



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

45th PARLIAMENT, 1st SESSION

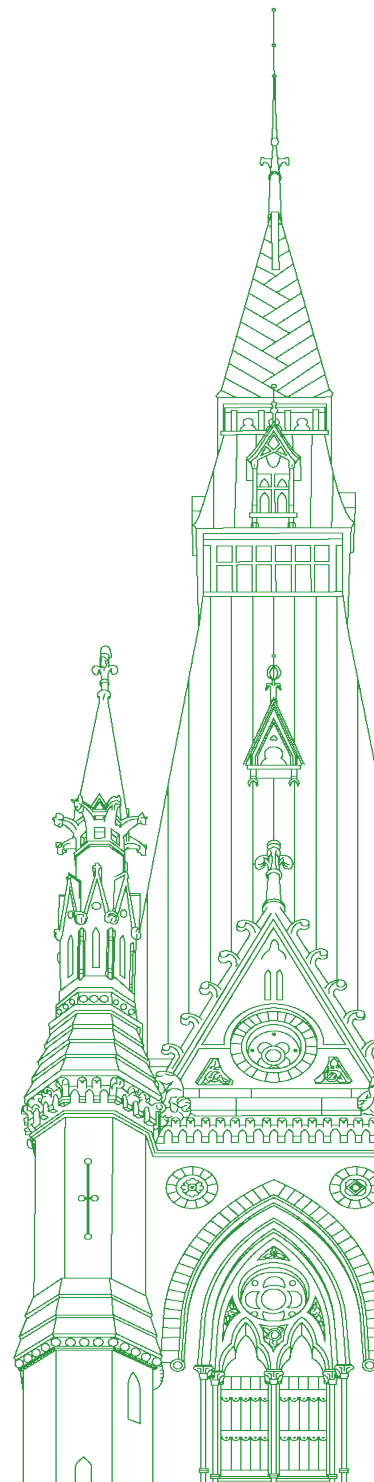
Standing Committee on Industry and Technology

EVIDENCE

NUMBER 049

Thursday, September 24, 2026

Chair: Ben Carr



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• (1535)

[Translation]

The Chair (Ben Carr (Winnipeg South Centre, Lib.)): Good afternoon, everyone. I apologize for being a little late. I hope you've had a good week since returning to Parliament.

I'd like to welcome Ms. Sidhu, who is joining us virtually.

I'd like to inform Mr. Ste-Marie and everyone else concerned that all the audiovisual tests have been carried out.

[English]

Colleagues, we are continuing today. It's our second meeting back.

Pursuant to Standing Order 108(2) and the order of reference from the House of Commons on June 17, 2026, the committee is beginning consideration of Bill C-268, an act respecting the spectrum policy framework for Canada.

Colleagues, as you are probably aware, it is customary that when a private member's bill has made its way through second reading in the House and ends up in reference to a committee, we invite the sponsor of the bill to appear as a witness. We have the opportunity today to be joined by Madame Marianne Dandurand, who is the MP for Compton—Stanstead and the sponsor of Bill C-268.

[Translation]

Ms. Dandurand, you will have five minutes to deliver your opening address. If necessary, I shall allow you a little more time.

We also have another guest: Mr. Michel-Henri Goyette, mayor of the municipality of Martinville. I would like to welcome him.

[English]

The same will apply to you, sir.

With that, colleagues, I am going to turn the floor over to the sponsor of the bill to tell us a bit about why we're here today.

Madame, it's over to you.

[Translation]

Marianne Dandurand (Compton—Stanstead, Lib.): Mr. Chair, honourable colleagues, I am frankly very pleased to be here today to move forward Bill C-268, an act respecting the spectrum policy framework for Canada. It is a bill that becomes much more interesting when referred to as the “bill to improve mobile connectivity”.

I can see that some of you come from partly rural areas, like mine. You have no doubt, like me, experienced connection problems on the roads in certain parts of your constituencies. It's a problem that can sometimes seem trivial. When you generally have good mobile coverage, it can seem rather odd to have to hunt for a signal. You might also sometimes get a bit frustrated at not having a signal. Yet there are people who face this challenge on a daily basis, both at home and at work.

Emergency services also face this challenge. When there is a road accident in an area with a “dead zone”—that is, a place where it is impossible to contact the emergency services—the situation becomes much more critical. Such dead zones exist all across Canada.

I would like to acknowledge the presence of the mayor of Martinville, Michel-Henri Goyette. During the election campaign, he was the first person to raise this issue with me and to make it clear that this is much more than just an anecdotal matter. It is a matter of public safety and economic development for businesses located in areas where there is no mobile phone coverage. It is also, quite frankly, a matter of fairness between people living in urban areas and those living in rural areas. I have therefore invited Mr. Goyette to join me to discuss in more detail the challenges faced in municipalities such as Martinville, in the Eastern Townships.

Mr. Goyette is by no means the only mayor facing this sort of challenge, which is present not only in the Eastern Townships, but also throughout Quebec and Canada. It is even worse in northern regions, where there is a severe lack of cellular connectivity. I live in the city of Sherbrooke, which has a population of nearly 200,000, and I often have to go out onto my balcony to get a signal, usually for work. It is therefore a reality that affects remote areas in particular, but also certain urban centres. I am thinking in particular of our colleague from the Lévis region, where an entire area, Saint-Nicolas, has no coverage. This is a challenge for him too. So we are talking about similar challenges in urban centres.

As an MP, this is an issue I wanted to tackle. For me, it was a great opportunity to introduce a bill to improve the situation or, at the very least, to make some progress on this issue. The bill really tackles a situation that is being measured or mapped incorrectly. For example, if we look at the mobile connectivity maps published by the Canadian Radio-television and Telecommunications Commission, or CRTC, we see that the data comes directly from the telecom companies. Neither the reliability of the service nor the strength of the signal is taken into account, which gives the impression that there is almost complete coverage across Canada. We are told that 95% of the population is covered, but the reality on the ground is quite different, particularly on the roads. People on the roads are not considered part of the population. In my area, some highways are not covered.

So, there is no reliable method for mapping the situation and obtaining an accurate picture. This is one of the first issues the bill addresses.

Furthermore, there is the matter of the Canadian spectrum policy framework. This touches on a slightly more complex issue, but, broadly speaking, it is how we allocate spectrum in Canada. However, this framework has not been updated since 2007. Back in 2007, you might have had a pager on your belt. The iPhone had only just been released in the United States; it hadn't yet arrived in Canada. Twenty per cent of the Canadian population had a smartphone. The situation has changed enormously since then, but the framework has remained unchanged.

• (1540)

At the time, the spectrum policy framework for Canada stated, amongst other things, that market forces would ensure the roll-out of the mobile network to cover all Canadians. This proved true at the outset, as we began by rolling out mobile connectivity—which is very expensive—in areas where it was profitable, namely in major urban centres. These areas were therefore connected to the network fairly quickly.

Today, the aim is to provide coverage in population centres where there are fewer people and where there are fewer incentives for telecommunications companies. The framework therefore needs to be updated to take account of the realities of regions with poorer coverage, including northern regions and those with indigenous populations.

Furthermore, this framework must be reviewed regularly—that is, every five years—so that we avoid finding ourselves in a situation like this one, where it has not been updated for two decades. Given the pace of change in IT and high-tech sectors, it is absolutely essential to update it more frequently. We could do this organically—the option to update the framework is there—but having a legislative measure that mandates an update will likely improve the situation.

From the outset, my aim has been to achieve a consensus on this bill. I am very pleased to have found signatories from all the parties represented in the House of Commons in support of the bill, and to have secured unanimous consent to refer it back here to the committee. Members of Parliament therefore support this bill, which is excellent news.

The other point I wanted to highlight is the CRTC's support. We worked on the wording of the bill with them and we also held discussions with the telecommunications companies, who likewise support the bill.

I am not a spectrum expert, but the people with whom I began this work are two professors from Alberta: Michael McNally, from the University of Alberta, who specializes in telecommunications policy, rural connectivity and spectrum management; and Professor Gregory Taylor, from the University of Calgary, a specialist in telecommunications policy, spectrum and the roll-out of wireless networks in rural areas. Their comments led us to consider striking a balance between a policy that is flexible enough to keep pace with technological developments and one that is predictable and effective.

Ultimately, the aim of the bill is to better assess the reality on the ground and to modernize the spectrum policy framework of Canada to better guide decision-making.

I hope we can agree on a bill that will pass at third reading. I am open to your comments and proposed amendments. We are here to continue building consensus and to improve connectivity for all Canadians experiencing cellular connectivity issues.

• (1545)

The Chair: Thank you very much, Ms. Dandurand.

Mr. Mayor, you have the floor for five minutes.

Michel-Henri Goyette (Mayor, Municipality of Martinville): Mr. Chair, honourable members, good morning.

I am speaking today to highlight a glaring reality affecting Martinville, our community of nearly 500 people situated less than 20 minutes from Sherbrooke, a major urban centre with over 200,000 inhabitants. The sad reality I am about to describe is also experienced in other communities within the Coaticook RCM and in many rural areas of Quebec and Canada. Even in 2026, we are still living without adequate mobile phone coverage.

The lack of mobile phone coverage is, first and foremost, a matter of public safety. Public safety is seriously compromised. The 911 service, which is supposed to protect us in times of need, is unreliable: sometimes it works, sometimes it doesn't. Front line responders—whether firefighters, police officers or paramedics—are often unable to communicate with one another or with those affected when they are on the scene.

Worse still, some women's shelters in the Coaticook RCM that are located in areas without mobile coverage see their own safety and that of their residents threatened. It should also be noted that the effectiveness of the electronic monitoring bracelets used to protect victims of domestic violence is rendered null and void in these areas. If a woman seeks shelter in an area with no signal, the bracelet can no longer be used for monitoring purposes or to alert the authorities in the event of danger. I'll leave it to you to imagine the grim scenario that could unfold.

Unfortunately, despite technological advances, our situation is worse than it was 25 years ago. In the past, we could rely on landlines to contact the emergency services. Today, these lines simply no longer exist. They have been replaced by IP telephony or other technologies. As a result, in the event of a power cut or internet outage, as we have no mobile signal, we are cut off from the world. We have to take a vehicle and drive out of the village in the hope of picking up a signal and communicating with the outside world. Imagine the distress of a vulnerable person, without a vehicle and completely isolated during a major outage.

This lack of connectivity also has an economic cost. Businesses that offer home deliveries find themselves unable to complete transactions or take payment from customers living in areas without coverage. It is also a challenge for the self-employed, who rely on a reliable connection to the outside world to carry out their work from home. The lack of reliable mobile coverage is therefore a direct obstacle to local economic growth and to the vitality of our businesses and workers.

It is also a matter of social equity. People without cars, who are often already vulnerable, simply have no way of communicating with the outside world during a power cut. We are thus creating a double exclusion for the most at-risk communities.

What is the solution? Having served as the municipality's chief executive for two years, from 2019 to 2021, I can tell you that we were ready to install signal repeaters at strategic locations in the village to compensate for the lack of signal. However, we were ultimately told that this fell under federal jurisdiction and that any installation whatsoever had to be carried out by a fully licensed telecommunications company. Obviously, no company was interested in investing in Martinville, given the low rate of return.

The issue of poor cellular coverage was therefore raised once again during the last federal election campaign. To my great surprise, after her election, Ms. Marianne Dandurand decided to take the bull by the horns and tackle the root causes of the problem. I am therefore very pleased that, at last, someone at the federal level is taking up the baton to move this issue forward. It is indeed high time for this to change. In 2026, access to mobile phone service is no longer a luxury, but a fundamental necessity for our safety, our economic development and our social cohesion.

I once again commend Ms. Dandurand's initiative, and I urge all decision-makers to act swiftly, not only so that the people of Martinville can finally access this essential service, but also to ensure that it is available to all Canadians in the same situation.

• (1550)

The Chair: Thank you, Mr. Mayor.

We will now begin the first round of questions.

Mr. Groleau, you have the floor for six minutes.

Jason Groleau (Beauce, CPC): Thank you, Mr. Chair.

Good morning to all the guests.

Ms. Dandurand, thank you for being here. Firstly, I would like to congratulate you on your bill. You are part of the class of 2025, just like me. You have done a good job on this.

In our region, of course, mobile phone coverage has been a major issue for years. Even my predecessor worked on this for six years. Despite 23 interventions, it's clear that nothing has changed on the ground when we speak to the public.

In practical terms, what will the bill change on the ground for the public? Will there be any improvement?

In practical terms, what does your bill entail?

Marianne Dandurand: The aim of the bill is really to establish a framework so that, when technologies are rolled out in future, priority is given to areas with poorer connectivity.

As I was saying, fundamentally, our mapping is poor. There are people who are convinced that Martinville is connected, because that is what the maps show. However, when you actually get there, you realize that this is absolutely not the case. So, we need better information on what is happening on the ground. Building on that, in future roll-outs, we'll be able to target the areas that aren't connected.

There's a lot of investment being made by the government, but also by private companies, to connect people. So, it really is a matter of establishing a network infrastructure to ensure that regions such as yours and mine are connected as a priority, particularly when we launch satellites.

Jason Groleau: At present, what percentage of regions in Canada are connected?

Marianne Dandurand: The statistics show that, when it comes to 5G, the figure is 94%. However, this is a Canadian average, and it refers to the population rather than the territory, so it excludes travel. So, I always say that I have reservations about this.

It's important to note that 80% of the Canadian population lives in urban centres. If we focus on rural populations, the proportion of Canadians with access to the mobile network drops to three in four. As for northern regions and indigenous reserves, the figure is closer to one in two Canadians.

So, whilst this 94% figure seems to suggest we've done a great job, it excludes significant and often vulnerable populations.

Jason Groleau: Whilst 94% of the population is covered, in our area there is no connectivity, whether in Saint-René, Frampton, Saint-Isidore, Courcelles-Saint-Évariste, Saint-Gédéon-de-Beauce, Saint-Simon-les-Mines, Sainte-Aurélie, Saint-Zacharie, Saint-Martin, Saint-Honoré-de-Shenley, Saint-Benoît-Labre or Saint-Éphrem-de-Beauce.

Basically, the remaining 6% is the Beauce region. Is that what you're telling me?

Marianne Dandurand: I think we're going to have to fight to determine where the remaining percentage lies, because I always say that it is the 35 regional municipalities in my constituency that account for the proportion of regions that are still not connected.

The other issue relating to mapping is how we define connectivity, and the CRTC needs to look into this. Is a one-bar signal, which allows you to make a call that keeps cutting out, really a good-quality connection? Personally, I don't consider a one-bar signal to be a connection, because it keeps cutting out. This is part of what the bill calls for, namely the establishment of criteria to determine what constitutes coverage, and it is up to the CRTC to carry out this work. In fact, it is currently doing so. Three years ago, it was given a mandate to gain a better understanding of connectivity in Canada, and we are awaiting the report, which will be published shortly.

• (1555)

Jason Groleau: You said that it was supposed to have been resolved since 2007. Earlier, you talked about black holes and a lack of connectivity.

What is the procedure set out in your bill? Are there any changes planned to improve things?

Honestly, even if we raise the alarm, nothing changes.

Marianne Dandurand: The bill enables us to talk about this a lot. When we talk about it, it remains a top priority for the government. I know that all the parties in the House of Commons are very interested in this bill. I know there's an intention to move forward.

One of the challenges is that, ideally, fibre optics need to be installed so that cell coverage can be set up. The investments the government has made since 2016 have really focused on ensuring a high-speed connection by installing fibre optics everywhere. We are Quebecers, so we can be proud of the agreement between Ottawa and Quebec. We now have fibre optics almost everywhere in Quebec, which makes it possible to deploy cellular coverage much more efficiently thanks to towers.

Satellites will also be a way to be connected in the future when there's no need for such a powerful signal. For example, people who are on the road or working in the fields will have a satellite connection, as the network is being deployed.

I hope that the bill will accelerate the deployment of these new technologies in the regions rather than in the cities.

Jason Groleau: Ms. Dandurand, you talked about a review that would take place every five years. Since technology is evolving so quickly, I think waiting five years to conduct a review is too long.

If the committee were to look at this and say that it would prefer to have a review after 12 or 24 months, would you be open to those proposals?

Marianne Dandurand: I would be very open to it. We could also ask the experts for their opinion on that. The bill does not preclude more frequent reviews. If the experts thought it appropriate to conduct a review midway through, that could also be done.

Jason Groleau: Thank you very much.

The Chair: Thank you, Mr. Groleau.

[English]

Madame O'Rourke, I understand you may be splitting some time with Mr. Bardeesy. I'll let the two of you sort that out.

The floor is yours.

[Translation]

Dominique O'Rourke (Guelph, Lib.): Thank you.

I want to congratulate my colleague and assure her that this is not just a rural issue. The city of Guelph is home to many businesses and farm organizations, including the Ontario Federation of Agriculture. We have a good understanding of the issues in rural regions. Many Canadians also use our roads to go to the cottage and explore our beautiful country. So we are very sensitive to the issue of fairness and security.

Thank you, Mr. Goyette, for talking a bit about economic development issues and self-employed workers. It's very important. It's also a matter of affordability. People move to rural areas to find more affordable housing, and they should have the same connectivity available.

Ms. Dandurand, in your remarks, you described the process you undertook to arrive at the bill. I was wondering if you wanted to summarize to talk in more detail about the experts you consulted.

Could you also tell us why it is important to conduct periodic reviews rather than have a sunset or deletion clause?

Why do we need to continue reviewing spectrum equity at least every five years?

Marianne Dandurand: I'll start with the second question.

In 2007, if I was sitting here and heard about the connectivity of our cellphones, which were used to take photos and go on the Internet, and heard that they could connect directly to satellites, I would have thought, as someone with a pager, that we were talking about a sci-fi series. Technology continues to evolve, and right now, we're at satellite technologies. Who knows what lies ahead?

That said, the spectrum will continue to exist and be used. It may one day become completely obsolete, but as long as the spectrum is used with various technologies, it will be worth continuing to look at how it is used, how it is deployed and how it is accessible equitably to all Canadians.

In terms of the process that led to the drafting of the bill and my appearance before the committee today, it all started with a discussion I had with Mayor Goyette, who clearly outlined the issues to me. I am very familiar with the issues, but that's anecdotal because it's part of our daily lives. We know where the problems arise. When I drive down Highway 10 and I'm about to drive past Mont-Orford, I have to tell the person on the phone with me that I'll call them back in 30 seconds because the connection will be lost. I'm privileged, since the connection is re-established a little further on. So I was familiar with the problem, but Michel-Henri Goyette has demonstrated its magnitude to me.

Then the opportunity came to draft a bill, and I told myself that I absolutely had to take it to improve the situation for people in the regions. Not being an expert, I reached out to various university professors and companies. I have always said that I wanted a bill that would achieve consensus, as I want it to improve things. I don't want it to be debated in committee and demolished because this is such an important issue. So we worked on an approach that is consensus-based, but that will also change the situation. It was a matter of putting in place missing elements so that cellular connectivity could continue to improve even more quickly. It is in this respect that the professors shared their ideas.

I feel like my time is up. You're sharing your time, aren't you?

• (1600)

Dominique O'Rourke: Yes.

Karim Bardeesy (Taiaiko'n—Parkdale—High Park, Lib.): Ms. Dandurand, what kind of economic growth or economic activity do you expect this bill to trigger, if it is passed?

Marianne Dandurand: There are a lot of ideas. I'm going to turn to Mr. Goyette, who must have a lot of examples of businesses in his neck of the woods that are negatively affected by the lack of cellular connectivity.

What kind of economic activity can this bill create?

Michel-Henri Goyette: We're talking about any economic activity that requires a remote connection. So it concerns a very large majority of businesses today. Self-employed workers came to complain to the municipal office because their connection had been cut when they had a class to teach. They had not been able to restore it. This is an issue we hear about on a daily basis, whether on a personal or professional level.

Karim Bardeesy: I have a question for the mayor.

A constituent told me the story of her father, who was 102 years old and was found outside her home by her neighbours because his landline had been cut during work done on the street. He has just learned that most of the landlines in his neighbourhood will be eliminated by Bell Canada. You've told us that this was also happening in your neighbourhood.

In my case, it was Annie Pejovich Chant, a constituent, who told me about it. Have any of your constituents also experienced that?

Michel-Henri Goyette: Yes, that's really happening. In fact, 25 years ago, Bell Canada had all the clients in the village and we all had landlines. The company didn't offer high-speed Internet. The first company to offer high-speed Internet had a package for

telephony, television and the Internet at a price that pushed Bell Canada out of the village. However, with this technology, in the event of a power outage, we can no longer communicate with the outside at all, especially since there are no more batteries in routers, as the case used to be.

There were people who came from elsewhere and said they had a cellphone and didn't need a landline. However, Martinville residents do need a landline. Even if it's not a true landline, it makes it possible to communicate with the outside, at least when the Internet and electricity are available.

• (1605)

The Chair: Thank you very much.

Mr. Ste-Marie, you have the floor for six minutes.

Gabriel Ste-Marie (Joliette—Manawan, BQ): Thank you, Mr. Chair.

Greetings to the mayor, Ms. Dandurand and my colleagues in the House of Commons.

Ms. Dandurand, thank you very much for your bill. As has been said since the beginning of the meeting, as well as in speeches in the House, this is a major problem across Quebec and Canada. When we say that 94% of the population is covered, we're talking about people who are in the cities. Across the countryside and along the roads, coverage is lacking.

I'm also thinking of the examples the mayor gave. With IP phones now, as soon as there's a power outage, there's no connectivity. So this is a major issue, and I thank you for bringing this bill before us here.

You talked about it in your presentation, but I would like you to remind us: What specific problems is your bill intended to address that cannot be adequately addressed in the current regulatory framework?

Marianne Dandurand: There are opportunities within the current regulatory framework. It is the CRTC's prerogative to map cellular connectivity in Canada. However, that map is currently based on data provided by telecommunications companies that may not meet the quality criteria that citizens are entitled to expect.

So, this mapping must first be done according to clear criteria on the quality of the connection that will be determined by the CRTC. It's a matter of making it mandatory and using that data to prioritize connectivity in the regions in future deployments.

The CRTC can also update the spectrum policy framework for Canada at its discretion, but we see that there have been no updates since 2007. So a much more regular update schedule must be imposed. As we were saying, these technologies are evolving so quickly and that evolution is accelerating. We have to keep pace and ensure that there isn't such a wide gap between the services offered to people in urban centres and those offered to people in more remote regions.

Gabriel Ste-Marie: Thank you very much.

Do you know why it hasn't been updated since 2007? It's been almost 20 years. Do you have any hypotheses or have you heard of any reasons?

Marianne Dandurand: I imagine there have been other priorities. That said, work is being done to connect the regions. Perhaps no one thought that an update would be a necessity.

The spectrum is sold to the various companies through auctions. When you look at spectrum auctions, sometimes the terms and conditions don't reflect the reality of rural areas. If a request is made to connect 50% of the population of a very large area in the regions within five years, a tower will be installed in the largest municipality to connect it, and the rest of the area will never be connected. Therefore, the framework must take these realities into account. I don't think that has been the case until now, but the priority was probably to connect the major population centres. The remaining 20% is always the hardest to cover. Tools need to be put in place for that to get done.

Gabriel Ste-Marie: Thank you.

Indeed, that must be a public service today. So we must ensure that there is connectivity everywhere. We really agree on that.

You mentioned the example of the cell tower in the middle of the village, which would enable connection for 50% of the people there. I'm not an expert on that. How does that work? If it's a Bell tower, does a person need a subscription with Bell to be connected to that tower? Is there any kind of interoperability between the companies used?

Marianne Dandurand: Laws have been put in place to ensure that equipment can be shared in certain contexts. The idea is to promote affordability. Certainly in Canada, with our population density and the cost of infrastructure, profitability is pretty hard to achieve. So our subscriptions are expensive. In theory, making companies share the same equipment should reduce the cost.

Now, the question we need to ask ourselves is whether this is being done at the expense of innovation. Is it still profitable for companies to build more towers when they're going to have to share the fruits of their investment?

These are things that the CRTC has considered. It has established specific rules. For example, it established periods during which a company could be the sole beneficiary of its infrastructure. That is one of the major considerations that are always taken into account in spectrum deployments.

• (1610)

Gabriel Ste-Marie: Okay, thank you.

For Internet connectivity in the regions, the major players had raised the issue that, if competitors can access their infrastructure, they don't want to develop more of it. So ways must be found to maximize coverage.

I have one last question for you.

As you mentioned, the CRTC has launched a proceeding to assess the situation regarding connectivity. How would your bill align with the current efforts?

Marianne Dandurand: All the work that is currently being done will be able to meet the objectives of the bill. The bill will then use that information to make the deployment. So the work is completely complementary. It's as if the CRTC is getting ahead of the bill.

Gabriel Ste-Marie: Thank you very much. Congratulations, again.

Marianne Dandurand: Thank you.

The Chair: Thank you very much, Mr. Ste-Marie.

[English]

Mr. Chambers, the floor is yours, sir, for five minutes.

Adam Chambers (Simcoe North, CPC): Thank you very much, Mr. Chair. It's a pleasure to be at the committee.

Congratulations to my colleague. I know that it is like winning the lottery when your number gets pulled. I appreciate the care you took in bringing forward an idea that you thought—and you were correct—would have widespread consensus among your colleagues.

I want to get a little clearer about the objective. Would it be fair to say that through better data and reporting, which is what I think your bill is trying to do, decision-makers could make better decisions? Is that what I understand? If we have better data on coverage and the mapping, then for those who are making decisions about where to deploy or where coverage should be prioritized, those decisions would in fact be enhanced.

Marianne Dandurand: This is what I think will happen: If we have better data and better information about where the gaps are in connectivity, it's going to allow the government and the CRTC to use this information so that, following deployments, they are going to better target the regions that have no connection.

Adam Chambers: My understanding is that the five-year review is not to be done by a committee. That's to be done by the CRTC or the department itself. Is that correct?

Marianne Dandurand: Absolutely, yes, that's correct. It's not through the committee.

The bill suggests some people who should be consulted. It's probably not going to be the most popular consultation that the government will do. It's going to target people who are really interested in those very fine, granular details, but we need to make sure that we take the time to review the framework once every five years. As I said before, if it's needed more frequently, we could start another consultation between two cycles.

Adam Chambers: Okay. Thank you.

How would you envision a local population, or maybe a local planning authority, having input on this review about connectivity?

Marianne Dandurand: In the bill, we say that the opinions of municipalities, first nations and such groups should be taken into account within the consultation. It's going to be up to the CRTC to make sure that the consultation is broad enough to take into account the reality of those communities.

If someone wanted to be part of it as an individual, I assume they would be able to have their say in the consultation.

• (1615)

Adam Chambers: That's very important. An opportunity for individuals as well as municipalities to provide input is important. I think local input is always important.

If I may, I'll ask the mayor a question. Is that appropriate?

Mayor Goyette, as a mayor, as a land use planning authority, how do you think about the locations of and the rules around where cell towers should be placed? Do you believe that those locations should be influenced by the local planning authority, private organizations or a different level of government?

[Translation]

Michel-Henri Goyette: Local authorities should indeed have a say. The RCM of Coaticook, for instance, is a place where the geography does not favour cellular coverage. It's a very mountainous, valley-filled area. I'm told that it would take four or five cell towers to fully cover the RCM of Coaticook's territory, which is about three times larger than the island of Montreal.

I'm also told that the Quebec government had offered companies subsidies to come and install towers—meaning it would pay for the installation—but the \$50,000 a year in maintenance was too expensive for them. No company ended up putting in a bid to install the towers.

[English]

I hope I answered your question.

Adam Chambers: Thank you very much, sir.

The Chair: Thank you, Mr. Chambers.

Mr. Bains, the floor is yours, sir.

Parm Bains (Richmond East—Steveston, Lib.): Thank you, Mr. Chair.

Congratulations to my dear friend and colleague. I had the opportunity just this morning to do the very thing that you are doing, which was to be a witness in front of a committee. This is an exciting time to get something down on paper, have it pass, come to committee and get the opportunity to talk about it, so again, congratulations.

My question to you is this: How has your bill been received by stakeholders, particularly the telecommunications firms?

Marianne Dandurand: Thank you.

Congratulations to you as well on your bill. We voted yesterday, if I'm not wrong. You had a good vote, so congratulations. I hope I'm going to have as good a vote as yours on the third reading.

The reception was very good because they really do want to connect the rural areas. Having the framework to help with it is good news to them.

It's not something that is going to impose some sort of technology or investment. There will be a lot of places for them and for the CRTC to determine how to best connect the rural areas. Then the

government will have to follow up on that and invest to help the companies do this important work of connecting rural areas.

Parm Bains: Thank you.

I'm going to cede the rest of my time to my colleague, Ms. Begum.

Doly Begum (Scarborough Southwest, Lib.): Thank you very much.

Thank you, Chair.

First, congratulations. I had a chance to speak with the member regarding her bill. I thought to myself how in Ontario a lot of rural areas have similar difficulties. We are still behind in terms of the fibre optics and broadband that are necessary to even get to that level we're hoping to with the cellular connection as well.

I listened intently to the mayor as well. Your experience is one of hanging up so that you can call back. It really reflects on the experience and how we are eliminating a whole group of people from truly being connected to the world and to opportunities. The mayor spoke about what it means for women and what it means for businesses. He talked about social equity.

I wanted to give you the opportunity, as well as Mayor Goyette, to speak a bit about that.

• (1620)

[Translation]

Marianne Dandurand: Thank you.

I'm also the chair of the Liberal rural caucus, and this is something we're always talking about. We don't have a member from the Atlantic region with us, but I think the situation there is even worse than it is elsewhere in Canada, particularly in northern communities. This is an incredibly important issue.

I heard Mr. Goyette talk earlier about women's shelters. Some of the stories are horrifying. A firefighter was telling me that when he and his colleagues respond in an emergency, if there's no cellular connectivity, they have to leave the site to call for backup. As you can imagine, the response time is longer in those cases, since the technology hasn't kept pace. It's crazy. Cellular connectivity can really be a matter of life and death. That's why I say it's not anecdotal. So many issues are interconnected all over the country.

Another thing we are working on is resource-based economic development. We are talking about carrying out major projects, developing mines and occupying the north for defence purposes, for example. All of that happens in regions, in places that have no connectivity. That's why bringing connectivity to the regions is even more imperative, economically speaking.

I digressed slightly, but Mr. Goyette can have the floor now.

Michel-Henri Goyette: I completely agree with Ms. Dandurand. First and foremost, it's a public safety issue.

Before, we always had the ability to communicate with the outside world using Bell Canada's land lines, but we don't have those anymore. The situation is urgent. We can't wait for some tragedy to happen in a women's shelter somewhere to say we should have done something. This is urgently needed. I realize that Ms. Dandurand's bill will change things for the future, but I still want the government to take action now, so all across Canada, people have access to a reliable cellular network as soon as possible.

The Chair: Thank you very much.

Mr. Ste-Marie, you may go ahead. You have two and a half minutes.

Gabriel Ste-Marie: Ms. Dandurand, in the beginning, you said that with respect to fibre-optic Internet connectivity, Ottawa and Quebec City worked together to develop the program and that almost everyone is connected today. It worked.

Do you think the people in Ottawa and Quebec City need to come together and create a similar program to solve the connectivity issue when it comes to cell towers?

Marianne Dandurand: I think so. The approach was very successful. The way we were able to connect Quebec so quickly is an example for the whole country.

The federal government's goal in 2016 or just after was to connect everyone to high-speed Internet by 2030. Ottawa and Quebec City worked so well together that by 2023, Quebec was saying that all Quebecers had high-speed Internet connectivity. There may still be a few exceptions to that assertion, but it was a model for co-operation.

The other provinces are still working on high-speed Internet access, but fibre-optic access is a very important step for cellular connectivity. Quebec is leading the rest of Canada on that front and is currently investing in cell towers in more remote areas. It's doing a share of the work. I think a process based on co-operation between Ottawa and Quebec City is the way to go. Both governments have shown that they can work together to get things done for Quebecers.

Gabriel Ste-Marie: That's great. We will push for that and ask that Ottawa and Quebec City continue working to ensure connectivity. With your bill, it will be a good combination.

I'm running out of time, so I have one last question.

Your bill, C-268, prioritizes connectivity when changes are made to the spectrum policy framework for Canada.

How should this priority be balanced against all the other spectrum policy objectives, competition, innovation, affordability, efficient spectrum use and so forth?

Marianne Dandurand: I think that's the point we're at. The cost of living underlies every decision we make related to affordability. It affects everyone in Canada, in Quebec, in the Eastern Townships, so it's important to address the cost of living for every member of the population.

These initiatives must continue, but we will always have to be mindful going forward that they can't be implemented if we disregard that some places still don't have connectivity. That will remain an underlying factor, and we will continue to work on affordability overall.

• (1625)

Gabriel Ste-Marie: Thank you very much for your bill.

I again want to recognize the mayor, whose comments were very important.

The Chair: Thank you, Mr. Ste-Marie.

[English]

Mr. Gill, the floor is yours, sir.

Harb Gill (Windsor West, CPC): Thank you.

Madame Dandurand, I have a quick question. If you're sitting at this table in two or three years' time, what does success look like? What will have changed for Canadians, and how do we measure that?

Marianne Dandurand: We need to decide what connectivity is. We're going to know it, and hopefully we're going to have connection everywhere in Canada, not only in urban centres but also in smaller communities, as well as on roads. Everybody uses the roads, and there are many places where you don't have connection. This is what it's aimed at improving: connecting rural areas and northern areas, as well as roads that are not connected.

Harb Gill: I often drive from Windsor to Toronto, and there are sections of the 401 where your signal drops. This is allegedly an urban area.

As a former police officer, I share your concern about public safety. God forbid there is an emergency or a school shooting in a remote area. The kids who are trying to get out are calling their parents or 911 and can't. The police show up, and they can't use their phones either. Land lines are not available. What happens then? The families are going to be calling us to say, "You had a chance to fix this"—through this bill perhaps—"but what did you do?" What are we going to tell them?

Marianne Dandurand: I really hope we're going to keep having this consensus around the bill. So far, we have unanimous consent to move this bill forward. I really want it to move quickly to the next steps. Hopefully it's a bill that is going to be good enough for the committee. If it needs to be amended, let's do it and improve it. However, the faster it goes, the faster it's going to have an impact on connectivity where there is a lack of cellphone connection.

Harb Gill: That's right, but as all of us around this table know that can only happen if we have some degree of accountability and responsibility. Who does that rest with? Does that rest with the CRTC? Does that rest with the carriers? Does that rest with us, who provide the spectrum for people to buy into and provide the services? What I'm getting at is this: Who does the buck stop with?

Marianne Dandurand: To give connection is a shared responsibility between different orders of government and telecoms. However, I think it's up to the government to give incentives to help with connectivity. It's true that in areas where there's less population, it's more difficult to make a case for connection for a business.

Harb Gill: What I'm trying to get at, ma'am, is that we have to have some form of enforcement in this bill. Whatever we can do to amend it to seek that enforcement in this.... When we say that there is shared responsibility, the family or the mother or father who lost a child during an emergency is not going to buy that from us.

I'm not making light of that situation, but I'm saying that we have to have some degree of accountability. We are here to get that accountability from ourselves and the people we give these contracts to.

Those are my questions.

Marianne Dandurand: In the bill itself, there is an obligation to report to Parliament, which the CRTC does.

Harb Gill: Right.

Marianne Dandurand: I haven't seen the CRTC not complying with the obligation of reporting to Parliament.

Harb Gill: Do the carriers follow up and provide the information that the CRTC needs? Can the CRTC enforce, let's say, the coverage maps? The coverage maps say one thing, but reality is often-times different.

What enforcement mechanism does the CRTC have to say, "Hey, guys, you didn't follow up" or "You're lying on the coverage map"? What can they do?

• (1630)

Marianne Dandurand: These are questions that you can ask of the people from the CRTC who will be coming here as well. They do have tools to enforce within the licensing. They have tools to force the telecom companies to comply with the different laws we have.

Harb Gill: Let's hope so.

Thank you, sir.

The Chair: Thank you very much, Mr. Gill.

Mr. Ma, the floor is yours. You'll be the last in this round before we switch over.

Michael Ma (Markham—Unionville, Lib.): Thank you, Chair.

Congratulations to our honourable member.

The bill says that future changes to the spectrum policy framework must "give priority to connectivity" particularly in rural and remote areas and along "numbered roads". How should that priority be balanced against the other objectives of the spectrum policy, such as affordability, competition, investment, innovation and the efficient use of spectrum?

Marianne Dandurand: I think it doesn't go one against the other. We have to work toward a common goal, where we deploy more connectivity because it's useful for everybody—anybody who is travelling or any business. There are important enterprises in rural areas. There is a need for more connection. There are customers around there. We can keep improving other parts of the spectrum auction to make sure we keep working on the affordability piece.

I also think that the further it goes with technology, very often the cost goes down. Over time, it will probably be less costly to connect people to cellphones, and that price will also decrease.

Michael Ma: The bill improves our ability to identify gaps, but identifying a gap does not by itself cause a carrier to build infrastructure there, as colleagues asked about earlier. What is the intended chain between better coverage data, a revised spectrum policy framework and the actual deployment on the ground?

Marianne Dandurand: I think if we put in place rules to force the government and telecom companies to think of rural connectivity and to include those concepts in future deployments, whether it's technology or whether it's spectrum auctions, it will improve the situation.

Michael Ma: I guess what we're leading to, then, is that the carriers will have to anticipate what the mayor may provide in terms of population growth and demand to justify their investments.

Marianne Dandurand: We need that mapping. We need to know where the gaps are. The gaps remain where they are. If we can have a good sense of where those gaps are, then we can put incentives or regulations in place for the carriers to cover those gaps. We have to make sure to know where exactly they are before we can take action. Our actions will be based on those gaps.

Michael Ma: Great.

Thank you very much.

The Chair: Thank you very much, Mr. Ma.

Colleagues, that brings us to the end of the first hour.

[Translation]

Thank you, Mr. Mayor, for being with us and sharing your insight.

I also want to thank you, Ms. Dandurand, for being here. Congratulations.

We will continue asking questions over the next hour and probably during the week we come back.

[English]

Colleagues, I'll suspend for no more than five minutes before we switch over. I'll probably have to cut a little bit of time off from everybody in the second hour, but based on my discussions, that seems to be okay.

We're suspended.

- (1630) _____ (Pause) _____
- (1640)

The Chair: I call the meeting back to order.

Colleagues, we're going to get right into the second hour of business.

We have two witnesses with us from the Department of Industry. I'm never certain whether it's an anglophone name or a francophone name, but we have Andre Arbour and Matthew Kellison.

Gentlemen, thank you very much for being here.

Monsieur Arbour is the director general of the telecommunications policy branch, and Mr. Kellison is the director general of the spectrum policy branch.

Mr. Kellison, I believe you'll be speaking on behalf of the two of you. Up to five minutes are dedicated to that, at which point we'll enter into a round of questions.

The floor is yours.

Matthew Kellison (Director General, Spectrum Policy Branch, Department of Industry): Thank you, Mr. Chair and members of the committee, for the invitation to appear before you today.

As introduced, my name is Matthew Kellison—anglophone—and I am the director general of the spectrum policy branch at Innovation, Science and Economic Development Canada or, as we call it, ISED. I'm joined by my colleague Andre Arbour, who is also anglophone and who is ISED's director general of telecommunications policy. That's just to clarify things up front, but we're obviously happy to answer questions in both languages.

I think you heard very clearly in the first session that reliable access to high-speed Internet and mobile connectivity is of keen importance to Canadians. It's why rural and remote connectivity remains a top priority for ISED as a driver of social welfare, community development and economic growth.

We're pleased to join you today to talk about our activities related to the spectrum policy framework for Canada or, as we sometimes call it, the SPFC, which is the subject of this bill.

Spectrum enables wireless communications, including mobile phones, satellites and Wi-Fi networks. In Canada, the Minister of Industry is responsible for managing spectrum under the Radio-communication Act.

The SPFC is the policy foundation for ISED's spectrum management regime. Its objective is to maximize the economic and social benefits that Canadians derive from the use of finite radio frequency spectrum, which is a public resource. While individual spectrum policies are developed through consultation and based on the specifics of the spectrum in question, the overarching objectives and principles set out by the spectrum policy framework for Canada make their way into all of ISED's spectrum policies.

Rural connectivity remains a guiding priority for ISED's spectrum policy. Our most recent five-year spectrum outlook, which was published in 2023, complements the spectrum policy framework and identifies rural and indigenous connectivity gaps as priorities for ISED's spectrum management program. We continue to implement spectrum frameworks with specific measures to improve connectivity in rural and remote areas.

For example, when we allocate spectrum, either through auctions or through a first-come, first-served framework, we use deployment requirements that are intended to get spectrum into use. These requirements ramp up over time and are intended to support a "use it or lose it" approach to spectrum licensing. In our recent spectrum auctions, we have been strengthening these requirements, and we have been targeting them to smaller areas, including rural and remote communities, to make sure that spectrum is put to use everywhere.

Our policies also seek to lower barriers for small, rural, indigenous and community-based providers to support greater competition, more consumer choice and better connectivity in rural and remote areas. For example, our local licensing framework, which we launched last year, provides easy, automated access to the 5G spectrum on a local basis wherever it's needed by rural wireless Internet service providers, industrial and private network users and indigenous communities. Similarly, our recently launched access licensing framework makes already licensed but unused spectrum in rural areas available to new users so that it can be put to use, including to connect rural and indigenous communities.

Finally, ISED is leveraging a range of technologies to try to close connectivity gaps in some of the hardest to reach areas of Canada. In 2025, ISED established a supplemental mobile coverage by satellite framework, which will enable satellite-to-cell services to close persistent mobile coverage gaps, particularly along rural, remote and rural roads.

In doing this, ISED is guided by the principles in the spectrum policy framework to advance our overall objective of maximizing the economic and social benefits that Canadians derive from spectrum.

Bill C-268 reinforces work already under way within our spectrum management program. It would require the minister to review the framework every five years, in consultation with a series of stakeholders, and table a report in Parliament. It would also require the minister to identify potential updates to the framework with a priority for connectivity. The bill also requires the Canadian Radio-television and Telecommunications Commission, or CRTC, to establish a process to ensure the accuracy of mobile coverage data. This is consistent with a regulatory process the CRTC launched in January, and we understand that new requirements on industry will be issued soon.

This bill is consistent with our ongoing efforts to ensure that Canada's spectrum policy remains responsive to technological and industry changes, ultimately supporting our overall objective that spectrum is put to use to maximize its benefits for Canadians.

Thank you for your time. I would be happy to answer any questions.

• (1645)

The Chair: Thank you very much, Mr. Kellison.

Colleagues, we are going to reduce the amount of time in the rounds. We're going to go with four minutes.

Mr. Mazier, if you need five, that's fine. We'll go for five and then four. Is that okay?

Dan Mazier (Riding Mountain, CPC): Thanks, Chair.

The Chair: Now, I did want to note, Mr. Mazier, before I turn the floor over to you, that in the previous version of this committee, there were two Manitobans at this table—Madam Dancho and Mr. Falk—who are no longer here, so it's lovely to be accompanied by a fellow Manitoban.

With that, I'll turn the floor over to you, sir.

Dan Mazier: Thank you, Mr. Chair.

Thank you to the witnesses.

Mr. Kellison, a spectrum deployment requirement is supposed to make sure a company that buys spectrum actually uses it to connect people. Under the government's 3800 megahertz decision, a licence in the Winnipeg service area must serve 30% of the population within five years and 70% in year 20. In the Dauphin service area, which covers much of my riding, the licensee has seven years to reach just 5% of the population and only 20% of the population in year 20.

Is there anything in the condition of each spectrum licence that requires a telecom company to cover more than the minimum population coverage outlined in the deployment requirement?

Matthew Kellison: Thank you for the question.

Mr. Chair, I would say that spectrum deployment requirements vary—

Dan Mazier: I'll take just a yes or no: Is there anything in that?

Matthew Kellison: Yes or no, is there anything specific? No, there is not.

Dan Mazier: Wow. Okay.

Mr. Kellison, before finalizing the 3800 megahertz spectrum auction rules, your department consulted on whether deployment requirements should be increased.

The Canadian Federation of Agriculture said that the timelines and coverage percentages were insufficient to ensure service in rural areas. The National Coalition of Chiefs supported deployment within five years. Ecotel warned that deployment timelines beyond 10 years in rural areas become a justification for not providing service. Even Telus proposed putting spectrum to use in every service area within five to seven years, yet Bell and Rogers opposed any acceleration.

Your department decided not to accelerate the spectrum deployment requirements. When farmers, first nations and a major carrier are asking for faster rural deployment requirements, why did the government side with the telecom companies to go slower?

• (1650)

Matthew Kellison: Thank you for the question.

What I'd say about setting spectrum deployment requirements is that it is challenging to find an appropriate level that will meet our objectives without compromising the ability for providers to offer service. What I mean by that...and I think it's absolutely true that spectrum requirements have strengthened over time and will continue to get stronger, while also using smaller licence areas that target more specific communities. For example, if you go back 20 or 30 years, you might look at someone getting a national or provincial licence—

Dan Mazier: Yes, but we're not talking—I'm sorry, Mr. Kellison, to cut you off—about 20 or 30 years. This was a spectrum licence that was supposed to enable and connect all of rural Canada with a plan, and calling out 20 years and only 5% of coverage is absolutely ridiculous.

Rural Canadians are very frustrated by this, but I have another question for you. Can you provide this committee—

Matthew Kellison: I'd like to finish—

Dan Mazier: I have more questions for you.

Can you provide this committee with a list of all individual licensees who have failed to meet a spectrum deployment requirement of a licence over the last 10 years, broken down by the spectrum type, the tier level, the name of service area and what specific deployment they failed to meet, including by how much? Can you also include details of what specific penalties or consequences, if any, the department gave to them? Can you please table that?

Matthew Kellison: We can get back to you on that, but I'd be happy to—

Dan Mazier: Mr. Kellison, most of the spectrum the government has auctioned off for 5G use is higher-frequency spectrum that covers less distance than the low-band spectrum the rural areas rely on, and I witness that every day in driving around my riding. Has the department conducted an analysis on what the shift to higher-frequency spectrum means for rural coverage?

Matthew Kellison: What I'd say is that the mobile network operators require a range of spectrum to cover large population areas. Certainly, you are correct that low-frequency spectrum like 600 or 700 megahertz is ideal for covering large areas. It does not necessarily offer the kind of data throughput—

Dan Mazier: Has the department conducted an analysis on that?

Matthew Kellison: An analysis in what regard...? I'm sorry.

Dan Mazier: By the department as far as going to a higher spectrum...and what that means for coverage in rural areas.

Matthew Kellison: We know it means that higher frequencies mean more data and less coverage. It means that basically for someone—

Dan Mazier: Does it actually mean more infrastructure, though? I think we can both agree that we need more infrastructure to support that.

Matthew Kellison: It does, because if a spectrum doesn't travel as far, it requires more towers to be built. With that said, low frequency spectrum in some cases cannot offer the data speeds that Canadians expect. When putting a network together, network operators will typically use a range of spectrum both for coverage and for throughput.

Dan Mazier: I know I'm short on time, Mr. Chair, but—

The Chair: You're not short on time, Mr. Mazier, but your—

Dan Mazier: —just so the department knows, we have massive holes in our rural areas—

The Chair: Mr. Mazier, the floor is no longer yours, sir.

Dan Mazier: —and this is happening all across Canada.

Thank you very much for coming today.

The Chair: I appreciate your abiding by the rules of the committee, which say that it's the prerogative of the chair to determine whose time it is, and I gave you some additional time.

Dan Mazier: Thank you, Chair. Thank you for the extra time. I really do like being a guest here.

The Chair: You're certainly very welcome, Mr. Mazier.

All right, colleagues, we're going to go to the next questions, which will come from Madame O'Rourke.

You'll have the same five minutes allotted to our colleagues across the way.

Dominique O'Rourke: Thank you so much, Chair Carr.

Welcome to our witnesses.

We heard from the sponsor of the bill and from a lot of people at this committee, thanks to some quite nice cross-party collaboration and agreement, that connectivity for rural and remote areas is really about equity. It's about safety. It's about economic development. It's about access to education or to police officers.

We want to get to a place where all Canadians have equal access to connectivity. Subclause 3(4) of this bill says, "When setting out changes that are to be made to the Framework, the Minister must give priority to connectivity, including for rural and remote areas and numbered roads, taking into account the fact that competition and market forces have so far been insufficient to ensure connectivity across Canada".

How would ISED operationalize the requirement in the bill to give priority to connectivity when making changes to the spectrum policy framework? I ask the question because my colleague raised the point about whether there are enough people there to make the ROI attractive. When we're talking about equity, if one person's stranded on a road, it doesn't matter whether the ROI works for the company or not.

How can you operationalize that requirement to hit the goal that we're seeking?

• (1655)

Matthew Kellison: Thank you for the question.

I'll take the first part, and then I will turn to my colleague to answer the broader question.

With respect to the way that we would operationalize the bill, we would basically instigate a consultation on the spectrum policy framework, and we would look to make changes to include rural connectivity as one of its objectives, for sure.

Right now, it is a broad framework. It is the overarching policy. Like I said, the overarching objective is to maximize benefits for Canadians. Within that, you have a number of enabling guidelines. You have a guideline that says that you should rely on market forces to the extent possible. Notwithstanding that, spectrum policy needs to take into account national sovereignty. It needs to take into account public safety. It needs to take into account security. Spectrum should be released as quickly as you're able to do so. Spectrum licensing should be flexible so that spectrum can be used and shared for a variety of purposes. Those are all enabling guidelines. Obviously, connectivity would be a key piece of that as well.

Then what we would do when we are releasing spectrum, whether we're consulting on a framework for a spectrum auction or whether we're putting in place something like our local licensing framework, where there's a system online and you can just go punch a button and get a spectrum licence in a given area, is ask, when designing those frameworks, how we take connectivity into account. Given that it's one of the objectives in our framework that we need to figure out, how do we build it into this framework? How do we balance it against objectives related to competition investment? All of that will be subject to public consultation, and all of it will depend on the nature of the spectrum in question. It will depend on whether it's being used for Internet connectivity, whether it's intended to be used primarily as commercial mobile spectrum or whether it's for something else.

There are a variety of spectrum bands that have very little to do with public connectivity. They're used for military purposes, they're used for ship to shore or they're used for garage door openers. There are a lot of things that fall within the ambit of spectrum policy and under this framework that are not necessarily specifically related to public connectivity. That is the first thing I'd say.

The second thing I would say is that having that in spectrum policy is clearly very important. Spectrum policy is one piece of the overall connectivity puzzle. There are always going to be situations where it may not be economic to build in a particular area regardless of the conditions you put on a spectrum licence. If you're looking at building a tower along a rural highway, there may be no power there. There are going to be a variety of things that need to happen in order to ensure that once you've identified a coverage gap, you have spectrum policy in place that supports connectivity. If there are other things that are required to ensure that the neighbourhood or road gets connected as it relates to funding and anything else required in terms of capacity, it may require a broader government solution than simply a spectrum licence.

I'll turn to my colleague on that.

Andre Arbour (Director General, Telecommunications Policy Branch, Department of Industry): Thank you.

Yes, this is certainly an important issue to Canadians, and it's one we hear about all the time, as you are hearing today. Spectrum is an important piece of the puzzle, but it's just one. There's a range of degrees of freedom in terms of what frequencies are prioritized, deployment conditions and related matters that can help move the needle in rural areas. However, as my colleague indicated, it's not sufficient just to build a tower. The infrastructure does need to be sustainable over the long term. In some of these areas, if there's not even access to electricity, that can become quite challenging, so there's a range of other considerations there.

There are complementary tools, including direct funding. Our department administers the universal broadband fund, which has a component for supporting the funding of cellular coverage. The CRTC also operates a fund called the broadband fund, for which cellular is also eligible.

There are other tools that can help with this to a certain degree as well.

[Translation]

Mr. Ste-Marie asked a question about this.

[English]

There are rules around roaming, for instance, that enable better sharing of the infrastructure.

Then, finally—and this is a new issue that's just emerging, but it's quite promising and veers into the spectrum world as well—there is supporting connectivity between smart phones and satellites. Historically, you needed a big piece of equipment with a big antenna to be able to talk to a satellite hundreds or thousands of kilometres in space. However, now we have satellites in space that can do texting and low capacity data. It's still new. Some of it is being tested. Satellites are continuing to be launched to do this, but over the next two years or so, about three new big constellations will be launched with improved service.

ISED issued rules in 2025—they're some of the first in the world—to help facilitate this connectivity, so we will see some improvements via that method as well.

Thanks.

• (1700)

The Chair: Thank you very much.

[Translation]

Mr. Ste-Marie, you may go ahead. You have five minutes.

Gabriel Ste-Marie: Thank you, Mr. Chair.

Mr. Kellison and Mr. Arbour, thank you for being here to answer our questions.

My first question is this: In your presentation, you talked about the importance of prioritizing rural areas and first nations, which you did in 2023, but why hasn't there been a formal review since 2007?

Matthew Kellison: Thank you for your question. It's a good one.

I'd say there are a few reasons, the first being that it's a general document.

[English]

It's a document that we have supplemented primarily over the last several years through our five-year spectrum outlook. Our spectrum outlook is basically a document that sets out our policy priorities for a five-year period. As I mentioned, rural and indigenous gaps were a big one in our last version. It also sets out what our spectrum release schedule looks like over the next couple of years, which industry uses for planning. The five-year planning cycle for industry is very important to ensure they know what spectrum is coming. They can design their networks around it, and they can decide where they're going to invest capital.

We've found that the spectrum outlook has been the policy signal that we've been able to use to complement the framework. It does not imply that the framework itself is not due for a refresh, but that has kind of been our policy statement over the last little while.

With regard to the point about five-year cycles, we actually issued an interim update to that outlook back in June, primarily because we do see the advantage of checking in more frequently than every five years to just say, "You know, we see some new things coming. We've seen that the U.S. is doing some things with spectrum that we may want to consider. We see that the space sector is growing. What do low-earth orbit satellites mean for connectivity? Here's essentially what else is coming that you should know about."

[Translation]

Gabriel Ste-Marie: You talked a lot about satellites. I had the opportunity to visit the plant in west Montreal and learn about upcoming projects.

Do you think we will still need new cell towers in three to five years, or will medium-orbit satellites have fully taken over by then?

Matthew Kellison: I think it will be a mix, because even though satellites provide universal connectivity, capacity remains an issue.

[English]

When we look at ensuring that we have full coverage for all Canadians, we see that it requires a mix of technologies. You heard in the last hour about fibre optics covering the entire province of Quebec. That is obviously where you have a line in the ground that is going to offer you the best speed, the most capacity. Terrestrial wireless, where you have a tower and a radio, is going to cover a lot of area, but it's not going to be quite as robust as fibre. Then satellite will be somewhere after that.

It won't be the case, I think, that satellite will replace towers. I think it will be the case that satellite will complement towers. As my colleague was saying about our supplemental mobile coverage to cell, we do think that, as that rolls out, it will provide an opportunity to close gaps where they exist in current networks and provide coverage outside of the current network footprint. This is primarily because in a lot of those cases, especially if you have no access to power or have no customer base, it may not be economical to build under any circumstances and the solution there may be satellite.

[Translation]

Gabriel Ste-Marie: I have a final question in this round.

You just referred to this: The agreement between Quebec City and Ottawa to deploy fibre-optic infrastructure, access to wired Internet, all over Quebec was a success. That's fair to say.

Could the co-operation model that was used in the case of fibre-optic connectivity be used for cell tower connectivity in Quebec?

Matthew Kellison: Thank you for your question. I'm going to ask Mr. Arbour to answer.

Andre Arbour: The answer is yes. When it comes to cellular connectivity investments, there are parallels with high-speed Internet. We are working with other governments, like the Quebec government, and a range of stakeholders to expand coverage.

• (1705)

Gabriel Ste-Marie: I see.

Mr. Chair, that's all my questions for this round.

Thank you very much, gentlemen.

The Chair: Thank you.

[English]

Mr. Chambers, you have four minutes. The floor is yours.

Adam Chambers: Thank you very much. I appreciate your appearance here today.

I note that ISED currently has a consultation under way on the siting of towers. I'm trying to draw a connection here between the desire to increase connectivity through the bill we have before us and then a consultation that is under way about potentially taking input and consultation away from local planning authorities or local individuals who have concerns about where cell towers might be placed.

Are you aware of any local planning authorities or stakeholders that would like to keep their rights or their ability to have input on the location of cellphone towers?

Matthew Kellison: Just for background, we had a consultation looking to streamline tower siting. It closed for comment very recently.

It's something that ISED regulates under the Radiocommunication Act. As conditions of licence, we require that anyone who builds a tower needs to consult with the municipality. They need to share the extent that it's feasible to basically minimize construction and allow for better coverage in certain areas. It's also a process that hasn't been updated in a while. I think it's part of the government's red tape reduction—

Adam Chambers: I'm going to run out of time, so please be super quick.

Matthew Kellison: Yes.

That consultation closed for comment recently. We are not suggesting that there shouldn't be municipal consultation. We do think that's important. What it's asking is whether there are ways for that to be done more efficiently.

Adam Chambers: Thank you very much. It would help this committee very much if we could have a summary of those consultations, as I'm sure you'll provide a summary to the minister's office on the feedback that you receive, both from local planning authorities and interested stakeholders. If that's possible, we would certainly appreciate it.

Matthew Kellison: Yes, we will take that away. The comments are all on our website, but we will take that away.

Adam Chambers: Thank you very much.

I'll give the floor to Mr. Groleau.

[Translation]

Jason Groleau: Thank you, Mr. Chair.

Good afternoon, Mr. Arbour and Mr. Kellison. Thank you for being here.

According to CRTC data, 99.5% of Canadians are connected. Is that right?

Andre Arbour: There are a few figures related to cellular coverage. The currently available data show that 99% of households are connected. As mentioned, there are questions around accuracy, but that's what the current data show. That covers all cellular technologies. It's 94% for 5G alone. We have figures for highways, as well. That's just to tell you that a few figures are available.

Jason Groleau: Thank you. I have the figures.

In Beauce, my riding, the cellular network is terrible. It's worthless. It's frustrating. I hear about it every day. Some unfortunate things have happened. Children were in trouble, and help couldn't be called. The department received 23 recommendations, but nothing ever changed.

Who's responsible for that? Bad things have happened. Is your department responsible? How does it work?

Andre Arbour: Thank you for your question.

As mentioned in the first hour, it's a shared responsibility. The industry minister is responsible for developing the telecommunications policy overall. The CRTC has some regulatory responsibilities, and the private sector and other levels of government are responsible for certain activities.

Jason Groleau: Why does a new member have to propose a bill to move the needle when the situation hasn't been working since 2007?

Explain to me how things were allowed to get to this point.

Matthew Kellison: That's a good question. Thank you.

As I said, even though the spectrum policy framework for Canada hasn't been updated in a few years, in our policies and spectrum outlook, we have again announced that rural connectivity is a priority.

• (1710)

[English]

I think it is an opportune time to revisit the spectrum policy to ensure that it is continuing to do this, but I think that, through our frameworks and through some of our other policy statements, we have indicated that rural connectivity is a major priority for us.

[Translation]

Jason Groleau: Thank you.

The Chair: Thank you, Mr. Groleau.

[English]

Mr. Ma, you have four minutes, sir.

Michael Ma: Earlier you mentioned that the framework's objective is to maximize the economic and social benefits for Canadians. If extending coverage into a particular area is commercially uneco-

nomic, how does ISSED assess the broader social return against the additional cost of deployment?

Matthew Kellison: Maybe I'll start there, and then I'll turn to my colleague. It's a very good question, and I don't know that there is an easy answer for it.

It is true that we can, basically, incentivize deployment or require deployment through our spectrum policy. At a certain point, that runs up against a tension where you say they have to connect everybody in a year and somebody says, "I couldn't do that if you gave me a billion dollars," in terms of building things, getting permits, etc. That's a ridiculous scenario, but you understand where I'm going with that.

At the same time, there are certain situations where it simply will not be a question of spectrum policy under any means. There are going to be other instruments that are required. We are constantly trying to improve the effectiveness of spectrum policy by strengthening deployment requirements, by targeting them to smaller areas and by pushing providers to build things out. When we do that, we also want to ensure that we are taking into account other objectives, like competition, because if you set requirements that only large national providers can meet, what does that mean for smaller regional players, for fixed wireless internet service providers that have been serving local communities for a long time but may not have the same access to capital and may not have the same expertise to build? What does it mean for them? How do we set a requirement that lifts all boats, in a way? At a certain point, there are other instruments that we need to do that, some of which are not entirely within a spectrum policy framework.

I don't know if you want to add to that.

Andre Arbour: I would just say that fundamentally, we try to advance the public interest writ large based on the evidence that we have. Every time we have a regulatory process around spectrum, it's always consulted. It's always based off the stakeholders we have. As my colleague indicated, there's a range of different interests that we're always trying to take into consideration and advance. That's part of it.

Also, it's important that we don't build infrastructure just to build it, but that it's viable over the long term. It needs to be sustainable. Ultimately, it's what is in the public interest that we can best advance that's sustainable.

Michael Ma: Thank you.

If we diagnose the remaining rural cellular gaps, how much of the problem is actually a spectrum policy problem?

Matthew Kellison: I don't know that I could answer that question by saying there's a percentage. I think it depends on the connectivity you're talking about, the area you're talking about, the technical characteristics of the spectrum you're trying to regulate and who's in the area looking to do things. I think it's a very complicated question.

I do think that in strengthening some of the spectrum policy role in rural connectivity, we have made progress. There is more to do. We are optimistic that as technology evolves, satellite is one of the opportunities to fill that gap, but I don't know that there is a point at which we would say spectrum policy can solve the problem. There are going to need to be complementary solutions.

Michael Ma: That's great. Thank you.

That's all I have.

The Chair: Thank you very much, Mr. Ma.

[Translation]

Now it's over to Mr. Ste-Marie for two minutes.

Gabriel Ste-Marie: Thank you, Mr. Chair.

When it comes to the main cellphone service providers, we're dealing with an oligopoly. Clearly, the competitive landscape isn't great. In response, the government adopted a strategy of setting aside spectrum for small players, but it turns out that they often don't have the money to operate the spectrum licence granted to them. In many cases, they resell it to bigger players or let it go. I'm not an expert, so I want to hear the insight of the witnesses.

Is the strategy working? Would it be better to give spectrum licences to mid-sized players, as a way to support the emergence of new key players?

What's the right strategy to increase competition in the sector?

• (1715)

Matthew Kellison: Thank you for your question.

We've been using competitive measures in our spectrum licence auction process for about 15 years. The member is absolutely right in saying that we need to improve competition, but those operators don't necessarily have the same expertise or access to capital.

[English]

That said, when we have put these measures in place, we have typically combined them with restrictions on things like resale.

We agree. Usually, if competitive measures are in place, we want to ensure that the spectrum is put to use by the potential competitors that were envisioned by the policy. Typically, there will also be transfer restrictions with the time limits associated with those set-asides. Typically, those are also synced up with deployment requirements.

No one can buy the spectrum, not deploy it and then flip it to someone when the time is up. They are required to meet those deployment requirements in order to be able to transfer spectrum. Past that point, obviously, it would be a decision for the operator, but we want to ensure that if we are putting competitive measures in place for smaller and regional firms, those firms are, in fact, deploying and not simply looking to speculate and profit on the sale of a public resource.

[Translation]

Gabriel Ste-Marie: Thank you very much.

Thank you, Mr. Chair.

The Chair: Mr. Groleau, you may go ahead for four minutes.

Jason Groleau: Actually, Mr. Chair, I think it's Mr. Gill's turn.

[English]

The Chair: Mr. Gill, you have four minutes, sir.

Harb Gill: I have a quick question, sir. Are you familiar with the NG911 efforts from you and the CRTC that are under way?

The Chair: Excuse me, Mr. Gill. You need to bend that microphone a bit closer toward you.

Thank you, sir.

Harb Gill: I didn't realize I was going to have my turn. I'm sorry.

The Chair: If you'd prefer, Mr. Gill, in all seriousness, I don't mind going to Ms. Begum if she's ready. It will give you a moment to think about what you might want to do, and then I'll return to you. Does that work?

Harb Gill: Sure. Thank you.

The Chair: Ms. Begum, are you ready for your four minutes?

Doly Begum: Sure.

The Chair: Okay. Go ahead.

Doly Begum: Thank you very much, Chair. I look forward to listening to Mr. Gill's 911 question.

Thank you very much to both of you for being here. I remember learning a lot about areas in Ontario where we cannot call 911. There's a 1-800 number that you have to call to have emergency services, and sometimes connectivity is so bad that you can't even get through, so this is an important bill for so many across the country.

You spoke about how the bill is consistent with the responsibility as well as your framework. One of the things this bill aspires to do is require the CRTC to establish an independent verification of cellular coverage data, as well as fix the policy in terms of getting real-world data, because we understand that there wasn't a review done for a very long time. Mandating it for "Within five years" will allow you to have data that shows exactly what coverage actually looks like, because sometimes the reality on the ground is not what we find on paper.

Would you speak a bit about what that would look like and if it is possible in terms of your current framework?

Andre Arbour: Thank you for the question.

Certainly, as MP Dandurand had indicated, the CRTC is the responsible authority and has powers to compel the carriers to provide data on a whole range of issues, including coverage. For cellular coverage specifically, there has not been, historically, any standards on how that data is provided.

In 2023, the Governor in Council issued what's called a policy direction under the Telecommunications Act to the CRTC, with a whole set of instructions for the CRTC to implement on a whole range of issues. Ensuring accuracy of cellular coverage was one of those.

In January this past year, the CRTC launched a public regulatory process to do exactly that. That has concluded, and the CRTC is expected to issue—it could be, potentially, in a matter of weeks—a new standard that sets out the precise technical criteria by which carriers must file this data. The CRTC operates independently, at arm's-length, so I don't know what the rules will look like exactly. However, one thing they also consulted on was three different levels of service that could be reported upon, each one tied, more or less, to a real-world use case: Can you make a short phone call? Level two might be this: Do you have lower-speed data? Level three might be high-speed data. We'll expect to see that shortly.

The bill before us sets a hard deadline on the CRTC that it would need to implement this within six months of royal assent of the bill. It's consistent with the work under way, but it would set a hard deadline to ensure that it gets done soon.

• (1720)

Doly Begum: Thank you very much. I appreciate that.

I think the deadline would be important because, for the first time, we'll actually have the voices of.... We heard from the mayor here prior to your appearance, but also chiefs, others and local community leaders will speak to exactly what the impacts are and, of course, the gaps within those communities.

In terms of the spectrum connectivity framework, do you think it would be possible for you to then set a deadline for you to actually address those challenges that you find within the data that is established?

Matthew Kellison: To your question, I think that identifying those gaps is the first step. Then, I think, the question of how they are best addressed and under what time frame will be an important one for us to consider as a matter of spectrum policy.

The reason I hedge a bit on the answer is only that as we see technology continue to develop, we've been talking a lot about satellite-to-cell coverage. To a certain extent, we expect that will start to close those gaps. We will also want to look at the data to see how that is happening.

However, certainly there is nothing that is preventing us from basically saying that for our next spectrum framework, we are going to consult on and roll out when we release our next tranche of spectrum, whatever it happens to be. Let's look at the framework. Let's see what it says about rural connectivity. Let's see how we can best apply that to this spectrum, being mindful of the gaps that we know exist. Whether that means we are targeting specific deployment requirements to areas where we know there are gaps or whether it

means we are using a flexible framework that allows people to share a spectrum, come and go with it and ensure that they can tailor it to a business case that suits a particular community or a particular business, those kinds of considerations will be important. However, as we've been talking about a fair bit today, the first step is, really, having good data.

Doly Begum: I'm really looking forward to having this bill do exactly that.

Thank you so much, Chair.

The Chair: Thanks very much, MP Begum.

Mr. Gill, the final round of questions for today will be four minutes to you, sir.

Harb Gill: Thank you, Chair.

Gentlemen, to go back to NG911, next generation 911—Chair, I'm not sure whether you're familiar with this or not—this is a new system that's being rolled out in March 2027. Is that correct, gentlemen?

Andre Arbour: Thank you for the question.

Some aspects of it are available and operating today. It's actually a series of systems that's been deployed over the last seven or so years. There is a deadline for March 2027, which is when the main features of it will be available nationally.

Harb Gill: Okay.

The way it's supposed to work, apparently, is that once a call connects to the system, you can help the person. However, if a Canadian is in an area where the mobile network does not connect to the NG911 system, you can't really help them. Does ISSED believe that Canada should have a minimum reliable mobile coverage standard for critical areas, including major highways, especially where police, fire and EMS depend on that connection or signal? What are you guys doing about that?

Andre Arbour: I'll start by saying that, as an overall objective, that's what we're working towards. The way we're working towards it is not a question of setting one rule and that solving it. It's a set of complementary actions that need to be continually worked on. That's because the scale of the challenge we're dealing with is very large when we think about Canada's geography and maintaining infrastructure in very challenging areas. There are important gaps outside of a large city, but there are also gaps in very remote and challenging areas, so we try to use all the tools in the tool box to advance this.

• (1725)

Harb Gill: I have one other question.

The estimate was that you would spend roughly \$275 million over a five-year period to cover the costs of NG911, but that does not include the costs being borne by municipalities, cities, provinces and call centres.

Do you know the total Canadian investment in NG911, including all the upgrades? If you don't have that number right now, can you possibly table that with us?

Andre Arbour: I can commit to look into it. The reason is that 911 is a shared federal-provincial responsibility, and the responsible regulator is actually the CRTC rather than ISED. The CRTC is responsible for regulating the telecommunication carriers in terms of the network part of it. That connects to what are called public safety answering points, which are sometimes simplified as call centres. They're obviously much more complicated and more important than call centres. However, those are within a mix of provincial and sometimes municipal oversight, so we don't necessarily have visibility into those activities.

I can certainly commit to consulting with the CRTC to see what we can come up with for you.

Harb Gill: As detailed as possible would be great, sir. Thank you.

Those are my questions, sir.

The Chair: Thank you very much.

Colleagues, that brings us to the end of the second hour.

We very much appreciate you, Mr. Kellison and Mr. Arbour, for being here with us this afternoon.

Colleagues, we head into a constituency week next week, as you know. We will invite the CRTC to appear next Tuesday for an hour. If it is not available, then we will likely head right into clause-by-clause consideration. If it is available, we will likely head into clause-by-clause following that appearance.

I would encourage colleagues to begin thinking about whether there are amendments they would like to submit, working within the timelines I have just laid out.

Mr. Bardeesy, is there something you need?

Karim Bardeesy: I think a suggestion was made in the last hour around the prospect of inviting a couple of the professors who had been named in the testimony earlier today.

The Chair: Okay, we can take that away, certainly. Regardless, the week after next, when we return, whether the first hour is dedicated to further witnesses or not, our intention leaving that meeting will be to enter clause-by-clause.

With that, colleagues, I wish everybody a good rest of the week and a good weekend and week at home.

The meeting is adjourned.

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