

BROADBAND

Bolder aspirations needed to improve broadband connectivity in Canada's North

Natasha Gauthier

High-speed internet is viewed by many as being as important to Canada's current and future prosperity as the railway was to our past. The digital revolution is removing the last remaining obstacles to the free flow of business and ideas, connecting Canadians not only with each other, but to the rest of the world.

Robust, reliable broadband — and a population that can access it with minimal barriers — allows innovation, creativity, and economic diversification to flourish. Better connectivity promotes equality, improves delivery of public services, enhances transparency and accountability, and reinforces democracy by opening communication channels between governments and their citizens. It exponentially increases the growth potential of sectors such as telehealth, distance education, and e-commerce.

While connectivity in many parts of Canada is at an all-time high, economically disadvantaged and geographically remote areas are increasingly being left behind. Nowhere is this digital divide more glaring than in the North.

Despite the North's immense economic, political, and cultural value, it continues to experience significantly higher internet costs and slower connectivity speeds than the rest of Canada. The situation is exacerbated by significant infrastructure challenges.

In winter 2014, to examine how stakeholders from all sectors might focus their efforts to improve northern connectivity, Canada's Public Policy Forum undertook an initiative entitled *Northern Connections: Broadband and Canada's Digital Divide*.



The importance of Northern connectivity

Today, almost every aspect of development is linked to digital connectivity. This is especially true in isolated communities, where the internet provides vital social links and access to critical services and information. Many of the solutions being proposed to develop the natural resources and address the chronic socio-economic issues of Canada's North rely on robust, high-speed internet.

Connectivity can also be a great equalizer for Aboriginal Canadians. It can be a tool for First Na-

tions, Inuit, and Métis people to spread awareness of issues critical to their communities, and to be involved and represented in decision-making beyond their immediate regions. It can also ensure that indigenous voices, cultures, languages, and history are broadly shared.

The causes and consequences of poor connectivity in the North are well understood. Several recent major Canadian reports have documented the technological and economic challenges of improving broadband in Canada's three territories and other northern regions.¹ Extensive public consultations by the Canadian Radio-television and Telecommunications Commission (CRTC) over the past two years have further focused attention on the North's telecommunications needs

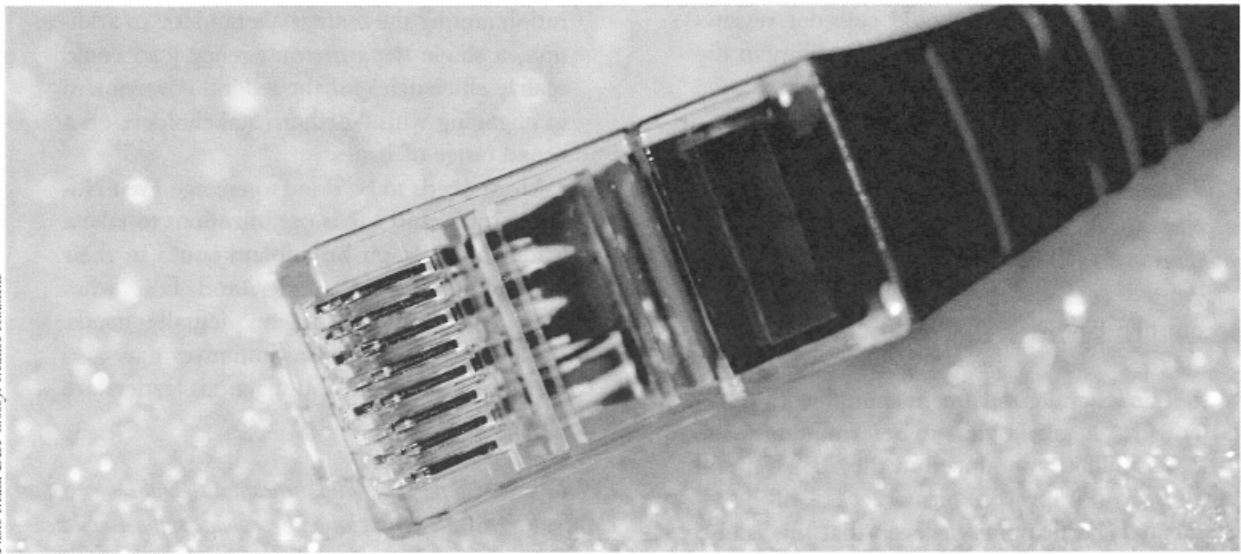


The Public Policy Forum and our approach

Established in 1987, Canada's Public Policy Forum is an independent, not-for-profit organization based in Ottawa. We engage and convene leaders from all sectors and jurisdictions to address complex Canadian public policy issues through enhanced dialogue. We build trust by establishing safe, neutral spaces for discussion and debate.

For this initiative, the Forum convened roundtable discussions in Whitehorse and Iqaluit, followed by an executive briefing in Ottawa. Participants included leaders from the three territorial governments, the federal government, the private sector, not-for-profit organizations, and other groups. They were asked to consider a few key questions, including:

- Is there space for more collaboration on this issue among the private sector, regulators, governments, Aboriginal organizations and communities?
- If yes, what might this collaboration look like? What organization(s)/department(s) is/are best suited to help lead these efforts?
- Among the recommendations put forward in recent studies, which *specific* policies and actions from each of the sectors show the most promise for achieving greater broadband ac-



cess and affordability in the North?

Throughout the discussions, we discovered a strong desire for authentic collaboration. Participants agreed on the value of working together, speaking with a common voice, and bringing attention to an issue that is critical to the long-term health and prosperity not only of northern communities, but Canada as a whole.



Challenges, priorities, and recommendations

Participants in the two northern roundtables and at the executive briefing in Ottawa identified a few overarching challenges and agreed on several recommendations, including:

Challenge: Canada urgently needs a clear, ambitious vision to improve high-speed internet access and affordability in the North.

Recommendations

- The recently-launched federal Digital 150 strategy highlighted the importance of broadband connectivity and laid out several promising initiatives. However, this vision could be expanded to encompass bolder aspirations. One goal could be to position Canada, including the North, as a place with world-class infrastructure to attract investment.
- Northern stakeholders at the territorial/provincial, municipal, and community level should explore and develop smaller-scale, local solutions that can feed into and bolster a broader Canadian vision.

Challenge: Because of its scale, the challenge of northern connectivity requires more concerted collaboration and investment from all sectors.

Recommendations

- The sheer scale of the Northern connectivity challenge means that the best approach will be to tackle initiatives collaboratively, with private, public, and other stakeholders leveraging and contributing their expertise. A first step would be a better understanding of what each sector can contribute.
- Peering—the practice of networks sharing an infrastructure backbone and exchanging user traffic freely and for mutual benefit—was cited as one promising approach that would balance the need for a collective “greater good” in the North with industry’s imperative to remain competitive and profitable. Private sector leaders are encouraged to provide more clarity on what incentives and conditions could help facilitate peering.
- Adopting a “shopping-mall” strategy that identifies anchor tenants/heavy users, and obtaining long-term commitments from them, will provide a solid foundation for growth and investment.
- As the heaviest bandwidth users, all levels of government need to clearly identify and explain to citizens how they can use broadband to improve services, the economy, health, and wellbeing. This will help providers better understand user requirements and shape their partnership approaches accordingly. At the same time, participants noted that plans should be flexible and scalable to address tomorrow’s unknown needs and possibilities.

- The public sector should consider reviewing various P3 models for applicability in the northern broadband context.

Challenge: Uncertainty and confusion around government policies and the regulatory framework need to be resolved, as they will have a significant impact on future options for connectivity initiatives in the North.

Recommendations

- The federal government should work closely with all stakeholders to determine how the \$305 million announced in the 2014 Federal Budget to improve internet access will be allocated. Participants believed that this is also an opportunity for territorial/provincial and local governments to articulate their preferred parameters for the funds; for example, whether the allocation process needs to be competitive and “vendor-agnostic.”
- It will be critical for the federal government to prioritize a short-term fix to address the upcoming end of several key funding programs for Northern internet initiatives. This will help ensure stability and confidence in affected regions.
- The CRTC needs to review its Basic Service Obligation to include broadband. It could also undertake further assessment of regulatory frameworks to support small and regional providers, ensuring a level playing field for all telecommunication companies.
- Natural resource companies should consider including broadband in their impact benefit agreements with Aboriginal groups.
- Access to computers and digital literacy present significant challenges for many Northerners, especially in impoverished Aboriginal communities. Public policy solutions could consider options such as public access points, education and training, and subsidies for low-income users.

Challenge: A lack of strong leadership.

Recommendations:

- The federal government might consider identifying a single federal lead/champion for broadband. This would result in greater clarity around policy and funding responsibility, and would echo the single-window approach for resource investments in the North. It would also provide the direction needed to promote and coordinate the desired collabora-

tion among the many stakeholders. In addition, a single department/agency lead could realize efficiencies for the federal government in engaging with Northern stakeholders on a broad range of issues.

- More needs to be done to engage First Nations, Inuit, and Métis organizations to take a leadership role on broadband issues in their communities. They understand best what their community or region actually needs. Broadband solutions and initiatives may also be more sustainable if Indigenous leaders are engaged.

Challenge: An absence of data, benchmarks, and evidence that clearly demonstrate the social and economic impact and benefits of broadband on northern communities.

Recommendation:

- Identify reliable sources of statistics and non-anecdotal data to help stakeholders build strong business cases demonstrating the economic and social benefits of improved broadband access.



Conclusion

Canada is at a tipping point in technology development and adoption. Now is the time to be lofty in our goals and ambitious in our expectations, or we run the risk of being left behind in the global race for competitiveness.

Participants in this project made one thing clear: The advantages and benefits of improved broadband in the North will not only flow one way. As the lessons of history have taught us, we all prosper when we are able to access ideas, experiences, innovation, and talent from every part of the country. With collaboration, innovation, leadership, and a focused strategy, we can achieve improved outcomes not only for the North, but for Canada as a whole. ●

Natasha Gauthier is the Director of Communications at Canada's Public Policy Forum. The complete final report from Northern Connections: Broadband and Canada's Digital Divide, including summaries of the Whitehorse and Iqaluit roundtables is available on the Forum's website: www.pppforum.ca

Notes

1. The Public Policy Forum reviewed and summarized these reports in our background research paper for the *Northern Connections* project.