



Telecom Decision CRTC 2025-322

PDF version

Gatineau, 28 November 2025

Final 2025 revenue-percent charge and related matters

Summary

Canadians need access to reliable, affordable, and high-quality telecommunications services for every part of their daily lives. This includes a wide range of services, from home Internet and cellphones to services that enable people to conduct telephone calls using sign language. The Commission works to help connect all Canadians to high-quality telecommunications services.

One of the significant barriers to connectivity is the high cost of building telecommunications networks across Canada. Canada's vast and challenging geography means that many Canadians – particularly those in rural, remote, and Indigenous communities – may not have access to high-quality services.

To address this challenge, the Commission requires large telecommunications companies to contribute to the National Contribution Fund (NCF). Historically, the NCF has been used to support the deployment of telephone networks. Today, it is used to support Internet, cellphone, and video relay service (VRS).

The amount of funds collected every year is set by the Commission. In this decision, the Commission is setting the final rate for 2025 contributions and the initial interim rate for certain 2026 contributions. These contributions are collected from all telecommunications companies that have \$10 million or more in Canadian annual telecommunications revenue.

The national VRS and Broadband Fund requirement is based on the sum of (i) the funding for VRS, (ii) the funding for the Broadband Fund, and (iii) the administrative and operational costs of the Canadian Telecommunications Contribution Consortium Inc. and the Central Fund Administrator. There are several public proceedings that could impact the Commission's approach to contributions relating to the Broadband Fund. While the Commission continues to advance these files, it has decided to defer the decision on the Broadband Fund portion of the 2026 interim rate to the first half of 2026.

Introduction

1. Through a series of proceedings and decisions during the 1990s, the Commission opened up various telecommunications markets to competition. This enhanced the Canadian telecommunications system and enabled Canadians to benefit from competition.

2. In Decision 2000-745, the Commission introduced a national revenue-based contribution collection mechanism. As a result, telecommunications service providers (TSPs), or groups of related TSPs, that have \$10 million or more in Canadian telecommunications service revenue pay contribution into a national fund called the National Contribution Fund (NCF).
3. In Telecom Regulatory Policy 2014-187, the Commission determined that a national video relay service (VRS) would be implemented in Canada, with funding being provided through the NCF.
4. In Telecom Regulatory Policy 2016-496, the Commission determined that a funding mechanism would be established to support the expansion of fixed and mobile wireless broadband Internet access and wireless voice services (the Broadband Fund). The Commission also determined that, starting in the first year of the Broadband Fund, the definition of contribution-eligible revenue would be expanded to include retail Internet access and paging service revenues in the calculation of the revenue-percent charge.¹
5. In Telecom Regulatory Policy 2018-377, the Commission determined that the Broadband Fund would be introduced within the NCF and administered by the Central Fund Administrator (CFA).²
6. The Commission determined that 2020 would be the first year of operation for the Broadband Fund. As a result, the definition of contribution-eligible revenue was expanded to include retail Internet access and paging service revenues, effective January 2020.
7. Each year, the Commission finalizes the final revenue-percent charge to ensure that the amount of money collected is sufficient to meet VRS and Broadband Fund requirements.
8. In Telecom Decision 2024-282, the Commission set, on a final basis for 2024, a revenue-percent charge of 0.46%. The Commission set, on an interim basis for 2025, a revenue-percent charge of 0.46%.
9. The Commission addresses the following matters in this decision:
 - the estimated national VRS and Broadband Fund requirement for 2025;

¹ While the approved deduction is called Retail Paging Service, the Commission used the term “texting” in Telecom Regulatory Policy 2016-496 because the majority of retail paging revenues are texting revenues.

² The CFA is responsible for maintaining the system used by TSPs to report contribution-eligible revenue, calculating monthly contribution payments, collecting contributions, and paying subsidies, VRS funding, and the Broadband Fund.

- the final 2025 revenue-percent charge;
- the interim 2026 revenue-percent charge; and
- the excess NCF funds after the December 2025 data month is processed.

Estimated national VRS and Broadband Fund requirement for 2025

10. The national VRS and Broadband Fund requirement is based on the sum of (i) the funding for VRS, (ii) the funding for the Broadband Fund, and (iii) the administrative and operational costs of the Canadian Telecommunications Contribution Consortium Inc. (CTCC) and the CFA.
11. In Telecom Decision 2024-281, the Commission approved an application from the Canadian Administrator of VRS (CAV), Inc. (CAV) requesting \$33.6 million in funding for 2025.
12. In Telecom Notice of Consultation 2023-89, the Commission launched a proceeding to review the Broadband Fund policy. In that notice, the Commission considered that, until the conclusion of the Broadband Fund policy review, maintaining an annual cap of \$150 million for distribution would provide enough funding for ongoing projects. Therefore, a funding amount of \$150 million will be available for 2025.
13. The Commission received notification from the CTCC that the estimated CTCC and CFA administrative and operational costs would be approximately \$1.1 million for 2025. This amount is included in the national VRS and Broadband Fund requirement.
14. In light of the above, the Commission estimates the total 2025 national VRS and Broadband Fund requirement to be \$184.7 million.

Final 2025 revenue-percent charge

15. The revenue-percent charge is calculated using the ratio of the national VRS and Broadband Fund requirement to the estimated total contribution-eligible revenues of all TSPs that are required to contribute.
16. In Telecom Decision 2024-282, the Commission set an interim rate of 0.46% for 2025.
17. The Commission considers that a final 2025 revenue-percent charge of 0.46% would be appropriate.
18. Accordingly, the Commission approves on a final basis a 2025 contribution collection revenue-percent charge of 0.46%, effective 1 January 2025.

Interim 2026 revenue-percent charge

19. In Telecom Regulatory Policy 2025-54, the Commission approved a revised approach for funding VRS via the CAV. The CAV is now required to submit a letter addressed to the Secretary General by 31 August each year outlining the required funding for the following calendar year. The [letter](#) for 2026 requests \$34.4 million in funding.
20. There are several public proceedings³ that could impact the Commission's approach to contributions relating to the Broadband Fund. While the Commission continues to advance these files, it has decided to defer the decision on the Broadband Fund portion of the 2026 interim rate to the first half of 2026.
21. Including the CTCC and CFA estimated 2026 costs of \$1.2 million, the Commission estimates that the amount to be collected in order to meet VRS requirements during 2026 is \$35.6 million.
22. Taking into account the estimated contribution-eligible revenues of all TSPs that are required to contribute and the decision to defer issuing an interim revenue-percent charge related to the contributions for the Broadband Fund, the Commission considers that an initial interim 2026 revenue-percent charge of 0.11%, effective 1 January 2026, would be appropriate.
23. Accordingly, the Commission approves on an initial basis a 2026 interim contribution collection revenue-percent charge of 0.11%, effective 1 January 2026.

Excess NCF funds after the December 2025 data-month is processed

24. In Telecom Decision 2007-98, the Commission approved revised procedures for the operation of the NCF. This decision resulted in funds in excess of the CTCC's requested minimum balance being retained by the required contributors as uncalled contribution, rather than being held by the NCF as a cash surplus. The Commission indicated that it would direct the CFA to release the uncalled contribution at year-end because these amounts would not be needed by the NCF in that year.
25. While the Commission has made available a total of \$825 million in funding for the first six years of the Broadband Fund, not all of that amount will be paid out by the end of 2025. Any uncalled contribution associated with the unpaid portion of the Broadband Fund needs to be retained by the NCF for future payments.

³ See related files: Part 1 application regarding TSPs' contributions to the National Contribution Fund with respect to the Broadband Fund, Rogers Communications Canada Inc., 8695-R28-202503094, 30 June 2025; Part 1 application to increase the \$10 million minimum revenue threshold for participation in the contribution regime and payment of telecommunications fees, Independent Telecommunications Providers Association (ITPA), 8695-J92-202402163, 30 April 2024; the Broadband Fund policy review initiated by Telecom Notice of Consultation 2023-89.

26. In Telecom Decision 2019-383, the Commission approved the CTCC's request for a \$10 million minimum Prescribed NCF Balance.⁴
27. Therefore, the Commission considers that any uncalled contribution not associated with the Broadband Fund and in excess of the \$10 million minimum balance after the December 2025 data-month is processed is not required by the NCF and can be released.
28. Accordingly, the Commission directs the CFA to release any 2025 uncalled contribution that is not related to the Broadband Fund or the \$10 million minimum balance after it has processed the December 2025 data-month.

Conclusion

29. The Commission approves on a final basis a 2025 contribution collection revenue-percent charge of 0.46%, effective 1 January 2025.
30. The Commission directs the Central Fund Administrator to remit the amount of \$34,430,853 to the CAV, in 12 equal monthly installments, beginning on 1 January 2026.
31. The Commission approves on an initial basis a 2026 interim contribution collection revenue-percent charge of 0.11%, effective 1 January 2026, and intends to publish a revised 2026 interim rate in the first half of 2026.
32. The Commission directs the Central Fund Administrator to release any 2025 uncalled contribution that is not related to the Broadband Fund or the \$10 million minimum balance after it has processed the December 2025 data-month.

Secretary General

Related documents

- *Review of video relay service*, Telecom Regulatory Policy CRTC 2025-54, 21 February 2025
- *Final 2024 revenue-percent charge and related matters*, Telecom Decision CRTC 2024-282, 12 November 2024
- *Canadian Administrator of VRS (CAV), Inc. – Application requesting video relay service funding for 2025*, Telecom Decision CRTC 2024-281, 12 November 2024

⁴ The Prescribed NCF Balance is money held in reserve by the NCF to ensure that sufficient funds are available each month to make the required payments.

- *Call for comments – Broadband Fund policy review*, Telecom Notice of Consultation CRTC 2023-89, 23 March 2023, as amended by Telecom Notices of Consultation CRTC 2023-89-1, 17 April 2023, and 2023-89-2, 25 July 2024
- *Revised Procedures for the Operation of the National Contribution Fund, effective 1 January 2020*, Telecom Decision CRTC 2019-383, 28 November 2019
- *Development of the Commission’s Broadband Fund*, Telecom Regulatory Policy CRTC 2018-377, 27 September 2018
- *Modern telecommunications services – The path forward for Canada’s digital economy*, Telecom Regulatory Policy CRTC 2016-496, 21 December 2016
- *Video relay service*, Telecom Regulatory Policy CRTC 2014-187, 22 April 2014
- *Revised procedures for the operation of the National Contribution Fund, effective January 2008*, Telecom Decision CRTC 2007-98, 11 October 2007
- *Changes to the contribution regime*, Decision CRTC 2000-745, 30 November 2000