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PRESS RELEASE

CRTC review of mobile wireless services

Videotron is a concrete example of the success of facilities-based competition

Gatineau, February 25, 2020 – Leading Québec telecom Videotron has appeared at the Canadian Radio-television and Telecommunications Commission (CRTC) public hearings on the review of mobile wireless services to make the case for facilities-based competition, a model that has proven its effectiveness and allowed the emergence of regional players such as Videotron.

The Videotron example in Québec

In 2008, Videotron rose to the challenge of facilities-based competition and the impact on the Québec market has been significant.

Lower prices than the rest of Canada

Since Videotron's entered the market, mobile prices have dropped more sharply in Québec than anywhere else in the country. In November 2019, the Competition Bureau of Canada concluded that regional carriers such as Videotron are increasingly disrupting the wireless services landscape in Canada. According to the Competition Bureau, prices are 35% to 40% lower where there is a strong fourth player.

Major investments in Québec

Since 2008, Videotron has spent more than \$2.5 billion on mobile spectrum and network build-out, and created thousands of good jobs. This major investment, proof positive of Videotron's full commitment to facilities-based competition, has yielded considerable economic benefits for Québec.

Top-grade networks and recognized experience

In 10 years, Videotron has risen to the top of several rankings of network quality and customer service. It has adopted a customer-driven approach, introduced innovative plans and directly impacted market dynamics in Quebec. This is a concrete example of the effectiveness of the facilities-based competitive model, which the CRTC should continue to promote.

The dangers of pro-reseller regulation

With 5G coming soon and government committed to connecting as many people as possible, the CRTC must not undertake a reform that would hinder technological innovation and investment in infrastructure across the country. At a time when people are increasingly connected, pro-reseller regulation designed to artificially favour players that do not invest in facilities can only result in a technological lag for Canada, with significant implications for the Canadian economy.

Videotron urges the CRTC to discard this idea, which would have major consequences for the viability of the telecommunications industry and the development of our communities.

Quotes

“The CRTC must ensure that investment in facilities continues, while continuing to recognize the unique contribution to competitiveness and innovation made by Videotron and other regional players.”

- Pierre Karl Péladeau, President and CEO of Quebecor

“Slowing down investment in technology at a pivotal time in our history is inconceivable. A decline in investment in wireless infrastructure would have a significant impact on innovation in Canada and would put at risk thousands of jobs in a critical sector of Canada’s economy. The impacts are too great not to take immediate action. We are determined to make policy-makers aware of the implications.”

- Jean-François Pruneau, President and CEO of Videotron

Read Pierre Karl Péladeau's address at the CRTC public hearing: <https://bit.ly/2SWCS8o>

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About Videotron

Videotron (www.videotron.com), a wholly owned subsidiary of Quebecor Media Inc., is an integrated communications company engaged in cable television, interactive multimedia development, Internet access, cable telephone and mobile telephone services. Videotron is a leader in new technologies with its Helix home entertainment and management platform. As of September 30, 2019, Videotron was serving 1,545,200 cable and IP television customers, and 443,500 subscribers to its Club illico over-the-top video service. Videotron is also the Quebec leader in high-speed Internet access, with 1,724,300 subscribers to its cable service as of September 30, 2019. As of the same date, Videotron had 1,288,700 subscriber connections to its mobile telephone service and was providing cable telephone service to 1,052,700 Quebec households and organizations. Videotron has been recognized as one of Canada’s top 100 employers and one of Montréal’s top employers.