

BRIEFING NOTE

Meeting Date: October 28, 2021

Location: Virtual (TBC)

Briefing Note

What: Meeting with TELUS regarding spectrum auction

Who: Andy Balser, VP Home Solutions, Community & Channels, Western Canadian Government Affairs, TELUS (TBC)

Kyle Marsh, Director, B.C. Government Affairs, TELUS (TBC)

Executive Summary:

TELUS is expected to raise concerns about the 3500 MHz auction, specifically, the negative impact of set-asides on rural connectivity and the excessive costs of spectrum, which impact the speed of roll-out of 5G and consumer affordability.

The Province supports a 'use-it or lose-it' position to have spectrum reallocated if not benefitting British Columbians.

Background:

Canada recently completed an auction for 3500 MHz spectrum¹ used for cellular services by companies such as TELUS, Rogers, Shaw, Bell and Videotron. The goals of the 3500 MHz auction are to increase coverage and competition. **ATT-1** is a summary of the 3500 MHz auction results for B.C.

In February 2020, a letter was sent from Premier Horgan to Prime Minister Justin Trudeau regarding key issues related to the 3500 MHz auction and the importance of taking a balanced approach to auction set-aside rules, enabling competition and the expansion of connectivity to rural areas (see **ATT-2**).

Recently, Minister Lisa Beare met with various companies, including Videotron, who were keen to acquire the 3500MHz spectrum for 5G cellular deployments.

¹ Spectrum are airwaves used to transit wireless signals. Airwaves in the 3500 MHz range are considered premium because they combine capacity (the ability to carry large amounts of data) with coverage (the ability to travel long distances).

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Two other spectrum bands, 3800 MHz and millimetre wave (MM wave) are also key for 5G, with auctions expected in 2023 and 2024, respectively. See **ATT-3** for a Grid Analysis of Spectrum Topics.

In September 2021, TELUS filed an injunction at Federal Court prohibiting the Minister of Innovation, Science and Economic Development Canada (ISED) from issuing licenses to Videotron.

Also, in September 2021, the federal Attorney General of Canada filed a letter that ISED will not issue any spectrum licenses related to the 3500 MHz spectrum auction before late October 2021.

TELUS believes that Canada did not follow the 3500 MHz auction rules and wants the Federal Court to revoke any spectrum licenses acquired by Quebecor's Videotron. TELUS believes if it could deploy the spectrum licence awarded to Videotron, 3,600 households could benefit in B.C.

Minister Beare will also be meeting with the new federal minister responsible for managing spectrum auctions as soon as sworn in and will address the spectrum auction results and a 'use it or lose it' policy.

Recommendations:

The Province cannot comment on the results of the auction or ISED's decisions as this is now before the federal court to decide. Regarding future auctions, the Province supports a 'use-it or lose-it' position in British Columbia and to have spectrum licences reallocated if not benefitting residents for all service providers.

BRIEFING NOTE

Pierre Karl Péladeau visit | Videotron/Quebecor
In Person, Victoria – no specific location yet

Briefing Note

What: Introduction with Videotron executive and their plans to expand cellular services into the B.C. market.

Who: Pierre Karl Péladeau, President/CEO, Videotron/Quebecor

Executive Summary: Quebecor is a diversified Canadian telecommunications and media (news, sports, entertainment, and culture) family business founded in 1950. Former Prime Minister, The Right Honourable Brian Mulroney, P.C., C.C., LL.D, is Chair.

- Headquartered in Montreal
- Publicly traded on the Toronto Stock Exchange
- 10,400+ employees
- \$4.32B revenues in 2020, up slightly (0.6%) from 2019
- \$1.31B cash flow from operations in 2020, up 14.7% from 2019
- Nearly 1.5M mobile subscriber connections, an 11.3% increase from 2019

Videotron is a division of Quebecor and provides mobile wireless (cellular) and broadband services, primarily serving Quebec as well as the Francophone communities of New Brunswick and some parts of eastern Ontario. Its primary competitors in eastern Canada are Bell Canada and TELUS Communications Inc.

Videotron plans to enter the B.C. cellular provider market following the purchase of 16.42% of the 3500 Mhz spectrum auction earlier this year. Videotron is also vying to purchase the Freedom Mobile component of Shaw should the Rogers acquisition go forward next year making Videotron the 4th cellular provider in B.C.

BRIEFING NOTE

Pierre Karl Péladeau visit | Videotron/Quebecor
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Quebecor, through its Videotron division, believes it is well positioned to become a strong fourth player in the mobile wireless services. The Competition Bureau has noted that Quebecers pay the lowest mobile rates in Canada, 35% to 40% less than the rest of Canada.

Background:

The company is planning to run two advertising campaigns that will focus on cellular affordability. This initial campaign which has already started in both national and B.C.-based publications will precede a larger campaign expected in spring 2022.

The extent of investment expected by Videotron in B.C., or their bid for Shaw's Freedom Mobile, is currently unknown. Videotron's plans for investment in 5G and rural and indigenous connectivity in B.C. is also unknown.

Videotron has indicated that they plan to invest substantially in B.C., contributing to economic recovery and growth. Cellular competition could also support greater affordability of cellular services to British Columbians.

Points of interest:

- Extent of Videotron's planned investment in telecommunications infrastructure in B.C. including how quickly they will deploy acquired spectrum.
- What plans if any does the company have to support expanding services to underserved rural and First Nations communities.

TELECONFERENCE OF PREMIERS
October 28, 2021

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CONFERENCE CALL OF CANADA'S PREMIERS

THURSDAY, OCTOBER 28, 2021

12:30 PM – 1:30 PM (Pacific Time)

<p>DIAL-IN NUMBER: s.15; s.17 CONFERENCE ID:</p>

AGENDA

1. Opening remarks by Premier Horgan

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5. Other Issues

CONFIDENTIAL – ADVICE TO THE PREMIER



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THURSDAY, OCTOBER 28, 2021

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ANNOTATED AGENDA

1. Opening remarks by Premier Horgan

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2. s.16

CONFIDENTIAL – ADVICE TO THE PREMIER

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3. s.16

CONFIDENTIAL – ADVICE TO THE PREMIER

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CONFIDENTIAL – ADVICE TO THE PREMIER

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CONFIDENTIAL – ADVICE TO THE PREMIER

5. Other Issues

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Conference Call of Canada's Premiers
Thursday, October 28, 2021
12:30 pm (Pacific Time)

Participants:

PT	
BC Chair	John Horgan
ON	Doug Ford
QC	François Legault
NS	Tim Houston
NB	Blaine Higgs
MB	<i>David McLaughlin, Clerk of the Executive Council</i>
PE	Dennis King
SK	Scott Moe
AB	Jason Kenney
NL	Andrew Furey
NT	Caroline Cochrane
YK	Sandy Silver (available for the first 30 minutes)
NU	<i>Jeff Chown, Cabinet Secretary</i>

Prime Minister welcomes new Cabinet

October 26, 2021
Ottawa, Ontario

The Prime Minister, Justin Trudeau, today announced the members of Cabinet following this fall's election, when Canadians chose to keep Canada moving forward. This diverse team will continue to find real solutions to the challenges that Canadians face, and deliver on a progressive agenda, as we finish the fight against COVID-19 and build a better future for everyone.

The past year and a half has been difficult for Canadians. We have all made sacrifices to keep each other and our communities safe from COVID-19, and the Government of Canada has had people's backs every step of the way. As we continue to take strong action to beat the pandemic and get the job done on the vaccine rollout, the government will keep putting Canadians first and delivering on their priorities. We will create new jobs and grow the middle class, put home ownership back in reach for Canadians, accelerate our fight against climate change, deliver on \$10-a-day child care, and walk the shared path of reconciliation. Together, we will continue to move Canada forward for everyone.

The new Cabinet is appointed as follows:

- **Chrystia Freeland** remains Deputy Prime Minister and Minister of Finance
- **Omar Alghabra** remains Minister of Transport
- **Anita Anand** becomes Minister of National Defence
- **Carolyn Bennett** becomes Minister of Mental Health and Addictions and Associate Minister of Health
- **Marie-Claude Bibeau** remains Minister of Agriculture and Agri-Food
- **Bill Blair** becomes President of the Queen's Privy Council for Canada and Minister of Emergency Preparedness
- **Randy Boissonnault** becomes Minister of Tourism and Associate Minister of Finance
- **François-Philippe Champagne** remains Minister of Innovation, Science and Industry
- **Jean-Yves Duclos** becomes Minister of Health
- **Mona Fortier** becomes President of the Treasury Board
- **Sean Fraser** becomes Minister of Immigration, Refugees and Citizenship
- **Karina Gould** becomes Minister of Families, Children and Social Development
- **Steven Guilbeault** becomes Minister of Environment and Climate Change
- **Patty Hajdu** becomes Minister of Indigenous Services and Minister responsible for the Federal Economic Development Agency for Northern Ontario
- **Mark Holland** becomes Leader of the Government in the House of Commons
- **Ahmed Hussen** becomes Minister of Housing and Diversity and Inclusion
- **Gudie Hutchings** becomes Minister of Rural Economic Development
- **Marci Ien** becomes Minister for Women and Gender Equality and Youth
- **Helena Jaczek** becomes Minister responsible for the Federal Economic Development Agency for Southern Ontario
- **Mélanie Joly** becomes Minister of Foreign Affairs
- **Kamal Khera** becomes Minister of Seniors
- **David Lametti** remains Minister of Justice and Attorney General of Canada
- **Dominic LeBlanc** becomes Minister of Intergovernmental Affairs, Infrastructure and Communities
- **Diane Lebouthillier** remains Minister of National Revenue
- **Lawrence MacAulay** remains Minister of Veterans Affairs and Associate Minister of National Defence
- **Marco E. L. Mendicino** becomes Minister of Public Safety
- **Marc Miller** becomes Minister of Crown-Indigenous Relations
- **Joyce Murray** becomes Minister of Fisheries, Oceans and the Canadian Coast Guard
- **Mary Ng** becomes Minister of International Trade, Export Promotion, Small Business and Economic Development
- **Seamus O'Regan Jr.** becomes Minister of Labour
- **Ginette Petitpas Taylor** becomes Minister of Official Languages and Minister responsible for the Atlantic Canada Opportunities Agency

- **Carla Qualtrough** remains Minister of Employment, Workforce Development and Disability Inclusion
- **Pablo Rodriguez** becomes Minister of Canadian Heritage and remains Quebec Lieutenant
- **Harjit S. Sajjan** becomes Minister of International Development and Minister responsible for the Pacific Economic Development Agency of Canada
- **Pascale St-Onge** becomes Minister of Sport and Minister responsible for the Economic Development Agency of Canada for the Regions of Quebec
- **Filomena Tassi** becomes Minister of Public Services and Procurement
- **Dan Vandal** becomes Minister of Northern Affairs, Minister responsible for Prairies Economic Development Canada, and Minister responsible for the Canadian Northern Economic Development Agency
- **Jonathan Wilkinson** becomes Minister of Natural Resources

Quote

"Canadians need a strong and diverse Cabinet to deliver on their priorities and keep Canada moving forward for everyone. This team will finish the fight against COVID-19, deliver on \$10-a-day child care, help Canadians find a home of their own, tackle the climate crisis, and continue to advance reconciliation with Indigenous peoples. Together, we will work tirelessly to build a better future for all Canadians."

The Rt. Hon. Justin Trudeau, Prime Minister of Canada

Quick Facts

- The new Cabinet consists of the Prime Minister and 38 ministers. In keeping with the precedent set in 2015, there is an equal number of women and men.
- The Government of Canada will provide support to the new portfolios as follows:
 - The Minister of Intergovernmental Affairs, Infrastructure and Communities will be supported by the Privy Council Office and Infrastructure Canada.
 - The Minister for Women, Gender Equality and Youth will be supported by Women and Gender Equality Canada, with additional support from Canadian Heritage and Employment and Social Development Canada.
 - The President of the Queen's Privy Council for Canada and Minister of Emergency Preparedness will be supported by the Privy Council Office and Public Safety Canada.
 - The Minister of International Trade, Export Promotion, Small Business and Economic Development will be supported by Global Affairs Canada, with additional support from Innovation, Science and Economic Development Canada.
 - The Minister of Housing and Diversity and Inclusion will be supported by Canadian Heritage, Women and Gender Equality Canada, and Infrastructure Canada.
 - The Minister of Rural Economic Development will be supported by Innovation, Science and Economic Development Canada.
 - The Minister of Tourism and Associate Minister of Finance will be supported by the Department of Finance Canada with additional support from Innovation, Science and Economic Development Canada.

Associated Link

- [Cabinet](#)

BACKGROUND- Federal COVID-19 Income Support Programs

The federal government recently announced that it will spend \$7.4 billion on new, targeted COVID-19 support programs to replace the now-expired Canada Emergency Wage Subsidy (CEWS), Canada Emergency Rent Subsidy (GERS), and Canada Recovery Benefit (CRB). The decision to end the broad-based income support programs as scheduled and replace them with more targeted programs did not come as a surprise.

The new programs include:

- The *Tourism and Hospitality Recovery Program*, which will provide wage and rent subsidy support at a rate of up to 75 per cent to restaurants, hotels, tour operators, and travel agencies that have demonstrated an average monthly revenue reduction of at least 40 per cent over the first 12 months of the pandemic and current-month revenue losses of at least 40 per cent.
- The *Hardest-Hit Business Recovery Program*, which will provide wage and subsidy support at a rate of up to 50 per cent to businesses that have demonstrated an average monthly revenue reduction of at least 50 per cent over the first 12 months of the pandemic and current-month revenue losses of at least 50 per cent.
- The *Canada Worker Lockdown Benefit*, which will provide \$300 a week in income support to eligible workers, including those ineligible for Employment Insurance, who are unable to work due to a local lockdown.

Subject to passage of necessary legislation, the federal government intends for these programs to run until May 7, 2022, with authority for further amendments through regulations until July 2, 2022.

The federal government has not fully announced the program parameters and eligibility for the new programs and has stated that further details will be released in the coming weeks.

As part of the announcement, the Canada Recovery Hiring Program, the Canada Recovery Sickness Benefit and the Canada Recovery Caregiving Benefit were extended until May 7, 2022.

The federal government's stated immediate priorities include ten paid sick leave days for federally regulated industries and working with PTs on permanent paid sick leave.

B.C. Finance has provided the following additional background:

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s.13; s.16; s.17

- These new measures started on October 24, 2021 and will be in place until May 7, 2022. s.13; s.16

s.13; s.16

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