

March 1, 2004

Industry Canada Larry Shaw Director General Telecommunication Policy Branch

Subject: Gazette Notice DGTP-007-03: Consultation on the Spectrum for Advanced Wireless Services and Review of the Mobile Spectrum Cap Policy, October 2003

Dear Sir:

We are pleased to offer the following comments to the Departments proposal to encourage the development of advanced digital mobile services as outlined in the Measures to Promote Advanced Mobile Telephony Services in Rural Canada contained in the Gazette Notice DGTP-007-03: Consultation on the Spectrum for Advanced Wireless Services and Review of the Mobile Spectrum Cap Policy.

We support the Departments initiative to encourage the deployment of advanced digital cellular and PCS services in rural and remote Canada. Low population densities and high servicing area costs render these areas less, or unattractive, to the national carriers. In many cases public funds are required to support a business case to develop network infrastructure and extend mobile wireless services to these areas. We feel that smaller regional carriers, that are better positioned to work in partnership with community groups and public funding agencies, will be a major force in the deployment of advanced digital cellular and PCS services in rural and remote Canada.

National and North American roaming is an essential part of any viable public mobile wireless service offering. Commercial roaming agreements, reciprocal or otherwise, have been readily available in the cellular world because they extend the service areas of the respective carriers and the attractiveness of a carriers home service offering in the market where it competes. Roaming agreements between wireless carriers only become a problem when one carrier seeks to gain an unfair competitive advantage through roaming agreements or when the respective carriers compete in the same home markets.

We feel that any reluctance on the part of national or regional cellular or PCS carriers to offer roaming to smaller remote or regional carriers has to be caused by the concern that they may have to extend roaming to a carrier that competes, or may compete, in their home market. We feel that the Departments proposal addresses this concern by stipulating that **the smaller carrier must not operate network facilities to compete** in the same serving territories as the national or regional carrier. The further stipulation that the small rural or remote carrier must operate solely in what was either an unserved area, having no existing carriers, or an underserved area, having only one existing

carrier, ensures that the smaller carrier will have a unique operating territory, something that should be attractive to national and regional carriers with respect to reciprocal roaming.

We do not support the notion of preferential commercial roaming. Preferential implies an advantage to one party at the expense of the other. We believe that, while a mandate or mechanism may be required to ensure the availability of national roaming for small carriers, the terms under which roaming is granted should reflect industry norms and should be fair to both parties.

Thank you,

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