



Eastern Ontario Wardens' Caucus

Written Submission for the Pre-Budget
Consultations in Advance of the 2019 Budget

By: the Eastern Ontario Wardens' Caucus

Submitted on: August 3, 2018

Recommendation 1:

THAT the Federal Government formally commit, in Budget 2019, to a contribution of \$71 million over four years, commencing in 2019, as its share of the Eastern Ontario Regional Network's Mobile Broadband Project.

Recommendation 2:

THAT the Federal Government develop and implement stable, long-term funding for the improvement, expansion and development of infrastructure that will ensure all Canadians, including rural residents and businesses, receive access to the CRTC standard of 50Mbps/10Mbps for high speed internet services.

Background

The Eastern Ontario Wardens' Caucus (EOWC) represents more than 750,000 rural Canadians living in 103 municipalities across eastern Ontario. For the past 18 years, the EOWC has been a voice for the region and has actively pursued policies and projects that improve the economic health of its member communities.

In 2018 and 2019, the EOWC is focused on creating jobs and improving the regional economy. While it understands the critical importance of issues such as increased affordable housing and long-term funding for critical municipal infrastructure, the EOWC's immediate concerns are creating jobs and improving public safety. That is why it has made improving access to cellular/mobile broadband services its number one priority.

It is worth noting that the EOWC – through its partner organization, the Eastern Ontario Regional Network (EORN) – has proven that, when it takes action along with the other senior levels of government, it can make major economic advances. EORN previously undertook a \$175-million public private partnership project to improve access to high-speed internet services across the 50,000 square kilometers of the Eastern Ontario region. The project began construction in 2010 and was completed at the end of 2015. The Governments of Canada and Ontario each provided \$55 million to help fund the project, while the EOWC along with six separated municipalities contributed \$10 million. The remaining funds were raised from the private sector.

Making Eastern Ontario one of the best “connected” regions in North America requires, however, another significant project to fulfill that goal. As noted earlier, this is why **the EOWC is making its very specific request in this submission for \$71 million in Federal funding, to be paid over four years**, as the project moves through its construction phase. The Province of Ontario has committed publicly to its \$71-million share, and the EOWC along with six of the 10 separated cities and towns have thus far committed to a \$10-million participation.

The EOWC, through its partner in EORN, is embarking on a mission to ensure that residents, businesses and the travelling public can access and utilize mobile broadband (cellular) services wherever they live, work or travel in eastern Ontario. This effort will require an investment of \$213 million (over four years), and an approach that will bring together all levels of government as well as the private sector – similar to the approach used in the first EORN project.

EORN has commissioned independent economic research and analysis to determine the benefits that will emerge from this Mobile Broadband project. This research tells us that:

- The project will create the equivalent of 3,000 jobs over the next 10 years;
- It can generate some \$420 million in new business revenues to support mobile broadband expansions;
- It will ensure that eastern Ontario – a region with more than 1.2 million people and thousands of small and medium business – will have access to new and emerging mobile broadband technologies, which are essential to remain competitive;

- The project will help lay the foundation for the implementation of 5G technologies across the region; and
- It will improve public safety, particularly for the travelling public and those in the business sector.

Reaching the CRTC target of 50Mbps/10Mbps

The EOWC and EORN are also focused on finding a path to ensure that its 750,000 rural residents are not once again left behind as the rest of the country moves to the CRTC's speed target of 50Mbps download and 10Mbps upload for internet services. To that end, the EOWC has directed EORN to undertake a detailed engineering and financial analysis that will cost out two scenarios:

1. Delivering one Gigabit of speed and capacity to every home and business in rural Eastern Ontario;
2. Delivering 50Mbps down and 10Mbps of speed and capacity (CRTC's minimum target) to the homes and businesses of the region.

EORN and the EOWC will be pleased to share their research and analysis with Canada and Ontario. We believe that our region – one that is about the size of the Province of Nova Scotia – would reflect a similar situation to many areas of the country. This joint research may help both senior levels of Government develop their combined approach to helping Canadians get the benefit of the best possible high-speed internet services.

There is no doubt, however, that in order to achieve this goal, there is a requirement for long-term, sustainable funding supported by the Federal Government. Keeping our region and all of those across the country connected and competitive requires the financial support of the federal government. We are ready as a region to participate, but cannot go it alone – and by working together, we will all be stronger.

Who is the EOWC?

The Eastern Ontario Wardens' Caucus (EOWC Inc.) is an incorporated not-for-profit organization comprised of the heads of Council of eleven (11) Counties and two (2) single tier municipalities in Eastern Ontario. Its members include:

County of Frontenac

County of Haliburton

County of Hastings

City of Kawartha Lakes

County of Lanark

United Counties of Leeds and Grenville

County of Lennox and Addington

County of Northumberland

County of Peterborough

United Counties of Prescott and Russell

County of Prince Edward

County of Renfrew

United Counties of Stormont, Dundas and Glengarry



Signal for Innovation:

Improving Mobile Broadband in Eastern Ontario

Enhance. Expand. Empower.

The Eastern Ontario Regional Network proposes a **\$213 million** public-private partnership to close gaps in cell coverage and capacity, where there are homes, businesses and public roads, that will spur investment and jobs.



What's New?

Ontario's 2018 provincial budget earmarked **\$71 million** for their share of the project.



ACTION:

EORN seeks federal support, and that of all Ontario provincial parties, to ensure Eastern Ontario keeps pace with demand for connectivity.

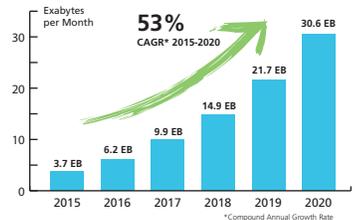
Cellular improvements will:



Create **3,000** full-time equivalent jobs over 10 years.



Spur **\$420 million** in new business revenue.



Growth in Mobile Data Traffic



Improve safety and support a future national public safety broadband network.



Prepare for **5G** driven technologies.

Meet exponential **growth** in demand.

About the Eastern Ontario Regional Network

The Eastern Ontario Regional Network (EORN) is a non-profit organization focused on supporting the region's quality of life and economic development through improved connectivity for rural Eastern Ontario.

Improved Fixed Broadband Access

From 2010 to 2014, EORN built a \$175-million network that improved broadband access to about 90% of Eastern Ontario. The innovative public-private partnership was funded by the federal, provincial and municipal governments, and private sector service providers.

As expected, the EORN project has spurred further investment by the private sector to further improve and expand broadband infrastructure in the region. Since the project was completed, internet service providers have invested more than \$100 million, with even more expected in the next few years in new infrastructure like fibre-to-the-home, fixed wireless towers and radios.

EORN includes:

- A scalable 5,500-km fibre optic backbone network.
- Local access networks that link people to the backbone through either wired or fixed wireless technology.
- More affordable satellite packages to reach areas that wireless or wired service cannot due to extreme population scarcity and/or difficult terrain.
- New fibre optic connections to more than 60 business parks and clusters across the region, improving communities' ability to attract and retain local business.

Today, EORN continues to oversee local access contracts. It's also collaborating with government and local partners on a digital strategy to improve and leverage broadband access to fuel economic growth. It is also driving continued efforts to improve regional connectivity through a cellular improvement and public safety network project.

Eastern Ontario

Eastern Ontario is home to nearly one million people spread out over 50,000 square kilometres. EORN was created by the Eastern Ontario Wardens' Caucus, which represents:

- Hastings County
- Peterborough County
- Renfrew County
- Northumberland County
- Haliburton County
- Frontenac County
- Lanark County
- Prince Edward County
- Lennox & Addington County
- the United Counties of Stormont, Dundas & Glengarry
- the United Counties of Prescott & Russell
- the United Counties of Leeds & Grenville
- the City of Kawartha Lakes.

