules), which include the *National Do Not Call List (DNCL) Rules*, the *Telemarketing Rules*, and the *Automatic Dialing-Announcing Device (ADAD) Rules*. We are also responsible for establishing and maintaining the Voter Contact Registry under the amended *Fair Elections Act* (2014) to ensure that those who contact voters during an election, do so transparently.

The CRTC seeks to enhance the privacy and protection of Canadians through its compliance and enforcement program which includes promoting, monitoring, investigating and enforcing the rules and regulations associated with the UTR/Rules. By using a combination of these initiatives, the CRTC is working to create a deterrent environment for non-compliance and to assist businesses to comply.

Through its public proceedings, the CRTC also ensures that its regulatory policies respond to evolving advances in technology, business models, and Canadians' privacy needs.

## 2021-22 Fees and Operational Costs

The Rules contain registration and subscription requirements to the National DNCL for those who conduct telemarketing calls to Canadians and those who engage a telemarketer to conduct telemarketing calls on their behalf. The *Telecommunications Act* gives the CRTC the authority to collect the related unsolicited telecommunications fees in order to recover its costs associated with the investigation and enforcement of the National Do Not Call List. Annually, the CRTC sets a revenue target for these unsolicited telecommunications fees.

At the outset of 2021-22, the CRTC's costs to administer the National DNCL regime for the 2021-22 fiscal year were estimated to be \$3.3 million. The revenue for unsolicited telecommunications fees collected was \$3,424,509. As the total amount paid in 2021-22 exceeded the estimated \$3.3 million in regulatory costs, the excess amount (\$124,509) is being refunded to telemarketers according to the [formula in subsection 4\(2\) of the \*Unsolicited Telecommunications Fees Regulations\*](#).

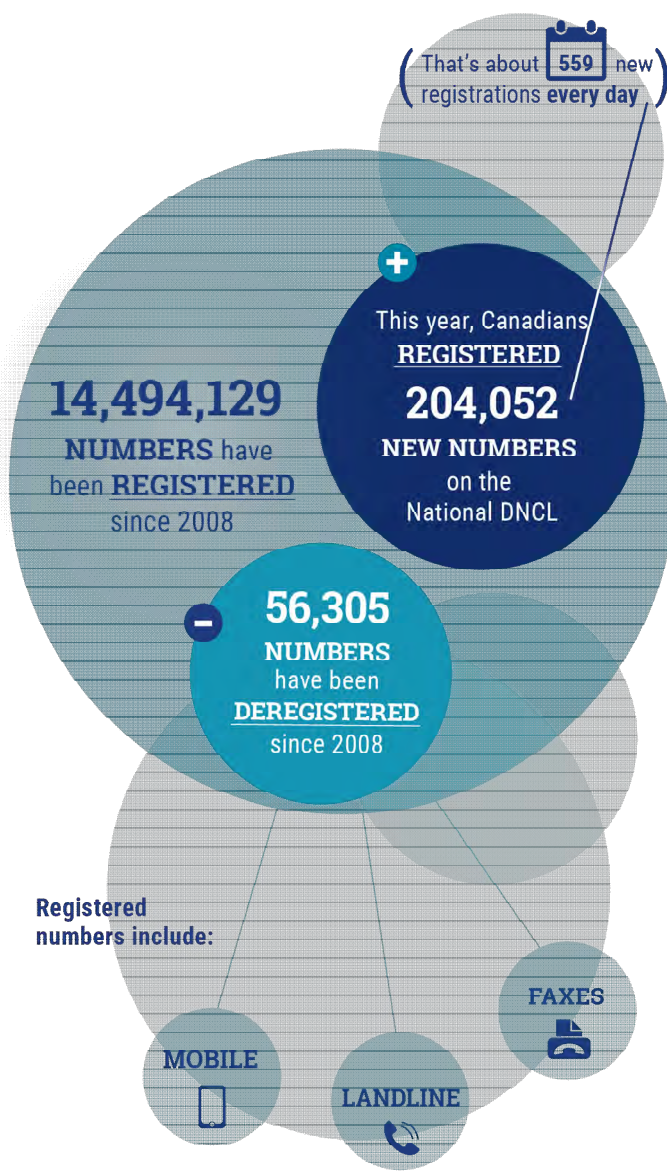


# Number Registrations and Complaints from Canadians

## Taking Part

Since we started the National DNCL in 2008, Canadians have registered an impressive 14,494,129 telecommunications numbers and deregistered 56,305 numbers.

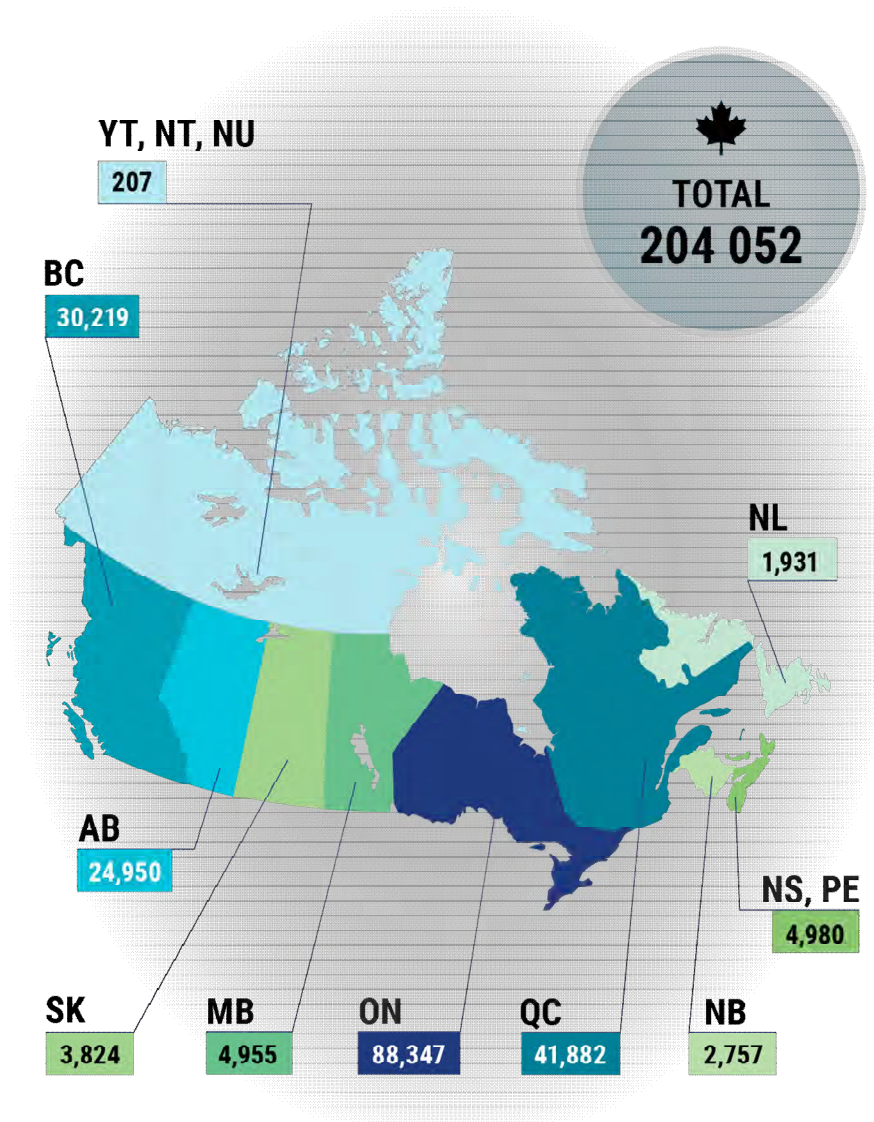
In the last fiscal year alone, Canadians registered 204,052 numbers for home, mobile, fax or VoIP services — an average of more than 559 numbers each day.



Canadians can register their numbers for free, and verify whether a number is on the List by calling 1-866-580-DNCL (3625) or visiting the [National DNCL website](#).

## Number Registration by Province and Territory in 2021-22

Canadians across Canada continue to register their numbers with the National DNCL Operator. The volume of numbers registered coincides with the population distribution by province and territory.



### **Nova Scotia and Prince Edward Island:**

Note that because these regions share area codes, their data is combined.

### **Yukon, Nunavut, and Northwest Territories:**

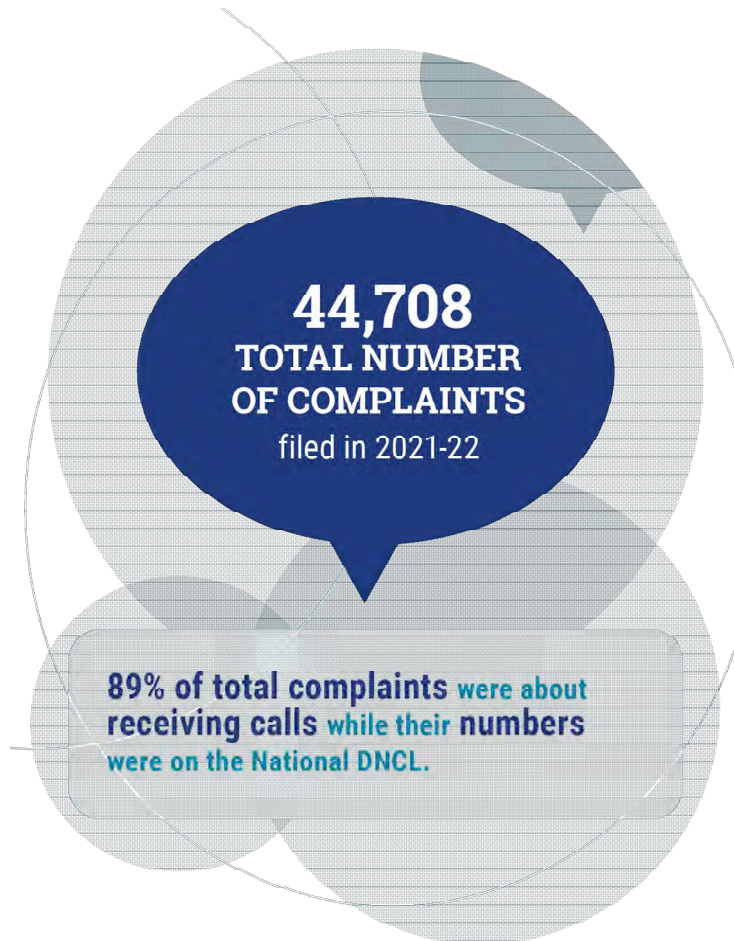
Note that because these regions share area codes, their data is combined. These locations also include non-geographic area codes (e.g. mobile satellite phones which are typically used in remote areas of Canada).



## Complaints from Canadians in 2021-22

We rely on Canadians to tell us when they suspect a telemarketer might not be following the Rules. The best way to file a complaint is through the National DNCL Operator.

In 2021-22, Canadians filed 44,708 complaints with the National DNCL Operator. 89% of the complaints received were about receiving calls while their numbers were on the National DNCL.



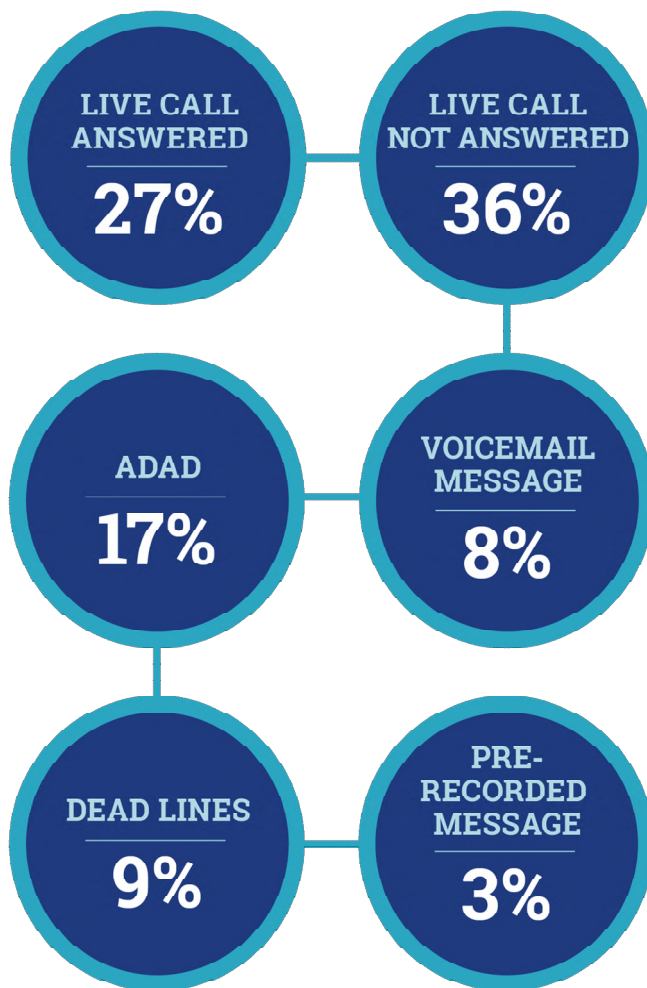
Canadians can file a complaint by calling 1-866-580-DNCL (3625) or visiting the [National DNCL website](#).

**To file a complaint, all that is needed is:**

1. The phone number where the call was received.
2. The name or phone number of the telemarketer.
3. The date you received the call.

## Top complaints from Canadians about telemarketing calls

With the National DNCL Operator's **interactive complaint form** and its **Live Chat Support feature** we are better able to categorize complaints from Canadians.

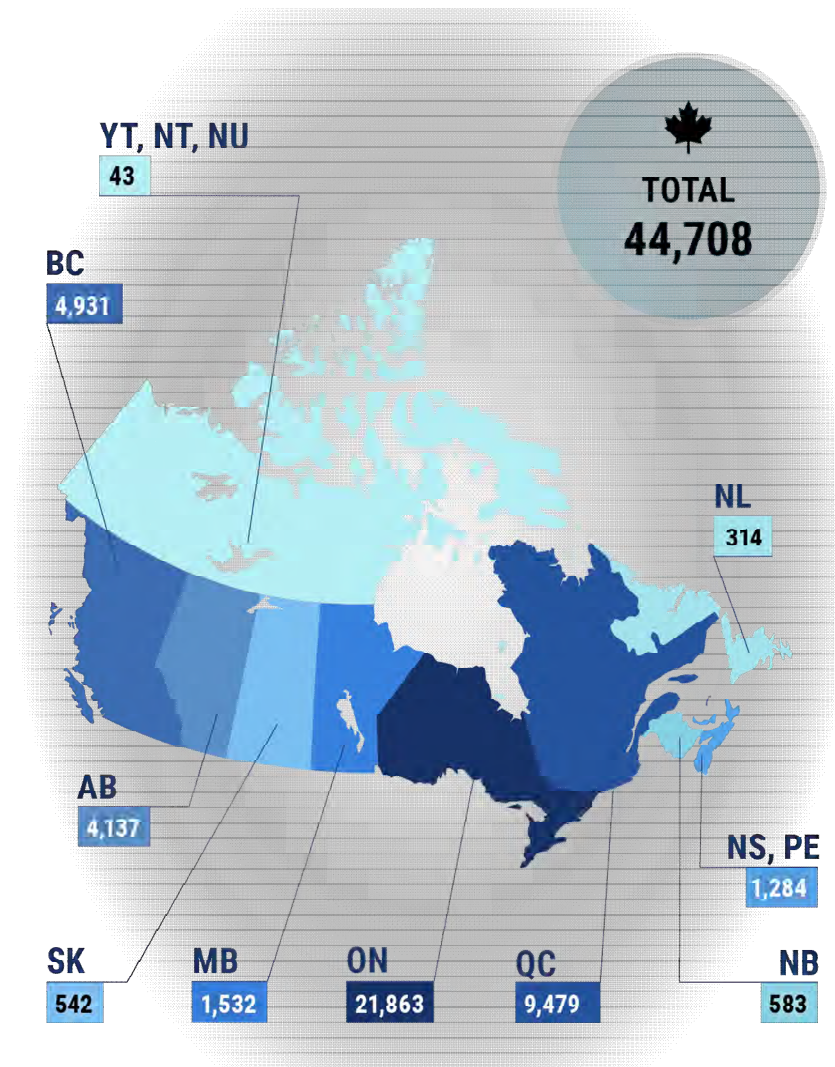


In 2021-22, Canadian complaints were as follows:

- 27% were about live calls from suspected telemarketers
- 36% were about calls from suspected telemarketers but the call was not answered
- 17% were about ADADs
- 8% were about suspected telemarketers leaving voicemail message
- 9% were about dead lines (i.e. cases where a predictive dialer was used or there was no caller on the line) or fax sound
- 3% were about pre-recorded messages to hold for a live caller

## Complaints by Province and Territory in 2021-22

While Canadians across the country continue to file complaints, the total number of complaints dropped by approximately 3% compared to the previous year. The most significant drop in complaints filed was from the province of Quebec where complaints were down by nearly 18% over the previous year.



**Nova Scotia and Prince Edward Island:** Note that because these regions share area codes, their data is combined.

**Yukon, Nunavut, and Northwest Territories:** Note that because these regions share area codes, their data is combined. These locations also include non-geographic area codes (e.g. mobile satellite phones which are typically used in remote areas of Canada).



# Telemarketer Registrations and Subscriptions

All telemarketers must register with the National DNCL. There is no charge for registration.

Telemarketers that are only making calls or sending faxes that are exempt from the National DNCL do not have to purchase a subscription, or download, the National DNCL.

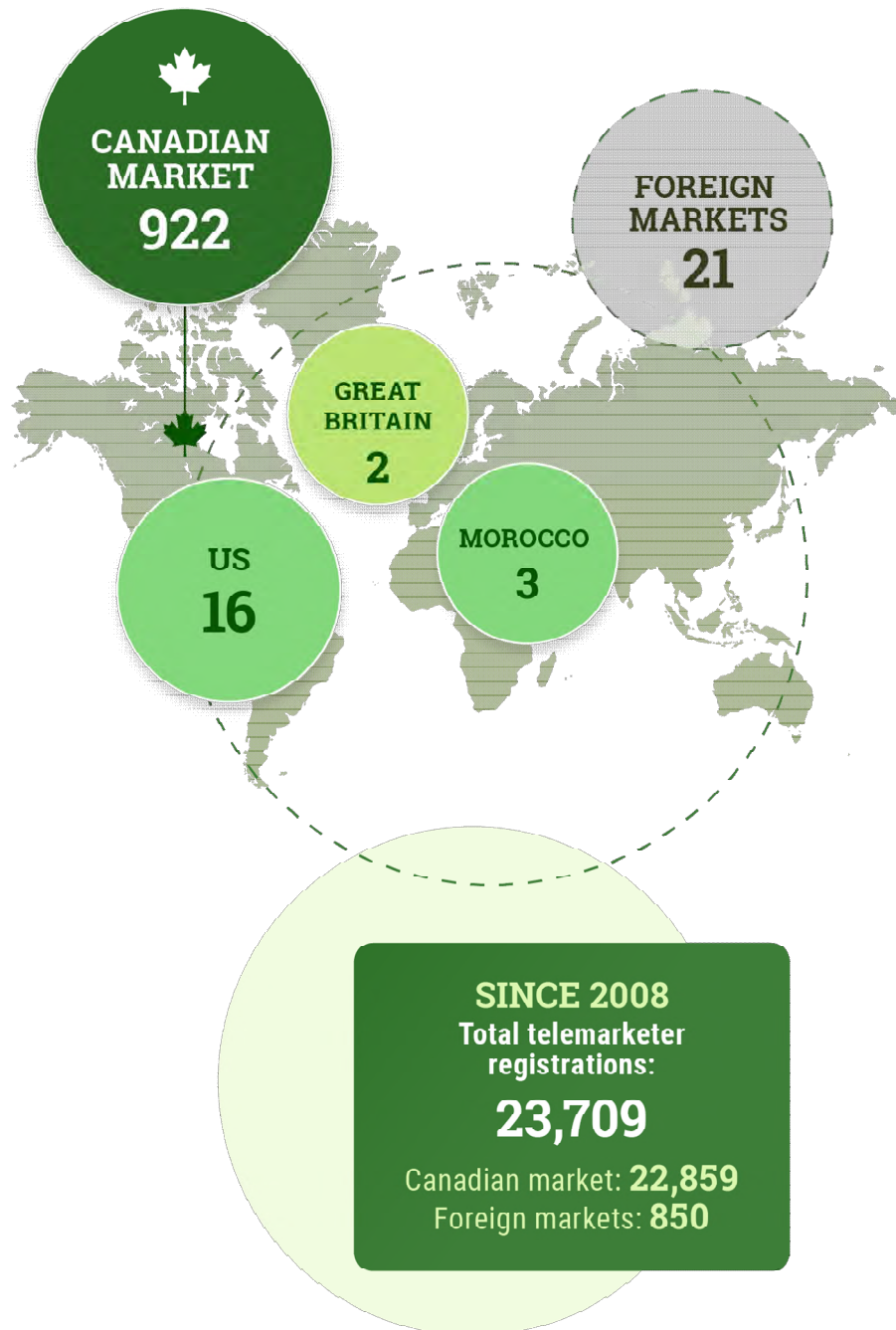
However, regular telemarketer must purchase a subscription for the area codes where they intend to call. Fees will be based on the [subscription model](#) chosen. And the telemarketer must download the numbers from the National DNCL to ensure that these numbers are not included on their calling lists.

In 2021-22, 943 telemarketers registered with the National DNCL Operator.

Of those registered telemarketers, 201 organizations purchased National DNCL subscriptions. Telemarketer subscriptions are available for multiple area codes, as well as single area codes. Different subscription periods are also available. This provides better options for telemarketers' business operational plans.



## Telemarketer registrations in 2021-22



# Taking Action to Enforce Compliance and Protect Canadians

*Our enforcement actions send a clear message to telemarketers and clients of telemarketers that they must abide by the Unsolicited Telecommunication Rules, and register with and subscribe to the National DNCL.*

The CRTC has the power to investigate and take action against violators, including the ability to issue administrative monetary penalties.

All telemarketers conducting telemarketing on their own behalf or on behalf of clients must adhere to the Rules. Among other things, the Rules state that they must:

- identify who they are and, upon request, provide a telephone number where the caller can speak to someone about the telemarketing call,
- display the telephone number that they're calling from or that the consumer can call to reach them, and
- only call or send faxes between 9:00 a.m. and 9:30 p.m. on weekdays and between 10:00 a.m. and 6:00 p.m. on weekends.

Telemarketers must also comply with the Automatic Dialing and Announcing Device (ADAD) Rules. ADADs are devices that dial telephone numbers automatically and can also deliver a pre-recorded message.

When it comes to enforcing the Rules, one of our main goals is ensuring compliance. To this end, once we've gathered intelligence to select and investigate cases of alleged violations, we use [Enforcement Actions](#) to appropriately respond to each unique case.

These tools include:

- warning letters for minor violations,
- [citations](#) that outline the alleged violations and provides the opportunity to make representations concerning the citation ,
- [notices of violation \(NoV\)](#), which are formal enforcement measures (set out in section 72.07 of the *Telecommunications Act*), that could carry an administrative monetary penalty (AMP), and
- negotiated settlements, which are formal agreements between individuals and businesses and the Chief Compliance and Enforcement Officer. As part of a settlement, the individual or business must admit liability, stop violating the Rules, accept a NoV with an AMP, and develop a compliance program.

Violations can result in penalties of up to \$1,500 per violation for individuals and up to \$15,000 per violation for corporations.

## Investigations and Enforcement Actions

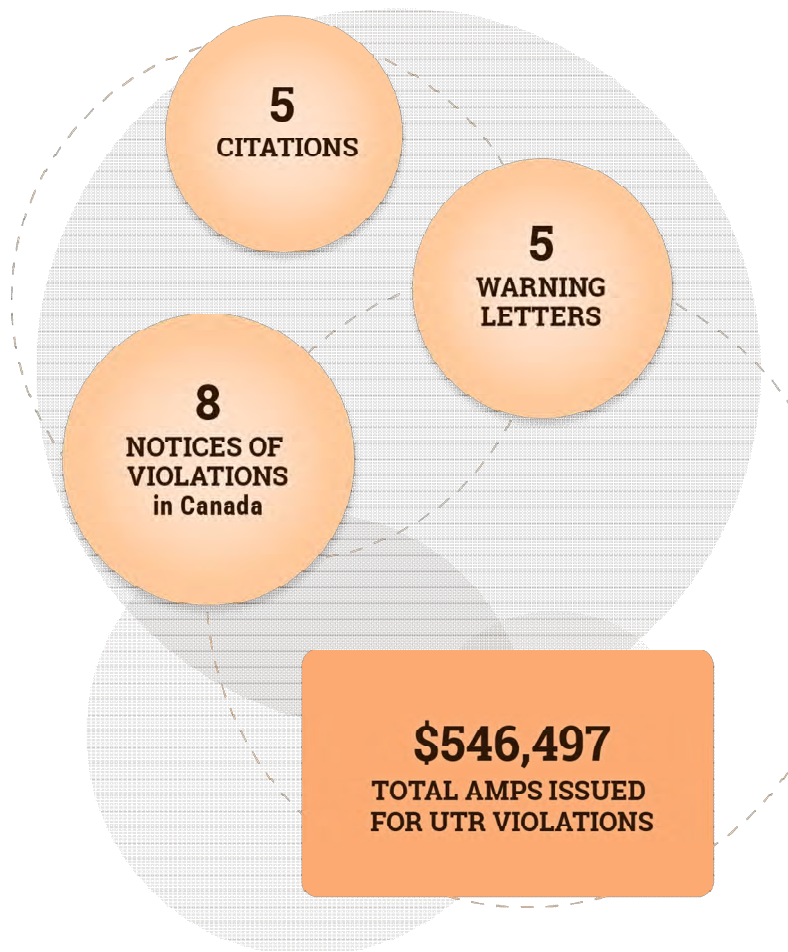
Since 2008, a total of \$11,263,427 in AMP have been issued.

Between 1 April 2021 and 31 March 2022, investigations resulted in a total of \$546,497 in AMPs payable to the Receiver General of Canada.

## 2021-22 Enforcement and Compliance Highlights

In 2021-22, the CRTC issued 5 warning letters, 5 citations, and 8 Notices of Violations.

In terms of negotiated settlements, all of the companies that the CRTC brought into compliance with the rules through negotiated settlements also implemented compliance practices within their businesses. Moreover, any entity that was subjected to enforcement action in the previous 3 years and is still in operation has remained compliant to date.





## Large penalty investigation

In November 2021, CA Diffusion agreed to pay a \$200,000 penalty as part of a [settlement](#) for making non-compliant telemarketing calls. The Laval, Quebec-based company, more widely known as Physaro, specialized in the direct sale of wellness products geared toward seniors.

Following an investigation, the CRTC uncovered that CA Diffusion committed several violations of the Rules between September 2018 and July 2019. During that period, millions of unsolicited calls were made to Canadians – some of which were made to telephone numbers registered on the National DNCL and outside of the permissible calling hours. Some calls were also made during periods when the company failed to purchase a subscription to the National DNCL. The company enlisted the services of call centres based in Senegal and Morocco.

“This case was particularly worrisome as the products being sold targeted a vulnerable segment of our population.”

- Steven Harroun, Chief Compliance and Enforcement Officer, CRTC

## Protecting Voters

In addition to enforcing the Rules, under the *Fair Elections Act*, the *Canadian Elections Act*, and the *Telecommunications Act*, we also enforce the [Voter Contact Registry](#) (VCR). During an election campaign, political candidates, parties, and their supporters are obliged to follow the rules that fall under the VCR. This tool protects Canadians from rogue or misleading telephone calls and ensures transparent contact with voters during federal elections. During elections, we remain prepared to handle registrations, complaints and to investigate potential violations.

Our enforcement activities for violations of the VCR include warning letters, citations, and penalties of up to \$1,500 per violation for individuals and up to \$15,000 per violation for corporations.

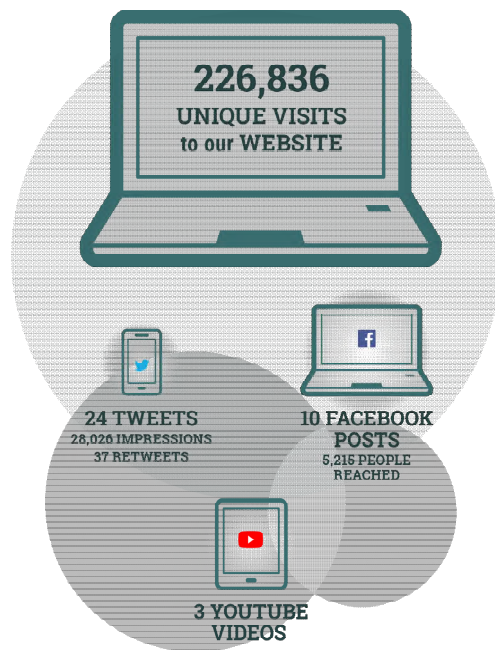
In 2021-22, the CRTC issued 107 warning letters and 8 citation for alleged violations under the VCR. All VCR enforcement actions are posted on the CRTC website under the [VCR Enforcement Actions](#) section.

In 2021-22, the CRTC also activated and managed the VCR for the general election held on 20 September 2021. As part of this process, the CRTC issued a [news release](#) in August to remind political parties and candidates of their VCR obligations when reaching out to Canadians.

“We encourage political parties, candidates and anyone else who is considering making calls to carefully review the Voter Contact Registry requirements to avoid negative consequences. We will be closely monitoring individuals and organizations subject to these requirements aimed at protecting Canadians.”

- Ian Scott, Chairperson and Chief Executive Officer, CRTC

## Bringing the Message to Canadians



In 2021-22, the CRTC:

- continued to leveraged Twitter, Facebook and YouTube to inform and educate Canadians and telemarketers alike about issues related to telemarketing; and
- encouraged Canadians who think the telemarketing rules are not being followed to [submit a complaint](#) to the CRTC;
- promoted Fraud Prevention Month and reminded Canadians to stay vigilant against scams, and how to recognise, reject and report fraud;
- issued an important [news release](#) to inform Canadians of a new caller ID technology to combat spoofed calls.

“This new caller ID technology will empower Canadians to determine which calls are legitimate and worth answering, and which need to be treated with caution. As more providers upgrade their networks, STIR/SHAKEN will undoubtedly reduce spoofing and help Canadians regain peace of mind when answering phone calls.”

Ian Scott, Chairperson and CEO, CRTC

# Building a World-Class Communications System

Our goal is to support a safe, secure, and trusted communications system for Canadians in a constantly changing digital landscape. Building strong partnerships with industry, domestic and international enforcement agencies allows us to coordinate our efforts and be more effective in combatting nuisance calls.

## Partnership and Outreach

### **Educating Telemarketers**

To help telemarketers and clients of telemarketers comply with the Rules, we hosted several virtual compliance outreach sessions for industry representatives across Canada, including stakeholder interactions, video conferences and webinars and a fireside chat by the CRTC's Chief Compliance and Enforcement Officer with the Retail Council of Canada.

In addition, the CRTC released three new educational videos that provide tips on how to comply with Canada's telemarketing rules, available on its YouTube playlist, [Spam and Telemarketing – A recipe for success](#).

### **Protecting Canadians behind the scenes**

In 2021-22, the CRTC [approved](#) Bell Canada's request to allow Bell Canada and its affiliates (Bell Canada et al.) to transition its call-blocking mechanism from a trial to a permanent offering. The call-blocking mechanism utilized artificial intelligence technology, to allow telephone service providers to block certain fraudulent and scam voice calls. During the trial period, over 1.1 billion calls were successfully blocked before ever reaching Canadians.

### **Policy Development and Implementation**

Effective 30 November 2021, as a condition of offering and providing telecommunications services, TSPs must implement STIR/SHAKEN<sup>1</sup> in order to authenticate and validate IP-based voice calls. Visit [Compliance and Enforcement and Telecom Decision CRTC 2021-123](#) for more details on implementation of STIR/SHAKEN for IP-based voice calls.

In August 2021, the CRTC approved the rollout of a trace back process towards full deployment whereby TSPs can trace nuisance calls back to their point of origin. The trace back process was developed by the CRTC Interconnection Steering Committee Network Working Group (CISC) and included a technological trial. Visit [Compliance and Enforcement and Telecom Decision CRTC 2021-268](#) for more details related to the trace back process and the recommendations made by CISC.

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<sup>1</sup> STIR/SHAKEN is a technology developed by the industry that will enable service providers to certify whether a caller's identity can be trusted by authenticating and verifying the caller ID information for Internet Protocol (IP)-based voice calls.

## International and Domestic Cooperation

To date, the CRTC has forged 16 partnerships with organizations across the globe in order to better fulfill its mandate. These agreements allow the agencies to share information and provide investigative support, upon request, and in accordance with the law.

These established MOUs also provide for research and education opportunities, as well as staff exchanges and joint training initiatives for the parties.

