

Regulation is well-meaning, but flawed

(Re: Ottawa Report, August 14, 2013)

Last week's Ottawa Report tries to provide some rationale for the Conservative's telecom regulatory process which is well-meaning but badly flawed. In a nutshell, the Industry Ministry has allowed a loophole for a monster American Wireless operator ? Verizon ? to purchase smaller carriers and new wireless spectrums while barring or limiting Canadian companies under the pretense of creating greater competition and lowering prices. In fact, Canadian wireless prices have come down 18% in the last four years and while there is room and support for more reductions, Verizon isn't the likely saviour. Its prices are on the high end of US suppliers while customer service is rated poor. Canadian prices for all levels of wireless service are on average lower than American providers as of 2013.

So, Verizon can essentially piggyback on the billions of infrastructure dollars provided by the Canadian companies over the past 20 years, provide poorer service, few(er) jobs, at higher costs and be welcomed with open arms by our Federal Government (hoping to generate additional spectrum auction dollars).

Try getting a deal like this in US territory!

If the consequences to Canadian jobs, pension plans and shareholder values weren't so potentially drastic, this regulatory miscue and government intransigence would be laughable.

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