

March 13, 2020

Mr. Michael MacPherson
Clerk
Standing Committee on Industry, Science and Technology
Sixth Floor, 131 Queen Street
House of Commons
Ottawa, ON K1A 0A6

VIA EMAIL: INDU@parl.gc.ca

Dear Mr. MacPerson:

Re: Fraud Calls In Canada

1. The Canadian Wireless Telecommunications Association (CWTA) is the recognized authority on wireless issues, developments and trends in Canada. Its membership is comprised of companies that provide services and products across the wireless industry, including wireless carriers and manufacturers of wireless equipment, who combine to deliver Canada's world-class wireless services, one of the key pillars on which Canada's digital and data-driven economy is built.
2. CWTA has been observing the INDU Committee hearings regarding Fraud Calls in Canada. During the course of the hearings the issue of wireless number porting fraud was raised by a couple of witnesses. In particular, statements were made suggesting that the wireless industry is not aggressively addressing this issue and calling on the CRTC to hold public hearings on the matter.
3. In 2005, the Commission released Telecom Decision CRTC 2005-72, with the goal to implement wireless number portability (WNP) in Canada. The aim of this Decision was for number portability to foster competition and allow consumers the ability to switch wireless service providers (WSPs) with minimal delay (i.e. in no longer than 2.5 business hours).
4. Efficient wireless porting in Canada is premised on cooperative work that occurs at the industry level by the WNP Council, which consists of representatives of Bell, Eastlink, Freedom Mobile, Rogers, SaskTel, Tbaytel, TELUS, Videotron, and Xplore Mobile, and whose work is facilitated by CWTA. The WNP Council is responsible for the development of industry operational processes and maintenance of the technical specifications necessary for wireless-to-wireless porting. This allows the WNP Council to stay apprised on WNP issues, working collaboratively and with consensus, and to quickly and efficiently adapt to change in an agile manner.
5. The framework for WNP has been in place since March 2007, allowing Canadian wireless subscribers to successfully "port" their phone numbers via industry developed systems and processes without the requirement for customers to confirm the port with their old wireless service provider. This process proved to be optimal for over a decade.

6. Unfortunately, fraudsters have recently targeted WNP as a way to take advantage of consumers. They do so by first gaining access to personal information of a wireless subscriber and using it to initiate an unauthorized number port. The necessary personal information is obtained through a variety of means, including from public social media accounts, the use by consumers of “life passwords¹”, social engineering of consumers, and from the dark web.
7. As with all matters pertaining to customer privacy and security, the wireless industry takes the matter of WNP fraud very seriously and has taken, and continues to take, steps to protect customers and make it harder for criminals to defraud Canadian wireless subscribers using the porting process.
8. After WNP fraud activity was identified, discussions by the WNP Council to identify an industry-wide solution began. Work on a solution that adds additional safeguards to combat the tactics used by fraudsters, while preserving the consumer benefits of wireless portability, is well underway. Wireless service providers have also implemented their own interim steps to help address this issue.
9. Following the initiation of this work by the WNP Council, the CRTC requested information from CWTA on the steps the WNP Council members are taking to address WNP fraud. CWTA has fully cooperated with the CRTC and responded to its inquiries in a complete and timely manner.
10. A public consultation will not add any value to this ongoing work, but will instead divert resources from the implementation of the additional safeguards being developed. In addition, a public vetting of a solution is counter-productive and will enable fraudsters to better understand the measures implemented by the industry to protect consumers, which will only assist them in circumventing these measures and expose consumers to further harm.
11. To reiterate, CWTA and the members of the WNP Council understand the seriousness of this issue and continue our collaborative efforts to alleviate instances of fraudulent activity.

Sincerely,



Eric Smith
Senior Vice President

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¹ Life Password is a password that is used by a consumer for logging in to every website and online account.