

CCTS
COMMISSIONER FOR COMPLAINTS
FOR TELECOMMUNICATIONS SERVICES
Let's talk solutions



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COMMISSAIRE AUX PLAINTES RELATIVES
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GUIDANCE IN A SEA OF CHANGE

Annual Report 2015-16

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CONTENTS

2 CHAIR'S MESSAGE

3 COMMISSIONER'S MESSAGE

4 WHO WE ARE & WHAT WE DO: OUR MANDATE

5 OUR COMPLAINTS PROCESS: HOW IT WORKS

6 YEAR IN REVIEW

Operations
Regulatory
Governance

8 2015-16 COMPLAINTS

Definitions
2015-16 operational statistics
Summary of leading complaint issues
Table 1: Summary of leading issues
Table 2: Line of business
Table 3: Categories

12 TOPICS AND TRENDS

Table 4: Top 10 issues raised in complaints
Providing code-compliant disconnection notices
Table 5: Disconnection/suspension of service – issues raised in complaints
Table 6: Disconnection without notice – TWC confirmed breaches
Table 7: Disconnection without notice – D&D confirmed breaches
Non-disclosure
Table 8: Non-disclosure issues
Charges after cancelling service
Table 9: 30-day cancellation/charges after cancellation
Table 10: Wireless – 30-day notice to cancel/charges after cancellation
Table 11: Internet – 30-day notice to cancel/charges after cancellation, year over year
Table 12: Internet – 30-day notice to cancel/charges after cancellation by PSP (Top 5)
Data and roaming caps
Disputes between service providers

19 CODE OF CONDUCT REPORTING

Background
How we use TWC and the D&D Code
The Wireless Code
Terminology
Table 13: Summary of TWC breaches
Table 14: TWC confirmed breaches by section
Table 15: TWC confirmed breaches by service provider, year over year
The Deposit and Disconnection Code
Table 16: D&D confirmed breaches by section
Table 17: Summary of D&D code breaches
Table 18: D&D confirmed breaches by service provider

25 WORKING WITH PARTICIPATING SERVICE PROVIDERS

Table 19: Top 25 PSPs by Complaints Accepted (2015-16)
Top 10 Participating Service Provider (PSP) profiles
Challenges with service provider compliance
PSP compliance challenges 2015-16
Table 20: PSPs – failure to respond to complaints
Table 21: List of PSPs that failed to provide a complaint response

39 PUBLIC AWARENESS

40 STATISTICAL REPORTS

Contact centre activities
Out-of-mandate issues
Analysis of closed complaints
Compensation analysis
Small business complaints
Performance standards

45 REGIONAL ANALYSIS

Complaints by province/territory
Complaint categories by province/territory

47 CUSTOMER SURVEY RESULTS

What customers said about CCTS
What customers said about service provider public awareness activities

50 GOVERNANCE

Board of Directors
Director biographies
Board meetings and director attendance
Committee meetings
CCTS financials
Strategic and operational initiatives for 2016-17

53 APPENDIX A

61 APPENDIX B

67 APPENDIX C

ACRONYMS

AR: Annual Report
CCTS: Commissioner for Complaints for Telecommunications Services
CIS: Critical Information Summary
CRTC: Canadian Radio-television and Telecommunications Commission
D&D: Deposit and Disconnection
ECF: Early Cancellation Fee
ILEC: Incumbent Local Exchange Carrier
ISP: Internet Service Provider
PSP: Participating Service Provider
TSP: Telecommunications Service Provider
TVSP: Television Service Provider
TWC: The Wireless Code
VoIP: Voice over Internet Protocol
WCAG: Web Content Accessibility Guidelines
WSP: Wireless Service Provider
YTD: Year to Date
Y/Y: Year over Year



CHAIR'S MESSAGE

For CCTS, the key event of the year was the CRTC review of its structure and mandate – an exercise that is performed from time to time. The hearings that were held in November 2015 gave us the opportunity to publicly present our progress to date and to outline our upcoming challenges. These hearings also enabled us to find out how both the telecommunication service providers and the consumer protection groups assessed our performance. We took note of the positive comments as well as the more critical comments that arose during these hearings. We welcomed any suggestions aimed at improving our performance. We did not hesitate to express our concerns regarding certain proposals.

The decision rendered by the CRTC on March 17, 2016 will have a direct impact on CCTS' agenda in the upcoming years. The organization will have to take measures to increase the transparency of its activities. We will take all measures at our disposal to attempt, despite the challenge of the task, to increase public awareness of CCTS' role in the resolution of disputes between consumers and telecommunication service providers. The main change however, will have to do with CCTS' mandate. As of September 2017, our mandate will be extended to the handling of complaints relating to the delivery of television services. This modification will trigger major changes to our statutes, to our budget, and to the management of our human resources. We will, among other things, have to increase our workforce and implement new training programs. Our governing structures, however, should remain unchanged.

Throughout the upcoming challenging period, CCTS can rely on the expertise and leadership of Commissioner Howard Maker, whose term of office was just renewed for another 5-year period. The members of the Board are confident that he will be able to carry out the required changes and they wish to work alongside him and support him in this task. The Board has largely renewed itself, and the team that will be taking over this fall will, without a doubt, rise to the challenges ahead.

As I will soon be stepping down from my position as Chair of the Board, and after having had the opportunity to follow the evolution of CCTS since its inception, I would like to express two wishes. Firstly, I hope that the spirit of consensus that allowed CCTS to weather many difficult situations endures. Secondly, I hope that the organization gets the help it needs, from those who created it, whenever service providers do not play by the rules and fail to meet their obligations.



COMMISSIONER'S MESSAGE

In our business we don't often see definitive trends. However we are seeing an important one right now. In 2015-16 the number of customer complaints received by CCTS declined for the third consecutive year. We attribute this decrease to a number of factors, including the desire by service providers to keep their CCTS numbers low, some improvements in service provider customer service (thus keeping many complaints from escalating to CCTS), and an increased willingness by providers to resolve certain types of complaints "in-house" – particularly those that may disclose a possible violation of a CRTC code of conduct. Whenever customers are able to get their problems resolved without having to resort to the industry ombudsman, regardless of the reason the service provider addressed their concern, it's good news for customers. It also demonstrates that providers are paying close attention to the impact of what CCTS reports publicly about them.

But the declining number of complaints year-over-year doesn't mean we don't have enough to do. Our 2015-16 year was extremely busy, and featured the release of annotated guides to both the Wireless Code (in March 2016, with an update in September 2016) and the Deposit and Disconnection Code (in July 2016). These initiatives serve to increase the transparency of our work. Readers will notice some additional transparency items in this year's Annual Report – including more information about CCTS' governance and its financial affairs. And, in response to requests from certain stakeholders, we are for the first time making some of our raw statistical data publicly available on our website in an "open data" format. We hope that access to this data will be useful and we look forward to receiving feedback from users.

Following its recent review of CCTS, the CRTC has asked us to address a number of other issues, and we began working on them in 2015-16 (and will continue to do so). We have been planning for some time to welcome TV service providers to our organization, as well as preparing for the administration of the TV Service Providers Code

of Conduct, in September 2017. Moreover, 2016-17 will see us focus on bringing our current Participating Service Providers into compliance with the various obligations of participation. These obligations include the measures required of them to promote public awareness of CCTS and, as an organization, we will be considering what additional initiatives might contribute to ensuring that Canadians are aware that they have recourse to CCTS when they need it.

On a personal note, in 2015-16 the Board of Directors offered to renew my contract as Commissioner & CEO for another five-year term, effective August 1, 2016, and I gratefully accepted. I am very proud of the organization that we have built and appreciative of the opportunity to continue the important work that we do. But CCTS is not a one-person operation. I want to thank our team, both management and staff, for the role each and every one plays in ensuring that we do the best job possible helping consumers resolve their complaints, and working with the industry and all of our stakeholders to improve the telecom experience for all Canadians.

Who we are & what we do

CCTS is an independent organization dedicated to working with consumers, small business customers, and participating Canadian telecommunications service providers to resolve complaints relating to most retail telecom services. We strive to assist customers and service providers in an independent, fair, effective, and efficient manner, after direct communications between a customer and a service provider have proven ineffective.

OUR MANDATE

We are able to assist customers with a wide range of complaints about **products and services** offered in the telecommunications sector including:



LOCAL PHONE



LONG DISTANCE

(including prepaid calling cards)



WIRELESS

(including voice, data, and text)



INTERNET



WHITE PAGE DIRECTORIES, DIRECTORY ASSISTANCE, AND OPERATOR SERVICES



TELEVISION

(coming September 2017)

We are able to assist with **most types of problems** that can arise between a customer and his or her service provider, including:



CONTRACT DISPUTES

for example, disputes about whether there is a contract, what is included in a contract or how the contract should be interpreted, or whether the provider's conduct meets its contractual obligations, or misunderstandings about the particulars of a contract or term;



BILLING

for example, complaints about customers having agreed to one price and subsequently being charged more, being overcharged due to either a billing system error or a price that is different than advertised, or about being billed for per-use services which they claim they did not use;



SERVICE DELIVERY

for example, complaints about the installation, repair or disconnection of service, including the quality of the service or unreasonable interruptions to service and transfers of service from one provider to another; and,

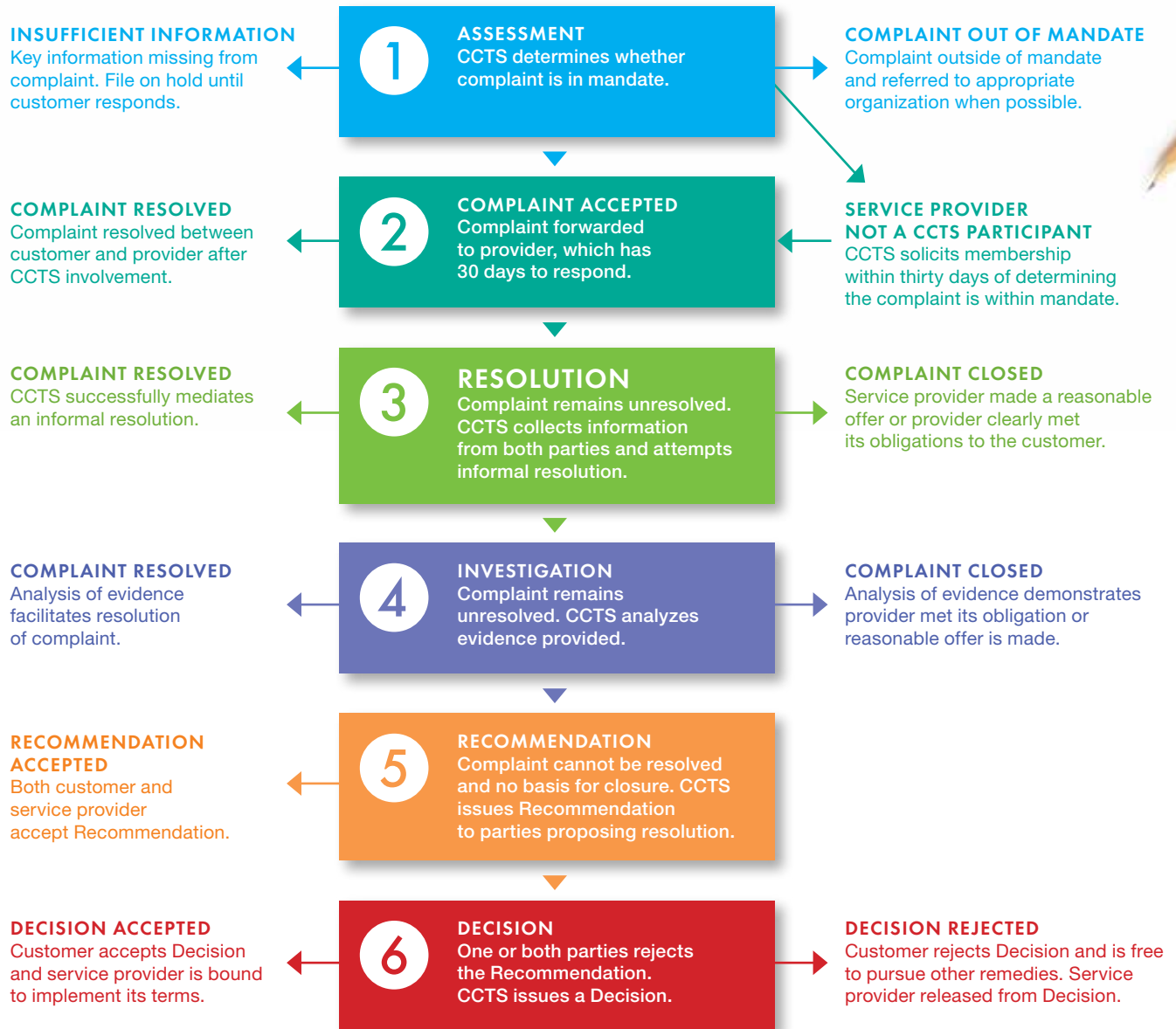


CREDIT MANAGEMENT

for example, complaints about security deposits, payment arrangements and collections treatment of customer accounts.

Please see the [Mandate](#) page of our website for full details.

Our complaints process: HOW IT WORKS



Please see the [Complaints Process](#) page of our website for full details.



YEAR IN REVIEW

Operations

CODE ADMINISTRATION – We use the Wireless Code and the Deposit and Disconnection Code to resolve complaints, and we track and report on Code breaches. This year, for transparency purposes, we developed and published the [Annotated Guide to the Wireless Code](#) (in March 2016) and the [Annotated Guide to the Deposit and Disconnection Code](#) (in July 2016). These guides will help customers and service providers understand the approach that we are taking when it comes to interpreting the Codes.

PERFORMANCE STANDARDS – We measure our complaint-handling performance against four metrics (see page 44 of this Report). In 2015-16 we exceeded our target for all four metrics, as we have each year since we began reporting these metrics in 2013-14.

RESOLVING COMPLAINTS – We work with customers and service providers to attempt to have complaints resolved by an agreement that is satisfactory to both. In 2015-16 we successfully resolved over 89% of complaints (a 2% improvement over 2014-15).

Regulatory

CRTC REVIEW OF CCTS – The CRTC launched its review in June 2015, which included a hearing in November 2015. It issued a comprehensive decision ([CRTC 2016-102](#)) in March 2016, which was largely supportive of CCTS' work in complaint-handling and Code administration. It also had a number of suggestions for improvement, many of which you will read about in various sections of this Report.

THREE-YEAR WIRELESS CODE REVIEW (Telecom Notice of Consultation 2016-293) –

The CRTC launched this [review](#) on July 28, 2016. Its objective is to review the Code's effectiveness and consider whether it needs to be revised to reflect changes in the wireless market. CCTS is participating actively in the review and has provided the CRTC with [data and commentary](#) about the effectiveness of the Code based on what we've seen when handling customer complaints.

Governance

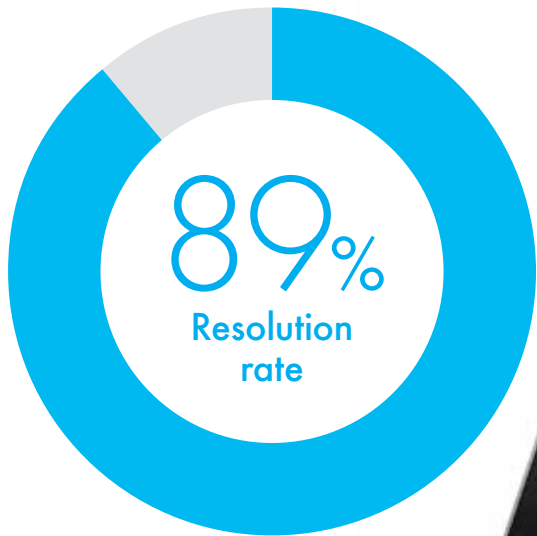
In January 2016, Ruby Barber (Bell) replaced Marten Burns (TELUS) as the CCTS director for the ILEC group.

In July 2016, Bram Abramson (Teksavvy) replaced Jill Schatz (Primus) as the CCTS director for the "Other TSP" group.

In October 2016, the term of office of Board Chair and independent director Marie Bernard-Meunier expired. Her role as independent director will be assumed by Darlene Halwas of Calgary, who we welcome to the Board. Her role as Board Chair will be assumed by Catherine Boivie.

"The CCTS, as an independent body for resolving consumer complaints about telecommunications services, provides a valuable service to Canadian consumers."

– CRTC Broadcasting and Telecom Regulatory Policy 2016-102



The average complaint raised
1.9 issues



Coming into mandate
September 2017



Customer compensation increased by
60%




↓ 18%

Complaints down by 18%,
3rd consecutive year of decline

Proportion of issues about wireless service down for 2nd year in a row. In 2015-16,
50.3% of all issues were about wireless





2015-16

COMPLAINTS

Definitions

In order to fully understand the data being provided, familiarity with our terminology is essential.

ISSUE

The specific concern expressed by the customer in the complaint. Many complaints raise more than one issue. For example, a customer may complain that their invoice contains a billing error, and that the unpaid balance resulted in a service disconnection. This would be considered one complaint that raises two issues.

ACCEPTED COMPLAINT

A customer complaint received during the year and which falls within CCTS' mandate, also sometimes referred to simply as a "complaint".

CONCLUDED COMPLAINT

A complaint that we have accepted and disposed of either by resolving it, closing it, or issuing a Recommendation or Decision. The complaint may have been accepted during the year, or during the preceding year but was concluded during the fiscal year in which it is reported.

OUT OF MANDATE

Complaints about products, services or issues that we cannot investigate are considered to be "out of mandate." See our [Procedural Code](#) for more details.

RESOLVED

The complaint was informally resolved with the assistance of a CCTS team member, to the satisfaction of both the customer and the participating service provider.

CLOSED

A complaint that was accepted and then subsequently closed. CCTS may close the complaint for different reasons, including:

- The service provider has made an offer to resolve the complaint that we think is fair and reasonable in light of the specific circumstances of the complaint;
- The complaint was found to be without merit;
- After filing the complaint, the customer either withdrew it or failed to provide the information we needed to conduct our investigation; or
- The complaint should more properly have been brought before another agency, tribunal or court.

In many cases, complaints are closed after the service provider has corrected the problem and provided the customer with some form of compensation. See our [Analysis of Closed Complaints](#) report for further information.

RECOMMENDATION

The complaint was fully investigated. Often, the service provider has not made an offer to informally resolve the complaint, or the offer is not found to be reasonable in light of the specific circumstances of the complaint. We will make a Recommendation requesting that the provider take specific actions to resolve the matter.

DECISION

A Decision is issued if either the customer or the service provider rejects the Recommendation. The party rejecting the Recommendation must set out its reasons and the Commissioner will reconsider the Recommendation and issue a Decision. The Commissioner may confirm the original Recommendation or, if the Commissioner concludes that there is substantial doubt as to the correctness of the Recommendation, the Commissioner may modify the Recommendation as appropriate. A Decision is binding on the service provider, but not on the customer. The customer may reject it and pursue other remedies.

2015-16 operational statistics



7,431 TOTAL COMPLAINTS
RESOLVED

- **5,979**
Complaints resolved
at Pre-Investigation
- **1,452**
Complaints resolved
at Investigation

870 TOTAL COMPLAINTS
CLOSED



- **311**
Complaints closed
at Pre-Investigation
- **559**
Complaints closed
at Investigation

19 RECOMMENDATIONS
ACCEPTED

3 DECISIONS
ISSUED



Operational statistics – 3 year summary

	2015-16	2014-15	2013-14
 Complaints Accepted	8,197	9,988	11,340
 Complaints Concluded	8,323	10,238	11,196
TOTAL COMPLAINTS RESOLVED	7,431	8,894	9,754
<i>Complaints resolved at Pre-Investigation</i>	5,979	6,952	7,440
<i>Complaints resolved at Investigation</i>	1,452	1,942	2,314
TOTAL COMPLAINTS CLOSED	870	1,300	1,434
<i>Complaints closed at Pre-Investigation</i>	311	534	610
<i>Complaints closed at Investigation</i>	559	766	824
Recommendations accepted	19	36	7
Decisions issued	3	8	1

Complaints

Summary of leading complaint issues

TABLE 1: SUMMARY OF LEADING ISSUES

	Billing	Contract dispute	Service delivery	Credit management	Total
Wireless	3,364	2,706	1,402	459	7,931
Internet	1,634	1,189	1,209	145	4,177
Local phone	1,195	973	816	102	3,086
Long distance	288	91	171	12	562
Directory assistance	3	1	–	–	4
Operator services	1	–	–	–	1
White page directories	–	–	–	–	–
TOTAL	6,485	4,960	3,598	718	15,761

TABLE 2: LINE OF BUSINESS

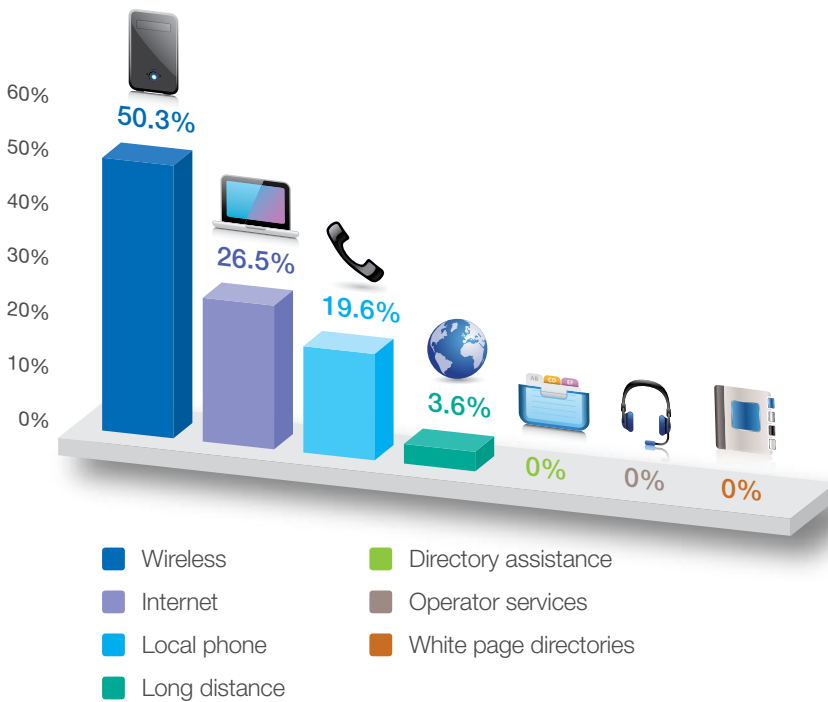
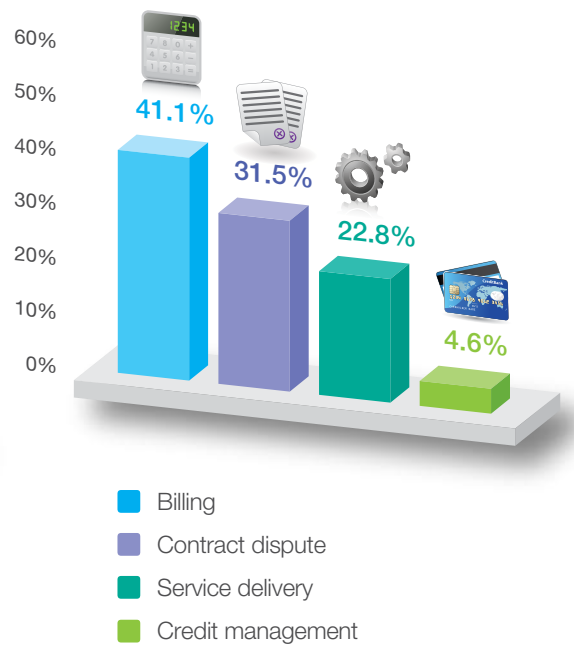


TABLE 3: CATEGORIES



Please note that the percentages in the tables throughout the report may not add up to 100% due to rounding.

TOPICS AND TRENDS

SECTION CONTENT

Providing code-compliant disconnection notices	13	Non-disclosure	14	Data and roaming caps	16	Disputes between service providers	18
		Charges after cancelling service	14				

TABLE 4: TOP 10 ISSUES RAISED IN COMPLAINTS

Issues	2015-16		2014-15		% change Y/Y
	Number of issues	% of total issues	Number of issues	% of total issues	
1 Non-disclosure of terms/ Misleading information about terms	1,891	12.0%	2,475	12.8%	-23.6%
2 Incorrect charge	1,358	8.6%	2,314	12.0%	-41.3%
3 Intermittent/Inadequate quality of service	1,213	7.7%	1,273	6.6%	-4.7%
4 30-day cancellation policy/ Charges billed after cancellation	1,109	7.0%	963	5.0%	15.2%
5 Legitimacy and amount of ECF	988	6.3%	1,284	6.6%	-23.1%
6 Breach of contract	646	4.1%	515	2.7%	25.4%
7 Credit/Refund not received	643	4.1%	932	4.8%	-31.0%
8 Credit reporting	612	3.9%	704	3.6%	-13.1%
9 Data charges	527	3.3%	679	3.5%	-22.4%
10 Non-payment/Collections	378	2.4%	428	2.2%	-11.7%

Please see [Appendix B](#) for detailed breakdown of all issues raised in complaints.

Each concluded complaint may raise more than one issue.

Topics and trends

Every year we discuss some of the most common types of complaints we see and what we believe may be causing them. By doing so, we provide consumers with valuable information about the conduct of service providers. We also provide the industry with the feedback it needs in order to address these problems. And we highlight issues and practices which the regulator and other interested parties may wish to further examine in order to determine whether changes are needed.

This year, many of the topics we discuss have been covered in previous years' Annual Reports. In some of these cases we have seen improvements, either in service provider behavior or consumer understanding, resulting in a decline in the number of complaints about these topics. In other cases, we continue to see challenges and complaints.

PROVIDING CODE-COMPLIANT DISCONNECTION NOTICES

Last year we discussed having received complaints from wireless customers who informed us that their service had been disconnected without notice. When we investigated these complaints, many service providers told us they believed TWC only required them to provide notice prior to a *termination* of service. They argued that since they were merely *suspending* and not terminating the service, the notice requirements did not apply. We disagreed. From the customers' perspective, the result is the same whether the service was technically "suspended" or "disconnected" – they lost their service. So in our opinion the advance notice described in TWC was indeed required whenever a customer's service is interrupted – even if TWC didn't specifically say so. One provider sought clarification from the CRTC, which issued a [decision](#) in August 2015, confirming CCTS' view that notice was indeed required prior to suspending a wireless customer's service.

We are pleased to report that since the CRTC's decision wireless consumers have raised this issue 25% fewer times than in the previous year. More significantly, the number of confirmed TWC breaches reported about this issue is down by over 40%. We are happy to have been able to play a part in addressing this important consumer issue and in ensuring that consumers are afforded the protections contemplated under TWC. We hope to continue to see a reduction in these types of complaints as service providers become more familiar with the requirements of TWC and take the necessary internal steps to ensure that they are implemented.

"My complaint was handled very professionally."

– A.E., a wireless customer

TABLE 5: DISCONNECTION/SUSPENSION OF SERVICE – ISSUES RAISED IN COMPLAINTS

Line of business	2015-16	2014-15	Y/Y change
Local phone	111	100	11.0%
Long distance	9	11	-18.2%
Wireless	318	425	-25.2%
Internet	100	118	-15.3%
TOTAL	538	654	-17.7%

TABLE 6: DISCONNECTION WITHOUT NOTICE – TWC CONFIRMED BREACHES

	2015-16	2014-15	Y/Y change
TOTAL	99	173	-42.8%

Hold the Phone

We are somewhat surprised, however, to see that while complaints about this issue are down, there was actually an increase in customer complaints about disconnection of home phone service. This surprises us because the notice requirements in the Deposit and Disconnection Code (D&D Code), which govern the manner in which phone providers can suspend or disconnect a customer's home phone service, are substantially similar to those in TWC. In 2015-16, concerns about suspension or disconnection of home phone service were raised 11% more often than in the previous year. We also confirmed 40% more breaches of the D&D code relating to the requirements to provide notice prior to suspension of service.

TABLE 7: DISCONNECTION WITHOUT NOTICE – D&D CONFIRMED BREACHES

	2015-16	2014-15	Y/Y Change
Section 3.2 – 14 day notice	11	7	57.1%
Section 3.3 – 24 hour notice	10	8	25.0%
TOTAL	21	15	40.0%

We wonder whether the increase in the number of complaints and confirmed breaches of the D&D Code is attributable to a lower level of publicity and service provider familiarity with that Code, as compared to the better known and more highly-publicized Wireless Code. We encourage service providers to review their practices and policies surrounding the suspension and disconnection of home/local phone service, in particular as it relates to the notice requirements prior to suspension of service.

Topics and trends



Case study #1

A home phone customer complained to us that in May 2016 her service was disconnected without notice for a small outstanding balance.

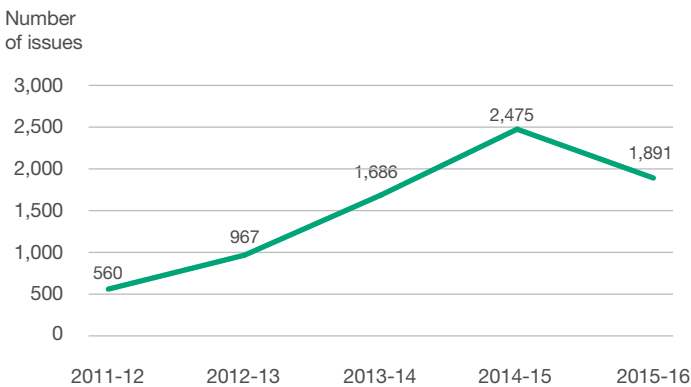
When we investigated the complaint, we found that the customer did indeed have a small outstanding balance that had not been paid and that it had grounds under the D&D Code to disconnect service. However, we found that the service provider had not given the customer notice – either the 14 day notice prior to disconnection, as required by section 3.2 of the D&D Code, or the 24 hour notice, as required by section 3.3. When we informed the service provider of these findings, it agreed to reconnect the customer’s service, without charge. The customer was satisfied with the outcome of her complaint and agreed to pay the outstanding charges she owed to her provider.

NON-DISCLOSURE

It seems that each year in our Annual Report we discuss problems we’ve seen with the disclosure of important information to consumers. We have regularly urged the industry to review its practices to ensure that it is clearly communicating all pertinent information to customers so that they can make informed decisions and, in turn, reduce the frequency with which this issue leads to complaints. Nonetheless, we continued to report increases in complaints about this issue, even in years in which the number of complaints received decreased.

We are pleased to report that in 2015-16, for the first time, customers reported fewer such problems – 24% fewer concerns than in the previous year. Although it is too early to say whether this decrease is a result of positive changes made by service providers, we hope that it is, and look forward to seeing whether providers can further improve their disclosure practices, with the goal of reducing even more the number of complaints received about this issue.

TABLE 8: NON-DISCLOSURE ISSUES



CHARGES AFTER CANCELLING SERVICE

TABLE 9: 30-DAY CANCELLATION/ CHARGES AFTER CANCELLATION

Line of business	2015-16	2014-15	Y/Y change
Internet	399	258	54.7%
Wireless	386	451	-14.4%
Local phone	295	248	19.0%
Long Distance	29	6	383.3%
TOTAL	1,109	963	15.2%

In our 2009-10 Annual Report we first discussed the problems we were seeing with the requirement imposed by many service providers that customers provide them thirty days’ notice of their intent to cancel their service. At that time, we discussed our concern with the impact that this requirement had on the ability of consumers to change service providers or to “port” their number to a new provider. Although we proposed a seemingly simple solution for the industry to consider, the practice continued and customers continued to complain about having to provide thirty days’ notice to cancel their service. We therefore continued raising this issue in every subsequent Annual Report.

In 2015-16 we continued to see customers raise concerns about having to provide notice to cancel service, or about being billed for service after it was cancelled, across all lines of business. While proportionally this issue accounts for a modestly increasing volume of the issues we see (7% of all problems raised by customers this year compared to 5% last year), it is a concern to see so many examples of it in connection with a practice that has been prohibited by the regulator.

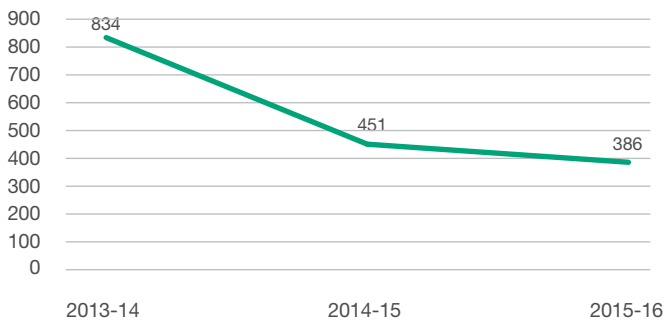


Topics and trends

Fewer wireless complaints

The CRTC prohibited the practice for post-paid wireless services in TWC, effective December 2013. Since then we have seen a steady decrease in the number of times wireless customers complained about having to provide thirty days' notice to cancel their service, now receiving 54% fewer such complaints compared to the period prior to the CRTC's prohibition.

TABLE 10: WIRELESS – 30-DAY NOTICE TO CANCEL/ CHARGES AFTER CANCELLATION

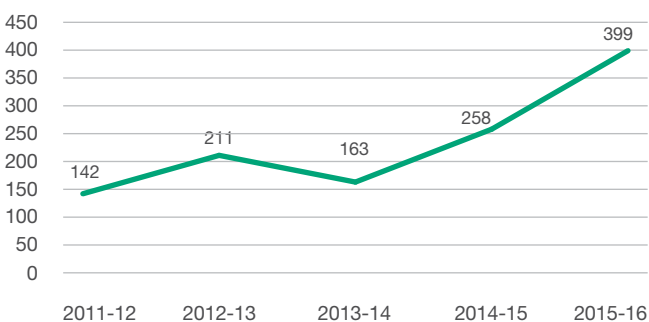


It is particularly interesting to note that in the year in which the CRTC prohibited the practice for wireless services (2013-14), we saw a particularly steep decrease in the number of times this issue was raised – 46% – and this in a year where complaints overall had decreased by only 17%.

Increase in Internet complaints

We note that a similar downward trend has not been seen in internet and phone complaints subsequent to the CRTC's prohibition of the practice for these services in January 2015 ([Broadcasting and Telecom Regulatory Policy 2014-576](#)). In fact in 2014-15, the fiscal year in which the CRTC prohibited the practice for internet service, this problem was raised 58% more often than the previous year. And in 2015-16 we saw another increase of 55%.

TABLE 11: INTERNET – 30-DAY NOTICE TO CANCEL/ CHARGES AFTER CANCELLATION, YEAR OVER YEAR



Some customers are still being told by their service providers that they are required to provide thirty days' notice to cancel service, when this practice is simply no longer permitted. Other customers are telling us that they feel that their service providers are still charging them for service after the cancellation date, because their service provider's practice is to bill customers until the end of the current billing cycle, and not to credit the charges related to the period between the cancellation date and the end of the bill cycle.

Service providers have told us that their interpretation of Broadcasting and Telecom Regulatory Policy 2014-576 was that they must cancel service immediately upon the customer's request, but that there was no requirement to credit the charges related to the period between the cancellation date and the end of the bill cycle. In May 2016 the CRTC released [Telecom Decision 2016-171](#) in which it clarified that service providers must credit the charges for services when some or all of the monthly service fees are billed in advance. These credits must be pro-rated based on the number of days left in the last monthly bill cycle after cancellation.

We are hopeful that this clarification will result in a reduction in the number of complaints we see about this issue in 2016-17.

TABLE 12: INTERNET – 30-DAY NOTICE TO CANCEL/ CHARGES AFTER CANCELLATION BY PSP (TOP 5)

Service provider	Number of times issue raised
Bell Canada	277
TELUS	33
Videotron	8
Xplornet	7
Rogers	7



Case study #2

On January 20 2016, an internet customer contacted his internet provider to cancel his internet service prior to the start of his new billing cycle. The customer informed us that his ISP did not cancel his service on the day he requested but rather two weeks later, after the start of a new bill cycle. Since the customer was subscribed to pre-authorized payments, funds for internet service for February 2016 had already been debited. When the customer called his ISP to complain that he had been billed past January 20, the date on which he requested that the service be cancelled, his ISP informed him that he was required to provide thirty days' notice to cancel his internet service.

We confirmed the details with both the customer and the ISP. We informed the ISP of the CRTC's prohibition on the practice requiring customers to provide thirty days' notice to cancel service. Thereafter the ISP agreed to credit the additional charges billed to the customer. The customer was satisfied with the resolution and the complaint was concluded accordingly.

Were the charges credited on the next bill?

We also received complaints from customers that cancelled their service just before the start of a new monthly billing cycle. These customers were surprised to receive an invoice with an additional month's service charges following their cancellation. However, unlike the cases discussed above, we did not find that the service providers were engaging in prohibited practices such as requesting notice for cancellation, but rather that their systems had automatically generated the next monthly bill prior to the cancellation, which the provider then reversed the following month.



Case study #3

A customer made a complaint after having received an invoice for internet service after he had cancelled it. The customer told us that he requested that his internet service be cancelled on April 12 but that he was billed for the service until April 21. The ISP told us that the customer's monthly billing cycle began on the 21st of each month and that its system had already prepared the April 21 invoice prior to having received the request to cancel service. During our investigation the service provider was able to demonstrate that the customer had been credited for all internet charges billed after April 12, the day he requested cancellation and that these credits appeared on the customer's May invoice. When we informed the customer of our findings, he agreed that the matter was now resolved.

MESSAGE: If a customer's request to cancel service is received shortly before the start of a new billing cycle, it is possible that the service provider has already prepared the new invoice, as many services are billed in advance. In these cases, we recommend that customers confirm with their service providers that the additional charges will automatically be credited on the next month's invoice. In the event that the charges are not credited, we invite customers to get in touch with their service provider to resolve the problem, failing which they may turn to us for assistance.

DATA AND ROAMING CAPS

Shared Data Plans

The Wireless Code (TWC) requires a wireless service provider to cap data overage charges to \$50 and roaming charges to \$100, in a monthly bill cycle, unless the customer expressly consents to pay additional charges. In last year's [Annual Report](#), we identified a concern related to the manner in which a customer's consent to incur these additional charges was sought in the context of shared data plans, where a pool of data is shared among a number of wireless device users.

The intent of this provision of TWC is to prevent bill shock, and TWC allows service providers to bill additional data or roaming charges above the \$50/\$100 cap only if the customer has provided express consent to pay additional charges. We interpret TWC to require that the consent to pay additional charges must be given by the account holder – the customer, the person who subscribed to the service – and not by the potentially numerous individual device users on the account. In our view this is the only way to make sense of TWC's intent to prevent bill shock in the context of multi-user plans.

We found that at least one major wireless provider does not cap data and roaming charges once they reach \$50 and \$100 respectively but instead multiplies this threshold by the number of devices activated on the account. For example, if a customer has four devices activated on a share plan, the service provider is not applying the data cap until total data overage charges on the account reach \$200, rather than \$50.

We are therefore surprised to see that this major wireless provider is still struggling with meeting these requirements of TWC. In 2015-16, we found 13 instances of service providers failing to properly apply the data overage cap, an increase of 160% compared to the previous year. And overall, issues relating to data and roaming caps were raised almost 350 times in consumer complaints this year.

We trust that the wireless industry understands that TWC requires service providers to apply the data cap once data overage charges reach \$50 in total (and the roaming cap once roaming charges reach \$100 in total), and not per active device. However, in light of the increasing number of breaches reported about section E3 (data use cap), we urge wireless providers to ensure that their notification and data/roaming cap systems comply with the requirements of TWC.

Topics and trends



Case study #4

A wireless customer complained to CCTS because he had been billed \$175 in data overage charges in December 2015 and \$105 in data overage charges in January 2016. When we investigated the complaint, we found that the customer had a family share data plan, with a total of nine devices activated on an account that was under his name.

Since section E3 of TWC requires that service providers cap additional data charges at \$50 in any monthly billing cycle, we asked the service provider how the customer could have been billed \$175 and \$105 for the two months in question. The service provider informed us that it did not cap the data overage charges at \$50 per month, explaining that its policy was to multiply this threshold by the number of devices activated on the account. In this case, that meant that the customer would have had to incur an additional \$450 of data overage charges before the data was capped.

We concluded that the service provider breached section E.3(i) of the Code as the it did not cap the data overage charges at \$50 per account as required by TWC. The service provider informed us that it was aware that it had breached this requirement of TWC.



Case study #5

A wireless customer had subscribed to a provider's share everything plan, which provided him with 2.5 GB of data to be shared among the three devices activated on his account. The customer submitted a complaint to us when he was billed \$110 in additional data charges on his December 2015 invoice. The service provider informed us that since there were three devices activated on the account, its operating practice was to multiply the \$50 limit for data overage charges by the number of devices activated on the account. As such, the data cap would only have been applied when the account incurred \$150 of data overage charges.

We informed the service provider that we believed it was in breach of section E3 of TWC and the provider agreed to credit the charges in dispute, resolving the complaint to the customer's satisfaction.

MESSAGE: We understand that certain service providers are only capping additional data charges on share-type plans once those charges reach \$50 per activated device and not when the charges reach \$50 in total. Although the service provider in question is aware that it is in breach of this requirement of TWC, it has yet to inform us that its policies, procedures and systems have been updated to ensure compliance.



International Data Roaming

Section E1 of TWC requires wireless providers to inform customers when their device is roaming in another country and to provide the customer with the rates for voice, text and data services.

Although we received fewer complaints in 2015-16 about roaming charges generally, we confirmed 8 breaches of section E1, an increase of 60% from last year. In reviewing these complaints, we noticed that customers are telling us that they are not always receiving the international roaming notification required by TWC.



Case study #6

A customer was using her device while travelling in France starting on July 20 2016. She claims that it was only after three weeks of travel that she received the international roaming notification and associated rates from her provider. The customer immediately called her provider, which informed her that she had already incurred over \$1,000 in voice roaming charges.

During the course of investigating this complaint, we asked the service provider to demonstrate to us that it had indeed sent the international roaming notification required by the Code. The provider gave us copies of its policies indicating that it does send an international roaming notification message, but could only demonstrate that such notice had been sent on August 5, approximately two and a half weeks after the customer started roaming, which was consistent with the customer's complaint. We informed the provider that it was in breach of section E1 of TWC. It offered to credit all charges incurred by the customer between July 20 and August 5, the date on which it was able to demonstrate having sent the international roaming notification. The customer received a credit of over \$850.

MESSAGE: Wireless providers must ensure that their systems and procedures are compliant with the requirements of TWC. Given that the intent of the international roaming notification is to avoid bill shock, it is not sufficient to send the notice after the customer has already begun to incur roaming costs.

Topics and trends

Potential Gap in Consumer Protection – Voice Roaming?

Although TWC requires wireless providers to cap data charges to \$50 and data roaming charges to \$100 in any monthly billing cycle, it does not require service providers to cap national or international voice roaming charges. The CRTC is currently in the process of reviewing TWC and has invited interested parties to provide comments on its effectiveness. In the context of that proceeding, we have raised this potential gap in consumer protection and asked the CRTC to consider whether it wishes to address this omission. Our complete [comments](#) in that proceeding can be found on the public record of the CRTC's proceeding.

DISPUTES BETWEEN SERVICE PROVIDERS

In the telecommunications industry, service providers often buy services from one another – and rely on those “wholesale” services to serve their retail customers. When the two service providers have a dispute about those wholesale services, though, what happens to the retail customers caught in the crossfire?

In our [2013-14 Annual Report](#) we discussed one example and the impact on many retail customers who lost their service (and their phone numbers) as a result. Although CCTS tried to help resolve the matter, disputes between service providers are outside of our mandate.

Since that time, we have seen at least three other situations in which a commercial dispute between service providers has negatively impacted the retail customers using the service.

In June 2015, we began to receive complaints from the retail customers of a small VoIP phone provider who were being prevented from transferring their phone number to a new provider. The small VoIP provider contacted us and when we looked into the matter, we found that its vendor was claiming that it had not been paid and, therefore, was preventing the retail customers of the small VoIP provider from moving their service to a new provider. Working with the small VoIP provider's vendor, we were able to find a solution for those retail customers that wished to change providers and keep their assigned telephone numbers. Some of the affected retail customers took advantage of that solution.

In January 2016, a service provider again cut off the wholesale services it was selling to another service provider, due to an ongoing commercial dispute, in a way that resulted in disconnecting service to over 25,000 retail customers. Neither of the service providers involved was a CCTS participant. The CRTC helped them resolve their dispute, which allowed for the reconnection of service to the affected customers.



“I appreciate the efforts put out by the CCTS.”

– N.I., a home phone customer

More recently, we received a complaint from a small business customer whose service was disconnected without notice. When we investigated the complaint, we found that the service had been disconnected as a result of a commercial dispute between her provider and the vendor providing it with wholesale service. This customer lost her service and also her phone number.

We are extremely concerned about the impact such commercial disputes can have on Canadians, in particular since in some cases customers lost their service without notice. As we discussed in our 2013-14 Annual Report, we can't understand why customers should lose their service, and possibly their phone numbers, through no fault of their own, solely as a result of a commercial dispute between service providers.

In August 2016, the CRTC issued Telecom Notice of Consultation CRTC 2016-333, designed to review the disconnection practices between telecommunications service providers, in order to mitigate the effects of these practices on retail customers. We are pleased to see the CRTC step in to address this matter and are happy to have been able to provide [input](#) regarding our experience dealing with these complaints.



CODE OF CONDUCT REPORTING

SECTION CONTENT

Background

19

How we use TWC and the D&D Code

19

The Wireless Code Terminology

20

The Deposit and Disconnection Code

23

Background

We're responsible for administering two codes of conduct developed by the CRTC:

- TWC, which applies to consumer and small business wireless services; and
- D&D Code, which applies only to residential home phone services. Our core mandate is to facilitate the resolution of complaints between consumers, including small businesses, and their service providers. In attempting to resolve complaints, and during the course of our investigations, we seek to determine whether the service provider reasonably met its responsibilities towards its customer. We use the Codes as yardsticks against which we can measure service provider conduct in the context of our complaint-resolution activities. We're also tasked with reporting on our activities related to the administration of these two Codes. On the next page, you'll find our reports.

How we use TWC and the D&D Code

All complaints go through the same complaint-handling process described [here](#). Our staff study complaints in which the customer alleges, or we suspect, issues of non-compliance with either Code ("alleged breaches"), and we track these according to the section that may have been breached. We don't investigate every alleged breach of the Codes. Complaints that are resolved to the mutual satisfaction of the customer and the service provider don't receive additional analysis to determine whether a breach occurred. This is because in most cases, the evidence required to make such a determination wasn't obtained and examined, because it wasn't necessary to do so in order to resolve the complaint. Only those complaints that require a full investigation are analyzed to determine whether a breach of either Code occurred. In cases where our investigation leads us to believe that a breach may have occurred, we inform the service provider and offer it an opportunity to respond before we proceed to confirm the breach.

"I was very pleased with the results and how quickly my complaint was resolved."

- P.M., a wireless customer

Code of conduct reporting

The Wireless Code

In its development of TWC, the CRTC sought to ensure that consumers of retail voice and data services are better informed of the rights and obligations contained in their contracts with wireless service providers. TWC applies to individual and small business consumers, and all wireless service providers must follow its guidelines. When it created TWC, the CRTC asked us to administer it and report our findings.

The report below details the number of times we dealt with complaints that raised potential breaches of TWC, as well as the number of times we were able to confirm whether a breach of TWC did (or didn't) occur. We identified the specific sections of TWC that were breached as well as the wireless service provider involved. The results should be read in light of the process described above as well as the terminology described to the right.



Terminology

ALLEGED BREACH

When a customer claims that the service provider failed to perform an obligation under TWC, or when a CCTS staff member identifies a potential TWC breach based on the details of a complaint. Each breach references an individual section of the Code. Thus, more than one alleged breach may be recorded in a complaint.

CONFIRMED BREACH

When we can confirm, based on our investigation, that a provision of TWC has been breached.

NO BREACH

When we have investigated an alleged breach and concluded that the service provider didn't breach TWC.

TABLE 13: SUMMARY OF TWC BREACHES



TABLE 14: TWC CONFIRMED BREACHES BY SECTION

Section	2015-16		2014-15		% change Y/Y
	Number of confirmed breaches	% of total confirmed breaches	Number of confirmed breaches	% of total confirmed breaches	
A. Clarity	11	4.5%	51	8.8%	-78.4%
A.1. Plain language	8	3.3%	3	0.5%	166.7%
A.2. Prices	0	0.0%	1	0.2%	–
A.3. Unlimited services	3	1.2%	47	8.1%	-93.6%
B. Contracts and related documents	73	29.7%	148	25.4%	-50.7%
B.1(i-ii) Permanent copy of the contract and related documents	15	6.1%	22	3.8%	-31.8%
B.1(iv) a-e Key Terms and Conditions	31	12.6%	63	10.8%	-50.8%
B.1(iv) f-m Key Terms and Conditions	24	9.8%	63	10.8%	-61.9%
B.2 Prepaid service contracts	3	1.2%	0	0.0%	–
C. Critical Information Summary	2	0.8%	11	1.9%	-81.8%
C.1. Critical Information Summary	2	0.8%	11	1.9%	-81.8%
D. Changes to contracts and related documents	11	4.5%	162	27.8%	-93.2%
D.1. Changes to key contract terms and conditions	9	3.7%	72	12.4%	-87.5%
D.2. Changes to other contract terms and conditions or related documents	2	0.8%	90	15.5%	-97.8%
E. Bill management	21	8.5%	14	2.4%	50.0%
E.1. International roaming notification	8	3.3%	5	0.9%	60.0%
E.2. Cap on data roaming charges	0	0.0%	2	0.3%	–
E.3. Cap on data overage charges	13	5.3%	5	0.9%	160.0%
E.4. Unsolicited wireless services	0	0.0%	2	0.3%	–
F. Mobile device issues	3	1.2%	4	0.7%	-25.0%
F.1. Unlocking	3	1.2%	4	0.7%	-25.0%
G. Contract cancellation and extension	10	4.1%	9	1.5%	11.1%
G.1. Early cancellation fees – General	5	2.0%	2	0.3%	150.0%
G.2. Early cancellation fees – Calculation – Subsidized device	4	1.6%	0	0.0%	–
G.4. Trial Period	0	0.0%	3	0.5%	–
G.5. Cancellation date	1	0.4%	4	0.7%	-75.0%
H. Security deposits	4	1.6%	1	0.2%	300.0%
H.1. Requesting, reviewing, and returning a security deposit	4	1.6%	1	0.2%	300.0%
I. Disconnection	111	45.1%	182	31.3%	-39.0%
I.1. When disconnection may occur	11	4.5%	7	1.2%	57.1%
I.2. Notice before disconnection	99	40.2%	173	29.7%	-42.8%
I.3. Disputing disconnection charges	1	0.4%	2	0.3%	-50.0%
TOTAL	246		582		-57.7%

Code of conduct reporting

TABLE 15: TWC CONFIRMED BREACHES BY SERVICE PROVIDER, YEAR OVER YEAR

Service provider	2014-15		2015-16											
	Number of confirmed breaches	% of all confirmed breaches	Number of confirmed breaches	% of all confirmed breaches	Y/Y Change	Section A. Clarity	Section B. Contracts and related documents	Section C. Critical Information Summary	Section D. Changes to contracts and related documents	Section E. Bill management	Section F. Mobile device issues	Section G. Contract cancellation and extension	Section H. Security deposits	Section I. Disconnection
Bell	64	11.0%	102	41.5%	59.4%	2.0%	20.6%	1.0%	8.8%	10.8%	–	2.9%	1.0%	52.9%
Wind	422	72.5%	52	21.1%	-87.7%	9.6%	51.9%	1.9%	–	–	3.8%	1.9%	1.9%	28.8%
Virgin	51	8.8%	27	11.0%	-47.1%	–	18.5%	–	7.4%	18.5%	3.7%	11.1%	–	40.7%
Rogers	10	1.7%	19	7.7%	90.0%	5.3%	36.8%	–	–	5.3%	–	–	10.5%	42.1%
Fido	13	2.2%	14	5.7%	7.7%	7.1%	21.4%	–	–	14.3%	–	–	–	57.1%
Telus	7	1.2%	12	4.9%	71.4%	–	8.3%	–	–	0.0%	–	16.7%	–	75.0%
Phonebox	0	–	10	4.1%	–	10.0%	60.0%	–	–	20.0%	–	–	–	10.0%
Koodo	0	–	5	2.0%	–	–	20.0%	–	–	–	–	20.0%	–	60.0%
Videotron	0	–	3	1.2%	–	33.3%	–	–	–	–	–	–	–	66.7%
Mobilicity	0	–	1	0.4%	–	–	100.0%	–	–	–	–	–	–	–
PC Mobile	0	–	1	0.4%	–	–	100.0%	–	–	–	–	–	–	–
8COM	11	1.9%	0	–	–	–	–	–	–	–	–	–	–	–
Tbaytel	3	0.5%	0	–	–	–	–	–	–	–	–	–	–	–
Petro Canada Mobility	1	0.2%	0	–	–	–	–	–	–	–	–	–	–	–
TOTAL	582		246		-57.7%									

The Deposit and Disconnection Code

The D&D Code was developed by the industry, approved by the CRTC, and came into effect in May 2012. It's a mandatory code of conduct that provides residential home phone customers with certain protections in cases where they're required to provide a deposit as a condition of obtaining home phone service, or when a service provider intends to disconnect the customer's home phone service.

TABLE 16: D&D CONFIRMED BREACHES BY SECTION

Section	2015-16		2014-15	
	Number of confirmed breaches	% of total confirmed breaches	Number of confirmed breaches	% of total confirmed breaches
2.1 Overcharge of security deposit	0	0.0%	1	5.3%
2.3 Fail to review/refund	1	4.0%	0	0.0%
3.2 Notice at least 14 days prior	11	44.0%	7	36.8%
3.3 Advise customer 24 hours prior	10	40.0%	8	42.1%
3.4 Disconnection outside prescribed hours	3	12.0%	0	0.0%
3.5 Improper disconnection	0	0.0%	2	10.5%
3.6 Disconnection during dispute	0	0.0%	1	5.3%
TOTAL	25	100%	19	100%

TABLE 17: SUMMARY OF D&D CODE BREACHES



Code of conduct reporting

TABLE 18: D&D CONFIRMED BREACHES BY SERVICE PROVIDER

Service provider	2014-15		2015-16						
	Number of confirmed breaches	% of all confirmed breaches	Number of confirmed breaches	% of all confirmed breaches	Y/Y Change	Section 2.3 Fail to review/refund	Section 3.2 Notice at least 14 days prior	Section 3.3 Advise customer 24 hours prior	Section 3.4 Disconnection outside prescribed hours
Bell Canada	10	52.6%	22	88.0%	120.0%	4.5%	45.5%	36.4%	13.6%
Primus	0	–	2	8.0%	–	–	50.0%	50.0%	–
Yak	0	–	1	4.0%	–	–	–	100%	–
Vonage	3	15.8%	0	–	–	–	–	–	–
Bell Aliant	2	10.5%	0	–	–	–	–	–	–
Telus	2	10.5%	0	–	–	–	–	–	–
Vbuzzer	2	10.5%	0	–	–	–	–	–	–
TOTAL	19	100%	25	100%	31.6%	–	–	–	–



“Extremely happy with the results. Thank you very much!”

– A.N., a home phone customer

WORKING WITH PARTICIPATING SERVICE PROVIDERS

In this section, we present the results for those service providers that have been the subject of the greatest number of complaints. We also discuss some of the challenges we have faced working with service providers, including those related to compliance with their obligations.


TABLE 19: TOP 25 PSPS BY COMPLAINTS ACCEPTED (2015-16)

Service provider	Accepted Complaints	Percentage of all Complaints	Y/Y % Change of Complaints Accepted	Concluded Complaints	Resolution Rate (% of all resolved complaints vs all concluded; 89% global)	Escalation Rate (% of all escalated complaints vs all concluded; 24% global)	% of Escalations Escalated Due to 6.6 of Proc. Code (17% global)
Bell Canada	2,940	35.9%	-18.3%	2,972	86.5%	28.2%	1.2%
Rogers	861	10.5%	-52.5%	848	95.0%	12.1%	8.7%
Telus	570	7.0%	22.3%	551	86.8%	18.5%	2.9%
Wind	498	6.1%	-29.1%	553	93.5%	29.1%	7.5%
Virgin	497	6.1%	-18.3%	499	91.6%	20.6%	1.0%
Fido	453	5.5%	-25.4%	463	92.0%	8.4%	7.7%
Videotron	402	4.9%	28.4%	417	90.9%	16.3%	14.7%
Koodo	207	2.5%	18.3%	201	85.6%	20.9%	7.1%
Xplornet	188	2.3%	86.1%	190	93.7%	23.7%	8.9%
Comwave	160	2.0%	11.9%	157	94.3%	15.3%	4.2%
Primus	122	1.5%	-2.4%	110	95.5%	14.5%	43.8%
Shaw	85	1.0%	14.9%	82	86.6%	17.1%	7.1%
Bell Aliant	82	1.0%	-42.3%	84	89.3%	22.6%	10.5%
Acanac	78	1.0%	21.9%	64	90.6%	50.0%	62.5%
Mobilicity	67	0.8%	-14.1%	69	88.4%	36.2%	32.0%
ACN Canada	64	0.8%	-22.0%	67	92.5%	28.4%	31.6%
MTS	62	0.8%	3.3%	65	98.5%	10.8%	14.3%
Cogeco	49	0.6%	-38.8%	51	98.0%	9.8%	60.0%
TekSavvy	48	0.6%	20.0%	56	92.9%	25.0%	21.4%
Public Mobile	46	0.6%	-16.4%	45	88.9%	11.1%	20.0%
Vonage	40	0.5%	-20.0%	42	92.9%	26.2%	45.5%
Eastlink	38	0.5%	72.7%	37	94.6%	37.8%	7.1%
Brama Telecom	37	0.5%	-17.8%	51	31.4%	100.0%	100.0%
Distributel	27	0.3%	-15.6%	29	79.3%	44.8%	69.2%
Chatr	25	0.3%	212.5%	25	92.0%	28.0%	28.6%
Sasktel	25	0.3%	-47.9%	24	95.8%	4.2%	0.0%

Working with Participating Service Providers


Top 10 Participating Service Provider (PSP) profiles

1. BELL




86.5%
Resolution rate

2,940
Number of accepted complaints 2015-16






35.9%
of all complaints

-18.3% Change of complaints accepted compared to 2014-15

 **28.2%** Escalation rate (% of all escalated complaints vs all concluded; 24% global)

Wireless Code breaches				Y/Y CHANGE	TOP 3 BREACHES OF THE WIRELESS CODE
2015-16	2014-15			2015-16	
41.5%	102	11.0%	64	59.4%	22 Section 12(ii) 21 Section 12(iii) 8 Section E3(i)

TOP 3 ISSUES RAISED IN COMPLAINTS IN 2015-16	2015-16	2014-15	% Y/Y CHANGE	TRENDS
 Non-disclosure of terms/Misleading information about terms	727	945	-23.1%	This year we received more than three times as many complaints about Bell than we did for the second ranked service provider. We saw considerable increases in complaints regarding cancellation as well as credit and refund policies. Also prominent was a rise in Bell's small business complaints concerning automatic 3-year contract renewals coupled with cancellation fees. Bell also had almost twice as many confirmed Wireless Code breaches as the next-highest provider, and 88% of the D&D Code breaches. Conversely, Bell complaints regarding the non-disclosure of terms and misleading information about terms, as well as incorrect charges, declined notably this year.
 Incorrect charge	672	1,183	-43.2%	
 30-day notice to cancel/Charges billed after cancellation	628	439	43.1%	

OCTS ANNUAL REPORT 2015-16

26

Working with Participating Service Providers

2. ROGERS



95.0%
Resolution rate

861
Number of accepted complaints 2015-16



10.5%
of all complaints

-52.5% Change of complaints accepted compared to 2014-15

12.1% Escalation rate (% of all escalated complaints vs all concluded; 24% global)

Wireless Code breaches

2015-16

7.7% | **19**

2014-15

1.7% | **10**

Y/Y CHANGE

90.0%

TOP 3 BREACHES OF THE WIRELESS CODE

- 3** Section 12(ii)
- 3** Section 12(iii)
- 2** Section B1(iv)^a
- 2** Section 12(i)

TOP 3 ISSUES RAISED IN COMPLAINTS IN 2015-16

COMPARED TO 2014-15

% Y/Y CHANGE



Non-disclosure of terms/Misleading information about terms

242

534

-54.7%



Incorrect charge

169

499

-66.1%



Intermittent/Inadequate quality of service

109

133

-18.0%

TRENDS

Rogers has been proactively working with CCTS to gain a better understanding of the issues driving complaints. As a result of these efforts, we've seen a significant drop in accepted complaints. We've also reported a marked decrease in issues of non-disclosure of terms and misleading information about contract terms as well as incorrect charges.

Even though we recorded just one TWC breach, CCTS is concerned about a policy adopted by Rogers related to data overage charges on wireless accounts with more than one device activated. Rogers is calculating TWC requirement to cap data charges at \$50 incorrectly in these cases as it is multiplying this cap by the number of active devices on the account. In our view this is contrary to the requirements of TWC, which we discuss further in our [Topics and Trends](#) section.

Working with Participating Service Providers

3. TELUS



86.8%
Resolution rate

570
Number of accepted complaints 2015-16



7.0%
of all complaints

22.3% Change of complaints accepted compared to 2014-15

18.5% Escalation rate (% of all escalated complaints vs all concluded; 24% global)

Wireless Code breaches

2015-16

4.9% | **12**

2014-15

1.2% | **7**

Y/Y CHANGE

71.4%

TOP 3 BREACHES OF THE WIRELESS CODE

- 4** Section 12(ii)
- 4** Section 12(iii)
- 2** Section G1(i)

TOP 3 ISSUES RAISED IN COMPLAINTS IN 2015-16

COMPARED TO 2014-15

% Y/Y CHANGE



30-day notice to cancel/Charges billed after cancellation

127

43

195.3%



Non-disclosure of terms/Misleading information about terms

89

82

8.5%



Credit reporting

74

85

-12.9%


TRENDS

Accepted complaints rose considerably this year. Particularly noteworthy is the nearly three-fold increase in the number of complaints about the 30-day notice to cancel/charges billed after cancellation, as we understand that in certain cases TELUS continues to charge customers for the entire month when they cancel service before the end of their monthly bill cycle, instead of charging only for the period until cancellation.

TELUS' slightly lower resolution rate, compared to the other large PSPs, may possibly be attributed to its success at investigating and resolving complaints in-house that don't warrant escalation to CCTS. Therefore, the TELUS complaints that the CCTS does receive are more contentious and TELUS, having already performed a thorough review, is perhaps less inclined to resolve them.


Working with Participating Service Providers

4. WIND




93.5%
Resolution rate

498
Number of accepted complaints 2015-16






6.1%
of all complaints

-29.1% Change of complaints accepted compared to 2014-15


 **29.1%** Escalation rate (% of all escalated complaints vs all concluded; 24% global)

Wireless Code breaches				Y/Y CHANGE	TOP 3 BREACHES OF THE WIRELESS CODE
2015-16	2014-15				
21.1%	52	72.5%	422	-87.7%	<ul style="list-style-type: none"> 5 Section 12(ii) 5 Section 12(iii) 3 Section A1(ii) 3 Section B1(iv)m.iv

TOP 3 ISSUES RAISED IN COMPLAINTS IN 2015-16	COMPARED TO 2014-15		% Y/Y CHANGE	<p>TRENDS</p> <p>There was a sharp rise in the number of complaints related to the 30-day notice to cancel/charges billed after cancellation, as WIND continues to charge customers for the entire month when they cancel service before the end of their monthly bill cycle, instead of charging only for the period until cancellation.</p> <p>Once again this year, service delivery was among the top issues raised in complaints. However, there was a notable reduction in the number of accepted WIND complaints as well as a pronounced decrease in Wireless Code breaches.</p>
 30-day notice to cancel/Charges billed after cancellation	132	32	312.5%	
 Non-disclosure of terms/Misleading information about terms	131	225	-41.8%	
 Intermittent/Inadequate quality of service	85	174	-51.1%	


Working with Participating Service Providers

5. VIRGIN



91.6%
Resolution rate

497
Number of accepted complaints 2015-16



6.1%
of all complaints

-18.3% Change of complaints accepted compared to 2014-15

20.6% Escalation rate (% of all escalated complaints vs all concluded; 24% global)

2015-16

11.0% | **27**

Wireless Code breaches

2014-15




8.8% | **51**

Y/Y CHANGE




-47.1%

TOP 3 BREACHES OF THE WIRELESS CODE




- 4** Section 12(ii)
- 3** Section 12(iii)
- 3** Section E1(i)

TOP 3 ISSUES RAISED IN COMPLAINTS IN 2015-16	2015-16	COMPARED TO 2014-15	% Y/Y CHANGE	TRENDS
 Non-disclosure of terms/Misleading information about terms	133	153	-13.1%	Accepted complaints declined slightly as did the number of issues concerning non-disclosure of terms and misleading information about contract terms, as well as incorrect charges. These declines were offset by a marginal increase in complaints concerning data overage charges, which may arise from incomplete contracts. We have seen a number of Virgin contracts that do not clearly indicate the amount of data included in the customer's plan.
 Data charges	84	68	23.5%	
 Incorrect charge	60	84	-28.6%	

Working with Participating Service Providers


6. FIDO	 92.0% Resolution rate	453 Number of accepted complaints 2015-16	 5.5% of all complaints
	-25.4% Change of complaints accepted compared to 2014-15	 8.4% Escalation rate (% of all escalated complaints vs all concluded; 24% global)	

Wireless Code breaches			TOP 3 BREACHES OF THE WIRELESS CODE
2015-16	2014-15	Y/Y CHANGE	
5.7% 14	2.2% 13	7.7%	<ul style="list-style-type: none"> 4 Section 12(ii) 4 Section 12(iii) 2 Section E1(i)

TOP 3 ISSUES RAISED IN COMPLAINTS IN 2015-16		COMPARED TO 2014-15	% Y/Y CHANGE	TRENDS A moderate decrease in accepted complaints was noted as a result of fewer customers raising issues about non-disclosure of terms/misleading information about terms, as well as data charges. Of the top ten PSPs, Fido did the best job of preventing complaints from escalating to the investigation stage of our process. Only 8.4% of all Fido complaints had to be formally investigated as compared to an overall rate of 24%.
 Non-disclosure of terms/Misleading information about terms	89	139	-36.0%	
 Data charges	58	103	-43.7%	
 Intermittent/Inadequate quality of service	45	49	-8.2%	

Working with Participating Service Providers

7. VIDEOTRON




90.9%

Resolution rate

402

Number of accepted complaints 2015-16



4.9%

of all complaints




28.4%

Change of complaints accepted compared to 2014-15

16.3%


Escalation rate (% of all escalated complaints vs all concluded; 24% global)

2015-16		2014-15		Y/Y CHANGE	TOP 3 BREACHES OF THE WIRELESS CODE
Wireless Code breaches 1.2% 3		0% 0		-	

TOP 3 ISSUES RAISED IN COMPLAINTS IN 2015-16	2015-16	COMPARED TO 2014-15	% Y/Y CHANGE	TRENDS
 Non-disclosure of terms/Misleading information about terms	132	70	88.6%	Although total complaints to CCTS decreased 18% this year, there was a 28% increase in Videotron complaints. Of the complaints accepted, non-disclosure of terms and misleading information about terms, as well as incorrect charges, were the issues that had the most significant increases. This is the first year since TWC came into effect that Videotron has had Wireless Code breaches, although there were just 3 breaches reported.
 Incorrect charge	123	92	33.7%	
 Breach of contract	55	23	139.1%	


Working with Participating Service Providers

8. KOODO



85.6%
Resolution rate

207
Number of accepted complaints 2015-16






2.5%
of all complaints

18.3% Change of complaints accepted compared to 2014-15


20.9% Escalation rate (% of all escalated complaints vs all concluded; 24% global)

2015-16		Wireless Code breaches 2014-15		Y/Y CHANGE	TOP 3 BREACHES OF THE WIRELESS CODE
2.0%	5	0%	0	-	

TOP 3 ISSUES RAISED IN COMPLAINTS IN 2015-16		COMPARED TO 2014-15	% Y/Y CHANGE	TRENDS Accepted complaints rose modestly. Credit reporting continued to be a top-ranking issue again this year. Also significant was the rise in the number of complaints relating to the 30-day notice to cancel/charges billed after cancellation as KOODO continues to charge customers for the entire month when they cancel service before the end of their monthly bill cycle, instead of charging only for the period until cancellation.
 Credit reporting	54	30	80.0%	
 Non-disclosure of terms/Misleading information about terms	35	38	-7.9%	
 30-day notice to cancel/Charges billed after cancellation	29	11	163.6%	

Working with Participating Service Providers

9. XPLORNET




93.7%

Resolution rate

188

Number of accepted complaints 2015-16




2.3%

of all complaints

86.1%

Change of complaints accepted compared to 2014-15





|






23.7%

Escalation rate (% of all escalated complaints vs all concluded; 24% global)




Wireless Code breaches			TOP 3 BREACHES OF THE WIRELESS CODE
2015-16	2014-15	Y/Y CHANGE	N/A
N/A	N/A	N/A	N/A

TOP 3 ISSUES RAISED IN COMPLAINTS IN 2015-16	COMPARED TO 2014-15		% Y/Y CHANGE	<p>TRENDS</p> <p>The 86% increase in complaints accepted is cause for concern, especially in a year in which complaints globally are down by 18%. Of the issues raised, intermittent and inadequate quality of service was the most-complained about issue, followed by complaints about contract-related issues.</p>
 Intermittent/Inadequate quality of service	111	44	152.3%	
 Breach of contract	30	7	328.6%	
 Non-disclosure of terms/ Misleading information about terms	29	17	70.6%	
 Legitimacy and amount of ECF	29	20	45.0%	

Working with Participating Service Providers

10. COMWAVE	 94.3% Resolution rate	160 Number of accepted complaints 2015-16	 2.0% of all complaints
	11.9% Change of complaints accepted compared to 2014-15	 15.3% Escalation rate (% of all escalated complaints vs all concluded; 24% global)	

Wireless Code breaches			TOP 3 BREACHES OF THE WIRELESS CODE
2015-16	2014-15	Y/Y CHANGE	
N/A	N/A	N/A	N/A

TOP 3 ISSUES RAISED IN COMPLAINTS IN 2015-16	2015-16	2014-15	COMPARED TO 2014-15	% Y/Y CHANGE	TRENDS
 Legitimacy and Amount of ECF	73	46		58.7%	Accepted complaints rose marginally. Legitimacy of ECF issues, where customers disputed the validity and amount of cancellation fees charged, experienced the most significant increase. This year we noticed a number of complaints from Comwave's long distance customers who, in addition to the charges for their long distance calls, were also surprised to be billed a US dollar exchange rate to reflect Comwave's purchase of network access in US dollars.
 Non-disclosure of terms/Misleading information about terms	48	37		29.7%	
 Intermittent/Inadequate quality of service	36	29		24.1%	

Working with Participating Service Providers

Challenges with service provider compliance

Companies that provide retail telecommunications services must comply with a number of CCTS-related obligations. These can be broken down into two broad categories:

- Obligations on non-CCTS participant providers when CCTS receives a customer complaint; and
- Obligations on Participating Service Providers by virtue of their participation in CCTS.

NON-PARTICIPANTS

Some telecom service providers do not participate in CCTS. The CRTC's regulatory requirement permits this, provided that the provider falls below a minimum revenue threshold. These providers are typically small companies, or new entities. However, if we receive a complaint about a service provider that does not yet participate in CCTS, it is required by the CRTC to join CCTS. We do everything in our power to get these service providers to sign up, and we're generally successful in doing so. But some providers simply refuse to join CCTS. If we're unable to persuade them to become a Participating Service Provider, we refer the matter to the CRTC for further action.

We publicize the identities of these providers on our [Non-Compliant Providers](#) web page, which we update from time to time.

CCTS PARTICIPANTS

When a service provider signs up with CCTS, it signs a Participation Agreement, a contract by which it agrees to do a number of things. The key things that it agrees to do are:

1. comply with the Procedural Code, including responding to complaints and implementing resolutions, as well as Recommendation and Decisions;
2. comply with the requirements of the Public Awareness Plan;
3. provide revenue reporting (for CCTS funding purposes) when requested; and
4. pay the fees billed to it by CCTS.

In Broadcasting and Telecom Regulatory Policy CRTC 2016-102, the CRTC asked CCTS to more actively monitor and encourage compliance by providers with these requirements, to work with providers to achieve compliance, and to do everything in CCTS' power to enforce these obligations. CCTS has the authority to "name and shame" providers that fail to comply by prominently identifying them and publicizing the details of their non-compliance. It is hoped that such publication will "shame" them into becoming compliant, and will also let consumers know which providers are failing to meet their obligations.

For 2016-17 we have budgeted for additional resources, both human and financial, to address these compliance challenges. We will give Participating Service Providers an opportunity to become compliant, and thereafter we will report publicly on the status of these efforts.

We have available some information about compliance issues with CCTS Participating Service Providers, which we describe below.

PSP compliance challenges 2015-16

FAILURE TO PROVIDE RESPONSES TO COMPLAINTS

CCTS is identifying compliance challenges related to PSPs which have failed to comply with various aspects of the Procedural Code.

When we receive a customer complaint, we send it to the PSP, which has 30 days to attempt to resolve it. If unable to do so, the PSP is required to send CCTS a comprehensive reply to the complaint, setting out its position, and including copies of documents relevant to the complaint. We began identifying compliance challenges with this obligation in our [2010-11 Annual Report](#). Here is a historical summary of the rate of non-compliance with this requirement:

TABLE 20: PSPS – FAILURE TO RESPOND TO COMPLAINTS

Year	Rate of Non-Compliance
2010-11	12%
2011-12	41%
2012-13	24%
2013-14	19%
2014-15	11%
2015-16	17%

Working with Participating Service Providers

After the unacceptable results of 2011-12, we made significant efforts to work with PSPs to improve their compliance with this requirement, and the table above shows our success. So we are disappointed to see this percentage trending back up after three years of improved compliance. In 2015-16, we received a total of 357 non-compliant replies. The table below identifies the PSPs which failed to comply with this obligation in 2015-16, and the number of times they did so:

TABLE 21: LIST OF PSPS THAT FAILED TO PROVIDE A COMPLAINT RESPONSE

Service provider	Number	Service provider	Number	Service provider	Number
Brama Telecom	45	TekSavvy	3	Canopco	1
Acanac	30	Telus	3	Cityfone	1
NECC	19	Voice Network	3	Cogeco Data Services	1
Speak Out Wireless	18	Worldline	3	Comwave	1
Pulse Telecom	13	Yak	3	EasyVoice	1
WIND	11	Zazeen	3	Espacenet	1
Bell Canada	10	Auracom	2	Gems	1
Distributel	10	Bell Aliant	2	Gold Leaf	1
Phonebox	10	Chatr	2	HuronTel	1
Videotron	10	Eastlink	2	Impact	1
Mobilicity	9	G3 Telecom	2	Kingston Online Services	1
Rogers	9	Internet LightSpeed	2	Lycatalk	1
Primus	8	iRoam	2	MTS	1
Vois	8	Magic Jack Tel	2	NECC CA	1
CCI Wireless	6	My BC Datacom	2	Netfone	1
ACN Canada	5	NetSet	2	OpenFace	1
Bravo	5	Northern Tel	2	Oricom	1
Vonage	5	Nucleus Information Service	2	Public Mobile	1
Xittel	4	Phone Power	2	RadioActif	1
Xplornet	4	Startec	2	Seaside	1
Axsit	3	Telebec	2	Shaw	1
Cogeco	3	Uniserve	2	Smart	1
EBOX	3	WiMac Tel	2	Telehop	1
Epik Networks	3	1010620	1	Telizon	1
Fido	3	AEI Internet	1	Tel-Synergy	1
Horizon	3	Arrow	1	Vbuzzer	1
Koodo	3	B2B2C	1	Velcom	1
O.N. Tel	3	BabyTel	1	Virgin	1
Petro Canada Mobility	3	Cable Axion	1	Vox Sun	1
Platinum	3	Canada Relink	1	TOTAL	357

Working with Participating Service Providers

FAILURE TO IMPLEMENT RESOLUTIONS, RECOMMENDATIONS AND DECISIONS

When a PSP fails to provide a timely response to a complaint, it delays the resolution of a customer's complaint and increases costs. But it doesn't prevent us from investigating the complaint. We simply rely on the information and documents provided by the customer, as well as any other information available to us.

Our Procedural Code allows us to require PSPs to take various steps to resolve customer complaints. But in 2015-16, three PSPs failed to implement **binding** complaint dispositions arising from CCTS investigations. This is a core PSP obligation, and failure to comply goes to the heart of the work we do.

Brama Telecom – in 2014-15 we accepted 45 complaints from customers of this Toronto-based VOIP reseller. We issued a number of Recommendations and one Decision, all of which were binding on Brama, but Brama did not implement any of them. We were aware that Brama was having serious financial difficulties and in 2015-16 it went out of business;

Axsit – in May 2013 we issued a Recommendation that Axsit compensate a customer, which became binding on Axsit when it didn't respond. We learned that it had not compensated the customer and we issued two media releases on the topic in July 2016. Shortly thereafter Axsit compensated the customer, and subsequently was sold;

VOIS – throughout 2015-16 VOIS largely ignored all communications from CCTS related to customer complaints. In total we directed VOIS to compensate customers in six complaints. Although all of these outcomes are binding on VOIS, it did not implement them. VOIS continued to ignore communications from CCTS about the potential consequences of doing so. Thus in early August 2016, CCTS expelled VOIS from participation. This puts VOIS in breach of its regulatory obligation to participate in CCTS. We have referred the matter to the CRTC, in accordance with a process it has laid out for cases such as this.



"I'm extremely grateful for the help I received from the CCTS."

- S.L., a wireless customer



PUBLIC AWARENESS

For CCTS to be of value to consumers and small businesses, they need to know about us, and we take seriously the continuing need to ensure public awareness of the services that we provide.

Our public awareness plan, [Developing Public Awareness of CCTS](#) (“the Plan”), provides for a variety of activities to be undertaken by CCTS, service providers, and other stakeholders. Its objective is to ensure that information about CCTS is readily available to customers when they need it most – at the time they are experiencing a problem. It is designed to help consumers learn about CCTS in the way that we expect most people would anticipate doing so – online, directly from their service provider, and from the people or organizations to which they are most likely to turn when seeking information or a referral.

In 2015-16, we retained Environics to conduct the first ever [CCTS public awareness survey](#). We discovered that 20% of respondents reported an awareness of CCTS. Among respondents who had previously had a telecom complaint, 27% knew about us.

It’s no secret that we’d like *all* Canadians to know about CCTS. However, that’s probably not realistic, considering that most people don’t have a day-to-day need for the service that we provide (which is a good thing!). But it doesn’t mean we shouldn’t try.

So going forward, we will take a number of steps. First, we’re going to revisit the issue of service provider compliance with the Plan. In 2015-16 we conducted a survey of our Participating Service Providers, and found that there was a significant degree of non-compliance with the Plan. This is something that cannot continue, and we will expect full compliance going forward.

At the same time, we are going to look at the specific measures contained in the Plan, and determine whether they can be improved. We are also going to consider what impact the addition of TV service providers to CCTS might have on our ability to spread the word about CCTS more broadly and effectively.

Once service providers are compliant and we have implemented any changes to the Plan that we believe will be helpful, we will allow these efforts to take shape and later, will measure their effectiveness to see whether the degree of public awareness has increased.



STATISTICAL REPORTS

SECTION CONTENT							
Contact centre activities	40	Analysis of closed complaints	42	Compensation analysis	42	Performance standards	44
Out-of-mandate issues	41			Small business	43	Regional analysis	45

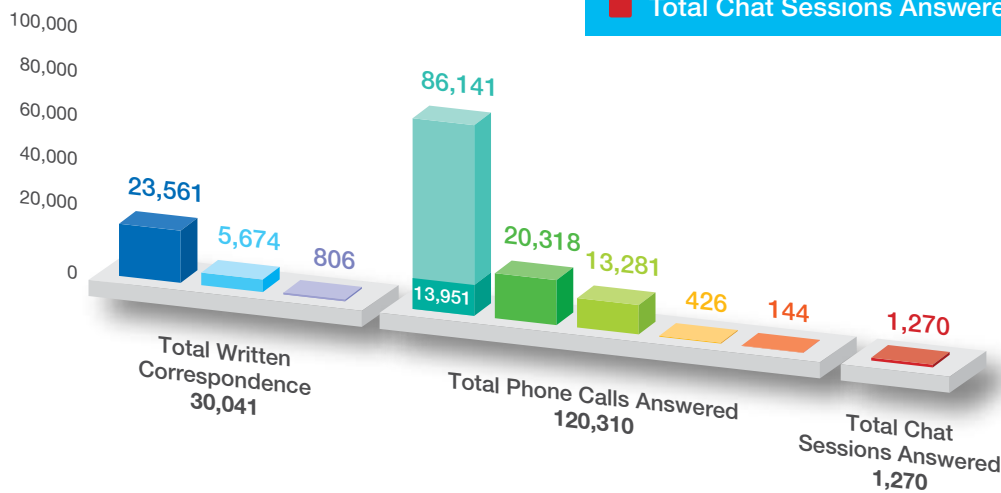
Contact centre activities

Our Contact Centre received over 151,000 communications by telephone, in writing and by chat.

Total Written Correspondence		30,041
Written correspondence from customers about new or existing complaints	23,561	
Written correspondence from service providers about complaints	5,674	
Written correspondence from customers with general inquiries about CCTS or their telecommunications services	806	

Total Phone Calls Answered		120,310
Number of General inquiries	86,141	
Inquiries generated by CCTS Public Awareness Plan	13,951	
Number of consultations about complaints	20,318	
Number of Out-of-mandate phone consultations	13,281	
Inquiry about CRTC Wireless Code of Conduct	426	
Number of complaints accepted by phone	144	

Total Chat Sessions Answered	1,270
-------------------------------------	--------------



Out-of-mandate issues

This table shows the number of issues raised by customers, in writing or by phone, that CCTS could not accept in 2015-16, broken down by the reason they could not be accepted.

Procedural Code Section 3	
Section 3(a) Internet applications/content	370
Section 3(b) Broadcasting (television)	8,678
Section 3(b) Broadcasting (radio)	35
Section 3(c) Emergency services	27
Section 3(d) Payphones	52
Section 3(e) Customer owned equipment	197
Section 3(f) Inside wiring	37
Section 3(g) Yellow pages/business directories	38
Section 3(h) Telemarketing/unsolicited messages	943
Section 3(i) Security services	74
Section 3(j) Networking	18
Section 3(k) 900/976 calls	48
Section 3(l) Pricing	1,321
Section 3(m) Rights of way	47
Section 3(n) Plant/poles/towers	395
Section 3(o) False/misleading advertising	236
Section 3(p) Privacy issues	389
Section 3 Other – Not related to service providers (phone/internet scams)	373
Section 3 Other – Regulated services	305
TOTAL	13,583

Procedural Code Section 4	
Section 4.1 Customer service	
<i>Language barriers</i>	82
<i>Outsourcing</i>	194
<i>Rude representative</i>	747
<i>Transfers/IVR</i>	235
<i>Wait times</i>	839
Total	2,097
Section 4.3 TSP General operating practices and policies	2,551
TOTAL	4,648

Procedural Code Section 8: Duty to decline to take action	
Some complaints could not be accepted due to provisions of the Procedural Code. They break down as follows:	
Section 8.1 Service provider not offered opportunity to resolve	151
Section 8.2 Matter previously or current with another agency	349
Section 8.3(a) Complaint filed outside time limits	362
Section 8.3(b) Facts arose prior to Effective Date	4
TOTAL	866

Analysis of closed complaints

Our operational statistics show that we closed 870 complaints in 2015-16. This table provides a breakdown of the reasons why those complaints were closed, with reference to the relevant section of the Procedural Code.

Reason for Closure	Number of closed complaints	Percent of closed complaints
Customer withdraws complaint	49	5.6%
Out-of-mandate after further information obtained	126	14.5%
Section 7.1(b) Customer does not have sufficient interest	8	0.9%
Section 7.1(c) Complaint more appropriately handled by another agency	9	1.0%
Section 7.1(d) Further investigation not warranted	301	34.6%
Section 7.1(e) Customer not cooperative	163	18.7%
Section 7.1(f) Service provider offer is reasonable	178	20.5%
Section 8.1 Service provider not offered opportunity to resolve	1	0.1%
Section 8.2 Matter previously or currently with another agency	9	1.0%
Section 8.3(a) Complaint filed outside time limits	24	2.8%
Section 8.3(b) Facts arose prior to Effective Date	2	0.2%
TOTAL	870	100%

Compensation analysis

In cases that are resolved, as well as in Recommendations and Decisions, customers frequently receive some form of compensation from their service provider. This compensation can take many forms, including:

- Bill credits;
- Bill adjustments;
- Free or discounted products and services; and
- Cash payments

We attempt to record the value of all compensation awarded to customers as a result of the CCTS process. This is challenging because in a significant number of cases (in particular resolutions that occur at our pre-investigation stage) we are not provided with the details of the settlement reached between the customer and the service provider.

This report discloses the full value of compensation received by customers that has been reported to us.

In 2015-16 customers received compensation in 74% of complaints concluded, which is up 1% from last year.

Compensation Range	Number of complaints	Percentage
< \$100	2,321	37.8%
\$100 – \$499	2,941	47.9%
\$500 – \$999	565	9.2%
\$1,000 – \$4,999	274	4.5%
>= \$5,000	39	0.6%
TOTAL	6,140	100%
Total compensation	\$ 3,445,359.50	

Small business complaints

When we report our operational statistics, we include the data for all the complaints we dealt with during the year. However, not all complaints are alike. In particular, we know that complaints from small business customers can be quite different from those of individual consumers.

In 2015-16, we had 731 complaints from small business customers, or 8.8% of all concluded complaints.

An analysis of these complaints reveals some significant differences from complaints filed by individual consumers:

BY CATEGORY

Subject	Small business	Consumer
Contract dispute	56.0%	28.8%
Billing	21.1%	43.3%
Service delivery	19.6%	23.2%
Credit management	3.3%	4.7%
TOTAL	100%	100%

BY LINE OF BUSINESS

Lines of business	Small business	Consumer
Local phone	44.9%	16.8%
Internet	27.9%	26.4%
Wireless	25.5%	53.0%
Long distance	1.7%	3.8%
Directory assistance	0%	0%
Operator services	0%	0%
White page directories	0%	0%
TOTAL	100%	100%

TOP 10 COMPLAINT ISSUES

Top 10 Small business issues	Small business	Consumer
Legitimacy and amount of ECF	20.3%	4.8%
Non-disclosure of terms/Misleading information about terms	10.3%	12.2%
Contract auto-renewal	10.1%	–
Intermittent/Inadequate quality of service	6.8%	7.8%
No consent provided	4.9%	1.7%
Incorrect charge	4.7%	9.0%
Breach of contract	4.0%	4.1%
Credit reporting	2.8%	4.0%
Non-payment/Collections	2.7%	2.4%
No consent	2.6%	0.1%



Performance standards

Each year, we set ourselves a goal of great customer service. To ensure that we're meeting that goal, we track our performance across various benchmarks. In 2015-16 we exceeded our performance standards. We also note that we have met or exceeded our performance standards in each year since we have been reporting on these results.

CONTACT CENTRE/PRE-INVESTIGATION

Process	Target	Result
Answer phone calls within 120 seconds	80%	82.9%
Process written communications within 3 calendar days	80%	82.0%

COMPLAINT-HANDLING

Process	Target	Result
Complaints concluded at Pre-Investigation stage within 40 days of acceptance	80%	97.5%
Complaints concluded at Investigation stage within 60 days of referral to Investigation	80%	88.7%



“Very happy with the process and the professionalism.”

- C.D., a wireless customer

Regional analysis

We receive complaints from customers throughout Canada. In this section, we identify the number of complaints and leading complaint issues raised by Province/Territory.

COMPLAINTS BY PROVINCE/TERRITORY

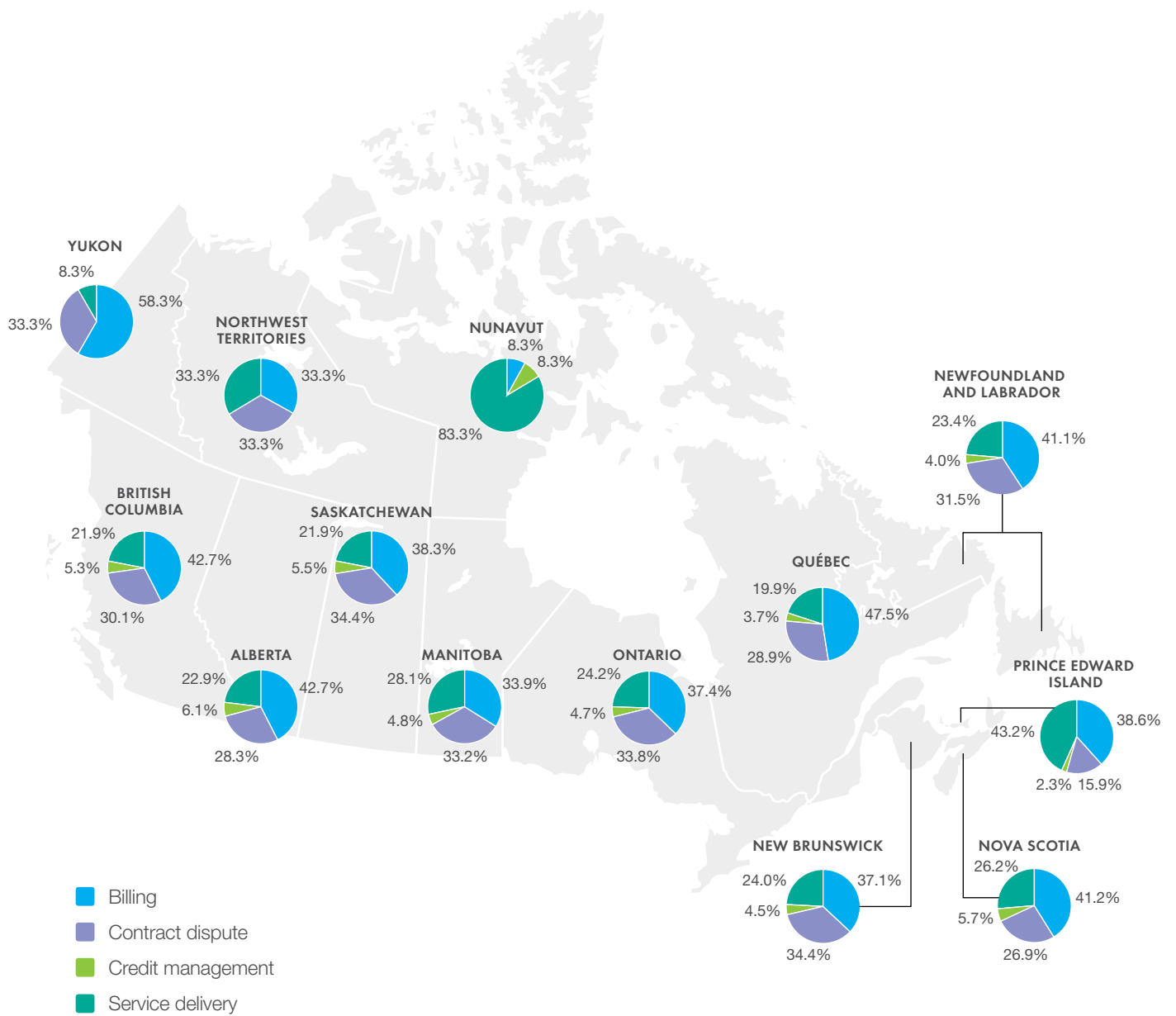
	Complaints		Population*	
Alberta	606	7.3%	4,196.5	11.7%
British Columbia	822	9.9%	4,683.1	13.1%
Manitoba	165	2.0%	1,293.4	3.6%
New Brunswick	106	1.3%	753.9	2.1%
Newfoundland and Labrador	69	0.8%	527.8	1.5%
Northwest Territories	2	0.0%	44.1	0.1%
Nova Scotia	149	1.8%	943.0	2.6%
Nunavut	10	0.1%	36.9	0.1%
Ontario	3,961	47.6%	13,792.1	38.5%
Prince Edward Island	21	0.3%	146.4	0.4%
Québec	2,328	28.0%	8,263.6	23.0%
Saskatchewan	72	0.9%	1,133.6	3.2%
Yukon	8	0.1%	37.4	0.1%
Not Provided	4	0.0%		
TOTAL	8,323	100%	35,851.8	100%



*2015 Canadian population according to Statistics Canada as of September 29, 2015. Numbers are measured in thousands of persons.

Canada, Statistics Canada, Population by year, by province and territory (Ottawa, CANSIM, 2015)
at <http://www.statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/demo02a-eng.htm>

COMPLAINT CATEGORIES BY PROVINCE/TERRITORY





CUSTOMER SURVEY RESULTS

We survey customers who use our service, with two main goals in mind:

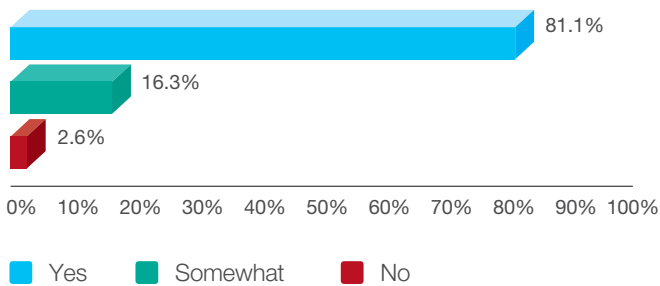
To get their impressions of the work we do, so that we can focus our efforts for improvement; and

To attempt to measure the success of the public awareness initiatives we undertake with PSPs.

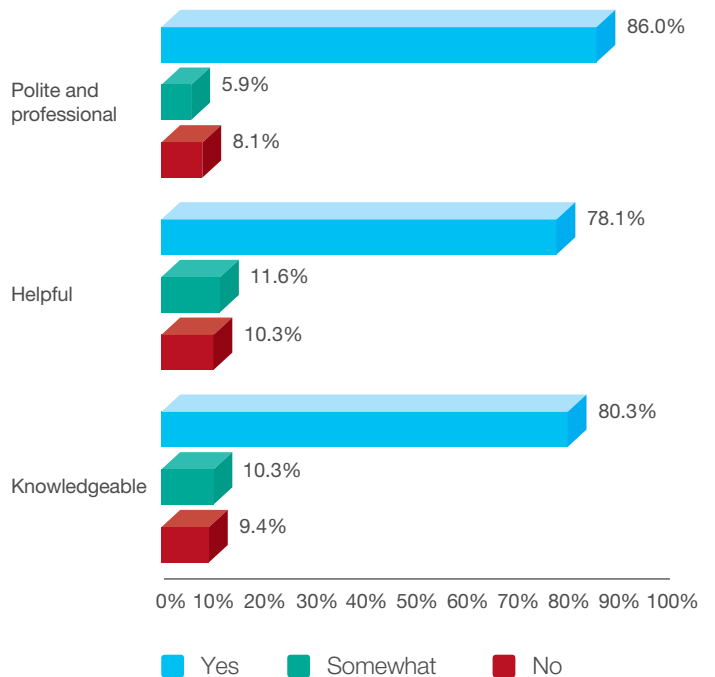
The results are based on approximately 1,630 responses. We thank the customers who took the time to participate in the survey and share their views.

What customers said about CCTS

We asked our customers:
Was it easy to file your complaint with CCTS?



We asked our customers to provide feedback on whether the service they received from our Contact Centre agents met expectations in certain important respects.

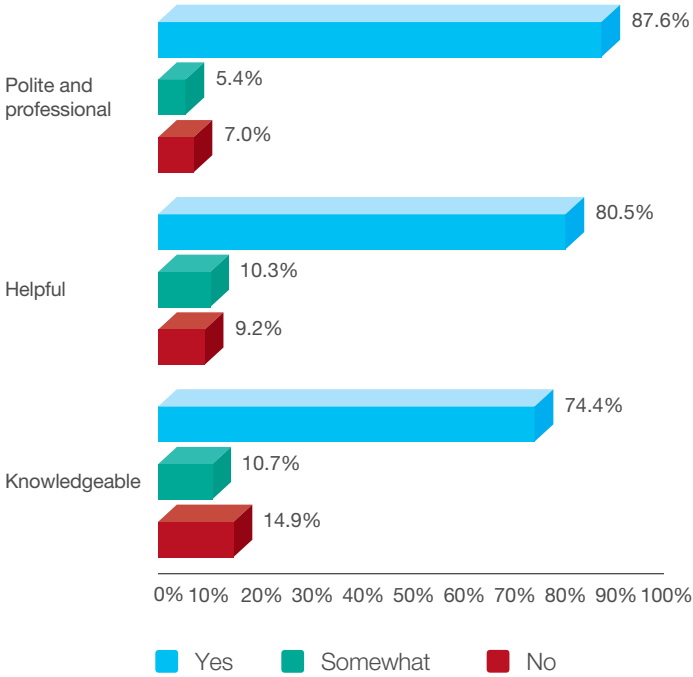


"I am very pleased with the assistance provided. First time asking for help - positive experience."

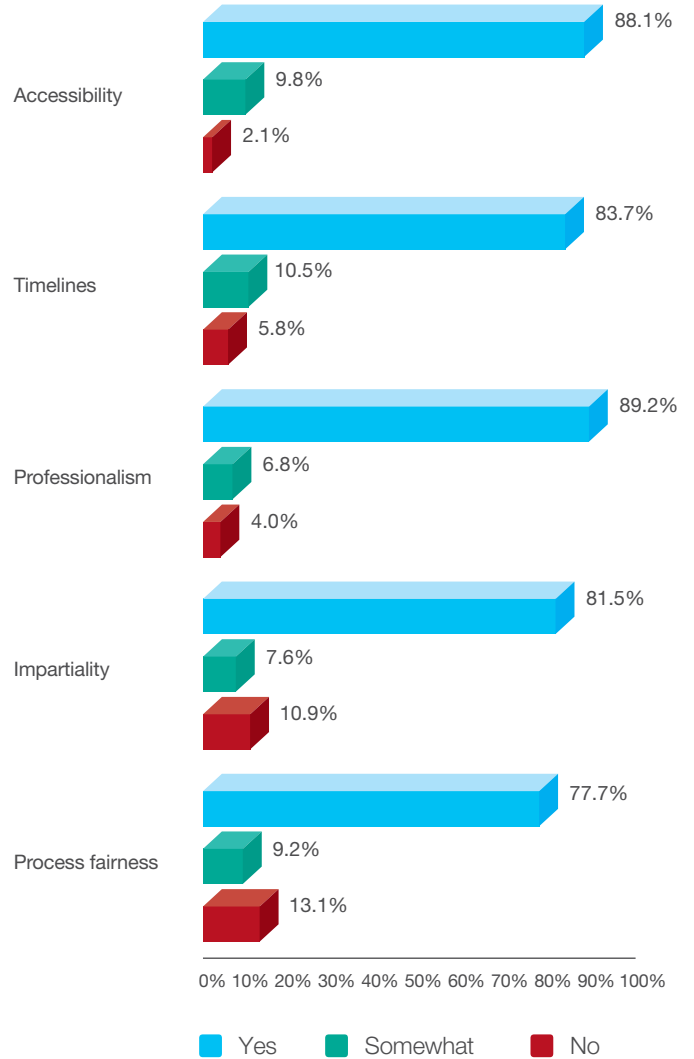
- Y.C. a wireless customer

Customer survey results

We also asked our customers about important elements of the service they received from our Complaints Resolution Officers and Investigators.



Finally, we asked our customers about their overall sense of satisfaction with various aspects of our process.



Our staff continues to receive high marks from customers for the quality of its work, across every metric. We strive to provide the best possible customer service.

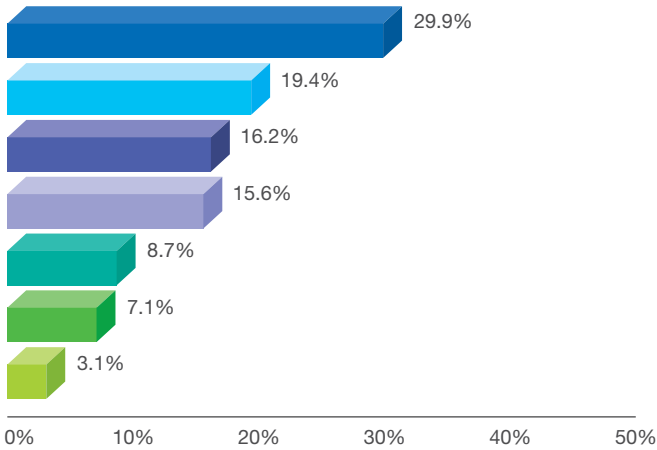
“I am very impressed with your service.”

- T.P., a home phone customer

Customer survey results

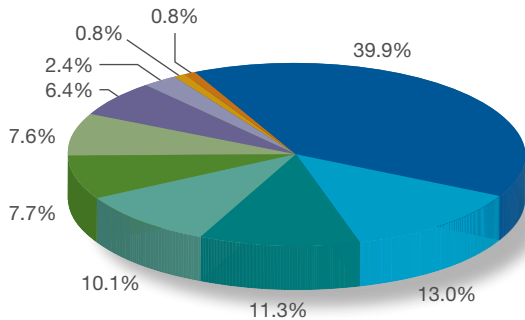
What customers said about service provider public awareness activities

We asked our customers how they first found out about CCTS. Our customers said:



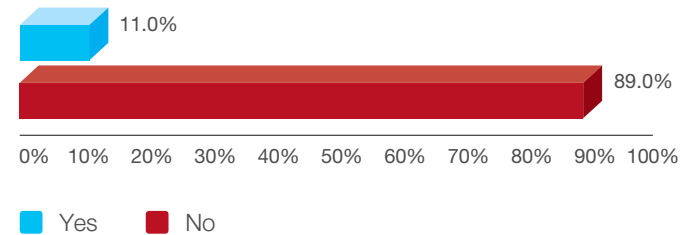
- Web search
- The CRTC
- Other
- A friend, colleague or family member
- Learned about it from the media
- Notice on your bill
- A consumer group

BREAKDOWN OF "OTHER"

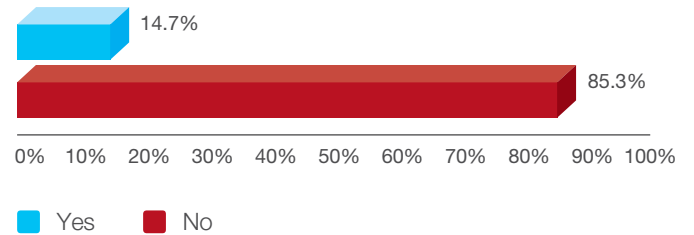


- Service provider
- Government
- Social media / Public forums
- General knowledge
- Credit card provider or bank
- Other TSP
- Web search
- Legal
- Better Business Bureau
- Phone book

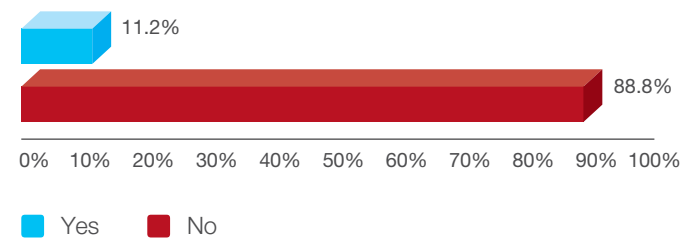
PSPs have committed to notify customers about CCTS during their internal complaint-handling process. We asked our customers whether their service provider told them about CCTS during that process. Our customers said:



PSPs are required to print a prescribed message about CCTS on customer bills four times a year. We asked our customers whether they've ever seen the notice on any of their bills. Our customers said:



PSPs have committed to placing a prescribed notice about CCTS in a reasonably prominent place on their web sites, and to include a link to our website. We asked our customers whether they'd seen it. Our customers said:



The results for these survey questions show very little change from previous years' results.



GOVERNANCE

BOARD OF DIRECTORS

Our Board is structured to provide for the participation of all stakeholders while remaining independent from the telecommunications industry. It consists of seven directors:

- Four Independent Directors, two of whom are nominees of consumer groups; and,
- Three Industry Directors, one each to represent the Incumbent Local Exchange Carriers (ILECs), the Cable Companies, and the Other PSPs.

DIRECTOR BIOGRAPHIES

Independent Directors:

Marie Bernard-Meunier (Board Chair) – Marie served as Canada’s Ambassador to UNESCO, to the Netherlands and to Germany, and in Ottawa as Assistant Deputy Minister for Global issues and Culture. Since retiring from the Foreign Service, she has published extensively on foreign policy issues and lectured at several Canadian universities. Marie currently serves on the Audit Committee of the Canadian Space Agency and is also a Member of the Board of Directors and of the Board of Governors of the Federal Idea, a Montreal based think-tank on Federalism. She recently joined the Board of Directors of the Glenn Gould Foundation. Marie holds a Master’s Degree in Political Science from l’Université de Montréal and is a graduate of l’Ecole Nationale d’Administration in Paris.

Catherine Aczel Boivie – A senior executive and CEO, Catherine has led the advancement of the strategic value of information technology as a business enabler at Vancity Credit Union, Pacific Blue Cross, and CAA British Columbia. She currently serves on several Boards, including those of Insurance Corporation of B.C. (ICBC), the Burnaby Board of Trade, MedicAlert Canada, Artsclub theatre, and is also the Executive in Residence at the Beedie School of Business, Simon Fraser University. She holds a BMath degree from University of Waterloo, a MEd and PhD from University of Toronto, and is a well-known speaker at conferences in North America, Europe, and China as well as an active blogger and author.

Consumer Group Appointees:

Marina Pavlović – Marina is an Assistant Professor at the University of Ottawa’s Faculty of Law, Common Law Section, where she is a member of the Center for Law, Technology, and Society. Marina has research and teaching experience in consumer protection, telecommunications, law & technology policy, and dispute resolution. She holds a law degree from the University of Belgrade (Serbia) and a LLM in Law & Technology from the University of Ottawa.

Jacques C. P. Bellemare – Jacques graduated in Engineering Physics at École Polytechnique in Montreal (1961) and later obtained an MBA from Laval University in Quebec (1973). In the private sector, he has worked in telephony with Bell Canada, in Cable TV with Cablevision Nationale (acquired by Videotron), in consulting with Raymond, Chabot, Martin, Paré, and in regulation with Teleglobe Canada after its privatization. Since 1994, with his own firm STEM Consultants Inc., he offers independent expertise in economic regulation of public utility companies, mostly in the energy sector. In the public sector, from 1982 to 1988, Jacques served as a Member of the Quebec Public Service Board then assuming regulatory jurisdiction over certain telephone companies located in Quebec, including Quebec-Telephone and Telebec.

Governance

Industry Directors

Incumbent Local Exchange Carriers (ILECs)

August 2015 to January 2016 – Marten Burns

January 2016 to July 2016 –

Ruby Barber – Ruby is Assistant General Counsel, Legal & Regulatory Affairs, at Bell Canada and is based in Ottawa. She joined Bell in 1997 and has a broad range of legal and regulatory experience with telecom issues. Most recently she was responsible for Bell Canada's consumer legal team which on a day-to-day basis addresses legal issues impacting Bell's customers, including the Wireless Code of Conduct. Previously, she supported the Mergers & Acquisitions team at Bell as Assistant General Counsel, M&A. Prior to joining Bell, Ruby was an associate at Fasken Martineau in Toronto practising corporate and securities law. She is a graduate of Queen's University (Honours Politics) and Osgoode Hall Law School and was called to the Bar in Ontario in 1991.

Cable Companies

Dennis Béland – Dennis is Vice-President, Regulatory Affairs, Telecommunications, Quebecor Media Inc. Dennis has a Bachelor's Degree in Engineering and Management and a Master's Degree in Public Policy from the John F. Kennedy School of Government at Harvard University. He is a Member of the Board of Directors of the Canadian LNP Consortium Inc., the Canadian Numbering Administration Consortium Inc. and a former Member of the Board of Directors of the Canadian Wireless Telecommunications Association.

Other Participating Service Providers

August 2015 to June 2016 – Jill Schatz

July 2016 – Bram Abramson –

Bram is Chief Legal and Regulatory Officer at TekSavvy Solutions Inc., where he has carriage of chief privacy officer responsibilities as well as communications regulatory, copyright, and commercial and consumer law matters. Before joining TekSavvy, Bram practiced communications law at McCarthy Tétrault LLP and, before shifting to a legal career, held senior industry research roles with the CRTC and with Washington, DC-based network mappers TeleGeography. Bram is a graduate of Concordia (BA, Communications) and McGill (BCL/LLB, Law) universities and, alongside his Ontario bar membership, holds the CIPP/C and CIPM privacy designations.

BOARD MEETINGS AND DIRECTOR ATTENDANCE

Board Meeting Date	Béland	Bellemare	Bernard-Meunier	Boivie	Burns/Barber	Pavlović	Schatz
September 1, 2015 (Conference call)	✓	✓	✓	✓	✓	✓	✓
October 21, 2015	✓	✓	✓	✓	✓	✓	✓
January 27, 2016	✓	✓	✓	✓	✓	✓	✓
April 12, 2016	✓	✓	✓	✓	✓	✓	✓
June 22, 2016	✓	✓	✓	✓	✓	✓	✓

Governance

COMMITTEE MEETINGS

The Board has a number of committees and working groups. These committees met as follows:

Audit Committee – October 6 and December 15, 2015 and January 18, June 1, and June 10, 2016

Corporate Governance Committee – February 24 and May 31, 2016

Corporate Review Committee – inactive

Independent Directors / Nominating Committee – October 20, 2015, and January 26, April 11 and June 21, 2016

Budget Working Group – May 16 and June 10, 2016

CCTS FINANCIALS

CCTS' 2015-16 audited financial statements can be found at [Appendix C](#). In 2015-16, complaint volumes were lower than originally projected and thus revenues fell below expectations. Spending was also less than budgeted, leaving a small surplus.



STRATEGIC AND OPERATIONAL INITIATIVES FOR 2016-17

In looking forward to 2016-17, we have identified a number of key initiatives, highlighted by:

- Revising our By-laws, Participation Agreement and Procedural Code to reflect the expansion of our mandate to include television services, and taking all necessary steps to bring TVSPs into CCTS participation by September 1, 2017, as well as training our staff to prepare for this new line of business
- Developing a framework for ongoing consultations with accessibility groups
- Upgrading the accessibility of our web site to the WCAG 2.0 AA standard
- Developing a framework for monitoring PSP compliance and publicizing non-compliance, and recruiting the needed resources
- Updating the Annotated Guide to the Wireless Code prior to the CRTC review proceeding
- Reviewing the public awareness activities of CCTS and its PSPs to determine whether changes are indicated
- Enhancing governance transparency through publication of additional information, including financial information, in the Annual Report

Provider	% of all Complaints	Accepted	Y/Y % Change	Concluded	Resolved	Closed	Resolved	Closed	Accepted	Issued	Accepted	Rejected
	Accepted and Concluded Complaints				Pre-Investigation		Investigation		Recommendation	Decisions		
Convergia Networks Inc.	0.0%	2	-33.3%	2	1	0	1	0	0	0	0	0
Cooptel	0.0%	3	200.0%	3	3	0	0	0	0	0	0	0
Cybersurf Internet Access (CIA)	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
DCI Telecom	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Dell Voice	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Delta Cable	0.0%	3	0.0%	3	2	1	0	0	0	0	0	0
Dery Telecom	0.0%	1	-	1	1	0	0	0	0	0	0	0
Distributel Communications Limited	0.3%	27	-15.6%	29	14	2	9	4	0	0	0	0
DolphinTel	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
DSLExtreme	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Eastlink	0.5%	38	72.7%	37	22	1	13	1	0	0	0	0
Easy Office Phone	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
EasyVoice Telecom	0.0%	2	0.0%	2	0	0	2	0	0	0	0	0
EBOX Inc.	0.2%	18	80.0%	20	13	0	4	3	0	0	0	0
eFirehose	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Enhanced VOIP Communications	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Enter-net	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Epik Networks	0.0%	4	-	4	0	1	3	0	0	0	0	0
Espacenet	0.0%	1	-	0	0	0	0	0	0	0	0	0
ExaTEL Inc.	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Execulink	0.0%	4	0.0%	4	4	0	0	0	0	0	0	0
Falcon Internet Services	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Fibernetics	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Fido	5.5%	453	-25.4%	463	401	23	25	14	0	0	0	0
Followtel	0.0%	1	-	1	0	0	1	0	0	0	0	0
Fongo Inc.	0.0%	1	0.0%	1	1	0	0	0	0	0	0	0
Freedom Phone Lines	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
FreePhoneLine.ca	0.0%	0	-100.0%	0	0	0	0	0	0	0	0	0
G3 Telecom	0.0%	3	-25.0%	3	0	0	2	1	0	0	0	0
Galilee	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Gems Telecom	0.1%	5	400.0%	3	2	0	1	0	0	0	0	0
Giantel	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Global Crossing Telecommunications Canada Ltd.	0.0%	0	-100.0%	0	0	0	0	0	0	0	0	0
Globalive Communications Corp.	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Globalstar	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Gold Leaf Telecom Ltd.	0.0%	0	-100.0%	0	0	0	0	0	0	0	0	0
Group of Gold Line	0.0%	0	-100.0%	0	0	0	0	0	0	0	0	0
Hook Communications Inc.	0.0%	1	0.0%	1	1	0	0	0	0	0	0	0
Horizon Telecom	0.0%	3	50.0%	2	0	0	2	0	0	0	0	0
HuronTel	0.0%	1	0.0%	1	0	0	1	0	0	0	0	0
Ilink Communications	0.0%	0	-	0	0	0	0	0	0	0	0	0
Impact Telecom	0.0%	2	-	2	1	0	1	0	0	0	0	0

Provider	% of all Complaints	Accepted	Y/Y % Change	Concluded	Resolved	Closed	Resolved	Closed	Accepted	Issued	Accepted	Rejected
	Accepted and Concluded Complaints				Pre-Investigation		Investigation		Recommendation	Decisions		
RadioActif	0.0%	2	-33.3%	2	0	0	1	1	0	0	0	0
Ready SIM	0.0%	0	-	0	0	0	0	0	0	0	0	0
Redden.on.ca	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Reliant Communications Inc.	0.0%	1	-	1	1	0	0	0	0	0	0	0
RevTel	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Roam Mobility	0.1%	9	-	6	2	0	4	0	0	0	0	0
Rocler Technologies	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Rogers Communications	10.5%	861	-52.5%	848	721	24	85	18	0	0	0	0
RuralWave	0.0%	3	-	2	1	0	1	0	0	0	0	0
Sasktel	0.3%	25	-47.9%	24	22	1	1	0	0	0	0	0
Sears Connect	0.1%	9	50.0%	8	8	0	0	0	0	0	0	0
Seaside Communications (Seaside Cable)	0.0%	1	0.0%	1	0	0	1	0	0	0	0	0
SecureNet Information Services Inc.	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Selectcom Inc.	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Selectcom Telecom	0.0%	0	-100.0%	0	0	0	0	0	0	0	0	0
Sens-net Canada Inc.	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Shaw	1.0%	85	14.9%	82	64	4	7	7	0	0	0	0
Silo Wireless	0.0%	0	-	0	0	0	0	0	0	0	0	0
Simcoe County Long Distance	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Simple Connection	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Skydata	0.0%	1	-	1	0	0	0	1	0	0	0	0
Smart Telecom	0.0%	1	-	1	0	0	0	0	1	0	0	0
Sogetel	0.0%	0	-100.0%	0	0	0	0	0	0	0	0	0
Solo	0.2%	19	-17.4%	22	13	1	5	3	0	0	0	0
Source Cable Ltd.	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Speak Out Wireless (7-11)	0.2%	20	81.8%	16	1	0	15	0	0	0	0	0
Speak Telecom	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Spectravoice	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Start Communications	0.0%	4	-	4	2	1	0	1	0	0	0	0
start.ca	0.0%	1	-	1	1	0	0	0	0	0	0	0
Startec Global Communications	0.0%	3	-81.3%	6	4	0	2	0	0	0	0	0
SureNet	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Switchworks	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Talk & Save	0.0%	1	0.0%	1	1	0	0	0	0	0	0	0
Talk Canada	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Talkit.ca Inc.	0.0%	0	-100.0%	0	0	0	0	0	0	0	0	0
Tamaani Internet	0.0%	1	-	0	0	0	0	0	0	0	0	0
Targo Communications Inc.	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Tatas Communications	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
TBayTel	0.1%	8	-50.0%	8	5	0	3	0	0	0	0	0
TekSavvy Solutions Inc.	0.6%	48	20.0%	56	42	0	10	4	0	0	0	0
Tel-Synergy	0.0%	1	0.0%	1	0	0	1	0	0	0	0	0

Provider	% of all Complaints				Pre-Investigation		Investigation		Recommendation	Decisions		
	Accepted	Y/Y % Change	Concluded	Resolved	Closed	Resolved	Closed	Accepted	Issued	Accepted	Rejected	
Tele-Page	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Télébec	0.1%	10	-61.5%	10	7	0	3	0	0	0	0	0
Télécommunications Xittel	0.0%	4	-	5	0	0	3	2	0	0	0	0
Telehop	0.0%	1	-92.3%	1	0	0	1	0	0	0	0	0
Téléphone Saint-Éphrem	0.0%	0	-	0	0	0	0	0	0	0	0	0
Telephone Corp	0.0%	0	-100.0%	0	0	0	0	0	0	0	0	0
Telizon	0.0%	1	-50.0%	1	0	0	1	0	0	0	0	0
Telnet Communications	0.1%	5	66.7%	3	3	0	0	0	0	0	0	0
TELUS Communications Company	7.0%	570	22.3%	551	416	33	62	40	0	0	0	0
TeraGo Networks Inc.	0.0%	2	-33.3%	2	0	1	1	0	0	0	0	0
ThinkTel	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Tough Country Communications	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Transvision Cookshire	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Uniserve Communications	0.0%	2	100.0%	2	0	0	2	0	0	0	0	0
Vancouver Telephone Company Limited	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Vbuzzer	0.0%	2	100.0%	1	1	0	0	0	0	0	0	0
Velcom	0.0%	3	-72.7%	3	1	0	2	0	0	0	0	0
Velocity Networks Inc.	0.0%	1	0.0%	1	0	0	1	0	0	0	0	0
Verizon	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Vianet Internet Solutions	0.0%	4	33.3%	4	1	0	3	0	0	0	0	0
Vidéotron s.e.n.c. / Videotron GP	4.9%	402	28.4%	417	334	15	45	23	0	0	0	0
VIF Internet	0.0%	4	100.0%	5	1	0	2	2	0	0	0	0
Virgin Mobile Canada	6.1%	497	-18.3%	499	389	7	68	35	0	0	0	0
VMedia	0.3%	21	-	21	13	0	6	2	0	0	0	0
Voice Network Inc.	0.1%	7	0.0%	4	1	0	3	0	0	0	0	0
Vois Inc.	0.1%	7	250.0%	8	0	0	2	1	4	1	1	0
Vonage Canada Corporation	0.5%	40	-20.0%	42	31	0	8	3	0	0	0	0
Vox Sun	0.0%	1	-	1	0	0	0	1	0	0	0	0
Westman Communications Group	0.0%	0	-100.0%	0	0	0	0	0	0	0	0	0
WestNet Wireless	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Wightman Telecom	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
WiMac Tel	0.0%	1	0.0%	1	0	0	1	0	0	0	0	0
Win-tel	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Wind Mobile Corp.	6.1%	498	-29.1%	553	390	2	127	34	0	0	0	0
World-Link Communications Inc.	0.0%	1	-75.0%	2	1	1	0	0	0	0	0	0
Worldline	0.1%	11	57.1%	13	8	0	3	2	0	0	0	0
WTC Communications	0.0%	0	-	0	0	0	0	0	0	0	0	0
Xplornet Internet Services	2.3%	188	86.1%	190	140	5	38	7	0	0	0	0
Yak Communications Corp.	0.2%	14	27.3%	12	7	0	3	2	0	0	0	0
Yesup	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Yesupnet	0.0%	0	0.0%	0	0	0	0	0	0	0	0	0
Youmano	0.0%	1	0.0%	1	1	0	0	0	0	0	0	0

Provider	% of all Complaints			Pre-Investigation		Investigation		Recommendation	Decisions			
	Accepted	Y/Y % Change	Concluded	Resolved	Closed	Resolved	Closed	Accepted	Issued	Accepted	Rejected	
YourLink Inc.	0.0%	0	-	1	1	0	0	0	0	0	0	
Zazeen	0.0%	3	-	3	0	0	3	0	0	0	0	
Zid Internet	0.0%	0	0.0%	0	0	0	0	0	0	0	0	
Zoomer	0.0%	0	0.0%	0	0	0	0	0	0	0	0	
Total	100.0%	8,197	-	8,323	5,979	311	1,452	559	19	3	2	0

CCTS

COMMISSIONER FOR COMPLAINTS
FOR TELECOMMUNICATIONS SERVICES



CPRST

COMMISSAIRE AUX PLAINTES RELATIVES
AUX SERVICES DE TÉLÉCOMMUNICATIONS

Appendix B: Detailed Analysis of Issues Raised in Complaints from August 01 2015 to July 31 2016

This table details the issues raised in the complaints that we concluded between August 01 2015 and July 31 2016. The total number of issues exceeds the number of complaints concluded because some complaints raised more than one issue.

	Local Exchange and VoIP	Long Distance	Wireless	Internet	White page directories	Directory assistance	Operator services	Total
Billing	1,195	288	3,364	1,634	0	3	1	6,485
30-day cancellation policy / Charges billed after cancellation	295	29	386	399	0	0	0	1,109
3rd party charges	26	17	28	0	0	0	0	71
Airtime	0	0	139	0	0	0	0	139
Bandwidth usage	0	0	0	102	0	0	0	102
Bill delivery	45	7	198	54	0	0	0	304
<i>Fees for paper billing</i>	2	0	5	3	0	0	0	10
<i>Invoices not received</i>	43	7	193	51	0	0	0	294
Bundling discounts	46	1	11	46	0	0	0	104
Calling Cards	0	3	0	0	0	0	0	3
<i>Balance clearing</i>	0	2	0	0	0	0	0	2
<i>Fees not disclosed</i>	0	1	0	0	0	0	0	1
<i>Wrong rate</i>	0	0	0	0	0	0	0	0
Chargeable messages	0	151	145	0	0	0	0	296

Detailed Analysis of Issues Raised in Complaints from August 01 2015 to July 31 2016

	Local Exchange and VoIP	Long Distance	Wireless	Internet	White page directories	Directory assistance	Operator services	Total
Billing	1,195	288	3,364	1,634	0	3	1	6,485
Credit/refund not received	123	18	344	158	0	0	0	643
Data charges	0	0	527	0	0	0	0	527
Long distance toll fraud	0	16	0	0	0	0	0	16
Misapplied payments	40	6	100	51	0	0	0	197
Monthly price plan	379	32	491	476	0	0	1	1,379
<i>Government and regulatory fees</i>	5	1	13	2	0	0	0	21
<i>Incorrect Charge</i>	374	31	478	474	0	0	1	1,358
One-time fees	113	3	357	227	0	0	0	700
<i>Activation/reactivation charges</i>	29	2	87	58	0	0	0	176
<i>Deactivation charges</i>	29	1	18	19	0	0	0	67
<i>Equipment charges</i>	26	0	193	113	0	0	0	332
<i>Late-payment fees</i>	29	0	59	37	0	0	0	125
Pay per use services	10	0	4	0	0	3	0	17
Payment arrangement dispute	21	1	50	22	0	0	0	94
Pre-authorized payments	68	4	91	73	0	0	0	236
<i>Incorrect amount</i>	13	1	25	18	0	0	0	57
<i>Incorrect bank account/credit card</i>	6	0	3	4	0	0	0	13
<i>Not authorized</i>	49	3	63	51	0	0	0	166
Pre-paid service	0	0	120	0	0	0	0	120
<i>Balance clearing</i>	0	0	31	0	0	0	0	31
<i>Fees not disclosed</i>	0	0	14	0	0	0	0	14
<i>No invoice</i>	0	0	2	0	0	0	0	2
<i>Top-up</i>	0	0	60	0	0	0	0	60
<i>Wrong rate</i>	0	0	13	0	0	0	0	13
Premium text messaging charges	0	0	8	0	0	0	0	8
Rental equipment	2	0	0	12	0	0	0	14
<i>Modem</i>	0	0	0	12	0	0	0	12
<i>VoIP hub</i>	2	0	0	0	0	0	0	2

Detailed Analysis of Issues Raised in Complaints from August 01 2015 to July 31 2016

	Local Exchange and VoIP	Long Distance	Wireless	Internet	White page directories	Directory assistance	Operator services	Total
Billing	1,195	288	3,364	1,634	0	3	1	6,485
Repair charges	6	0	0	13	0	0	0	19
<i>Charges incorrect</i>	1	0	0	6	0	0	0	7
<i>Charges not disclosed</i>	4	0	0	7	0	0	0	11
<i>Inside wiring</i>	1	0	0	0	0	0	0	1
Roaming charges	0	0	215	0	0	0	0	215
Text messaging charges (not premium)	0	0	64	0	0	0	0	64
Transfer of Responsibility	4	0	22	1	0	0	0	27
Value-add services	17	0	64	0	0	0	0	81

Detailed Analysis of Issues Raised in Complaints from August 01 2015 to July 31 2016

	Local Exchange and VoIP	Long Distance	Wireless	Internet	White page directories	Directory assistance	Operator services	Total
Contract dispute	973	91	2,706	1,189	0	1	0	4,960
Compliance with Terms of Service/Contract	170	32	676	318	0	0	0	1,196
<i>Breach of Contract</i>	95	9	373	169	0	0	0	646
<i>Material contract change</i>	28	8	92	71	0	0	0	199
<i>Material contract change without notice</i>	47	15	211	78	0	0	0	351
Contract duration/Length of Term	13	1	26	18	0	0	0	58
Contract renewal	146	1	9	63	0	0	0	219
<i>Auto-renewal</i>	113	1	0	47	0	0	0	161
<i>No consent</i>	33	0	9	16	0	0	0	58
Early Termination Fees (ETF)	282	1	456	249	0	0	0	988
<i>Amount of ETF</i>	38	0	89	42	0	0	0	169
<i>Legitimacy of ETF</i>	244	1	367	207	0	0	0	819
Incentive/Hardware plans	2	0	22	4	0	0	0	28
No consent provided	89	10	128	83	0	0	0	310
Non-disclosure of terms/Misleading information about terms	270	46	1,123	451	0	1	0	1,891
Warranties	1	0	266	3	0	0	0	270
<i>Extended warranty purchased from service provider</i>	1	0	82	1	0	0	0	84
<i>Manufacturer's Warranty</i>	0	0	184	2	0	0	0	186

Detailed Analysis of Issues Raised in Complaints from August 01 2015 to July 31 2016

	Local Exchange and VoIP	Long Distance	Wireless	Internet	White page directories	Directory assistance	Operator services	Total
Service delivery	816	171	1,402	1,209	0	0	0	3,598
Customer-initiated cancellations	283	50	278	254	0	0	0	865
<i>Cx cancellation due date not kept/delayed</i>	92	19	118	133	0	0	0	362
<i>Unable to cancel</i>	86	31	125	121	0	0	0	363
<i>Unable to port</i>	105	0	35	0	0	0	0	140
Device placed on blacklist	0	0	14	0	0	0	0	14
Disconnection/Suspension of service	111	9	318	100	0	0	0	538
<i>Acceptable use policy</i>	6	3	19	9	0	0	0	37
<i>Bandwidth/Data over-consumption</i>	0	0	7	2	0	0	0	9
<i>Fraud</i>	3	0	18	4	0	0	0	25
<i>Non-payment/collections</i>	81	5	226	66	0	0	0	378
<i>Partial payment</i>	8	1	14	5	0	0	0	28
<i>Seasonal suspension</i>	13	0	34	14	0	0	0	61
Installation/Activation	95	5	53	149	0	0	0	302
<i>Damage to property</i>	6	0	1	12	0	0	0	19
<i>Install/activate due date not kept/delayed</i>	57	2	27	88	0	0	0	174
<i>Installation error</i>	32	3	25	49	0	0	0	109
Repair/Loss of service	299	27	712	702	0	0	0	1,740
<i>Complete loss of service*</i>	107	13	130	114	0	0	0	364
<i>Damage to property</i>	2	0	0	4	0	0	0	6
<i>Inside wiring</i>	1	0	0	2	0	0	0	3
<i>Intermittent/Inadequate quality of service</i>	145	13	530	525	0	0	0	1,213
<i>Outside wiring</i>	7	0	0	7	0	0	0	14
<i>Service repair/loss due date not kept/delayed</i>	37	1	52	50	0	0	0	140
Service provider/Account sold	1	5	0	0	0	0	0	6
Transferred wrong number or service	8	1	7	1	0	0	0	17
Unauthorized transfer of service	19	74	20	3	0	0	0	116
<i>Further to inquiry</i>	9	17	17	2	0	0	0	45
<i>Further to solicitation</i>	10	57	3	1	0	0	0	71

Detailed Analysis of Issues Raised in Complaints from August 01 2015 to July 31 2016

	Local Exchange and VoIP	Long Distance	Wireless	Internet	White page directories	Directory assistance	Operator services	Total
Credit management	102	12	459	145	0	0	0	718
Credit limit	0	0	13	0	0	0	0	13
<i>Disputes limit amount</i>	0	0	1	0	0	0	0	1
<i>Exceeded limit</i>	0	0	10	0	0	0	0	10
<i>Spending limit/other details not disclosed</i>	0	0	2	0	0	0	0	2
Credit reporting	85	10	397	120	0	0	0	612
Security deposit	17	2	49	25	0	0	0	93
<i>Disputes deposit amount</i>	0	0	1	0	0	0	0	1
<i>Disputes requirement for deposit</i>	3	0	15	3	0	0	0	21
<i>Interest</i>	1	0	0	1	0	0	0	2
<i>Not refunded</i>	13	2	33	21	0	0	0	69
TOTAL	3,086	562	7,931	4,177	0	4	1	15,761

FINANCIAL STATEMENTS

For

**COMMISSIONER FOR COMPLAINTS FOR TELECOMMUNICATIONS SERVICES INC./
COMMISSAIRE AUX PLAINTES RELATIVES AUX SERVICES DE TÉLÉCOMMUNICATIONS INC.**

For the year ended

JULY 31, 2016

To the directors of

**COMMISSIONER FOR COMPLAINTS FOR TELECOMMUNICATIONS SERVICES INC./
COMMISSAIRE AUX PLAINTES RELATIVES AUX SERVICES DE TÉLÉCOMMUNICATIONS INC.**

We have audited the accompanying financial statements of Commissioner for Complaints for Telecommunications Services Inc./Commissaire aux plaintes relatives aux services de télécommunications Inc., which comprise the statement of financial position as at July 31, 2016, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Commissioner for Complaints for Telecommunications Services Inc./Commissaire aux plaintes relatives aux services de télécommunications Inc. as at July 31, 2016, and the results of its operations, the changes in its net assets and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.



Chartered Professional Accountants
Licensed Public Accountants

Ottawa, Ontario
October 26, 2016.

**COMMISSIONER FOR COMPLAINTS FOR TELECOMMUNICATIONS SERVICES INC./
COMMISSAIRE AUX PLAINTES RELATIVES AUX SERVICES DE TÉLÉCOMMUNICATIONS INC.**

STATEMENT OF FINANCIAL POSITION

JULY 31, 2016

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash - note 4	\$ 804,834	\$ 925,733
Accounts receivable	321,311	248,541
Year end fee adjustment receivable - note 8	27,411	-
Prepaid expenses	<u>10,137</u>	<u>8,594</u>
	1,163,693	1,182,868
TANGIBLE CAPITAL ASSETS - note 5	218,684	275,708
INTANGIBLE CAPITAL ASSETS - note 6	<u>116,836</u>	<u>174,275</u>
	<u>\$ 1,499,213</u>	<u>\$ 1,632,851</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities - note 7	\$ 232,168	\$ 238,922
Year end fee adjustment owing - note 8	<u>-</u>	<u>158,368</u>
	<u>232,168</u>	<u>397,290</u>
NET ASSETS		
Invested in tangible and intangible capital assets - internally restricted	335,520	449,983
Unrestricted	<u>931,525</u>	<u>785,578</u>
	<u>1,267,045</u>	<u>1,235,561</u>
	<u>\$ 1,499,213</u>	<u>\$ 1,632,851</u>

Approved by the Board:

CATHERINE BOIVIE
..... Director

RUBY BARBER
..... Director

(See accompanying notes)

**COMMISSIONER FOR COMPLAINTS FOR TELECOMMUNICATIONS SERVICES INC./
COMMISSAIRE AUX PLAINTES RELATIVES AUX SERVICES DE TÉLÉCOMMUNICATIONS INC.**

STATEMENT OF OPERATIONS

YEAR ENDED JULY 31, 2016

	<u>2016</u>	<u>2015</u>
Revenue		
Operating fees		
Revenue-based	\$ 2,213,283	\$ 2,186,616
Complaint-based	1,475,522	1,457,744
Annual	12,100	11,300
Participation fees	12,500	6,500
Interest	<u>6,884</u>	<u>12,480</u>
	<u>3,720,289</u>	<u>3,674,640</u>
 Expenses		
Salaries and benefits	2,481,981	2,500,332
Rent	399,003	332,153
Amortization	168,927	187,930
Directors fees	117,390	112,234
Consultants	62,520	70,540
Legal	79,489	88,492
Telecommunications	57,208	50,107
Communications and advertising	68,924	36,422
Travel and promotion	42,505	45,191
Staff training	32,966	66,229
Office	34,304	32,157
Recruiting	18,616	15,715
Systems support and maintenance	41,389	44,861
Equipment rental	5,600	5,600
Board expenses	24,522	11,791
Insurance	14,796	18,111
Accounting	10,000	10,000
Bad debts	22,731	11,160
Interest and bank charges	<u>5,934</u>	<u>5,335</u>
	<u>3,688,805</u>	<u>3,644,360</u>
 Net revenue	 <u>\$ 31,484</u>	 <u>\$ 30,280</u>

(See accompanying notes)

**COMMISSIONER FOR COMPLAINTS FOR TELECOMMUNICATIONS SERVICES INC./
COMMISSAIRE AUX PLAINTES RELATIVES AUX SERVICES DE TÉLÉCOMMUNICATIONS INC.**

STATEMENT OF CHANGES IN NET ASSETS

YEAR ENDED JULY 31, 2016

	<u>2016</u>	<u>2015</u>
Internally Restricted - capital assets		
Balance, beginning of year	\$ 449,983	\$ 521,600
Capital expenditures	54,464	116,313
Amortization	<u>(168,927)</u>	<u>(187,930)</u>
Balance, end of year	<u>\$ 335,520</u>	<u>\$ 449,983</u>
Unrestricted		
Balance, beginning of year	\$ 785,578	\$ 683,681
Net revenue	31,484	30,280
Amortization charged against restricted capital assets	168,927	187,930
Capital expenditures credited to restricted capital assets	<u>(54,464)</u>	<u>(116,313)</u>
Balance, end of year	<u>\$ 931,525</u>	<u>\$ 785,578</u>
Total net assets		
Balance, beginning of year -		
Internally Restricted - capital assets	\$ 449,983	\$ 521,600
Unrestricted	<u>785,578</u>	<u>683,681</u>
	<u>\$ 1,235,561</u>	<u>\$ 1,205,281</u>
Balance, end of year -		
Internally Restricted - capital assets	\$ 335,520	\$ 449,983
Unrestricted	<u>931,525</u>	<u>785,578</u>
	<u>\$ 1,267,045</u>	<u>\$ 1,235,561</u>

(See accompanying notes)

COMMISSIONER FOR COMPLAINTS FOR TELECOMMUNICATIONS SERVICES INC./
COMMISSAIRE AUX PLAINTES RELATIVES AUX SERVICES DE TÉLÉCOMMUNICATIONS INC.

STATEMENT OF CASH FLOWS

YEAR ENDED JULY 31, 2016

	<u>2016</u>	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net revenue	\$ 31,484	\$ 30,280
Adjustments for:		
Amortization	<u>168,927</u>	<u>187,930</u>
	200,411	218,210
Changes in non-cash working capital components:		
Accounts receivable	(72,770)	4,098
Prepaid expenses	(1,543)	9,713
Accounts payable and accrued liabilities	(6,754)	44,286
Year end fee adjustment	<u>(185,779)</u>	<u>(520,189)</u>
	<u>(66,435)</u>	<u>(243,882)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible and intangible capital assets	<u>(54,464)</u>	<u>(116,313)</u>
INCREASE (DECREASE) IN CASH	(120,899)	(360,195)
CASH, BEGINNING OF YEAR	<u>925,733</u>	<u>1,285,928</u>
CASH, END OF YEAR	<u>\$ 804,834</u>	<u>\$ 925,733</u>

(See accompanying notes)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JULY 31, 2016

1. **NATURE OF OPERATIONS**

The Commissioner for Complaints for Telecommunication Services Inc./Commissaire aux Plaintes Relatives aux Services de Télécommunications Inc. is constituted without share capital under Section 211 of the Canada Not-for-profit Corporations Act. The organization's mandate is to receive, to facilitate the resolution of, and if necessary, to resolve eligible Canadian consumer and small business complaints relating to certain telecommunication services. The organization operates on a not-for-profit basis and, as such, is exempt from income tax pursuant to section 149 (1)(l) of the Income Tax Act.

2. **SIGNIFICANT ACCOUNTING POLICIES**

Basis of accounting

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Revenue recognition

Participation fees consist of one-time start-up fees and are recognized as revenue on the date the telecommunications service provider becomes a participating service provider.

Operating fees consist of revenue-based fees, complaint-based fees, and annual fees paid by participating service providers to fund the operations of the organization. Revenue-based fees and annual fees are recognized as revenue during the period to which they relate. Complaint-based fees are based on the number of complaints closed in the period and are recognized as revenue when the complaints are closed.

Interest income consists of interest on overdue participation and operating fees, as well as interest earned on bank accounts, and is recognized as revenue when earned.

Tangible capital assets and amortization

Tangible capital assets are recorded at acquisition cost. Amortization is provided on a straight-line basis over five years in the case of furniture and equipment; three years in the case of computer equipment; and over the life of the lease in the case of leasehold improvements. In the year of acquisition, amortization is pro-rated over the number of months the asset is owned by the organization.

Intangible capital assets and amortization

Intangible capital assets are recorded at acquisition cost. Amortization is provided on a straight-line basis over five years. In the year of acquisition, amortization is pro-rated over the number of months the asset is owned by the organization.

Financial instruments

The organization's financial assets and liabilities are initially recognized at fair value and are subsequently measured at amortized cost at the financial statement date.

Transaction costs associated with the acquisition and disposal of financial instruments are expensed as incurred.

NOTES TO FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED JULY 31, 2016

2. **SIGNIFICANT ACCOUNTING POLICIES** - Cont'd.

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Management makes estimates regarding the estimated useful life of its tangible and intangible capital assets and the collectibility of its accounts receivable. Actual results could differ from these estimates.

3. **FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

The organization is exposed to and manages various financial risks resulting from both its operations and its investment activities, and does not enter into financial instrument agreements including derivative financial instruments for speculative purposes.

The organization's main financial risk exposure and its financial management policies are as follows:

Credit risk

The organization is exposed to credit risk resulting from the possibility that parties may default on their financial obligations. The organization's maximum exposure to credit risk represents the sum of the carrying value of its cash and accounts receivable.

The organization's cash is deposited with a Canadian chartered bank and as a result management believes the risk of loss on this item to be remote.

Management believes that the organization's credit risk with respect to accounts receivable is limited. The organization manages its credit risk by reviewing accounts receivable aging monthly and diligently following up on collection of outstanding amounts. During the last fiscal year the organization has reported bad debts of \$22,731 (2015 - \$11,160). Management has established an allowance for uncollectible accounts receivable at July 31, 2016 of \$40,898 (2015 - \$18,788) that represents management's best estimate of potentially uncollectible accounts.

Liquidity risk

Liquidity risk is the risk that the organization cannot meet a demand for cash or fund its obligations as they become due.

The organization meets its liquidity risk requirements by establishing budgets and cash estimates to ensure it has funds necessary to fulfill its obligations.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk.

NOTES TO FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED JULY 31, 2016

3. **FINANCIAL INSTRUMENTS AND RISK MANAGEMENT** - Cont'd.

Market risk - Cont'd.

Currency risk

Currency risk refers to the risk that the fair value of instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates.

The organization is not exposed to foreign currency risk.

Interest rate risk

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the financial instruments will fluctuate due to changes in market interest rates.

The organization is not exposed to interest rate risk.

Other price risk

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar instruments traded in the market.

The organization is not exposed to other price risk.

Changes in risk

There have been no significant changes in the organization's risk exposures from the prior year.

4. **CASH**

Cash consists of the following:

	<u>2016</u>	<u>2015</u>
Current chequing account	\$ 75,854	\$ 69,896
Premium investment savings account	<u>728,980</u>	<u>855,837</u>
	<u>\$ 804,834</u>	<u>\$ 925,733</u>

The premium investment savings account earns interest which is received monthly.

**COMMISSIONER FOR COMPLAINTS FOR TELECOMMUNICATIONS SERVICES INC./
COMMISSAIRE AUX PLAINTES RELATIVES AUX SERVICES DE TÉLÉCOMMUNICATIONS INC.**

NOTES TO FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED JULY 31, 2016

5. TANGIBLE CAPITAL ASSETS

	2016		2015	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Furniture and equipment	\$ 250,556	\$ 192,653	\$ 249,362	\$ 162,826
Computer equipment	366,224	247,451	335,442	204,031
Leasehold improvements	81,853	39,845	81,853	24,092
	698,633	\$ 479,949	666,657	\$ 390,949
Accumulated amortization	479,949		390,949	
	\$ 218,684		\$ 275,708	

6. INTANGIBLE CAPITAL ASSETS

	2016	2015
Case management software	\$ 416,754	\$ 394,266
Accumulated Amortization	299,918	219,991
	\$ 116,836	\$ 174,275

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consists of the following:

	2016	2015
Accounts payable and accrued liabilities	\$ 121,045	\$ 101,960
Government remittances payable	111,123	136,962
	\$ 232,168	\$ 238,922

NOTES TO FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED JULY 31, 2016

8. **YEAR-END FEE ADJUSTMENT**

The operations of the organization are funded primarily by two types of fees charged to participating service providers:

1. Revenue-based fees - Billed to participating service providers with Canadian forborne telecommunications revenues greater than \$10 million, based on their proportionate share of forborne revenue; and
2. Complaint-based fees - Billed to those participating service providers with complaints concluded in the fiscal year, based on the number of the provider's complaints concluded in the fiscal year, and the level of the process at which they are concluded.

Under the Participation Agreement revenue-based fees are to cover 60% of total expenses while complaint-based fees are to cover 40% of total expenses. During the year, the amount invoiced to participating service providers is calculated so as to generate sufficient revenues to match budgeted expenses, based on Management's projections of the year's anticipated operational activities. At the end of the year these two categories of fees are adjusted to reflect both the 60% / 40% split and to match the total expense figure of \$3,688,805 (2015 \$3,644,360).

Revenue-based fees were adjusted downwards as the actual amount billed to revenue-based fee payors was more than 60% of the actual expenses of the organization. Complaint-based fees were adjusted upwards because the actual amount billed to complaint-based fee payors was less than 40% of the actual expenses of the organization.

Summary of Year End Fee Adjustment:

	<u>2016</u>	<u>2015</u>
Revenue-based fees adjustment	\$ (177,092)	\$ (354,071)
Complaint-based fees adjustment	<u>204,503</u>	<u>195,703</u>
Year end fee adjustment receivable (payable)	<u>\$ 27,411</u>	<u>\$ (158,368)</u>

In addition, under Section 5 of the Participation Agreement a special levy can, at the discretion of the Board, be billed to the participating service providers for the purposes of funding the organization. In 2016, the Board did not approve a special levy (2015 - \$nil).

9. **AVAILABLE CREDIT**

The organization has access to credit through Visa credit cards with a total credit limit of \$22,000. The credit cards are paid in full each month. The company also has access to an operating line of credit. The interest rate on the line of credit is prime plus 1.25% and the authorized limit of the line of credit is \$500,000. The operating line of credit is secured by a general security agreement. No balance is outstanding at July 31, 2016.

NOTES TO FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED JULY 31, 2016

10. **COMMITMENTS**

As of July 31, 2016, the organization has one ongoing lease for its premises and one for equipment. The main office lease expires March 31, 2019 and the equipment lease expires on December 31, 2017.

Annual minimum lease payments will be approximately as follows:

	<u>Building</u>	<u>Equipment</u>	<u>Total</u>
2017	\$ 506,524	\$ 6,328	\$ 512,852
2018	513,448	3,164	516,612
2019	<u>342,298</u>	<u>-</u>	<u>342,298</u>
	<u>\$ 1,362,270</u>	<u>\$ 9,492</u>	<u>\$ 1,371,762</u>