

MEMORANDUM

TO: OFA Policy Advisory Council (PAC)

FROM: Peter Sykanda, Farm Policy Analyst

DATE: July 22, 2022

RE: OFA's Standing Policy on Broadband Infrastructure Expansions and Relevant Government Project Funding

OFA Broadband Internet Policy Statement

Overview

Access to reliable high-speed internet is important, no matter where you live. High speed (broadband) internet service is as vital to modern farm businesses as electricity and telephone service. Farmers rely on internet for information to make business decisions, operate on-farm technology, facilitate marketing of farm products, access continuing education and farm management information, and communicate with the community.

Reliable internet access is the norm in urban areas of Ontario, but continues to be a problem in many rural areas of the province, often only a few kilometers from major cities. Access to high-speed internet in rural and remote areas of Ontario is an ongoing struggle.

OFA Position

- Reliable high-speed internet service should be considered an essential service and is vital to the continued growth and development of rural Ontario. OFA believes that reliable, high-speed internet should be available, affordable, and competitively priced to all Ontarians. Ontario's residents should not be disadvantaged for choosing to live and work in rural areas and should have the same access, level and range of services as urban Ontarians.

Lobby Activities

OFA's lobby for broadband internet is largely based on survey research conducted with the OFA membership in 2015, and again in 2020, that confirms the expansion of broadband infrastructure and high-quality, reliable internet service is a priority for Ontario farmers. Broadband is a critical component of modern business, and farm businesses are no different. We have heard from our members that poor internet speed and reliability causes interruptions to normal business practices, an inability to access market information and training opportunities, productivity loss, and an inability to adopt technologies that increase farm efficiencies and reduce greenhouse gas emissions. We know that reliable, high-speed internet service will make our farms more competitive in a global market, resilient to the impacts of climate change, provide economic development opportunities and create jobs.

- In our Pre-budget Submissions, OFA has repeatedly called for government to invest in widespread rural broadband infrastructure. In our 2020 pre-budget submission, OFA recommended that the Ontario government work with municipalities across rural Ontario to develop a cost-effective infrastructure program and provide core funding to implement the program. OFA strongly recommended the Province of Ontario invest public funds in building rural infrastructure.
- OFA has been a long-time supporter of the South-West Integrated Fibre Technologies (SWIFT) project to bring greater connectivity rural Ontario.
 - To date, SWIFT has awarded 97 contracts totaling \$270 million in broadband infrastructure investments to connect more than 63,000 households and businesses across the region to high-speed internet.
- OFA supports *Up to Speed: Ontario's Broadband and Cellular Action Plan* and [Schedule 1 of Bill 257 - Broadband and Infrastructure Expansion Act, 2022](#). Which both seek to increase the rate of broadband expansion in Ontario, especially to rural areas that are significantly underserved.
 - OFA believes that maximizing the utility of existing programs and infrastructure assets is a sensible approach to facilitate broadband expansion. Internet infrastructure installation and upgrades must also be a consideration for all planned infrastructure projects where applicable. Any new internet infrastructure must be designed and built with future bandwidth demands in mind (future-proofed).
 - While OFA supports the rapid expansion of broadband infrastructure to rural areas and encourages government to remove barriers that may slow development and delay deployment, we maintain that future projects must respect the value of farmland and landowners' rights. Adherence to responsible land-use planning is critical to ensuring the importance of agriculture and farmland are properly taken into consideration when evaluating any proposed infrastructure project.
- We support a process to streamline the attachment of broadband to existing telecom and electrical infrastructure. To ensure electricity customers are not burdened by unrelated costs, we encourage the Ontario Energy Board, at the direction of the Ministry of Energy, to create a means for local distribution companies to leverage their assets to deliver foundational telecom infrastructure, aimed to enable more internet delivery companies access to meet the needs of rural Ontarians.
- Existing fibre optics owned by the larger national internet providers must be made available to those providers interested in building last mile telecom networks in rural regions. Ontario must ensure open access to fibre optics and pole assets for those companies interested in enabling rural broadband and cellular connectivity.

Funding

Funding of broadband infrastructure from the Provincial and Federal Governments has come from a number of different initiatives and sources. New money is often added to existing infrastructure funding initiatives or new, more targeted funding is announced as part of ongoing initiatives. Further, the nature of broadband infrastructure projects means that funding is

announced several years before projects commence. This results in a landscape where it can be difficult to distinguish old funding from new and determine how much money from broadband infrastructure initiatives has been allocated.

The [Rural and Remote Broadband \(R2B2\)](#) project at the University of Guelph has pulled together a summary of the Federal and Provincial funding envelopes (please see attached document)

Current Policy Requests

- An internet connection is simply not enough – our farmers need speed, bandwidth (ability to carry high loads of data), and reliability. Connections must meet a minimum customer service standard that provides rural residents with the speed and bandwidth required for their businesses to compete.
 - Rural municipalities need to engage with their constituents to understand what level of internet service is required for proper business functions.
- The extent of broadband infrastructure quality gaps within southwestern Ontario is substantial, with users in more advanced communities experiencing effective connection speeds that are 3 to 5 times faster than in the lagging cluster.
 - Municipalities must carry out exhaustive, detailed internet service gap analysis of their regions to prioritize infrastructure spending activities.
- Our farmers report overwhelmingly that they do not believe they are getting sufficient value for the money they pay for internet service and that they are unsatisfied with the number of internet service providers (ISPs) in their area.
 - Municipalities are encouraged to seek out options to attract new and existing ISPs to provide service – this will drive competition and innovation among ISPs.