

## **Briefing Document**

### **SWIFT 2.0 GigaProject Funding**

**Honourable Peter Bethlenfalvy**  
**Minister of Finance and President of the Treasury Board**

**Submission to the 2021 Provincial Budget Consultations**  
**February 2021**

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#### **A. OVERVIEW**

The Western Ontario Wardens' Caucus (WOWC) has requested the opportunity as part of the 2021 Provincial Budget Consultations to reiterate the importance of broadband connectivity to support our respective municipalities. The Southwestern Integrated Fibre Technology (SWIFT) project has proven to be an effective and efficient means to subsidize the construction of broadband networks throughout Southwestern Ontario. Upon completion of the SWIFT 1.0 project, it is estimated that 372,000 residents, or roughly 10% of the population of the region, will still lack access to fast, reliable broadband service. SWIFT has a plan to provide broadband services to 95% of the population of the region by 2026 in alignment with the CRTC's challenge to provide the same to all Canadians.

#### **B. CHALLENGE**

To develop and implement a regional value-added program, supported by all three levels of government, that provides for reliable and scaled broadband services to support residents, businesses and the agricultural community in Southwestern Ontario by 2026.

#### **C. ISSUE AND REQUEST**

1. SWIFT is currently implementing its SWIFT 1.0 project, which will provide fast, reliable broadband service to over 63,000 premises or 157,000 residents in Southwestern Ontario;
2. This project has, to date, overachieved its stated targets by approximately 26% and is the only broadband program in the region that is proven to be both effective and efficient;

3. However, the project was only ever designed to address 23% (50,000) of the 212,000 underserved premises in the region and even though it will exceed this target and will ultimately address 30% (63,000) of the underserved premises, 149,000 premises or 372,000 residents will remain underserved once the project is complete;
4. Broadband connectivity has to be recognized as an essential service utility by municipalities, government regulatory bodies, and senior governments at both the Provincial and Federal levels;
5. The Government of Canada has published a blueprint document on the provision of enhanced broadband connectivity entitled *High Speed Access for All: Canada's Connectivity Strategy*;
6. The Province of Ontario has published *Up to Speed: Ontario's Broadband and Cellular Action Plan* as a strategy to improve the provision of expanded digital connectivity;
7. What is required, however, is a **coordinated strategy that entwines all levels of government with a program that will incentivize and assist the private sector internet service providers (ISP) to provide enhanced broadband connectivity to rural and small urban communities in Ontario.** The scale of rollout requires integration between the strategies and the associated financial support;
8. Approximately 10% of the Canadian population resides in Southwestern Ontario. SWIFT identifies that an investment in excess of \$1 billion is required to provide 95% coverage to its service area. The impact of not doing anything or completing projects in a dis-jointed fashion has significant implications;
9. It is widely acknowledged and understood that to create vibrant communities, programs and initiatives must be leveraged to grow network-based technologies to strategically improve services to residents, enable businesses to become globally competitive, incubate a knowledge-based workforce, and, to enhance social and education capacity;
10. Recognize and revise standards applicable to the minimum service level to qualify for grants or financial assistance related to broadband connectivity. The CRTC 50/10 model is not appropriately scaled to support business parks and mixed-use areas such as downtown districts. Flexibility should be provided to support economic growth nodes and recognize a minimum standard equivalent to 100 Mbps;
11. The ask of the Provincial Government is to:
  - a. Immediately embark upon and commit to discussions with SWIFT to develop the SWIFT 2.0 GigaProject to provide broadband services to 95% of the population of Southwestern Ontario;
  - b. Commit to direct provincial funding of the SWIFT 2.0 program in the amount of \$261M.

Respectfully submitted,

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Chair, Western Ontario Wardens' Caucus

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