May 25, 2007

Mr. Leonard St-Aubin
Director General
Telecommunications Branch
Industry Canada
300 Slater Street
Ottawa, Ontario K1A 0C8

Via Facsimile: 613-998-1256

Dear Mr. St-Aubin:

Re: Consultation on a Framework for Auction Spectrum Including Advanced Wireless Services

The Vancouver Board of Trade has a continuing interest in the application of competitive principles to processes affecting the business community and the economy in general. We believe that in accord with the principles that the Minister and Cabinet have enunciated, to a very large extent market forces should be allowed to determine the outcomes in matters related to the telecommunications industry in Canada.

With respect to the specific subject of the framework for the auction of the spectrum in the 2 GHz range including advanced wireless services, it is important that competitive market forces be allowed to determine the outcome rather than market distortions in favour of particular vested interests.

We believe that wireless services in Canada are already highly competitive. Any new entrant should be subject to competitive processes rather than being introduced as a favoured entrant with preferential treatment that in essence amounts to a subsidy. We are not in favour of government providing subsidies to business, and certainly not in a situation where existing businesses in a competitive environment have worked and invested to produce services which already serve the country very well.

We understand that the Canadian wireless communications industry provides services at prices that compare favourably with those in other
OECD countries, and that wireless prices have fallen substantially in the past few years. Subscribers generally have three or more wireless providers to choose from. In this situation, there is no acceptable justification for intervention to favour a new entrant.

We urge the Minister and the Ministry to ensure that the spectrum auction is conducted in accord with rules that do not favour a particular competitor, and that recognize the existing competitive reality of the wireless industry in Canada.

Sincerely,

[Signature]

Darcy Rezac
Managing Director

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