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April 2, 2020

The Honourable Maryam Monsef
Minister for Women and Gender Equality and Rural Economic Development
Women and Gender Equality Canada
P.O. Box 8097, Station T CSC
Ottawa, ON K1G 3H6

RE: Submission from the Association of Municipalities of Ontario (AMO) on the Universal Broadband Fund (UBF)

Dear Minister Monsef:

On behalf of the Association of Municipalities of Ontario (AMO), I am writing to provide input from Ontario's municipal governments to Innovation, Science and Economic Development (ISED) regarding the design of the Universal Broadband Fund (UBF).

AMO is a non-partisan, non-profit association, that represents the interests of 444 municipal governments across Ontario. AMO works closely with the Federation of Canadian Municipalities (FCM) on matters of shared municipal interest. The need for broadband and connectivity for residents and businesses across all of our communities is one of the biggest priorities.

It should be noted that AMO is in broad alignment with FCM's submission that was delivered to ISED on February 27, 2020. However, as a Province with varying geography, population size, and financial capacity and resources, AMO wanted to provide supplemental comments from an Ontario perspective for your consideration.

At the federal level, AMO is encouraged to see that meaningful progress is being made to achieve the Canadian Radio-television and Telecommunications Commission's (CRTC) basic service objective. The target to connect 100 percent of Canadian households to high-speed Internet by 2030, will make sure that Canada's rural, remote and northern communities have social, cultural and economic vibrancy. AMO welcomes the federal government's commitment of \$1 billion under the UBF as a strong step forward in connecting our underserved and unserved residents.

Municipal governments are the closest service providers to Canadians, and it is our council members that hear the connectivity challenges and needs directly from residents and businesses, regardless of the municipality's size. As a result, AMO

encourages ISED to consider communities of all sizes across all of Canada's provinces and territories in designing this fund.

In Ontario alone, while 35 municipal governments serve populations over 100,000, 270 have less than 10,000 residents. Some residents in larger municipalities have difficulty accessing adequate telecom services as well. Because of this variance, AMO has long advocated to telecommunication companies and government partners that all Ontarians deserve to have online connectivity.

The need for reliable, accessible connectivity across Canada is more evident now, than ever. The COVID-19 pandemic has shifted workplaces from bricks and mortar, to remote workspaces, in a matter of weeks and made evident service challenges and gaps our communities have been experiencing for some time.

The move to telework en-masse has put incredible strain on smaller, northern, and rural municipal communities who do not receive broadband and cellular connection, and yet are being asked to depend on those services to access education online, to run businesses and work from home, and access healthcare. For all of these reasons it is critical that the roll-out of funding through the UBF be timely, given the urgent needs to tackle the digital divide across Canada.

AMO's Principles-Based Approach

AMO endorsed a principles-based position on broadband and cellular connectivity in 2019. It is used to underpin all of our comments for context:

Universality: Equal access to broadband and cellular services is critical infrastructure for all of our communities and must be considered an essential building block for Ontario's competitiveness and the long-term prosperity of Ontarians, whether they live in large cities or small communities.

Affordability: Reliable broadband and cellular connectivity must be affordable regardless of where the service is provided. A combination of meaningful partnerships with communities, strategic public sector investments, and significant investments from the private sector, is the only way to truly solve this challenge.

Municipal Role: Municipal governments must be seen as essential partners in achieving provincial and national connectivity objectives. We facilitate timely, orderly and cost-effective deployment of communications and infrastructure, and play an important logistical role as the owners and managers of the right-of-way space where telecommunication infrastructure is installed.

Cooperation: The private and public sectors must work together to find ways to make sure that telecommunication companies are connecting communities with lower densities (e.g. rural and northern areas), rather than exclusively high-density urban centres.

Parity: Gaps between fixed wireless and broadband services need to be filled through the use of strategic public sector incentives and private investment to make sure that a two-tiered system is not created inadvertently.

Recommendations for ISED's UBF

AMO is fully supportive of FCM's responses to questions posed in ISED's stakeholder engagement materials. That includes the key recommendations provided under all categories (e.g. Program Design/Eligibility, Conditions of Funding, Assessment Process, Application Process, and Overall Program Design).

In addition, AMO wants to echo recommendations that the program should be designed in a way that:

- Supports a *flexible approach* to funding that includes both backbone/transport and last mile (including mobile) as eligible categories
- Allows applications for *various combinations* of project elements (e.g. new builds, resiliency, and redundancy, etc.)
- Includes a key criteria for assessing a proposed UBF project that it addresses *actual, observed speeds and quality of service* (e.g. latency, not just download/upload speeds), rather than relying on theoretical speeds as per the existing hexagonal approach to mapping
- Provides funding eligibility for *partially-served hexagons* that the CRTC has excluded from its Broadband Fund, and assessed on the basis of more detailed geographic data
- Requires an assessment of the *affordability* of proposed projects, recognizing that cost is often a key barrier to equal access to broadband
- Works with other funding programs to ensure there is the *potential to increase the impact* of the various funding outcomes for the benefit of our communities, residents and businesses.

Timely Resources

It is critical that these funding programs are implemented as quickly as possible and flow to projects in our communities so that they do not fall further behind. Ensuring that services improve in speed and affordability across Canada is critical and just as important as making sure new infrastructure is built.

Lessons learned and data from past funding programs, combined with the provincial and territorial programs, should be explored to maximize opportunities and optimize the available tools that unserved and underserved communities can use. In Ontario's case, the province released an Action Plan in July 2019 that included a \$150 million fund to connect up to 220,000 households and businesses. The timing of this fund has not been released, but it is *critical that stacking provincial and federal funds be permitted*.

This will help the small, northern and remote communities that the UBF is designed to help, but who do not have the same financial capacity and staffing resources to put

together various applications. We would also encourage ISED to employ a harmonized application/administration process as much as possible as both the Province's Broadband Fund and the UBF are rolled out.

Conclusion

AMO is committed to working with all of our key broadband and connectivity partners such as FCM and ISED in the long-term to provide faster, better broadband and cellular services throughout Ontario and Canada. We encourage the UBF design and implementation to continue, as we are seeing day-to-day in the current emergency, that these services are not luxuries. Broadband and cellular connectivity have become the basic building blocks of a modern, resilient economy and society. Doing this will be no small task, but the rewards will be worth it if we work together to create strong and efficient connectivity in Canada.

AMO thanks you for the opportunity to provide Ontario municipal comments to the UBF. If you need clarification or further detail on these comments, please contact AMO staff Craig Reid at 416-971-9856 (x 334) or by email at creid@amo.on.ca, and Amber Crawford at 416-971-9856 (x 353) at acrawford@amo.on.ca.

We look forward to continuing this important conversation as the federal government advances its policies and programs related to broadband services.

Sincerely,



Jamie McGarvey
AMO President
Mayor of Parry Sound

cc: The Honourable Navdeep Bains, Minister of Innovation, Science and Industry
The Honourable Mélanie Joly, Minister of Economic Development and Official Languages
The Honourable Mary Ng, Minister of Small Business, Export Promotion and International Trade
Simon Kennedy, Deputy Minister, Innovation, Science and Economic Development Canada
The Honourable Laurie Scott, Ontario Minister of Infrastructure
The Honourable Steve Clark, Ontario Minister of Municipal Affairs and Housing
Allan Thompson, Chair, Rural Ontario Municipal Association
Bill Karsten, President, Federation of Canadian Municipalities