

Speech by Robert A. Morin Secretary General Canadian Radio-television and Telecommunications Commission

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Thank you very much. We are here to talk about convergence, and we could not have found a more fitting place to talk about it than this magnificent city of Athens.

Twenty-five centuries ago, a great convergence took place here. It was a convergence of ideas, creativity and achievement in learning, philosophy, politics, architecture, drama, art and science. And the consequences are still being felt around the world.

I doubt that our discussions of convergence will be remembered 25 centuries from now. These days, 25 minutes is as good as it gets. But certainly something big is happening in our world of digital information and communications, and it's happening fast. We're living in an environment of technology and markets that has changed much more quickly than many of us had expected.

The new convergent landscape is characterized by an abundance of content and of distribution channels; an abundance of competing service providers; and an abundance of rapidly evolving technology. All this makes for increasing worldwide interconnectedness.

Such a landscape offers fertile ground for new business models and new economic activity. Creative thinkers can build new applications and formats such as social networks. At the same time, companies with access to funds and audiences can bring these new applications and services together. This results in reduced prices and richer experiences for their customers.

Now, what does all this mean for policy-makers and regulators?

I'd like to tell you something of what it means for us at the Canadian Radio-television and Telecommunications Commission.

Let's look at three aspects of communications: technology, the industry and regulation. Digital technology is the irresistible force that has been driving convergence. In response, the industry is embracing convergence as fast as it can. In our country, however, regulation has been lagging behind.

Our Commission regulates both broadcasting and telecom. But we do it under two separate mandates: the Broadcasting Act and the Telecommunications Act, each with its own priorities. The concept of convergence was not even on the radar when these Acts were last revised—17 and 15 years ago, respectively.

We believe that eventually one unified Act will govern the whole converged landscape, and we'll be having a lot of discussions and consultations on that issue in the year to come.

But we can't wait for new legislation. We're pressing ahead now with policies and procedures that will harmonize our regulatory work within our existing mandates, and make our regulations more streamlined and balanced.

We are re-aligning the structure of our organization so we can deal with convergence as intelligently as possible—and pre-position ourselves for future legislative reform.

Our Broadcasting and Telecommunications sectors will continue to focus on their specific concerns. But all activities that are common to broadcasting and telecom have been grouped together within an expanded sector called PDR—Policy Development and Research.

Among these common activities is Social Policy, which includes issues like telemarketing and accessibility. Both of these are very active files right now.

Many Canadians have expressed a desire for relief from unwanted telemarketing calls. Last month we launched our National Do Not Call List, which provides a way for telephone subscribers to minimize these intrusions. With over 3 million numbers registered in the first two weeks, this has proven to be a popular service.

Next month we will launch a public proceeding on accessibility issues. We will be seeking ways to ensure that Canadians with disabilities will not be discriminated against in gaining access to telecommunications and broadcasting services.

Another responsibility for our PDR sector is Dispute Resolution, which will become more and more important in an increasingly deregulated industry.

PDR also handles Convergence Policy, which includes the high-profile New Media file.

PDR continues to support Broadcasting and Telecommunications by processing ownership and acquisitions applications. It conducts economic analysis on both industries and on markets and technologies.

The findings that emerge from this analysis are now being presented in the spirit of convergence. In the past, we have published separate monitoring reports on the broadcasting and telecom industries. This year we issued the first merged report, recognizing that the two industries are fast becoming one.

In fact, this report included a good example of convergence at work. For many years, cable has been a popular means of delivering television into Canadian homes. Now the figures show that the cable companies are emerging as strong competitors in local and cellular telephone service, as well as in high-speed Internet service.

I mentioned New Media as a high-profile area. It raises some interesting challenges for us. Under the Broadcasting Act, one of our main responsibilities is to make sure that a substantial proportion of radio and television content that is broadcast in Canada is in fact Canadian content—produced for Canadians by Canadians.

But what about the increasing quantity of professionally produced content that is being broadcast over the Internet and through mobile devices? Should we be encouraging the production of Canadian content for these platforms as well?

We have completed an extensive study of New Media that included consultations with experts in Canada and internationally. This will lead to a full public proceeding next year.

Interactive and on-demand technologies are becoming more and more important for cable companies and popular among consumers. We are currently looking at their role in the broadcasting system with a view to developing a comprehensive policy.

On the telecommunications side, net neutrality is emerging as one of the more significant issues we will have to face in the future. Through the Telecommunications Act we have the tools to address traffic-management issues. We can help ensure that customers have the same access to the Internet, whether their provider is a traditional incumbent or a competitor that delivers its services through leased telephone lines.

But before intervening we must consider whether there are broad public-policy objectives that are not being met by the marketplace alone.

We are currently addressing one particular complaint on a traffic-shaping issue. But there will be more, and the overall issues will have to be addressed by all stakeholders as well as the regulator.

So these are some of the challenges that we are facing. None of them could have been foreseen when the responsibilities and powers of our Commission were being defined.

The economic and cultural goals of policy and regulation may remain the same—but in the face of convergence and new technologies, the traditional approaches simply will not succeed.

The familiar forms of regulation took shape in an environment of scarcity: limited spectrum, few platforms, few providers, and little choice. There will be a different style of regulation for an environment of abundance. Obligations such as quotas may have to be supplemented by incentives for the creation and promotion of content. Rapid technological innovation will require a lighter and more responsive regulatory hand.

The role of the regulator will have to evolve. The ex ante gatekeeper of the system will have to develop into an ex post referee, offering arbitration and dispute resolution. The regulator will need enhanced resources for handling complaints and conducting investigations. It will also need penalty powers for enforcement.

We as regulators have the responsibility of helping both the communications industry and consumers to take advantage of new opportunities. So we have a lot of work to do in re-inventing ourselves for this new world.

Our meetings today provide us all with a marvelous opportunity to help each other. Thank you very much for inviting me to speak.