

January 12, 2007

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Len St-Aubin
Director General
Telecommunications Policy
Industry Canada
300 Slater Street, 16th floor
Ottawa, Ontario K1A 0C8

Dear Mr St-Aubin,

Re: Canada Gazette, Part 1, Dec. 16, 2006

Order Varying Telecom Decision CRTC 2006-15

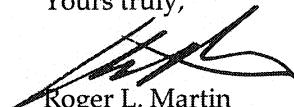
We are writing in response to the Canada Gazette notice which sets out a draft Order in Council to overturn the CRTC's Local Forbearance decision.

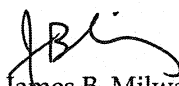
We endorse the proposed change of the CRTC's local forbearance decision as it will strengthen competition in the telecommunications sector consistent with the advice of the Telecommunications Policy Review Panel to "rely on market forces to the maximum extent feasible and regulate where there is still a need to do so, in a manner that interferes with market forces to the minimum extent necessary."

We had written to the Minister of Industry on May 31, 2006 to urge him to implement the key recommendations of the Panel. The elimination of the unnecessary and cumbersome approach of the CRTC's Telecom Decision CRTC 2006-15 is a welcome step in this implementation. The emphasis on the presence of competitive infrastructure along with the proposed legislation to establish financial penalties to deter anti-competitive behaviour in deregulated telecommunications markets is a much more sensible approach to strengthening competition in local telephone service.

This proposal will increase the intensity of competition among local telephone service providers thereby benefiting consumers with more choice and improved products and services and encouraging greater innovation by the service providers. This can only help improve Canada's competitiveness and prosperity.

Yours truly,


Roger L. Martin
Chairman


James B. Milway
Executive Director

cc. The Hon. Maxime Bernier, Minister of Industry