

FOR IMMEDIATE RELEASE

Wall Communications Inc. Releases 7th Annual Report on the Prices Paid for Telecom Services in Canada and Internationally

OTTAWA, Ontario (July 14, 2014) – Wall Communications Inc., an Ottawa-based economics research and consulting firm, has released its latest price comparison study measuring the prices that Canadians pay for mobile phone service, landline phone service, internet service (both fixed and mobile) and bundles of these same services (including basic TV service). In addition to measuring the prices paid by Canadians, the prices of these same services are also tracked for the US, the UK, France, Germany, Italy, Australia and Japan.

"We found that the price of low-volume, voice-only mobile service plans increased by 16% relative to last year, whereas the price of higher-volume voice, text and data service plans declined by 15% and the price of a typical basket of mobile phone services – including voice, text, call display and voicemail features – remained unchanged" said Gerry Wall, president of the company. Wall added that "On balance, with the exception of low volume, voice-only plans mobile prices continued a general downward trend with typical voice and text service plan rates down 15% compared to five years ago and higher-volume voice, text and data service plan rates down 27%."

Other highlights of the Wall Report relating to mobile service pricing include:

- New entrants' mobile service prices were found to range from 10% to close to 50% less than the incumbent's service plan prices, with the largest differences applying in the case of unlimited talk, text and high-usage data plans.
- As well, the incumbents' own flanker brand (e.g., fido, Virgin and Koodo) mobile service prices were found to range from 20% to 34% below the incumbents' primary brand prices, again with the largest differences applying in the case of unlimited talk, text and high-usage data plans.
- Canada's mobile prices were found to rank on the high side of the average for the group of seven surveyed countries, which is consistent with findings in previous years' studies.
- The study also included for the first time a comparison of roaming rates paid by Canadian consumers traveling in the U.S. and American consumers traveling in Canada. Considering both pay-as-you-go and roaming add-on packages, Wall Communications found that consumers are generally no better off in either country as far as overall cross-border roaming charges are concerned.

Wall Communications also measured and compared fixed and mobile broadband Internet service prices. Highlights of the Wall Report in this respect include:

- Fixed broadband prices in Canada for all four broadband service speed tiers considered in the study increased this year, continuing a general upward trend in

broadband prices over the last five years; however, it is important to note that average speeds and data allowances have also increased over the same period.

- Mobile broadband prices, on the other hand, declined slightly this year compared to last, which continues a general downward price trend for these services over the last several years.
- New entrants' mobile broadband prices were found to be roughly 25% to 40% lower than the incumbents, with the higher difference found in the case of plans providing 5 GB or more of monthly data usage.
- Canadian fixed broadband service prices compare favourably with the other seven surveyed countries in the case of the lower-speed broadband service baskets (i.e., at or below 15 Mbps download speeds), however, Canadian higher-speed broadband prices are higher than the prices measured in the surveyed countries, with the exception of the U.S.
- Canada's mobile broadband Internet service prices also fall on the high-side of the group of surveyed countries; however, in this case, Canadian mobile speeds are among the highest of the surveyed countries due to the availability of 4G LTE mobile wireless services in Canada.

Full details of the findings and methodology are available in the 2014 Wall Report. The study has been produced annually since 2008 by Wall Communications Inc. and is commissioned by Industry Canada and the CRTC. It can be found on the CRTC website (at www.crtc.gc.ca) or on the Wall Communications website (at www.wallcom.ca).

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