

Major Areas of Private Sector Regulation in Canada

Overview

Industry	Regulatory authority	Federal or provincial
Electric power	Mostly crown corporations	Provincial
Telephone	Can Rad-Tel and Tel Com (CRTC)	Federal
Airlines	Can Transportation Agency (CTA)	Federal
Agriculture	Various marketing boards	Federal and provincial
Financial	Office of the Superintendent of Financial Institutions (OSFI) / others	Federal and provincial
Railways	CTA	Federal
Radio	CRTC	Federal
Television	CRTC	Federal
Trucking	Highway transport boards	Provincial
Pipelines	National energy board (NEB)	Federal
Oil and gas	NEB and others	Federal and provincial
Water carriers	NTA	Federal
Postal services	Mostly crown corporations	

Telecommunications industry

- Bell Canada is the dominant firm
- Highly profitable company!

- TELUS is the other major firm
- Other smaller companies

Regulation in telecoms

- Local telephone services is a natural monopoly and therefore regulated
- Cellular sector is not and unregulated
- Long distance services:
 - Competition from satellite and cable: deregulation!
 - But cross-subsidization to local services:
 - Fairness: universal access to a telephone
 - Efficiency: network externalities
 - Nowadays, arguments much less compelling
 - Entry allowed in 1992

Telecom regulation in the future

- Rate balancing?
 - Higher prices for local services and lower for long-distance
 - Increase monthly fee or measured service
 - Efficiency improvement
 - Fairer (or not?)
- Technology improvements
 - Competition in local services?
- Internet
 - Regulation needed?