

Telecommunications Industry

COMPETITORS

Public ownership is still maintained in some of Canada's leading telecommunication companies.

Bell Canada Enterprises is currently the largest telecommunications company in Canada, dominating 38% of total telecommunication service revenues exceeding US\$10.7 billion.

MARKET OVERVIEW

- ▶ The telecommunications service industry maintained a steady growth of 1.1% (2003), producing a US\$18.85 billion contribution to the overall economy, which accounts for 2.3% of the total GDP.
- ▶ The majority of the R & D for telecommunications is conducted in Ottawa.
- ▶ The telecommunication industry experienced an employment growth of 5.5% over 2002, employing 110,834 persons, with an average salary increase of 0.2%.
- ▶ Approximately 69% of persons employed within the telecommunication sector come from the wireline segment, 22% from wireless and 9% from the resellers.
- ▶ In 2003 the Wireless Service Providers segment generated US\$6.6 billion in revenues, occupying approximately 22% of the communications service market, employing approximately 22% of the whole telecommunications service industry.
- ▶ The value of the total telecommunication equipment imports has more than doubled in the past 8 years.

REGULATIONS

- ▶ The Canadian government has been actively involved in supporting the modernization of high-speed communication infrastructure and services. By gaining its independence, the regulatory body has been successful in preparing the market for the introduction of competition by providing transparency and uniformity within the regulatory framework
- ▶ The Canadian Radio-television and Telecommunication Commission (CRTC) is responsible for the regulation and supervision of telecommunications and broadcasting services in Canada.
- ▶ The Telecommunication Act, implemented in 1993 to promote local competition, still imposes restrictions on foreign investment in the telecommunication industry. In addition, the act places limitations on foreign voting equity and prohibits foreign control.
- ▶ Telecommunication and the Radiocommunication Acts regulate the telecommunication and radiocommunication equipment.

MARKET OPPORTUNITIES

- ▶ The telecommunication industry has been continually growing in all sectors of the industry, but there has been strong growth in the wireless sector with over 15 million Canadian consumers now using wireless products and services.
- ▶ The Canadian photonics industry sector has also experienced strong growth. Ottawa leads this growth sector in Canada, comprising 70 % of the industry.

THINK CANADA FIRST!

We hope that you find this information useful. If you would like further information, please contact Stephanie.Linton@mail.doc.gov. Visit our website www.BuyUSA.gov/Canada to discover other commercial opportunities in Canada.