

## **Resolution 8A**

### **PROVISION OF INTERNET TO RURAL AREAS OF NOVA SCOTIA (PASSED)**

- Region of Queens
- District of Lunenburg
- District of Chester
- County of Annapolis

**WHEREAS** Nova Scotia needs to attract and retain entrepreneurs and residents, and become more productive, innovative and competitive (as referenced in the “One Nova Scotia” Report of February 2014) especially in its rural areas; and

**WHEREAS** participation in the global digital economy requires access to robust and reliable Internet services; and

**WHEREAS** the existing service enabled under the Broadband for Rural Nova Scotia (BRNS) initiative does not fulfill the obligation of coverage to all areas of south-western Nova Scotia, nor does it provide adequate data transfer speed or volume for many business and residential purposes, especially with the imposition of a data cap; and

**WHEREAS** the existing provider has indicated it will cap rural broadband Internet packages at 15 GB a month to its customers in Annapolis, Digby, Yarmouth, Queens, Lunenburg, Shelburne and Kings counties; and

**WHEREAS** this cap will require customers to pay an additional \$2 fee for each GB up to a maximum of \$20 more per month; and

**WHEREAS** the urban customer cap for the existing provider is unlimited or capped at 250 GB of usage for higher speeds and other parts of Rural Nova Scotia; and

**WHEREAS** in cases where broadband is provided by an alternate company, broadband is not capped; and

**WHEREAS** this usage cap creates a significant disparity in critical infrastructure between urban and rural communities; and

**WHEREAS** the existing provider for south-western Nova Scotia declined to apply for funding support to upgrade the service under the Connecting Canadians program;

**THEREFORE BE IT RESOLVED** that the UNSM urge the Nova Scotia Government to ensure the provision of an Internet service which provides a reliable high speed connection to all rurally-based businesses and households; and

**FURTHER BE IT RESOLVED** that the UNSM recommend setting the acceptable target speed above the current 5 megabits per second (Mbps) download and 1 Mbps upload, in accordance with the Canadian Radio-television and Telecommunications Commission's (CRTC) "Review of basic telecommunications services" (2015) and closer to the broadband benchmarks for internet services of downloads of 25 mbps and uploads of 3 mbps announced earlier this year by the federal regulator FCC in the U.S.

**Background:**

The provision of robust and reliable Internet access is vital to enable citizens to engage in today's digital economy and provide access to services, such as health care, education, government, public safety, and banking services. Further, in rural areas of Nova Scotia, including parts of the south-western shore and Annapolis valley, the ability to attract and retain residents and entrepreneurial activity is severely hampered by inadequate Internet provision.

In 2007, contracts were awarded under the Broadband for Rural Nova Scotia (BRNS) initiative with the aim of connecting 100 per cent of Nova Scotia households to 'high-speed Internet' by the end of 2009. The contract was awarded to Seaside Wireless Communications Inc. in the north-eastern counties and Cape Breton, and to Eastlink in south-western Nova Scotia (Queens, Lunenburg, Hants, Kings, Annapolis, Digby, Yarmouth, and Shelburne counties).

Since that time, use of the Internet has changed considerably. For many people, their Internet access is completely integrated into their work and recreational lives; services such as Netflix are replacing television and Skype is replacing the telephone. The total amount of data transferred per month, per user, is much higher in 2015 than it was in 2007. Business expectations on data transfer move upwards along with the technology improvements, and those expectations are often based on the technology available in urban centres.

Right from the beginning, users in south-western Nova Scotia who were connected to the Eastlink Rural Connect service expressed disappointment, both with the difficulty with getting connected, and subsequently with the quality of the service. Problems with speed, and consistent connection were common, and have got worse over the intervening years as more people were connected to the

system. Rural businesses in Queens County are badly affected, as they are competing with residential users for availability - Eastlink does not offer a business service for rural customers.

Investment of up to \$305M is being made by 2017 under the federal 'Connecting Canadians' program. Invitation to tender was made to telecom providers and the successful bidders were announced recently. Eastlink declined to apply for funding to support to upgrade of their rural service in south-west Nova Scotia under this program. Seaside Communications Inc. received \$6M to make improvements to around 14,000 households in north-eastern Nova Scotia and Cape Breton.

Furthermore, the Council of the Region of Queens Municipality has great concerns in regards to Eastlink's recent announcement that they would be implementing a 'cap' on data usage. From August 1, 2015, up to 15 gigabyte (GB) per month is included with the existing contract.

Thereafter, users are charged \$2 per GB, up to \$20 per month. For usage over the new limit Eastlink has said that users will not be 'cut off', and that the cap system will be reviewed in November 2015. The problem for rural business with this logic is that there is no other alternative available, and no commercial contract option either. Queens County has home-based businesses which require a much greater data use than 15GB per month. A video editing business could use that much in a couple of days.

Council is encouraged by the Premier and Minister of Business's recent focus on this issue in meeting with various Internet providers, municipalities and stakeholders in an effort to develop alternative solutions. This resolution seeks to encourage these efforts and assure the Province of the municipal commitment to work together with the various partners to find an acceptable solution for the affected areas.

Response from:  
*Premier's Office*

***RESPONSE:***

*As noted in the Premier's correspondence dated January 27, 2016 to Mayor Don Downe, Rural Caucus Chair; the province recognizes the importance of making sure Nova Scotians have access to high speed internet service for rurally-based businesses and households. Since then, our Government demonstrated its commitment to this initiative by committing \$6.0 million in its 2016/17 budget. This funding will enable high-speed internet to more homes and business throughout rural Nova Scotia.*

*The Department of Business is looking at ways to make connections, and will work collaboratively with the Department of Municipal Affairs to develop a long-term strategy regarding rural internet access. We recognize that strategic partnerships amongst a number of key stakeholders including UNSM will be required.*

*Should you have specific questions on the future process please feel free to contact MJ MacDonald, Managing Director, Department of Business (424-8154) or Anne Partridge, Executive Director, Department of Municipal Affairs (424-7458).*