

Answering the Call:

Helping Ensure a Safe and Convenient Telemarketing Environment in Canada

2023-24 CRTC Annual Report on the Operation of the National Do Not Call List

Presented to the Minister of Innovation, Science and Industry October 2024



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Helping Protect Canadians from Unwanted Calls

The CRTC is an independent quasi-judicial tribunal that regulates the Canadian communications industry in the public interest. The CRTC holds public consultations on telecommunications and broadcasting matters and makes decisions based on the public record.

Part of the CRTC's mandate is to help protect Canadians from unwanted calls -- an authority granted by Parliament under the *Telecommunications Act* (the Act). It helps protect privacy and limit nuisance calls, while still allowing legitimate telemarketing. The CRTC promotes compliance with the *Unsolicited Telecommunications Rules* (the Rules), which include the *National Do Not Call List Rules* (DNCL), the *Telemarketing Rules*, and the *Automatic Dialing-Announcing Device Rules* (ADAD). It is also responsible for establishing and maintaining the <u>Voter Contact Registry (VCR)</u> under the amended *Fair Elections Act* (2014) to ensure that those who contact voters during an election do so transparently.

Through its compliance and enforcement program, the CRTC promotes and enforces the Rules and monitors and investigates non-compliance. The CRTC is working to help create an environment that deters non-compliant telemarketers while assisting businesses with their legitimate telemarketing practices.

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

2023-2024 Fees and Operational Costs

The Rules require that those who make telemarketing calls and those who hire a third party to make calls on their behalf register with the National DNCL operator and purchase a subscription to the National DNCL. The Act gives the CRTC the authority to collect fees to recover its regulatory costs for promoting compliance with the Rules and administering the National DNCL.

For the 2023-2024 fiscal year, the CRTC collected \$3,095,748 in unsolicited telecommunications fees.



Number Registrations and Complaints

Taking Part

By registering their number on the National DNCL, Canadians can reduce the number of telemarketing calls they receive.

Since 2008, a total of 14,937,114 Canadian phone numbers have been added to the National DNCL and a total of 56,968 phone numbers have been removed.

In 2023-2024, a total of 156,010 Canadian phone numbers for home, mobile, fax or Voice over Internet Protocol (VoIP) services were registered with the National DNCL operator, an average of 427 numbers per day. A total of 343 Canadian numbers were deregistered.



Residents in Canada can add their numbers for free and verify whether a number is on the National DNCL by calling 1-866-580-DNCL (3625) or visiting the Register your number – Canada.ca (Innte-dncl.gc.ca).

Number Registration by Province and Territory in 2023-2024

Canadians across the country continue to register their numbers with the National DNCL operator. However, the yearly volume of numbers registered is decreasing because many Canadians have already permanently registered their number(s) with the National DNCL operator. Generally, it is newly assigned numbers that are being added to the databank of numbers on the list.

In 2023-24, Canadians registered a total of 156,010 numbers. The volume of numbers registered corresponds with the population density by province and territory.



Notes:

Nova Scotia and Prince Edward Island: The data for these regions is aggregated because they share the same area code.

Yukon, Nunavut, and Northwest Territories:

The data for these regions is aggregated because they share the same area code. These locations also include non-geographic area codes (e.g., mobile satellite phones).

Complaints in 2023-2024

Complaints from Canadians play an essential role in investigations of non-compliance. It is important for Canadians to file their complaints with the National DNCL operator.

In 2023-24, Canadians filed 27,673 complaints with the National DNCL operator. 89% of complaints filed were about receiving calls while their number was already on the National DNCL

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

Filing a complaint can be simple. You need the:

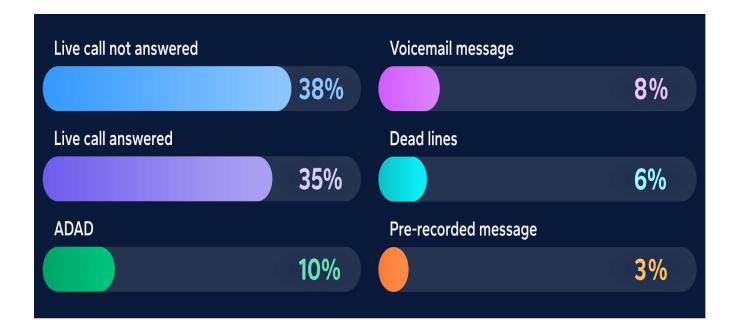
- 1. Phone number on which you received the call;
- 2. Name or phone number of the telemarketer; and
- 3. Date you received the call.



Frequently Heard Complaints

In 2023-2024, the frequently heard complaints made to the National DNCL operator were about:

- Calls from suspected telemarketers but the call was not answered (38%);
- Live calls from suspected telemarketers (35%);
- An ADAD (10%);
- Telemarketers leaving a voicemail message (8%);
- Dead lines (i.e., cases where a predictive dialer was used or there was no caller on the line) (6%); and
- Pre-recorded messages to hold for a live caller or about a fax sound (3%).



Complaints by Province and Territory in 2023-2024

As noted above, Canadians filed 27,673 complaints with the National DNCL operator in 2023-24. The volume of complaints submitted corresponds with population size by province and territory.



Notes:

Nova Scotia and Prince Edward Island: The data for these regions has been combined because they share the same area code.

Yukon, Nunavut, and Northwest Territories:

The data for these regions has been aggregated because they share the same area code. These locations also include non-geographic area codes (e.g., mobile satellite phones).



Telemarketer Registrations and Subscriptions

All telemarketers operating in Canada must register with the National DNCL operator. 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 to the National DNCL. Otherwise, telemarketers typically must purchase a subscription for the area codes where they intend to call. Fees are based on the <u>subscription model</u> of the telemarketers' choice. The telemarketer must consult the National DNCL to ensure that these numbers are excluded from their call lists.

Telemarketer registrations and subscriptions in 2023-2024

1,089 telemarketers registered with the National DNCL operator in 2023-2024. Of those that registered, 173 organizations purchased National DNCL subscriptions.



1,069 were from the Canadian market and 20 were from foreign markets including 17 from the United States, 1 from Morrocco, 1 from Israel, and 1 from Nigeria.





Taking Action to Help Promote Compliance

The CRTC may investigate and take action against a person or organization that breaks the Rules.

According to the Rules, all telemarketers must:

- identify who they are and, upon request, provide a telephone number where the consumer can speak to someone about the telemarketing call;
- display the telephone number that they are calling from so 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 comply with the <u>ADAD Rules</u>. ADADs are devices that dial telephone numbers automatically. They can also deliver a pre-recorded message.

When it comes to enforcing the Rules, one of the CRTC's main goals is helping ensure compliance. Once the CRTC has concluded an investigation into cases of alleged non-compliance, the CRTC uses Enforcement actions to appropriately respond to each case.

These tools include:

- warning letters for minor compliance issues;
- citations that outline the alleged violations and provide the opportunity to respond to the citation;
- notices of violation (NoV), which are formal enforcement measures (set out in section 72.07 of the Act); and
- negotiated settlements that are formal agreements between individuals or businesses and the CRTC.
 These settlements typically require the individual or business to admit liability, stop violating the Rules, accept an NoV, and develop a compliance program.

Violations can result in administrative monetary penalties (AMPs) of up to \$1,500 per violation for individuals and up to \$15,000 per violation for businesses.

Investigations and Administrative Monetary Penalties

Since 2008, a total of \$14,299,295 in AMPs have been issued.

Between April 1, 2023, and March 31, 2024, CRTC investigations resulted in a total of \$1,196,345 in AMPs.

2023-2024 Enforcement and Compliance Highlights

In 2023-2024, the CRTC issued 153 warning letters, 35 citations, and 43 NoVs.

In terms of negotiated settlements, all companies that the CRTC brought into compliance with the Rules through negotiated settlements also implemented compliance practices within their businesses.

Details on all of the CRTC's actions can be found on the CRTC website at **Enforcement actions**.



Helping Protect Voters

The CRTC is responsible for establishing and managing the <u>VCR</u>.

Political candidates, parties, and their supporters must follow the rules that fall under the VCR during an election campaign. This requirement helps protect Canadians from misleading telephone calls and ensures transparent contact with voters during federal elections. During elections, the CRTC is prepared to handle registrations, complaints and to investigate potential violations.

The CRTC's tools to ensure compliance with the VCR include warning letters, citations, and AMPs of up to \$1,500 per violation for individuals and up to \$15,000 per violation for organizations. All VCR enforcement actions are posted on the CRTC website at VCR Enforcement Actions.

In 2023-24, the CRTC set up the VCR for federal by-elections. The CRTC conducted 11 investigations and issued 3 warning letters in association with the by-elections.



Safe and Secure Communications

The CRTC's goal is to support a safe and secure communications system that Canadians can trust. To help do so, the CRTC provides education and outreach, works with partners and examines ways to implement effective regulatory policies to respond to constantly evolving conditions.

Partnership and Outreach

Educating Telemarketers and Working with Stakeholders

To help telemarketers and clients of telemarketers comply with the Rules, the CRTC hosted several compliance outreach sessions for industry representatives across Canada.

The CRTC also developed guidance material for specific industries. These tools are to help individuals, companies and organizations understand how to comply with the Rules.

Policy Development and Implementation

As one of the measures to reduce nuisance calls, the Commission approved the deployment of a call traceback process to determine the origin of unsolicited calls made in non-compliance with the Rules. The Commission stated that although it considers the traceback process to be a success, the participation is voluntary and only a limited number of telecommunications service providers are participating.

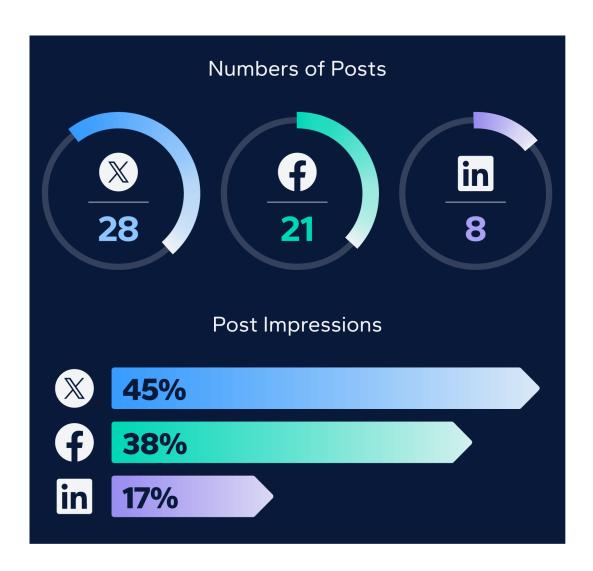
The Commission further noted that the call traceback process would be most effective if all telecommunications service providers participated. Among other things, the call traceback process provides valuable data that the Commission uses to analyze call traffic patterns and identify the entry point of nuisance calls in the country. This information is crucial for developing effective strategies to prevent and address nuisance calls.

Therefore, the Commission initiated a <u>proceeding</u> to obtain public comments on its proposal to require telecommunications service providers providing voice telecommunications services in Canada to participate in the traceback process as a condition of offering and providing telecommunications services pursuant to sections 24 and 24.1 of the Act.

Bringing the Message to Canadians

In 2023-2024, the CRTC:

- continued to use X, Facebook, and LinkedIn to inform and educate Canadians and telemarketers about issues related to telemarketing;
- used X, Facebook, and LinkedIn on a regular basis to remind Canadians that the DNCL offers a chat service to guide Canadians on how to report unsolicited calls;
- used X and Facebook to remind Canadians how to report complaints;
- ran a social media campaign warning Canadians to stay vigilant during the holiday season; and
- promoted Fraud Prevention Month by highlighting a "scam of the week" that sought to help Canadians recognize, reject and report fraud.



International and Domestic Cooperation

The CRTC continually works on building strong partnerships with industry and domestic and international enforcement agencies, which helps the CRTC be more effective in promoting compliance with the Rules.

Presently, the CRTC works with members from over 26 countries to fulfill its mandate, to promote international cooperation and to address problems relating to compliance and enforcement.

Within Canada, the CRTC has established information sharing partnerships with the Competition Bureau (CB), the Office of the Privacy Commissioner (OPC), and the Consumer Protection Authority of British Columbia. Outside of Canada, the CRTC has them established with the United States Federal Trade Commission (FTC), Federal Communications Commission (FCC), and Federal Bureau of Investigation (FBI); the UK's Information Commissioner's Office (ICO); Japan's Ministry of Internal Affairs and Communications; the Australian Communications and Media Authority (ACMA) and the Australian Federal Police (AFP); and New Zealand's Department of Internal Affairs (DIA).

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