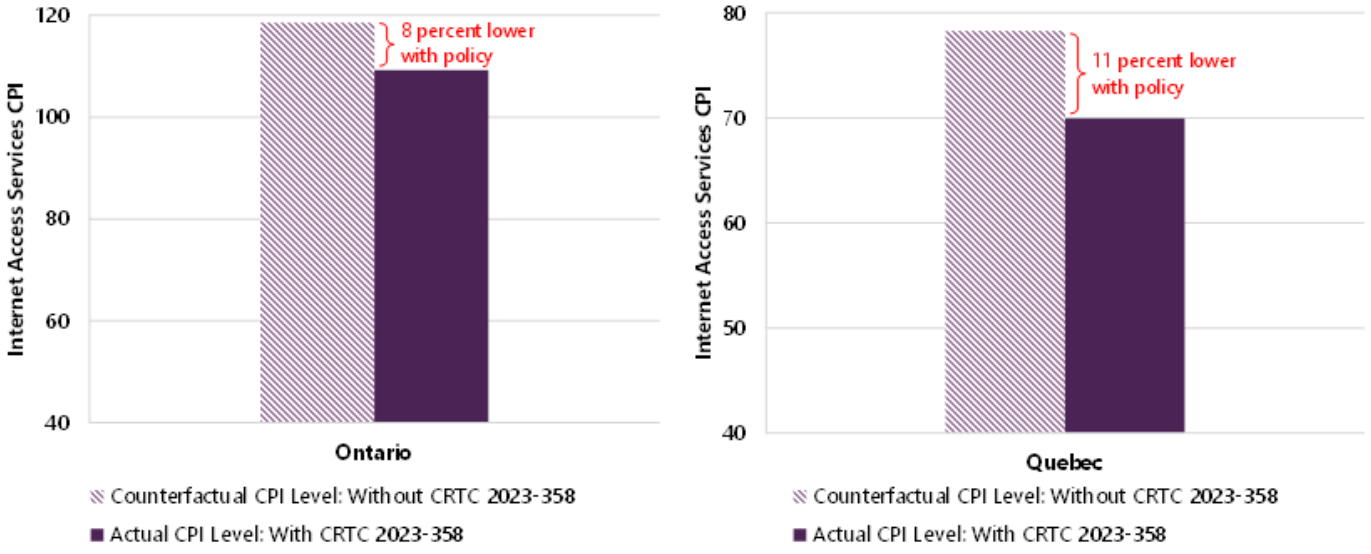
Lower Internet Prices: CRTC's New Policy is Working

Canada's new fibre policy is causing prices to decline.

New economic analysis from NERA demonstrates that the CRTC's new policy reduced prices by approximately 8% in Ontario and 11% in Quebec between Nov 2023–Aug 2024, confirming earlier observations. The estimates are statistically significant and economically meaningful and align with observed market behaviour (new offers and sharper rivalry in previously stagnant areas).



The evidence is based on official price data and a transparent causal benchmark

NERA established this difference using Statistics Canada's price index for internet access services, part of the CPI. They compared internet prices in Ontario and Quebec to a realistic **'what-if' scenario** built from other provinces. They used advanced methods to **filter out** underlying differences between the provinces and any national price trends, so only the policy's true impact was measured. They also ran several tests to make sure the results were reliable, such as looking at different timeframes and different filters.

The policy's design increases competition while preserving incentives to invest

In the final decision, two safeguards that protect investment and regulatory certainty were included: a time-limited, five-year build holiday on new fibre and an in-territory ban on using mandated access. The mandate applies to large telcos; cable FTTP is not mandated. This design targets competitive entry and similar reductions in price across Canada, while maintaining strong incentives to continue fibre investments.

The implications are clear: maintain the framework and publish progress

The early evidence indicates the policy is working as intended: more competition, lower price levels. With additional investment protections now in place, policy stability is warranted. Ongoing transparency—regular publication of price levels and investment indicators by Statistics Canada—will support effective monitoring. Future analysis should track longer horizons and incorporate quality-adjusted measures (e.g., speed-adjusted price indices) and distributional effects to deepen the evaluation. **But the conclusion at this stage is clear: the CRTC's wholesale fibre policy is delivering its intended consumer benefits.**