



THE CANADIAN CHAMBER OF COMMERCE  
LA CHAMBRE DE COMMERCE DU CANADA

Office of the President and Chief Executive Officer  
Cabinet de la présidente et chef de la direction

July 11, 2006

The Honourable. Maxime Bernier, P.C., M.P.  
Minister of Industry  
C.D. Howe Building  
5<sup>th</sup> Floor, West Tower  
235 Queen Street  
Ottawa, ON K1A 0H5

RE: Proposed Policy Direction to the Canadian Radio-television and  
Telecommunications Commission (CRTC) under Section 8 of the  
*Telecommunications Act*, Canada Gazette 1, June 17, 2006

Dear Minister,

I am pleased to offer comments from the Canadian Chamber of Commerce on the proposed policy direction that would allow the CRTC to rely on market forces to the maximum extent possible, and regulate only when there is a need to do so.

This policy direction is an important first step towards implementing the Telecommunications Policy Review (TPR) Panel's recommendations that were released in March. As you know, the telecommunications industry is an important contributor to, and indicator of Canada's overall productivity and competitiveness. By directing the CRTC to rely on market forces to the maximum extent possible, you have sent a strong and positive signal to the telecommunications industry, and Canadian business in general, that you will take action to keep the industry and its customers competitive both domestically and internationally.

501-350, rue Sparks St.

Ottawa, Ontario

K1R 7S8

) (613) 238-4000

☎ (613) 238-7643

www.chamber.ca

info@chamber.ca

The Canadian Chamber was very pleased to see that most of the recommendations that we had outlined in our submission to the TPR Panel in August 2005 were reflected in the Panel's final report. Chief among our recommendations to the Panel was that the most efficient means of allocating resources in our economy was to move quickly from the existing regime of extensive regulation to one that relies on market forces to the greatest extent possible.

As the Canadian Chamber has consistently noted, ICTs (Information and Communication Technologies) make a significant contribution to productivity growth. It is imperative for the government to support ICT in Canada by focusing on fostering a better business environment, which could include the elimination of the Capital Tax and more aggressive changes to the Capital Cost Allowance regime.

*The Voice of Canadian Business™*

*Le porte-parole des entreprises canadiennes<sup>MD</sup>*



These measures would provide more incentives for businesses to invest in ICT. This policy directive is a critical step towards creating the policy and regulatory infrastructure that will be required to allow ICTs to fully contribute to filling Canada's productivity gap.

Further, the Canadian Chamber has long been an advocate of establishing a National Council on the E-economy, as we noted to you in our letter dated March 8, 2006. Again, we were pleased to see that the TPR Panel framed its report around creating a similar strategy to accelerate ICT adoption by businesses in Canada.

Minister, by taking action with regard to instructing the CRTC to rely on market forces, you have clearly shown that you are committed to ensuring Canada can remain a global leader in telecommunications and to improving Canada's productivity and competitiveness. The Canadian Chamber and its members fully support you for taking the initiative on this issue and we look forward to quick implementation of the TPR Panel's recommendations.

Sincerely,



Nancy Hughes Anthony

cc. Mr. Leonard St. Aubin, Acting Director General, Industry Canada