

The Broadband Backbone of the Creative Economy in Rural Southern Ontario

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- 30% of Canadian households do not have broadband access (availability, affordability and quality of service)
- How can a stronger rural broadband backbone enhance the creative economy in Ontario?

- Broadband refers to the **high-speed transfer** of information **through high-capacity technologies** such as fibre optics, satellites, wireless transmission and co-axial cable
- It is capable of supporting **data rich applications** such as full motion interactive video, video conferencing, peer-to-peer file interaction, and voice communication
- A **transmission rate of 1.5 megabits per second** (1.5 million bits of information per second) is often considered to be the **minimum speed** for acceptable broadband applications (ISPs in Canada offering 120 Mbps in some cities)

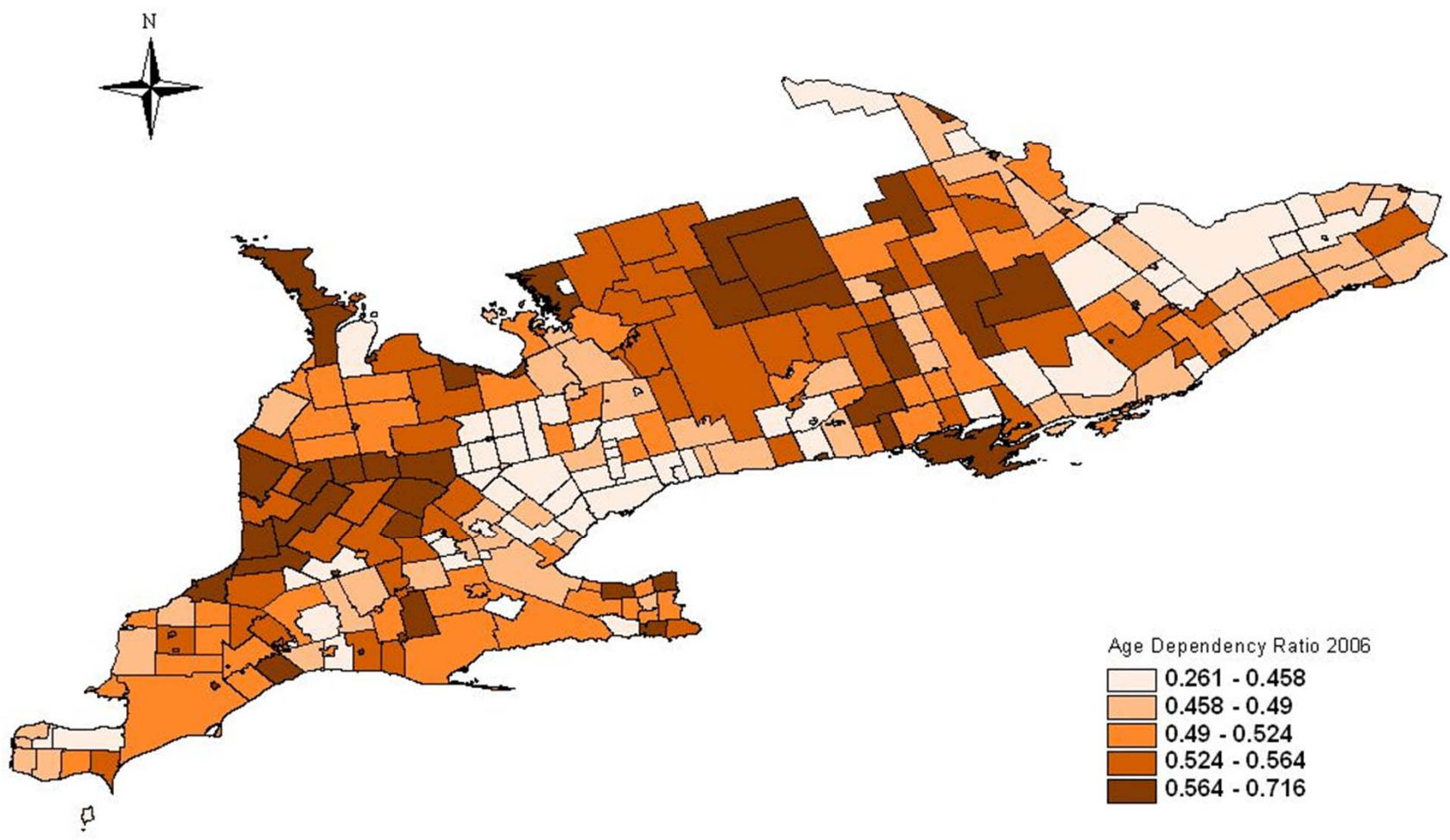
Broadband is an integral part of knowledge and information systems:

- Broadband enables the sharing of codified knowledge
- Broadband in combination with other ICTs, e.g., cell phone, enables the sharing of tacit knowledge as well

Rural southern Ontario: key contextual issues

1. Unprecedented change propelled by demographic shifts, population increase and a socio-economic balancing act between sub-urban expansion and rural development
2. Important economic contributions
3. New economic opportunities emerging from farm and non-farm activities that are supported by a rural broadband backbone

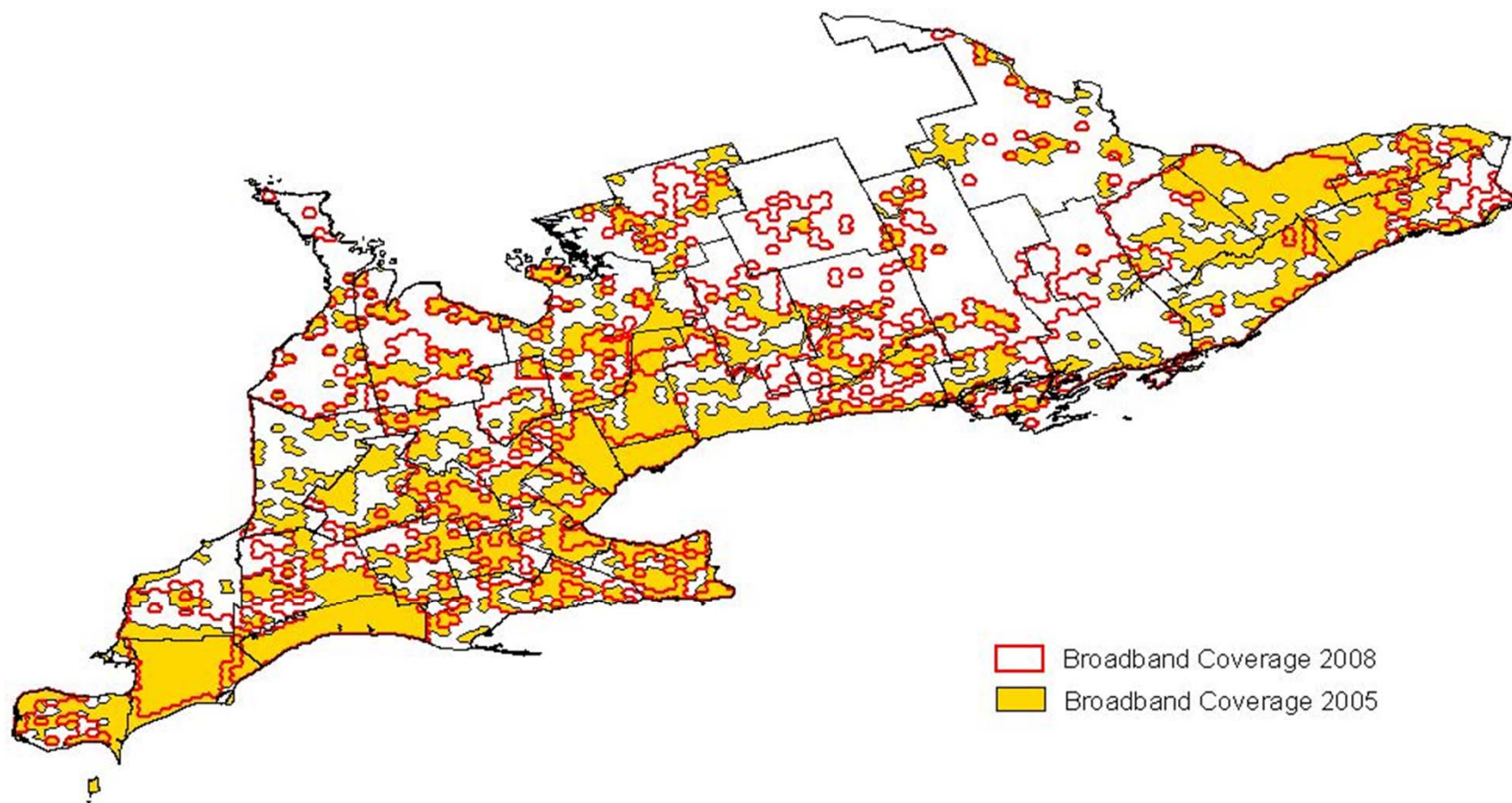
Southern Ontario: Census Subdivision Age Dependency Ratio 2006



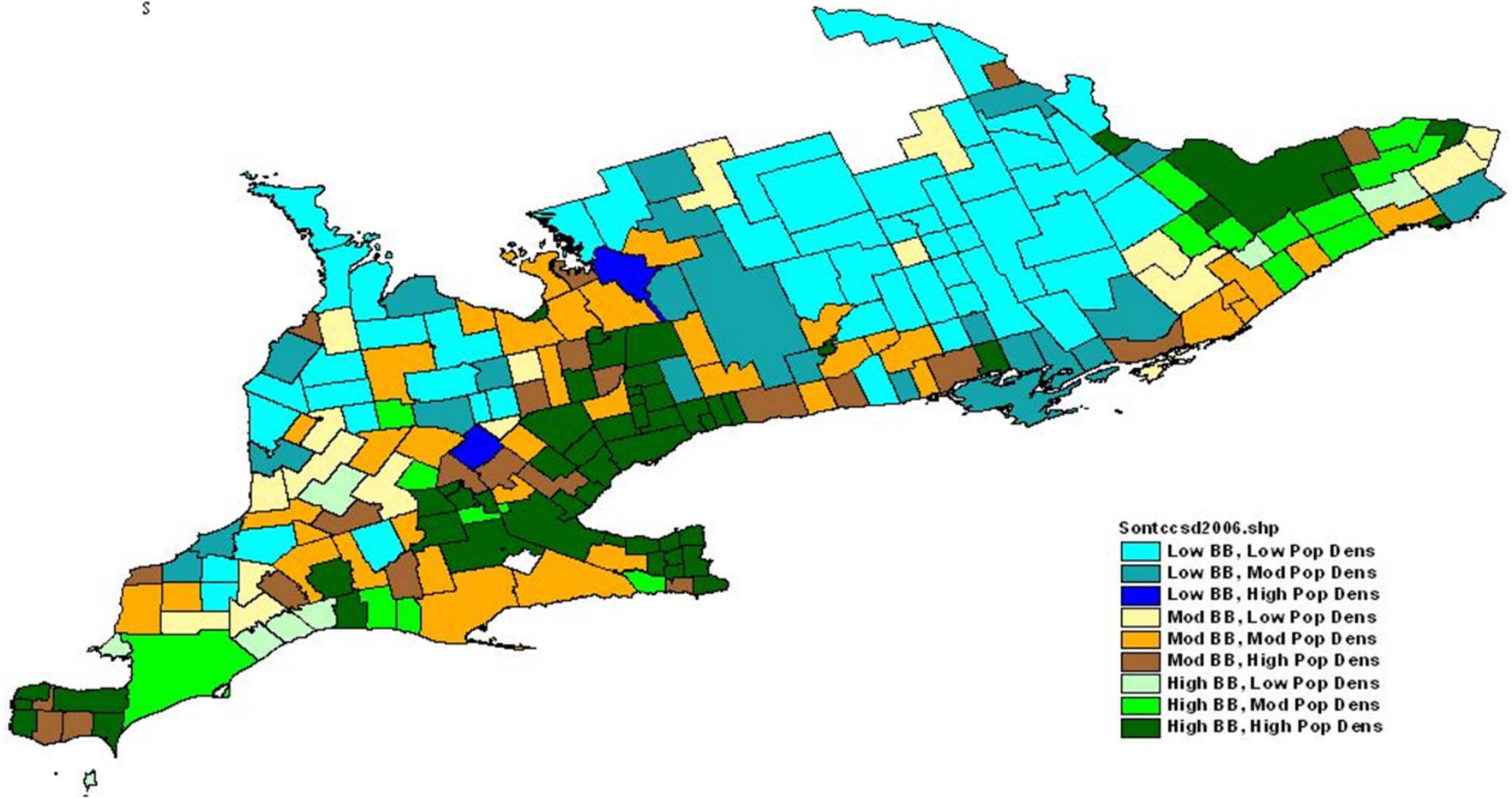
Rural Southern Ontario

- Ontario has the largest agricultural and food processing sector in Canada accounting for sales of \$33 billion and approximately 11 per cent of Ontario's employment including roughly 800,000 jobs in the food processing and sales in wholesale and retail stores and services
- Based on the most recent census data from 2006, Ontario farms are mainly small and medium sized holdings characterized by less than 53 hectares or sales under \$25000
- The highest gross farm cash receipts are based on top commodities such as dairy, floriculture/nursery, cattle, vegetables, hogs and poultry totaling some \$8.86 billion (OMAFRA, 2008)

Southern Ontario: Comparison of Broadband Coverage Maps 2005 and 2008



Southern Ontario Percent Geographic Area with Broadband and Population Density :CCSD's 2006



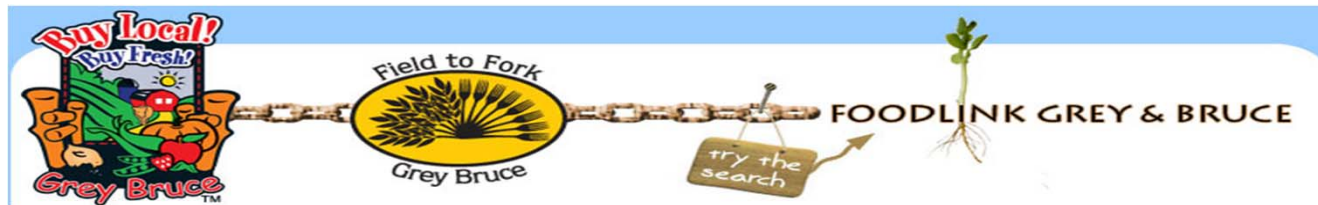
(JGF, 2008)

Urban shadow and gap effect in the rural digital divide

Product and Process Innovations Using Broadband

Hawk Hill Farm in eastern Ontario

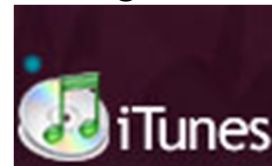
<http://www.omafra.gov.on.ca/english/rural/ruralconnections/video.htm>



Niche markets and livelihood diversification

http://www.foodlinkgreybruce.com/index.php?page=content&page_id=18

- **E-cottage industries** - creating a physical or digital product, selling it online, receiving payment online, marketing and distributing the product via any possible online store



- institutional innovations from **e-banking to distance learning**

Recommendations and Conclusions

1. Acknowledge and address the 'gap effect'
2. Recognize and communicate the link between rural broadband and entrepreneurship
3. Mapping data on broadband service remains a top priority
4. Make a business case for household use of rural broadband

Final Thoughts High-speed internet a basic right?

“ The CRTC’s question, at essence, is: shouldn’t Canadians all have access to broadband service? The problem for everybody is, that’s a nice idea, but who is going to pay for it? You’re talking about hundreds of millions of dollars if you’re going to extend wire line, broadband Internet to rural communities ”

Michael Hennessy, Telus’s senior vice-president for government and regulatory affairs

“There is some areas where the regulators won’t be there for 20 years. We have to have a dialogue with the regulator, or make our own decisions.”

Industry Minister Tony Clement, Globe and Mail, Tuesday Nov. 16, 2010

