

Canada's Broadband Strategy:
The Report of the National Broadband Task Force

Presentation to the Joint WP TISP/IE Workshop
Broadband: Infrastructure, Application and Use
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We Are Now in the Network Age

"Today's technological transformations are intertwined with another transformation - globalization - and together they are creating a new paradigm: the network age."

United Nations Human Development Report, July 2001

- 🇨🇦 Instant access to knowledge
- 🇨🇦 Transforming business
- 🇨🇦 Borderless, global economies
- 🇨🇦 New ways of citizen – government engagement

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Canada Early to Recognize Transformation

"Make the information and knowledge infrastructure accessible to all Canadians, thereby making Canada the most connected nation in the world."

Speech from the Throne 1997

Information Highway Advisory Council 1995, 1997
Speech from the Throne 1997, 1999, 2001
Budget Speeches 1998, 1999, 2000
PM Speeches 1998, 1999, 2000, 2001

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Tremendous Success in Basic Connectivity

Market Forces – Industry Has Delivered

- 51% of Canadian households use Internet (Statistics Canada, 2001)
- 69% of Canadian SMEs use Internet (Statistics Canada, 2000)

Market Gaps Addressed - Connecting Canadians Agenda

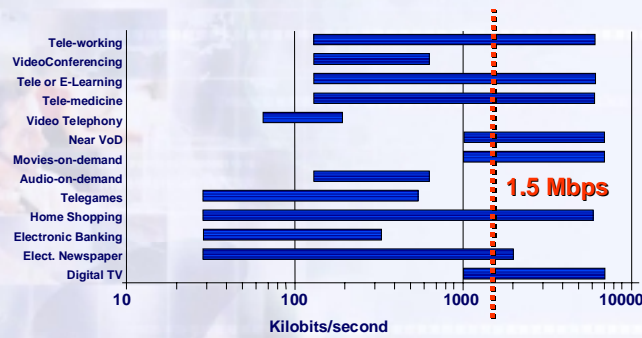
- All schools and libraries connected (15,600; 3,400)
- 7,800 volunteer organizations connected to date (12,000 target)
- 8,800 Community Access sites and 270,000 computers to schools
- 12 Smart Communities

But Basic Connectivity No Longer Sufficient, there is pressures on current infrastructure

- Internet traffic doubling every year (AT&T Labs Research, June 2001)
- Advanced applications require upload/download of huge files
- Bottlenecks and greatly increased wait times

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New Applications Require More Capacity and Speed

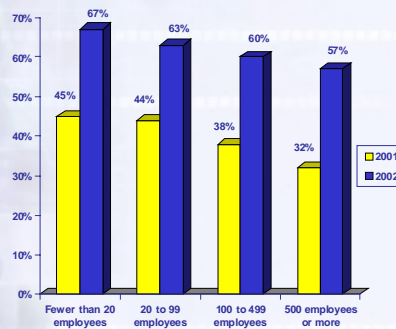


Source: PlannedapproachInc.com

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Businesses Looking For Broadband Connectivity

Percentage of companies saying broadband will be critical to their success this year and next year



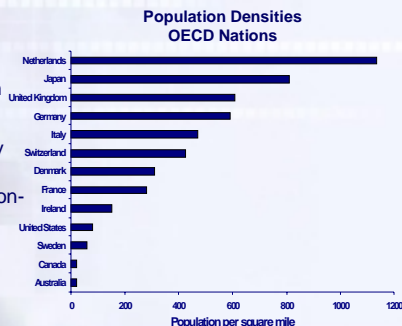
Source: InternetWeek, September 2001
n=301 companies

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Canada Faces Unique Geographic Challenges

- ✦ Relative to other countries Canada has low population density
- ✦ Rural/remote areas unlikely to be served by market forces, as business case non-existent

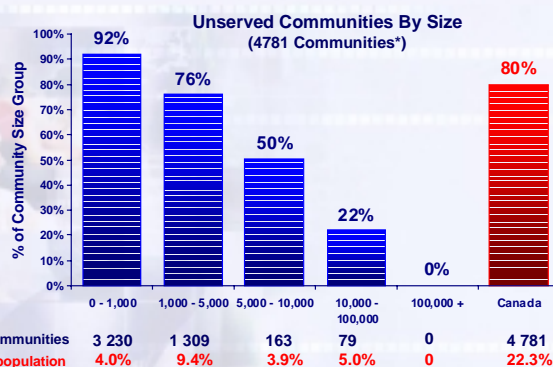
Rural, remote and north at risk!



SOURCE: U.S. Department of Commerce, Bureau of the Census, Statistical Abstract of the United States, 1992, Tables 25, 340 and 1359

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Smaller Communities Most at Risk



*Communities refer to Statistics Canada Census Sub-divisions (CSDs)
Source: Industry Canada estimates based on 1996 population data from STC and confidential company information.

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Rural Canada Says...Broadband Essential

- ✦ **Market Will Not Address These Communities**
 - Telco's and cablecos continue roll-out of broadband – but primarily in urban Canada
- ✦ **Key element of socio-economic base for communities:**
 - Government of Yukon committed 4% of total budget to broadband deployment
- ✦ **Rural Secretariat conducted national survey:**
 - 54% of users not satisfied with current connection
 - 90% indicated need for high speed access
 - 76% indicated broadband access as priority for community for economic development and competitiveness
 - 80% felt broadband an appropriate use of tax dollars

“Broadband infrastructure is not just a benefit, but is essential for community survival.” – Operation ONLINE Inc., NFLD community group

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Government is Committed to Equal Access for ALL Canadians

Established National Broadband Task Force

Mandate:

- ✦ the need and characteristics of communities not likely to gain access to high-speed services by 2004
- ✦ the technical, institutional and financial barriers which could delay provision of services by the private sector
- ✦ the roles governments might play in overcoming these barriers

Membership:

- ✦ Leading Canadians from all sectors:
 - Industry (telcos, cablecos, service providers, content providers)
 - Public interest
 - Education and libraries
 - Health
 - Aboriginal

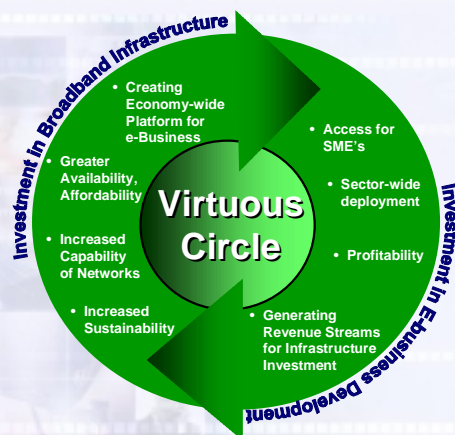
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National Broadband Task Force's Response

- ✦ Essential that ALL Canadians have access
- ✦ Make it equitable and affordable
- ✦ Ensure balanced public-private partnership
- ✦ Understand it is more than infrastructure that is required (encourage use and content development)
- ✦ Place highest priority on First Nations, rural and remote
- ✦ Called for total investment of \$4.6B by ALL PARTNERS (federal, provincial, territorial, municipal governments, and private sector)
 - Community Champion seed funding to all unserved communities (\$50 to \$70M)
 - Transport to unserved communities (\$1.3B to \$1.9B)
 - Connect public institutions in unserved communities (\$500M to \$600M)
 - "Last mile" to homes within unserved communities (\$2B)

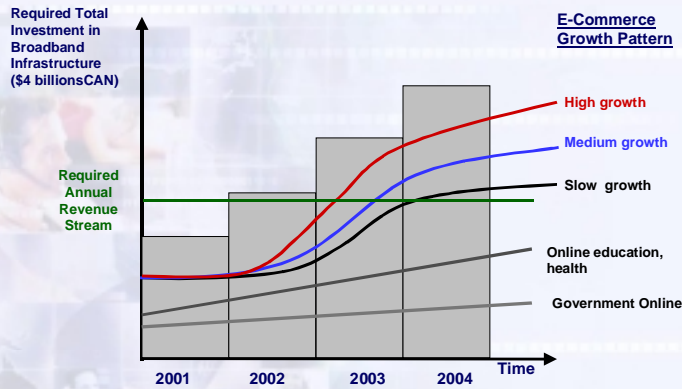
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Growth of E-Business and Broadband Deployment



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Use and Content Critical For Broadband Investment



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Long Term Impact Underestimated

“It is no exaggeration to say that over time, the impact of broadband communications on Canadian life will be at least as great as the impact of railways, highways, airlines, traditional telecommunications and broadcasting.”

The New National Dream: Networking the Nation for Broadband Access, June, 2001

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For Further Information



Connecting Canadians
www.connect.gc.ca



Electronic Commerce
www.e-com.ic.gc.ca



ICT Industry
www.strategis.gc.ca



National Broadband Taskforce
www.broadband.gc.ca



Investment in Canada
www.investincanada.ic.gc.ca

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