

Before the
Canadian Radio-television and Telecommunications Commission
Ottawa, Ontario K1A 0N2

Re: Broadcasting and Telecom Notice of Consultation CRTC 2020-81-1
Call for comments -- Provision of paper bills by communications service providers

Comments of
Keep Me Posted North America

Keep Me Posted North America (KMP) submits these Comments in response to the Canadian Radio-television and Telecommunications Commission’s (the Commission) Call for comments regarding the provision of paper bills by communications service providers. KMP comments focus specifically on assisting the Commission in developing a robust understanding of consumers’ needs, and the critical importance of finally taking actions necessary to ensure that customers are given a clear choice in how they receive this information — on paper or digital — and that they are not charged extra for paper bills.

KMP is a pro-consumer campaign designed to provide educational and awareness programs so that consumers are empowered to choose the best delivery method for their social and economic needs. KMP aims to protect consumers’ right to choose between paper, digital and any other available delivery method, presenting independent research to quantify the negative impacts and penalties for consumers who are denied paper-based communications.

KMP is dedicated to ensuring that the transition to digital services and products is balanced, with ample and equal consideration of infrastructure, consumer skills, technology, online access and consumer choice. We are disappointed that the Commission is not currently enforcing Canadians’ rights to receive paper bills, however we are encouraged by the initiation of this public proceeding to examine this issue of critical importance to Canadian consumers.¹

Background

In the Commission’s brief historical treatment of how we finally arrived at an inflection point of contemplated action, it recognizes that providers used “various approaches to encourage customers to tran-

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¹ Broadcasting and Telecom Notice of Consultation CRTC 2020-81-1, Call for comments -- Provision of paper bills by communications service providers: “As many communications service providers transition from paper billing to electronic billing, the Commission seeks to obtain a better understanding of whether and in what circumstances Canadians should receive paper or electronic bills. In this proceeding, the Commission will determine whether intervention is warranted in regard to the billing practices of telecommunications service providers and broadcasting distribution undertakings, and, if so, what steps should be taken to meet the needs of consumers.”

sition from paper to electronic billing (e-billing). Prior to December 2014, these approaches included charging fees for the issuance of paper bills or providing discounts to customers who opt for e-billing.”² KMP considers this to be a charitable description of the regulatory Wild West that welcomed stampedes over Canadian consumers’ rights of choice, control and convenience in their billing options. We further clarify that charging customers an extra fee just to read and pay a bill is not an “encouragement,” but rather an exploitation.

On 16 December 2014, came definitive, pro-consumer action from Parliament, as the Commission appropriately notes, “the Telecommunications Act and the Broadcasting Act were amended to prohibit communications service providers from charging fees for the issuance of paper bills.”³ However, in spite of the clear intent of Parliament and expectations of consumers inspiring this needed protection that access to paper bills was ultimately a legal right, regulated companies were instead inexplicably allowed to abandon their customers’ needs for paper bills.

All the while, Canadians expressed their serious concerns at every opportunity to the Commission about communications service providers’ unfair and deceptive schemes forcing them from paper billing to e-billing. As mentioned in the instant Call for comments, citizens put forth the effort to detail their grievances in abundant public comments across multiple Commission proceedings, including that which resulted in the Commission’s Report on Misleading or Aggressive Communications Retail Sales Practices. KMP further directs the Commission to take notice of the overwhelming consensus of consumers pleading for relief against the nonconsensual billing practices of Koodo in their forced migration from paper to digital in the Application by Public Interest Advocacy Centre and National Pensioners Federation regarding paper billing by Koodo Mobile.⁴

The Commission indicates a growing awareness of consumer sentiment as it now recognizes that “digital service innovation and price competition” are not the only factors it must finally give weight to. While the 2019 Policy Direction that instructed the Commission to give ample consideration of policies that enhance and protect the rights of consumers was not explicitly referenced, there is this fundamental realization that frames the entire proceeding:

“The Commission, therefore, must develop an understanding of consumers’ needs.”⁵

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² *Id.*

³ *Id.*

⁴ See Interventions Public process number: 2018-0429-5, CRTC file 8661-P8-201804295-Public Interest Advocacy Centre-Application by Public Interest Advocacy Centre and National Pensioners Federation regarding paper billing by Koodo Mobile.

⁵ Notice of Consultation and Call for comments.

ISSUES RAISED:

Why isn't the Commission enforcing Canadians' rights to receive paper bills today?

Given the history and record leading to this proceeding,⁶ the 2014 revisions to the Telecommunications Act, and the 2019 Policy Direction, this is a reasonable question to ask. Parliament clearly intended that paper bills would be provided to consumers when it enhanced protections under the Telecommunications Act in 2014. Embracing public outcry, they added a remedy at s. 27.2: "Any person who provides telecommunications services shall not charge a subscriber for providing the subscriber with a paper bill." The plain idea was to bolster consumer rights, and arguments that it was contemplated that such new rights would be simultaneously stripped by doing away with paper bills altogether defy credibility.

More recently, additional consideration was given to the needs of consumer in the 2019 Policy Direction. It clearly instructs the Commission to give due weight to consumer protection whenever it contemplates the Act's policy objectives at s. 1(a)(iv), which reads:

1 In exercising its powers and performing its duties under the Telecommunications Act, the Commission must implement the Canadian telecommunications policy objectives set out in section 7 of that Act, in accordance with the following:

(a) the Commission should consider how its decisions can promote competition, affordability, consumer interests and innovation, in particular the extent to which they

(iv) enhance and protect the rights of consumers in their relationships with telecommunications service providers, including rights related to accessibility

This unequivocal Policy Direction was in force during the seemingly endless Koodo saga that inspired the current proceeding, however it seems to have been ignored completely. KMP reminds the Commission that it is still in force for this proceeding, and that compliance remains compulsory.

The Commission, therefore, must develop an understanding of consumers' needs

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⁶ In Telecom Decision 2020-80, the Commission acknowledged that digital service innovation and price competition are important factors in the overall market. However, the Commission also noted the following with respect to consumers: 1), PIAC-NPF's application raised concerns about the need for vulnerable consumers to have access to paper bills; 2) the concerns raised in PIAC-NPF's application and other complaints that the Commission has received may be a sign that there are wider concerns with paper billing in general; and 3) it is important to ensure that Canadians are able to receive clear information about their bills in an appropriate format.

The record clearly shows that consumers have been and keep telling the Commission what such needs are: Canadians demand choice, control and convenience in their billing options, without penalty for paper communications. In fact, 82% of Canadian consumers believe they should have the right to choose how they receive communications. Furthermore, 80% believe they should have the right to revert to paper options after choosing digital products or services, according to a 2019 survey of 1,044 Canadian consumers.⁷

These data are consistent with what the Commission acknowledges from its own engagement with citizens, “Canadians expressed concerns, among other things, related to the trend of communications service providers transitioning from paper billing to e-billing.”⁸ And the public demand for paper billing options was reinforced to the Commission yet again in the overwhelming consensus of public comments demanding the Koodo mail them their bills⁹

KMP directs the Commission to this particular consumer comment that perfectly captures the nature of the product being billed for, the frustration of being denied the simplest of tools to attempt to reconcile and pay what is contractually obligated:

“I fully support the action to keep paper billing. In dealing with Koodo. For more than 7 years, they are famous for billing issues and discrepancies. The Paper bill is the only way I can keep on top of what we are paying. As there are 3 phones on the account, with usage fee’s that vary every month, there is no valid reason not to have the paper bill sent out with the charges. I understand that if the amount was identical every month, then they can argue there is no need as the payment dates and amounts remain the same. But a wireless service with chargeable communications, periodic add ons and costs for over-ages, there needs to be consistency in the billing practices.”¹⁰

Wireless service is an essential service. Many accounts have multiple lines, with multiple unique charges for each. If a customer says that they need a paper bill to keep track of it all, they need a paper bill. Consumers must be taken at their word. Such is sound public policy and is otherwise a good business practice. As if a reminder is needed: bills are sent with the expectation that payment will be returned, so ensuring that they are received and understood is in a provider’s own best interest.

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7 Busting Myths: A Study of Canadian Consumer Perceptions and Attitudes Towards Print and Paper. A survey of 1,044 Canadian consumers was commissioned by Two Sides and carried out by independent research company Toluna in February 2019. 82% of Canadian consumers believe they should have the right to choose how they receive communications. 89% of those 55 and older maintain this belief. 80% believe they should have the right to revert to paper options after choosing digital products or services. 66% believe they should not be charged more for choosing a paper bill or statement. https://twosidesna.org/wp-content/uploads/sites/16/2019/06/TSNA_BustingTheMythsReport_CANADA_Online.pdf

8 On the record of the proceeding that resulted in the Commission’s Report on Misleading or Aggressive Communications Retail Sales Practices.

9 See Interventions, Public process number: 2018-0429-5, CRTC file 8661-P8-201804295-Public Interest Advocacy Centre-Application by Public Interest Advocacy Centre and National Pensioners Federation regarding paper billing by Koodo Mobile.

10 NPF-PIAC Petition to Cabinet, p.2, see footnotes.

KMP urges the Commission to ultimately recognize and embrace the simple facts that consumers feel strongly about having the option to access paper documents for a variety of reasons. Whether it is for security concerns due to online fraud, lack of computer or Internet access, or just preference for paper, consumers overwhelmingly want to be able to choose how they receive important financial information. For a more robust understanding of consumers’ needs, in their own words, we highly recommend KMP Fact Sheet: The Push to Digital -- How Do Consumers Feel About It? ¹¹

Promoting competition, affordability, consumer interests and innovation -- while enhancing and protecting the rights of consumers in their relationships with telecommunications service providers

Innovation

KMP submits that there is nothing “innovative” about forcing consumers to migrate from paper to electronically delivered bills without their affirmative consent. Furthermore, misleading customers about the latest excuse for forcing them into practices they tell you they object to is not an innovation either. Since it was Koodo practices that served as the primary catalyst for this proceeding, their latest attempt at innovative customer disservice should be of some concern to the Commission. With a long history of conflicting rationales to drop paper billing, they are now suddenly claiming that their corporate push to nonconsensual e-billing is a measured response to COVID-19 and the pandemic:

“Effective immediately, your bill will be delivered paperless via email and/or SMS. In light of the ongoing development with COVID-19, to reduce the chance of contagion through social distancing, we will stop delivering paper bills via mail and we will instead deliver your bill only via email and/or SMS. This added measure will also help to reduce pressure on our suppliers as well as on our postal services during this time. Once COVID-19 restrictions have been completely relaxed, feel free to contact us to switch back to paper....” ¹²

This Koodo communication to its customers is troubling in several ways. For starters, the company was twisting consumers’ arms and asking the Commission permission to do so long before the pandemic. Worse, the opportunistic rationale repackaging risks spreading fear and confusion about the safety of paper and mail. And if that’s not bad enough, this correspondence insinuates, falsely, that Canada Post is somehow asking for this. KMP disagrees strongly with these unfounded claims about safety, and encourages anyone concerned to review our latest Fact Sheet: COVID-19 (SARS-CoV-2) and Paper Product Safety ¹³

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11 KMP Fact Sheet: The Push to Digital -- How Do Consumers Feel About It? A representative sampling of consumer sentiment, in their own words: “ALL companies should be required to continue sending paper bills if the customer prefers, it’s a cost of doing business! I’m sick of the “save a tree” excuse.” “Records can only be verified on paper. Electronic bills, notices, etc. can only be verified if printed out - which is not ‘paperless’. Shifting from paper to electronic billing and record keeping is a false ‘economy’.” “I need a paper bill, i.e., a bill by so-called ‘snail mail’. I live by myself, and I have health issues. How would anyone have access to my bill if I am incapacitated or in the hospital?” https://keepmepostedna.org/wp-content/uploads/2019/07/kmpna-consumer-testimonials_07_2019.pdf

12 Koodo email to customers in June, screen capture on KMP file.

13 KMP Fact Sheet: COVID-19 (SARS-CoV-2) and Paper Product Safety, <https://keepmepostedna.org/wp-content/uploads/2020/06/final-na-covid-19-and-paper-product-safety-1.pdf>

Forcing unwelcome and unwanted disruptions during a pandemic, amplifying customers' already abundant disruptions, and making it more complicated for them to pay on time for services, is not an innovation. Real innovation would be a seamless process of both billing and payments, proactively selected by customers themselves, from a menu of options integrating these two distinct exchanges between provider and client.

Price competition

We respectfully ask: has any provider provided the Commission with a life-cycle cost analysis of paper billing versus online billing showing that online billing is more cost-competitive? Has detailed information been furnished on whether paper bill recipients are more or less reliable in their timely payments? Is there any indication providers seeking to go paperless have even compared and accounted for any differences between paper and forced-digital bill recipients relating to time and resources of the billing and customer service departments?

There is evidence to suggest that companies can save money mailing this critical correspondence without fees – compared to related efforts in the push to digital-first and digital-only transaction schemes. A case study from an energy provider that tested the efficacy of physical versus electronic mail found that paper outperformed digital in securing timely payments — and as a result, the test population receiving emailed invoices costs far more because of new burdens created on the customer service department ¹⁴

Conclusion

Canadian consumers have made their case. They should be provided choice, control and convenience in their billing options, without penalty for paper communications. We urge the Commission to take actions necessary to ensure that customers are given a clear choice in how they receive information — on paper or digital — and that they are not charged extra for paper statements.

KMP's Best Practices for essential communications serves as a model framework:

- No charges or other penalties for choosing paper bills
- Prior consumer consent required before ceasing to send paper documents
- No change in paper bill frequency without prior agreement
- No difficulty to revert back to paper correspondence
- Continued access to online options

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14 Case Study: The Cost of Direct Mail versus Email Invoices, <https://twosidesna.org/US/can-paper-bills-be-more-cost-effective-than-e-bills/>

The Commission should take notice that our friends including Australia, Germany, France, Spain, Finland, Ireland, Belgium, Austria and The Netherlands, have been forging ahead with enforceable policies protecting their citizens' communications preferences. Now is the time, and this proceeding is the opportunity for Canada to finally take a leadership role.

Respectfully Submitted,

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