

March 21, 2019

Director General
Telecommunications and Internet Policy Branch
Innovation, Science and Economic Development Canada
235 Queen Street, 10th Floor
Ottawa, Ontario K1A 0H5

Honorable Director General:

**Re: March 9, 2019 Notice Canada Gazette, Part I, Volume 153, Number 10:
Order Issuing a Direction to the CRTC on Implementing the Canadian
Telecommunications Policy Objectives to Promote Competition, Affordability, Consumer
Interests and Innovation**

On behalf of Valard Construction, and the Telecom Division specifically, I would like to express our concern with the above referenced policy Direction and the need to rescind or amend same. We at Valard believe that the actions inherent in the Direction to the CRTC threaten the expansion of networks, especially in rural and underserved areas. **Specifically, we're concerned with the mandating of wholesale access to wireless networks, which would undermine incentive to build networks and to innovate.**

We are asking that the Direction not be issued, or, if it is issued, that the Government make sure that the CRTC does not undermine facilities-based competition as the best and purest form of competition. Facilities-based competition implies that competitors have to build their own networks to compete with incumbents. It means better networks, more investment and more equipment purchases by incumbents and entrants. It is also benefits consumers in the long run with sustainable competitive models and greater innovation.

The Government needs to appreciate that any regulatory decision that jeopardizes multi-million dollar investments can have far-reaching consequences for the entire industry.

Further:

- This policy directive puts at risk significant capital investments in digital infrastructure by major network service providers, at a time when our economy needs these investments the most; jobs in the sector are also at risk.
- By slowing the pace or reducing the amount of network investment, there will be strong negative secondary impacts on suppliers to network service providers.



Page Two – Letter to Director General, Telecommunications and Internet Policy Branch

- Hundreds of millions of dollars of investment and spending on network equipment is in jeopardy.
- Reducing the geographic reach of network investments will exacerbate the digital divide, as dozens of communities will not enjoy the significant economic, social and productivity benefits these networks are able to deliver.

As Canada's premier utility contractor, with four decades of experience building infrastructure and connecting communities across our nation, we feel we're uniquely qualified to speak on this issue. I reiterate our concern with the above referenced policy Direction and the need to rescind or amend same.

Thank you for the opportunity to participate in this Consultation Process.

Yours respectfully,

Kenneth Spangler

Ken Spangler
Vice President, Telecom

Copied to: Adam Budzinski, President/CEO, Valard Group of Companies