



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

44th PARLIAMENT, 1st SESSION

Standing Committee on Canadian Heritage

EVIDENCE

NUMBER 082

Thursday, May 18, 2023

Chair: The Honourable Hedy Fry



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• (1555)

[English]

The Vice-Chair (Mr. Kevin Waugh (Saskatoon—Grasswood, CPC)): Good afternoon, everyone. I'm going to call this meeting to order.

Ms. Fry is having what we're going to talk about: connectivity problems. We're having some issues on the west coast, which seems to be appropriate for our meeting here this afternoon.

Welcome to meeting number 82 of the House of Commons Standing Committee on Canadian Heritage.

Pursuant to Standing Order 108(2) and the motion adopted by the committee on Monday, May 8, 2023, the committee is meeting to study report 2 of the Auditor General of Canada: "Connectivity in Rural and Remote Areas".

We will now begin the opening remarks.

Mrs. Rachael Thomas (Lethbridge, CPC): I have a point of order before we go there.

The Vice-Chair (Mr. Kevin Waugh): We have a point of order from Mrs. Harder.

Mrs. Rachael Thomas: Thank you, Chair.

I have a quick question. I was hoping that the chair could inform us, but since that has shifted on us, perhaps the clerk can.

We have one day left for the minister to appear on the main estimates before they're due back to the House. We passed a motion at this committee to invite the heritage minister here to speak to the main estimates. We haven't heard from him since the election of 2021 with regard to anything financial, so I'm just curious if we can anticipate him coming at the last opportunity, which would be Monday, May 29.

The Vice-Chair (Mr. Kevin Waugh): Thank you for that question, Mrs. Harder.

We'll go now to Mr. Bittle.

Mr. Chris Bittle (St. Catharines, Lib.): Thank you very much, Mr. Chair.

The minister's father recently passed. I think his desire was to come on May 29. There have been some discussions with the clerk on coming that day. That's the preference, but things are now up in the air with.... I think the honourable members would understand.

I know that the preference would be before the main estimates, but he's happy to appear just after. I know there's a deadline, but

with the family emergency, I would think that everyone would have that understanding. His intention is to appear before this committee on the estimates, whether that be on the 29th, which is his hope, or shortly thereafter if that's forced upon him because of the funeral arrangements.

The Vice-Chair (Mr. Kevin Waugh): I have to apologize first. Mrs. Thomas, I called you Mrs. Harder. My apologies.

Mrs. Thomas, if the minister can't make it for the 29th.... As you know, he did have a family issue. You've heard the explanation from Mr. Bittle. Are you happy with that?

Mrs. Rachael Thomas: I think my concern is that we've had a year and a half pass since he was first invited to this committee. He has turned down every single one of our invitations with regard to financials, and that concerns me.

Yes, I understand that his father passed away—and my sincere condolences—but that is in the moment. That does not excuse a year and a half of his absence with regard to financial matters.

The Vice-Chair (Mr. Kevin Waugh): Go ahead, Mr. Bittle.

Mr. Chris Bittle: Thanks so much, Mr. Chair.

I didn't think condolences could sound as sarcastic as that. I'm shocked that we're actually debating this.

Mrs. Rachael Thomas: That's cruel, and you're taking something that—

• (1600)

Mr. Chris Bittle: Mr. Chair, I have the floor.

The minister and his staff have been talking with the clerk. I know that the intention was to appear on the 29th.

Mr. Rodriguez was away. His father was in the hospital for an extended period of time in Mexico. That's where the minister was for an extended period of time—out of the country—which is why he wasn't in the House of Commons last week.

This is getting petty. He will be here. He will appear. He wants to appear.

He has appeared before, and I believe the honourable member who has expressed condolences filibustered the last time that he was here, so he sat in the back waiting to appear. There really wasn't a desire to get to him at that point or at other points as well. He has appeared two or three times since our election in 2021, and he stands ready to appear again.

It's a reasonable request by the committee to hear him on estimates. Again, if there weren't the family emergency he'd be here on the 29th. If he can't be here on the 29th, he'll be here shortly thereafter.

The Vice-Chair (Mr. Kevin Waugh): Go ahead, Mr. Housefather.

Mr. Anthony Housefather (Mount Royal, Lib.): Thank you, Mr. Chair.

I just want to say this in a different way.

This committee has always been respectful of what has happened with people's families. We recently had a witness who didn't appear when he was summoned because of the death of somebody who had been threatening him.

We now have a minister whose father died yesterday morning. He died on Wednesday. I think we all want to extend our deepest condolences to the minister. I think, from everybody's perspective, that's a genuine feeling we would have for anybody—our friends or our colleagues.

Again, the minister has stated that he wants to come on the 29th. Hopefully he will be able to, but we all understand that his dad died in a foreign country. We don't know when the funeral arrangements will be made. I think this is a time, when somebody's father just died, to not start.... I don't think this conversation is appropriate at this time.

I would just respectfully ask, regardless of any past acrimony, that we all pay our condolences and that we move this discussion to a future date.

Thank you.

The Vice-Chair (Mr. Kevin Waugh): Thank you, Mr. Housefather.

We have Mr. Champoux and then Mr. Julian.

[*Translation*]

Mr. Martin Champoux (Drummond, BQ): Thank you, Mr. Chair. I have a purely technical question, and maybe our clerk can answer it.

Unless I'm mistaken, we should have the minister appear before May 31 to review the votes. Circumstances are such that, on a human level, it would be rather petty to demand his appearance at a time when he's grieving with his family. Would it be possible to push that date back? Has that ever been done? Is the date absolute under circumstances like these?

The Clerk of the Committee (Mr. Michael MacPherson): It is a set date. Committees often study the subject of votes in the main estimates, but all votes are deferred and held in the House of Commons.

Mr. Martin Champoux: So, we could indeed review the votes without the minister and have him appear later. Could that be done, or would it be completely pointless by then to do it that way?

The Clerk: If it's useful, we can hold the meeting, but it would be on the subject of the votes, and not on the votes as such.

Mr. Martin Champoux: Very well, thank you.

[*English*]

The Vice-Chair (Mr. Kevin Waugh): Go ahead, Mr. Julian.

[*Translation*]

Mr. Peter Julian (New Westminster—Burnaby, NDP): Thank you very much, Mr. Chair.

We are all united in offering our most sincere condolences to Minister Rodriguez after his father's passing. I just heard the news and I think it's extremely sad. I lost my father and my mother within 18 months of each other, and I know the grief runs deep. It takes weeks to come back from losing a loved one.

As far as I'm concerned, the minister can appear before the committee when he is able, and we can ask questions about a variety of subjects, including expenditures. I don't see a problem. The main message of today's meeting must be a message of profound sympathy. We offer our most sincere condolences to the minister and his family.

[*English*]

The Vice-Chair (Mr. Kevin Waugh): Thank you for everyone's comments.

When we come back on Monday, it has been suggested that we could have the subject matter study on the main estimates. There would be no votes, but we would be here for two hours then.

We'll ask Mike to clarify what I have screwed up.

Some hon. members: Oh, oh!

The Clerk: A subject matter study would be any study of the estimates after the deadline. You could do a subject matter study. You wouldn't be doing the votes, because the votes would have been deemed reported back at the deadline.

The Vice-Chair (Mr. Kevin Waugh): What are we going to do on the 29th then? What is the wish of the committee when we come back on Monday, the 29th?

Go ahead, Mr. Bittle.

● (1605)

The Chair (Hon. Hedy Fry (Vancouver Centre, Lib.)): I'm sorry. I've managed to get in now, Mr. Chair and Mr. Clerk.

The Vice-Chair (Mr. Kevin Waugh): You've helped me quite a bit.

The Chair: I have no idea what's going on.

The Vice-Chair (Mr. Kevin Waugh): Madam Chair, I know we're going to talk about connectivity and I know you had problems getting in here today, so that seems appropriate. However, we're talking about Monday the 29th. Unfortunately, the minister's father has passed away. Mr. Rodriguez will not be available on the 29th.

An hon. member: Maybe....

The Vice-Chair (Mr. Kevin Waugh): Yes, maybe.

We're just talking about the 29th.

I will give Mr. Bittle a chance to take the floor now if you don't mind, Madam Chair.

Mr. Chris Bittle: Thank you. Excellent.

I would propose that we continue with the presumption.... I know that Pablo wants to be here, to appear. In the event that he doesn't, perhaps it's a good opportunity to have committee business because we have so much. I know there are a lot of discussions that need to happen on sport.

This meeting is being cut short because of votes and this discussion, so I think we can be productive either way—if Pablo can or cannot attend.

The Vice-Chair (Mr. Kevin Waugh): Is there any feedback from anyone about the 29th?

I'm going to give you, Madam Chair, the floor, and I will go sit in my seat and behave myself for the rest of the meeting.

Thank you.

The Chair: Kevin, thank you so much.

I am actually at this meeting through my phone because my Surface Pro has decided it doesn't like me and will not connect. I'm connected through my phone, which is very interesting.

Anyway, I think Chris is suggesting something doable. If the minister cannot come on the 29th, we can do what we were going to do on June 1, which is witnesses for the first hour and a committee meeting for the second hour, in camera. Then maybe on June 1 the minister can come.

I don't know what people think about that. It's just switching things, clearly without any big problems involved. Can I entertain discussion?

There's nobody with their hand up. No one wants to say anything.

Mr. Kevin Waugh: Madam Chair, we're going to ask the clerk to confirm all this.

If you don't mind, go ahead, Mike.

The Clerk: Good afternoon, Dr. Fry. I was just speaking with some of the members. We have a couple of organizations confirmed for the Thursday. If we can find a witness or two to fill in on Monday, we could also have Mr. Bittle's suggestion of committee business, perhaps immediately following any witnesses we have for the Monday.

The Chair: That would be fine. We have people who can come, so let's do it, whatever is possible, so that the minister.... However, we need to fill in the 29th.

Can we not just switch the witnesses who are due in on June 1 and the committee business for one hour? Can we not just do that? Is that possible, Mike?

The Clerk: We will look into the scheduling and find something that fits.

The Chair: I think on June 1 we have, possibly, the Canadian Olympic group, and then we have the fencing, if I'm not mistaken. That is an hour, and then we are going to committee business for the second hour. Can we do that on the 29th?

Mr. Kevin Waugh: Madam Chair, I'm going to wrap this up because we have guests in front of us.

The Chair: Actually, I thought I was taking over the chairing of the meeting, Kevin.

● (1610)

Mr. Kevin Waugh: Mr. Champoux has his hand up.

You're in a tough position today because of connectivity, so I'll just back you up. I do see Martin Champoux, who has a comment to make.

[*Translation*]

Mr. Martin Champoux: Madam Chair, as our vice-chair said, your Internet connection seems to be having some trouble. The weather on the west coast must be beautiful; the sun and nice weather are really giving your Internet connection a hard time.

I want to come back to the issue of witnesses and their availability for June 1. My colleague, Mr. Lemire, who is with me today, just confirmed that Judge Aquilina would also be available on May 29. Therefore, if it's the will of the committee, it's possible to move some witness appearances from June 1 to May 29. It could make conducting other business easier.

[*English*]

The Chair: That is what I am asking the clerk. I'm asking if that is a possibility.

The Clerk: Yes.

The Chair: All right. That sounds like a plan.

If we have the committee meeting in camera on that same day, it will tell us where we are going to go next. We would have set a plan. We would have been able to have put a box around things. When the minister can come, hopefully.... He has promised that he will.

Mr. Kevin Waugh: Mr. Julian has his hand up.

The Chair: Go ahead, Peter.

[*Translation*]

Mr. Peter Julian: Thank you very much, Madam Chair.

I want to mention two things.

First, I don't think your connection is good enough. It is somewhat unstable. Since we really have to protect our interpreters, who do extremely important work, I think it's better to give the chair to Mr. Waugh today, who is in the room.

Second, I think with the witnesses we have, we should continue this discussion—

[*English*]

The Chair: Thanks, Peter. If that's the case, and the interpreters are saying that you can't hear me very well and that I'm going in and out, I will be happy to do that. I wasn't sure what my connection was like.

Can we hear from the clerk whether my connection is poor? I will cede the—

The Clerk: With the connection, there's a lot of choppiness. There's a lot of interruption in the video. The audio doesn't seem too bad, but the video is dropping in and out. That is usually a good indicator that the audio is soon to follow.

The Chair: All right.

What I will say to the committee is I will let Kevin chair the rest of this meeting, as he kindly offered to do, and I will drop out of the committee.

Mr. Kevin Waugh: Okay, Ms. Fry. Thank you.

The Chair: Is that cool with everybody?

Kevin, thank you very much.

The Vice-Chair (Mr. Kevin Waugh): Thank you, Ms. Fry.

Are we as clear as mud, then, on the Monday when we come back? We will have guests for the first hour, and in the second hour we'll do committee business.

Go ahead, Mr. Champoux.

[*Translation*]

Mr. Martin Champoux: Mr. Chair, at the end of the last meeting, my colleague Mr. Lemire read a motion. It has not been voted on yet, but I think that's a mere formality. Before we dedicate all the time we have left today to witnesses, I would like us to finish with it and pass the motion or, at the very least, vote on it.

Everyone seems to agree that I should reread the motion so we can debate it if needed, although we already did that on Monday. Here's the text of the motion:

That, in the context of the study on safe sports in Canada, the Committee demands that Gymnastics Canada or former members of the board—William Thompson, Jack Payne, or Lynne Smith—provide a copy of the internal report conducted by Shearer Parmega, completed around May 2018, regarding the toxic environment within Gymnastics Canada. The Committee also requests a copy of Gymnastics Canada's statement upon the resignation of Executive Director Peter Nichol and High-Performance Director Karl Balish; these documents should be sent to the Committee Clerk no later than 4:00 p.m. ET on Thursday, May 18, 2023.

I think I'll remove that last part of the motion, because May 18th is today. We'll give them a few more hours. I'll change the end of our motion to give them until next week.

• (1615)

Mr. Sébastien Lemire (Abitibi—Témiscamingue, BQ): Let's say Thursday, May 25, 2023.

Mr. Martin Champoux: The last sentence would therefore read:

these documents should be sent to the Committee Clerk no later than 4:00 p.m. ET on Thursday, May 25, 2023.

[*English*]

The Vice-Chair (Mr. Kevin Waugh): Are all agreed on this?

(Motion agreed to)

The Vice-Chair (Mr. Kevin Waugh): Fine. Thank you.

Now we'll move on to our two guests here. We have report 2 of the Auditor General of Canada on connectivity in rural, remote and maybe even urban centres, as we found out here today.

Let's welcome the opening remarks.

Thank you, officials.

Karen Hogan, you will have the floor for five minutes. Sami Hannoush is with you here today at the Canadian heritage committee.

The floor is yours, Ms. Hogan.

Ms. Karen Hogan (Auditor General, Office of the Auditor General): Thank you, Mr. Chair.

Thank you for this opportunity to discuss our report on connectivity in rural and remote areas, which was tabled in the House of Commons on March 27.

I would like to acknowledge that this hearing is taking place on the traditional unceded territory of the Algonquin Anishinabe people.

Joining me today is Sami Hannoush, the principal who was responsible for the audit.

In this audit we looked at whether Innovation, Science and Economic Development Canada and the Canadian Radio-television and Telecommunications Commission had improved the accessibility, affordability and quality of high-speed Internet and mobile cellular connectivity for Canadians in rural and remote areas.

At a time when so much takes place online, it is critical for all Canadians to have access to reliable and affordable high-speed Internet and mobile cellular services. This is a matter of inclusion. When services are of poor quality or are unaffordable or unavailable, people are effectively excluded from participating fully and equally in many aspects of life today. This includes participating in the digital economy; accessing online education, banking, medical care and government services; and working remotely.

We found that overall, access to Internet and mobile cellular services has improved across the country since our last audit in 2018. However, the federal government's strategy has yet to deliver results for many rural and remote communities and first nations reserves. Internet connectivity in rural and remote areas remains below 60%, and below 43% on first nations reserves.

[*Translation*]

We also found delays in approving projects that were meant to bring services to rural and remote areas. For example, final approvals under the Canadian Radio-television and Telecommunications Commission Broadband Fund took an average of almost 2 years. Delays mean that 1.4 million households who are already underserved or not served at all are still waiting to be connected.

Access to services is not just about having the infrastructure in place to connect households, businesses, and institutions. It's also about the affordability and reliability of the services. We found, however, that the two organizations attract only some dimensions of the affordability and quality of services. For example, they considered pricing as part of affordability, but did not consider household income. If the price of service is beyond a household's means, then connectivity will not improve, and some people will remain excluded.

These findings emphasize the persistent digital divide between people living in urban areas and people living on First Nations reserves and in rural and remote communities. Being connected is no longer a luxury, but an essential service. The government needs to take action so that there is affordable, reliable, high-speed connectivity coverage for Canadians in all areas of the country.

This concludes my opening remarks. We would be pleased to answer any questions the committee may have.

[English]

The Vice-Chair (Mr. Kevin Waugh): Thank you, Ms. Hogan. That was right on time.

We'll start with a six-minute first round with the Conservatives.

Go ahead, Mrs. Thomas.

Mrs. Rachael Thomas: Thank you.

Chair, before asking my questions, I just want to give notice that we are tabling a motion today with regard to a study on the changes made to the Canadian passport. This motion, of course, will be moved at a different time, but it reads:

That the committee immediately undertake a study regarding the recently announced changes to the Canadian passport; in particular the decision by the government to remove images that reflected Canadian culture and history; that the Minister of Heritage be invited to appear as part of this study; that this study consist of 3 meetings; that witness lists be due within 5 days of the adoption of this motion; and that the committee report its findings and recommendations to the House.

I acknowledge that it is not part of the business today, so I do not wish to move it, but I do wish to give notice.

• (1620)

The Vice-Chair (Mr. Kevin Waugh): Thank you very much.

Now you have six minutes. You're first in the opening round.

Away you go, Mrs. Thomas.

Mrs. Rachael Thomas: Thank you very much.

Ms. Hogan, thank you so much for taking the time to be here today and for initiating a letter saying that you would be pleased to come should we invite you. Of course, we invited you, so it's nice to have you at the table.

I'm curious. When I read the report, I saw that about 26% of the funds from the CRTC have been given out. That leaves a whole whack of cash still sitting there. Why is that?

Ms. Karen Hogan: I think it's important to note the period of time of our audit. Our audit started in July 2018 and covered all the way until January 2023.

Over that time, while there were a lot of funding commitments in many budgets towards rural connectivity, there was about \$2.4 billion available for spending. As you pointed out, we noted that only 40% of that had been spent by January 2023.

The reason it was so slow to go out the door was the length of time it took for the CRTC and Innovation, Science and Economic Development Canada to approve proposals for programs. For example, the CRTC said it should take about 10 months to look at a project, approve it and award funding, and it took almost two years. It's that length of time that I believe caused delays in funding going out the door, and hence in projects advancing and Canadians having access to Internet.

Mrs. Rachael Thomas: There are two pots of money. There's one with Industry Canada and one with the CRTC. Both are meant to help with connectivity issues across this country.

In your report, you outlined that these departments don't seem to be talking to one another. There's not a coordinated effort in how these funds are being rolled out the door, but also in how applications are being assessed and then granted.

Can you comment on that?

Ms. Karen Hogan: Many departments are involved in some of the funding, Innovation, Science and Economic Development Canada being the main one with the CRTC. We saw a really good coordination between the departments, including the Canada Revenue Agency, which has a tax credit, and Indigenous Services Canada, which funds other programs. It was really about the slowness in approving projects.

It was also about the need to coordinate with provinces. We found that when a province had Internet or mobile programs, the federal government did its best to coordinate with them. That, again, caused some slowness in funding going out the door.

Mrs. Rachael Thomas: Is there a need for there to be multiple departments overseeing different funding pockets, or could there be one fund created that is responsible for rolling out this program with regard to increasing connectivity across the country, in particular in rural and remote areas?

Ms. Karen Hogan: That question would be one to ask the government. There was a bit of a policy choice when the connectivity strategy was created in 2019 as to who would be responsible for the funding initiatives that were then included in the connectivity strategy.

All I can tell you is that it wasn't designated as a horizontal program. We did see some good coordination with all of the departments involved, but they were slow at approving proposals.

Mrs. Rachael Thomas: Would your recommendation be, then, that this continue to be split, or would you see value in bringing it together and having it under one department?

Ms. Karen Hogan: I think it's a question of how the initiatives want to be run. When you want to target initiatives in indigenous communities, Indigenous Services Canada is likely the best party, with its knowledge and connections already on the ground.

That's a decision the government makes. I simply look at whether they roll it out effectively and efficiently, and here, there could be opportunities for improvement.

• (1625)

Mrs. Rachael Thomas: It's interesting that you mention that.

In your report, you pointed out that fewer than 50% of those in remote areas, particularly indigenous communities, have access to minimum speed Internet. That's just minimum speed Internet.

You talked about the fact that it's impacting everything from education to access to telehealth to access to commerce and the new public square, which is engagement online. How can that be improved? At the end of the day, if we truly want to pursue reconciliation, which I believe as a country we do, there is no reconciliation without economic reconciliation. These folks need to be included in the opportunities that the Internet provides.

Ms. Karen Hogan: I couldn't agree with you more that we need to ensure as a country that indigenous communities are involved in matters that affect them.

What we did find here is that six out of 10 households, as you pointed out, do not have access to high-speed Internet, or what we define today as high-speed Internet. By 2030, we don't know if the current speed will be considered high-speed. Actually, one of the recommendations we gave to the government is that they need to look at that.

The main buckets of money around getting infrastructure to rural and remote communities or indigenous communities come from the main departments that are here. I think we shouldn't lose sight of the fact that it's not just about getting the equipment there. It's also about making sure that it's affordable. Affordability needs to look at the income of households. That's where I think the government is missing half the picture.

Mrs. Rachael Thomas: Ms. Hogan, thank you.

The Vice-Chair (Mr. Kevin Waugh): Thank you, Mrs. Thomas.

We'll move now to the Liberal Party and Lisa Hepfner.

Go ahead, Lisa.

Ms. Lisa Hepfner (Hamilton Mountain, Lib.): Thank you, Chair.

I want to thank our guest, Ms. Hogan, for being here to answer our questions today.

I would like to ask about the connecting families program. This is a program that provides low-income families and seniors with high-speed Internet packages for \$20 a month. You focus on affordability in your report, but this program wasn't included. I would like to know why, if I could.

Ms. Karen Hogan: You're correct that it's not a program we included in our audit. It's my understanding that it's a fairly recent program. It really is about people applying and being eligible.

We focused on where the majority of the money under the connectivity strategy was. It is focused on trying to get the infrastructure up to rural and remote communities and first nations communities, and then tackling other issues like quality and affordability. It wasn't scoped in because we were focused on the larger bucket of funding related to access.

Ms. Lisa Hepfner: As you said, it's a more recent program, and that brings up an interesting point. I note that the audit covers the time period from July 2018 to January 2023, but it only has 2021 connectivity data. Could you explain that for us, please?

Ms. Karen Hogan: That was the only data available. We went to Innovation, Science and Economic Development Canada and the CRTC and asked them for the latest data they had on access. They only had 2021 data. That's my understanding. Actually, in preparation for this hearing, I inquired about whether the 2022 data was available. I believe they have now received it from all the Internet service providers and are working their way through it. Usually they provide updated figures in the fall of a year.

We were only able to audit what information the government had on hand at the time of our audit.

Ms. Lisa Hepfner: Okay. The focus of the audit was to determine whether the Government of Canada has improved access to affordable and high-speed Internet in rural and remote regions of the country. Would you say there has been improvement?

Ms. Karen Hogan: Yes, I would say that. As I mentioned in my opening remarks, there has been improvement since our 2018 report on connectivity all across the country, but there still is a large digital divide when you compare urban centres with rural and remote areas. Four out of 10 households don't have access to high-speed Internet, and then that grows to six out of 10 when you look at indigenous services. While progress continues every year—

• (1630)

Ms. Lisa Hepfner: Clearly, it shows there's more to do.

Ms. Karen Hogan: Yes.

Ms. Lisa Hepfner: However, would you say or would you agree that the government surpassed the goals that it set for 2021, its connectivity goals?

Ms. Karen Hogan: I believe the goal in the strategy was to connect 90% of Canadians by 2021. That goal was achieved. What that goal masks, however, is that there is a divide when you pull out rural and remote communities and indigenous communities. In the urban centres, it's over 99%, so while the goal was met, there's a lot of work left to be done.

Ms. Lisa Hepfner: Right. Since 2021 the total number of households connected in rural Canada increased from 62% to 69%. Given the recent global pandemic and the short period of time, would you say that this is a significant increase?

Ms. Karen Hogan: When I look at the fact that across the country, 1.4 million households are still underserved or not served at all, that's a lot of Canadians. To put it into context, that's like every single person who lives in the city of Montreal does not have access to the Internet. It's a lot of people.

When you think about how the pandemic shifted so much of society to an online mode, the country should strive to try to meet its goals sooner and faster. It's a long time to wait till 2030 to have access to the Internet to do your banking or to shop.

Ms. Lisa Hepfner: You would say that no, you don't think it's a significant increase in the connectivity of rural Canada. You would like to see more. You wouldn't consider it significant. I think that is what I get from your answer.

Connectivity in indigenous households has increased by 5% since 2021. I think that's the more recent data. Does that give you hope, at least, that the numbers are going in the right direction?

Ms. Karen Hogan: I will always be pleased when the numbers go in the right direction. I just encourage the government to reach its goal faster.

Ms. Lisa Hepfner: I would note that since 2015, about 2.2 million Canadian households have received access to better and faster Internet.

On the Government of Canada's website for the national strategy to connect all Canadians, by the end of 2022, 93.5% of Canadians were connected to high-speed Internet in comparison to only 79% of Canadians in 2014.

Just to put those numbers into perspective, do you think it is significant progress to go from 70% to 93.5% of Canadians who are connected?

Ms. Karen Hogan: I do think that's sizable progress, but it still leaves underserved the most vulnerable and underserved.

Ms. Lisa Hepfner: Thank you very much.

The Vice-Chair (Mr. Kevin Waugh): Thank you, Ms. Hogan.

Thank you, Ms. Hepfner.

There was discussion about extending to six o'clock. We don't seem to have unanimous agreement, but we'll try to get as close as we can to 5:30, or a couple of minutes over, depending on our rounds, if you don't mind.

We'll have six minutes now for Mr. Champoux.

[*Translation*]

Mr. Martin Champoux: Thank you, Mr. Chair.

Ms. Hogan and Mr. Hannoush, thank you for being here with us today and offering to meet with us to discuss your report. We're grateful to you, since not every witness we invite accepts coming to see us so gracefully.

I find all of your recommendations extremely interesting, but some of them stand out a bit more, I think.

We all went through a pandemic that changed the way we see things. It also made us aware of the fact that some services are essential. We had an inkling, but it hit home especially hard during the pandemic.

Before the pandemic, the committee led studies on the subject of connectivity in Quebec and Canada. It sounded the alarm because there was almost no Internet connectivity or cell phone service offered in remote areas, which was escalating into a public safety issue, because people were cancelling their landlines and services were increasingly offered through cell phones or the Internet. We were already arguing that a high-speed Internet connection should be considered an essential service, which the government finally recognized.

I don't want to put words in your mouth, but I'm sure you'll agree with me that once it was recognized, the walk had to follow the talk. If we decide it's an essential service, we have to make sure it's offered to the entire population. I know that major challenges are involved with connecting people to a decent Internet service in very remote areas and parts of the country that are hard to access with technology. However, we know of existing technologies that could be used to connect people in those areas.

What I'm getting at are the government's phased goals to connect remote areas. The government set 2030 as the ultimate goal to connect 100% of Canadians. However, one point in your recommendations stood out to me and caught my interest, which was the need to assess whether the target speed of 50/10 Mbps still make sense. We are in 2023, and I'm not sure that a speed of 50/10 Mbps can currently be considered high-speed Internet, because needs are changing with lightning speed.

So, are the goals for 2026 and 2030 realistic? Why not immediately revise them, so that people who get connected with unsatisfactory or inadequate connection speeds don't have to wait another 5, 8 or 10 years to get updated technology and keep pace? Have you had an opportunity to think more deeply on the matter?

• (1635)

Ms. Karen Hogan: If we made a recommendation to determine whether the target speed of 50/10 Mbps could still be considered high-speed in 2030, it was because we were asking ourselves the question. In the past, speeds went up about every 10 years, going from 2G to 3G, then 4G. That's why we thought it necessary to recommend that the government reconsider its targets.

Mr. Martin Champoux: I don't want to force you to pull a fast one on the government—that's our job—, but don't you think it lacked vision in 2019 when setting the target of 50/10 Mbps? Even if that was considered high-speed at that time, we knew the streams would be much bigger 10 years later, when they reached their connection targets, more or less. Wasn't that a lazy target?

Ms. Karen Hogan: In 2018, we recommended that the government develop a strategy, a target and a deadline to reach it. I'm pleased that a strategy was developed and that the target was included.

We now need to consider how much the target needs improvement. Currently, we see in the programs or the budget that all programs need to be adaptable. I think it will take time to see if the programs really are adaptable and if everyone can increase the speed if the target changes. Right now, however, I can only hold the government to account for the current target.

Mr. Martin Champoux: I don't have much time left, but earlier, you said something very interesting about the work, and Ottawa's collaboration with the provinces and with Quebec.

My colleague from Abitibi—Témiscamingue, Mr. Lemire, sits on this committee sometimes, in addition to being a member of the Standing Committee on Industry and Technology. He and I pushed hard to get Ottawa to transfer its responsibilities to Quebec, which already had a clearer vision of the needs in Quebec. This was done. The funding and responsibility to ensure Internet connectivity across Quebec, including in remote regions, were transferred.

In your opinion, should the government develop that strategy further? Should it give the provinces the money and responsibility, since they know more about their jurisdiction and their real needs, and only provide oversight? Do you think that's the right approach?

Ms. Karen Hogan: In my opinion, that's a discussion that the federal government should have with each province. Our audit demonstrated that, among other things, where there was good collaboration, the administrative burden for individuals and companies submitting applications was reduced. Improving and accelerating access to those providers improves connectivity.

• (1640)

Mr. Martin Champoux: I don't mean to brag about Quebec, but everyone knows that it's the best. I must say that Quebec has just about reached its goals, with just a few percentage points to go. While Canada is aiming for connectivity in 2030, Quebec is nearly there already. You'll be able to put that in your next audit.

[English]

The Vice-Chair (Mr. Kevin Waugh): Thank you, Mr. Champoux.

We'll go now to the New Democratic Party and Mr. Julian for six minutes.

Peter, go ahead.

[Translation]

Mr. Peter Julian: Thank you very much, Mr. Chair.

Ms. Hogan, thank you for coming. I'm speaking to you from Canada's west coast, so I hope my connection will be good.

As a follow-up to Mr. Champoux's questions, did you find differences in connectivity between francophone and anglophone communities? Is that something you looked at during your examination?

Ms. Karen Hogan: I encourage you to visit our web site. You'll find the map of Canada and statistics on connectivity per province. We didn't examine the differences between francophone and anglophone communities, in terms of language. Rather, we looked at the differences between the provinces and territories.

Mr. Peter Julian: Which province in Canada, including the Quebec nation, has the highest connectivity rate? Which province or territory has the lowest connectivity rate?

Ms. Karen Hogan: Are you referring to the connectivity rate in all areas or only urban areas?

Mr. Peter Julian: Connectivity is mainly an issue in rural regions and indigenous communities. In that regard, which regions are doing well and which are doing less well?

Ms. Karen Hogan: It's important to note that there are rural and remote regions in all the provinces and territories. If I look at the map on our web site, it shows that the regions of Canada where rural and remote communities have the lowest connectivity rate are in the Northwest Territories, Yukon and Nunavut. In remote areas of Nunavut, communities have no access to high-speed Internet.

Mr. Peter Julian: Which rural regions have the highest connectivity?

Ms. Karen Hogan: Based on our map, the rural regions with the highest connectivity rate are in Prince Edward Island, followed by New Brunswick.

Mr. Peter Julian: What about provinces in western Canada?

Ms. Karen Hogan: Would you like me to give the percentage for each province? Would that help you?

Mr. Peter Julian: No, that's not necessary.

Ms. Karen Hogan: British Columbia is really the province where rural and remote communities have the highest connectivity rate.

Mr. Peter Julian: Okay. That's obviously what I was hoping to hear, since I know that the provincial government in British Columbia has been working hard to improve connectivity. The types of programs put in place can have a big impact in the provinces, and as you so clearly indicated, British Columbia is among the provinces with the highest connectivity as a result of programs put in place. If I may make a partisan comment, I would point out that it was an NDP government that put those programs in place.

[English]

Now, I want to turn to the government's response and the statement from the minister after you issued your report. The Government of Canada—this is from Minister Hutchings—in a statement said the following, “The Government of Canada has made available over \$7.6 billion to expand access to high-speed Internet in under-served areas”.

I'm looking at the figures from your report, and as you mentioned earlier, you've seen investments of \$949 million in terms of what is actually spent. In your study of the money invested that has served to expand access to high-speed Internet, do you see \$7.6 billion as a credible figure, or is it your experience that a little shy of \$1 billion in actual investments has helped expand access to high-speed Internet?

• (1645)

Ms. Karen Hogan: I'm not sure I know where the minister received her numbers. What we did note in our audit report is that around \$8 billion was committed over several budgets and several announcements. That's why we focused on how much was available. That \$8 billion is over a longer period of time. Up until 2023, \$2.4 billion of those funds was available to be spent. It's only 40% of it that has been spent.

Mr. Peter Julian: That's where you come to the \$949 million. The minister is reaching for the skies in her speaking notes, but the actual money invested on the ground is just a little over 10%, which is shocking given the discrepancy for rural and indigenous communities, particularly. In the next round, I'm going to ask you about the consequences of that. It's fair to say that the government has had a lot of talk and no action when it comes to expanding the access of rural Canadians and indigenous communities to high-speed Internet.

My final question for this round is around the issue of affordability.

In terms of tracking how much it costs in each of these communities, would you say that you know the best practices in costing, either through a province or through other programs in place, so that it's about affordable access to high-speed Internet in communities? What is the best practice there?

Ms. Karen Hogan: I just want to make sure I understand your question. Are you asking me about the best practice in determining what would be an affordable price for high-speed Internet?

Mr. Peter Julian: In terms of evaluating prices across the country, what example of a best practice has led to affordable high-speed Internet in some communities? Which province or territory has done the best in that regard?

Ms. Karen Hogan: Unfortunately, I don't look at what the provinces and territories do; I can only look at what the federal government has done. In the connectivity strategy, the federal government has a target linked to affordability that's only based on the price of the service, so they'll do comparisons across the country or with other international prices.

In my view, that's missing half the story, because if a household can't afford Internet, you're not going to increase connectivity since it's beyond their means. You need to track household incomes and

the link between them and the price of the service. The OECD recognizes that it should be done, and the department acknowledges that there's a link, but they're not gathering data around household incomes.

The Vice-Chair (Mr. Kevin Waugh): Thank you, Ms. Hogan, and thank you, Peter.

We'll move on to the second round. We'll start with Martin Shields. It's a five-minute round.

Please go ahead, Martin.

Mr. Martin Shields (Bow River, CPC): Thank you, Mr. Chair.

Ms. Hogan, I have a question for you. There's a reference to maps and the national broadband Internet service map. There was some reference that they're not accurate in the sense of what is covered and what is not covered. Do you remember your review of that?

Ms. Karen Hogan: I will see if Sami wants to add, but I will start.

There is a connectivity map on the Government of Canada website that any Canadian can access, and you can see what areas of the country have high-speed Internet and mobile services. The issue with it is that it comes from service providers. There's not a lot of vetting on the accuracy of it, and when the maps are updated, stakeholders are informing the department about inaccuracies.

We've made a few recommendations around ensuring that the information is up to date and accurate. It's old. We saw that it was out of date by almost 20 months or so. What that means is that, if you're going to submit a proposal to help increase accessibility in an area but it looks like on the map it already has connectivity, you might not bid in that area or put a project forward in that area. The reverse might be true too. It's important to have accurate information for proper decision-making.

Mr. Martin Shields: That could relate to service in rural and lower-served areas not increasing, then.

Ms. Karen Hogan: If it looks on the map like they already have connectivity and they in fact do not, then yes, that could result in missed opportunities for some areas that truly need connectivity.

• (1650)

Mr. Martin Shields: Absolutely.

What is your definition of “rural” in the sense of connectivity?

Ms. Karen Hogan: I think I'll ask Sami to give you that definition. How does that sound?

Mr. Martin Shields: Sure.

Mr. Sami Hannoush (Principal, Office of the Auditor General): The definition we used in this project was the definition being used by StatsCan and various federal departments. It defines rural communities as having less than 1,000 inhabitants. “Remote” can also be part of those rural communities, or it can be isolated in a different sense in that they’re smaller but are not near adjoining communities that they could potentially piggyback off of for connectivity.

Mr. Martin Shields: Here’s a challenge I see, and it’s about economics. If we’re talking about highly technical agri-industries, they’re not located in communities.

When you’re talking about connectivity and communities, we have a challenge here. For example, I have people in the agriculture industry running pivots—and when I say the word “pivots”, people sometimes know what I’m talking about—from farms that are high-tech. I met somebody today in a rural ag-producing industry, and they’re very technical and very short of...but they’re not in a community.

How do we address that issue? You say your definition is about communities, yet if we’re talking about economics in our highly technological ag sector, they’re not in communities.

Ms. Karen Hogan: We didn’t make up the definition. We’re following the definition that Statistics Canada uses, because that’s one with data gathered from around the country.

I think that speaks to why we need to be careful as a country when comparing ourselves to others without thinking about household income and other aspects. Our country is geographically vast, and there are many areas with low population, unlike the United States, which is very dense in many areas that it’s easier to reach many more individuals with the infrastructure. That’s why it’s important to really consider the particularities of Canada as the strategy plans its way out.

Mr. Martin Shields: I think that’s critical when we’re talking about economics. When the government is talking about an increase in productivity in one of our most technologically advanced sectors, agriculture, they don’t have that capability of being connected. That’s really problematic rurally in the sense of the definition we have.

Moving to another question, you talked about reaching targets. The plan, over the last number of years of reports, has been trying to reach the target of going above the OECD average. Do you have any idea why you think it’s going down, in a sense—from 6.4% down to 4.8% of the average?

Ms. Karen Hogan: I’m sorry. I’m not sure Sami and I know what you’re pointing to. Is this within our report or are you reading these OECD statistics from somewhere else?

Mr. Martin Shields: You’ve talked about what the CRTC is doing in the sense of meeting their targets. Their last few reports said they’re trying to achieve above the average OECD targets. You’ve referred to the OECD and what their targets are. You’re not familiar with that, then.

Ms. Karen Hogan: I’m not sure I know what you’re talking about. I referred to the OECD when it came to what a definition of “affordable” should look like.

Mr. Martin Shields: Right. Yes. I just assumed that you knew a lot about the OECD and their targets for Internet service and what Canada—

Ms. Karen Hogan: I know some of them, but I’m not sure I know the reference you’re making. My apologies.

Mr. Martin Shields: That’s no problem

The Vice-Chair (Mr. Kevin Waugh): We’re going to move on, Mr. Shields. Thank you very much. I give you a little extra.

Ms. Karen Hogan: Maybe I’ll just tell you that we focused on the targets that Canada set itself in its own strategy, not comparing those to any international targets or best practices that the OECD might have.

Mr. Martin Shields: Those are the targets I was talking about.

The Vice-Chair (Mr. Kevin Waugh): Thank you, Ms. Hogan.

We’ll move on to the Liberal Party for five minutes with Tim Louis.

Tim, welcome.

Mr. Tim Louis (Kitchener—Conestoga, Lib.): Thank you, Chair.

Thank you to our guests, Auditor General Hogan and Mr. Hannoush.

I want to thank the Office of the Auditor General of Canada for their report on rural and remote connectivity. We appreciate the recommendations and really look forward to continuing the government’s work on broadband. We’re on our way, well on our way, to surpassing our goal of connecting 98% of Canadians to high-speed Internet by 2026 and 100% of Canadians by 2030.

We heard some numbers earlier. In 2014, I believe it was, only 79% of households had access to high-speed Internet. In Kitchener—Conestoga today, 89.5% of homes have access. That includes a strong agriculture sector. It’s something that I think Canadians should be proud of. I talk to people in small communities like Crosshill, Dorking, Hawkesville, Heidelberg, Linwood, Millbank, St. Clements, New Hamburg and Wellesley. These are small communities, and they’ve received funding to expand high-speed Internet coverage.

Most of these projects are scalable projects for future needs, which is closing the digital divide between urban and rural communities. Earlier we heard about the importance of scalability. Most of these new projects, 80%, are scalable. As I explain it to my constituents, if you’re going to be building a road, you leave room for extra lanes. That’s what about 80% of these projects are doing for future growth.

We know that there's more to do and we remain committed to doing that work. That's why I think it's important that you're here. Your report is so important. The governments of Canada and Ontario, not that long ago, announced funding of almost \$12 million for broadband infrastructure in the Waterloo region, which connects thousands of homes and businesses, mostly in my riding of Kitchener—Conestoga.

The federal government signed partnerships with, I believe, six of the provincial governments, Ontario being one of them. Can you tell us what your assessment is of the effectiveness of these partnerships and how they're helping the government achieve its national connectivity goals? What lessons can your report share about the importance of putting partisanship aside and coordinating and working across party lines and across jurisdictional lines for the common goal of helping our rural communities?

• (1655)

Ms. Karen Hogan: We did look at how the federal government coordinates its efforts with the provinces. We felt it was important to make sure that this coordination was happening so that every dollar spent, whether it be federal or provincial money, would be spent to go further and not just double up on a project.

We found that most of the provinces that had connectivity money or initiatives already had a memorandum of understanding with the federal government and were doing their best to coordinate. We saw that it reduced a lot of administrative burden when it came to accessing funding. However, we can only focus on the delivery of the programs federally. That's where we looked at what the CRTC and Innovation, Science and Economic Development Canada were doing. We found that they were really slow in approving projects. That's contributing to people waiting longer for Internet access.

Mr. Tim Louis: Thank you.

You used the word “coordinating” a few times. I think that's important.

Recently I hosted a round table with the Minister of Rural Economic Development. We had rural mayors, businesses and other stakeholders discussing the issues that face our small communities, many of which we've heard today in committee. Broadband Internet was one of the major topics, and we said how the federal government needed to work together with the provinces, territories, municipalities, indigenous communities and Internet service providers.

Your report noted that the federal government is not solely responsible for improving connectivity. Do you think provincial and territorial governments and the private sector are doing their part with cost-sharing in working toward these goals? What ways can they further step up, and how can that be incentivized?

Ms. Karen Hogan: I think that's a difficult question for me to ask when I really can't look at the books of provinces, private corporations and service providers. What I can look at is what the federal government does. I can only hold them accountable for the commitments they've made and whether they're achieving them or not.

I was pleased to see coordination. That's a step in the right direction, but for elements like the tax credit that's available, ISED doesn't know whether or not people are using it and accessing it.

There are still opportunities to further advance that coordination and collaboration. I would come back to the main point that the two main departments in our report need to really improve how they review, approve and deliver funding to service providers, because it's that concrete action that will actually improve connectivity across the country.

The Vice-Chair (Mr. Kevin Waugh): Thank you, Tim. You're out of time.

We'll go now to the Bloc for two and a half minutes.

Go ahead, Mr. Champoux.

[Translation]

Mr. Martin Champoux: You're giving me two and a half minutes, but I know how generous you are, Mr. Chair.

Ms. Hogan, your answers are extremely interesting. I also find it very interesting to learn a bit more about the way you work.

[English]

The Vice-Chair (Mr. Kevin Waugh): We're having interpretation problems. We'll give you the full two and a half and we'll start over.

Go ahead.

[Translation]

Mr. Martin Champoux: Ms. Hogan, you heard what was said.

In a previous answer, you said you work with the tools at your disposal. In other words, the data that Statistics Canada provides to you are based on criteria it establishes, such as what constitutes a rural region.

When you conduct your audits, do you ever think that you're not really working with the right tools? Can you make recommendations to adapt the tools with which you have to work, such as the criteria from Statistics Canada?

• (1700)

Ms. Karen Hogan: It's not up to me to comment on policies set by the government, but I can make recommendations on their implementation by the departments.

I could, therefore, communicate with the people at Statistics Canada, who are experts on statistics. However, if the agency isn't the focus of the audit I'm conducting, I won't make recommendations for the agency. That doesn't mean that I won't communicate with the deputy minister to share what we've observed and found in order to improve the performance of that government service.

Mr. Martin Champoux: I found that part very interesting. Indeed, more and more fairly big companies that are expanding, particularly in the agri-food and agriculture sectors, are located in so-called remote regions. However, those companies have the same connectivity requirements as ones in urban centres. It seems to me, then, that by doing a study on those kinds of needs in a context where industrial parks are overcrowded and where companies need to move, that criterion becomes more important.

You're confirming, then, that you have the authority to make recommendations for reviewing the way some areas and some of those criteria are assessed.

Also, I found it interesting that, in your report, you make readers aware that Internet and mobile cellular services aren't the same everywhere and, consequently, affordability isn't the same everywhere. We know that, in remote regions, those services can cost a fortune. In fact, your report includes a recommendation on that.

In your opinion, is the response provided by Innovation, Science and Economic Development Canada, ISED—that these services will be provided through the universal broadband fund—satisfactory? Do you believe that the fund will be enough to help sufficiently lower the price that consumers, particularly those living in remote regions, will have to pay for Internet?

Ms. Karen Hogan: During the audit, I was concerned about the issue of affordability. I had a number of discussions on that topic with the deputy minister of ISED. I believe that, for the department, the decision to include household income or not in the definition of affordability is a policy issue. As a result, I had many discussions and I encouraged the deputy minister to discuss it with the minister. In my opinion, we have only a partial picture if price is the only factor taken into consideration. I hope that they will address this issue soon.

Mr. Martin Champoux: Thank you.

I believe I have approximately two minutes remaining, Mr. Chair.

[English]

The Vice-Chair (Mr. Kevin Waugh): No, you're there. In fact, I've given you a little more.

That does mean wrap up. Thank you.

We'll move on now to Peter Julian for two and a half minutes.

Peter, go ahead.

[Translation]

Mr. Peter Julian: Thank you very much, Mr. Chair.

Nice try, Mr. Champoux.

[English]

I want to come back to the consequences of not having high-speed Internet in place. I want to speak about the consequences for rural communities and for indigenous communities, like consequences for distance education. It's the reality of not being able, in more isolated communities, to access distance education, which so many people rely on to enhance their skills and gain more abilities to contribute to their community.

There's distance health as well. I know the B.C. government has done a lot to expand access to the provision of distance health so that people in more remote rural communities and indigenous communities can actually get access to health care.

It's also an issue of fundamental economic development. Having access to high-speed Internet makes a big difference in a community's ability to actually develop and build on its economic foundations. These are all fundamental issues.

You talked, Ms. Hogan, about the government spending only \$949 million while they like to advertise that they've made available over \$7.6 billion. I see that as a fundamental failure by this government to walk the talk and provide supports. Can you speak to what you see and what your report indicates in terms of the consequences of not having access to high-speed Internet for education, health care, economic development, etc.?

• (1705)

Ms. Karen Hogan: As you mentioned, many of us take for granted that we might leave here today and, on our cellphone, pay a bill before we head home. There are many individuals in rural and remote communities who can't do that, but putting a price tag on missed opportunity is really difficult.

What we saw throughout the pandemic was that so much of Canadians' lives shifted to an online environment. Many small businesses that don't have access to the Internet likely lost revenues, and that's a really hard thing to quantify. We can't get at that in our report. That's why it's so important not to look at the numbers for accessibility across the country and say that we're doing a great job, because the numbers for urban communities mask what's going on in rural, remote and first nations communities. It's about ensuring that all of our recommendations are addressed and that we properly cost how much it will take to reach those hardest to reach, because it is expensive and that hasn't been done yet.

The Vice-Chair (Mr. Kevin Waugh): Thank you, Peter.

We will move on now to the Conservatives. We welcome Alex Ruff to the committee.

Mr. Ruff, go ahead for five minutes.

Mr. Alex Ruff (Bruce—Grey—Owen Sound, CPC): Thanks so much, Mr. Chair.

Ms. Hogan, thanks so much for coming today.

I'm glad I have the chance to show up to committee today and partake, because this is such an important issue. I represent the riding of Bruce—Grey—Owen Sound, a very rural riding in Ontario and one that has the second-highest demographic of seniors, which presents another challenge. We'll get to that.

I want to commend you on the part of your report—I think it's paragraph 2.69—where you point out that “neither Innovation, Science and Economic Development Canada nor the [CRTC] could tell Canadians whether the affordability of Internet and mobile cellular connectivity had improved.” It's a pretty damning statement.

I want to provide additional evidence, as somebody who personally can't get over five megabits per second as service. I don't even get that because, of course, the service providers don't deliver what they advertise. It's only three any time I've checked it. I am one of many residents in my riding who have no connectivity. This in particular becomes a huge issue as the federal government moves more and more services, as you identified, to the digital realm. Then you don't have it.

I have a couple of points I want to get to. In your paragraph talking about not only the Internet service availability map.... I appreciate the question Mr. Shields brought forward about how there's a misperception. I have local Internet service providers trying to provide that service, but when they apply to ISED to try to get the maps updated.... It's going on two-plus years for them to even get the service they are providing put on the map or recognized.

Is this common in more than just my riding? Is this a common problem throughout Canada? I think you hinted at that.

Ms. Karen Hogan: We spoke to service providers and other stakeholders. A very common comment we received was that the maps were outdated over many months, as I mentioned earlier, and sometimes had inaccurate information. That's why we made a recommendation to the government to find a better way to challenge that. You need more timely information, but you also need to double-check and challenge the information to ensure the quality is

there. The service provider shouldn't be the quality mechanism for having an accurate map.

Mr. Alex Ruff: I have another thing on the funding side in particular. The universal broadband fund is one of the key elements the federal government is using to try to provide support for this. My push-back on the whole fund in the first place is that the money seems to be flowing to the wrong sectors or wrong providers. The vast majority of this money, in my observation, seems to be going to major Internet service providers—the big telecoms—and not so much to the smaller and especially rural-sized areas, because they can't compete for it.

I was shocked and disappointed when—I know Tim is in the same neck of the woods, in western Ontario—the SWIFT or Southwestern Integrated Fibre Technology program, which was previously funded by the federal government.... Federal, provincial, municipal and private Internet service providers all had a fund. It worked well. The benefit of that program was that it concentrated more on the last five miles.

My biggest complaint about a lot of this funding is that it's going to service providers to put in Internet where they're going to go anyway—where the business model is. In the national strategy, the biggest shortfall is that it's not focused and that the money is not flowing to the most expensive spots in order to get to the last 5% or 10% of the Canadian population, in particular those in rural and remote areas.

Did you suss out any data that backs up my observation?

• (1710)

Ms. Karen Hogan: You had many observations in there. I'll try to tackle a few things.

I think money is going to larger service providers because most of it is about infrastructure. They're the ones bidding and can afford those kinds of projects. We know a lot of projects came from municipalities in order to expand access.

We can look at the funding. You talked about how costly it is to go the last mile. That was actually one of our recommendations. The strategy has not fully costed out what it will take to reach everybody by 2030. Those who are left are far and in remote areas, and this will likely be very costly. That's why we recommended that costing needs to be done now in order to make sure the resources and money are available to meet the 2030 target.

Mr. Alex Ruff: Chair, I recognize that I'm pretty much out of time. I'd just like a quick comment.

The national strategy is on the maintenance aspect too. We're getting lots of complaints that not only.... It's about the reliability side. It breaks down.

I had a local area in my riding where just this past weekend.... Again, the only thing seniors depend on is their phone and Internet, and the companies...that maintenance breaks down. That's unlike 30 years ago, when a lot more people were on land lines and everything like that. It was dependable. It got fixed quickly. Now it's taking 72 to 96 hours.

Anyway, I recognize that I'm out of time, Chair.

The Vice-Chair (Mr. Kevin Waugh): Thank you, Mr. Ruff.

We'll move to Mr. Housefather for five minutes, please.

Mr. Michael Coteau (Don Valley East, Lib.): I think I'm next.

The Vice-Chair (Mr. Kevin Waugh): Oh, okay.

It's Mr. Coteau, then, in studio, as we say. You have five minutes.

Mr. Michael Coteau: Thank you very much, Mr. Chair.

I believe that in my province of Ontario, probably the most important sector is the agriculture sector, and of course rural Ontario plays the largest role in making sure that sector stays healthy. I think it's a \$50-billion sector in Ontario. I've gone out to farms. I'm not from a rural community, but obviously Don Valley East depends on our farmers, or else we wouldn't be able to survive.

I've seen some of the technology they use and the mesh networks they put on farms that connect to a farmer's smart phone. They're able to monitor crops and look at humidity and the yield rate, and they make improvements based on this data and technology. Without question, we need to invest in and to continue to support our rural communities in order to continue to grow that sector, which is, without question, among the most important sectors in Canada.

I noticed that in the report there was a lot of money left over in some funds. One of the recommendations was that we need to improve the process for applications and the approval process. What does improving the approval process mean, and what's the challenge there?

Ms. Karen Hogan: We've really focused on the CRTC and Innovation, Science and Economic Development Canada. We looked at the commitment they made as to how long it would take to review an application and provide notification of whether it had been approved for funding, and then at how long it actually took.

When it came to the CRTC, it took almost two years to go through that approval to assess the application versus the 10 months they had told applicants it would take. When it came to ISED, it

was almost a year, yet they had communicated it would take a month. When we asked them why this happened, the main issue was that they received much more volume than they had expected. There's definitely a desire to help improve connectivity across the country, so now those two entities need to improve their administrative matters in order to get funding and approvals done better.

The last thing I would add there is that, when we talked with certain applicants, we learned that the CRTC sometimes took almost two years to communicate with someone. Just not knowing meant that some providers abandoned their project, so even though it might have been worthwhile, it was no longer going to happen.

• (1715)

Mr. Michael Coteau: Did you do any analysis of the complexity of the application process?

Ms. Karen Hogan: I'm going to ask Sami to look at that.

Mr. Michael Coteau: I have a whole bunch of questions, so I'd like a really quick answer, if possible.

Mr. Sami Hannoush: We did look at the complexity, but the complexity is well beyond the approval process. There's the whole implementation of the project and delivery right to the end. We tried to look at it, but there weren't many projects that had gotten to completion for us to review.

Mr. Michael Coteau: I also noticed you made recommendations to look into emerging technology, like satellite technology. We all know of the Starlink project that's happening. In terms of the technology that's emerging, did you do a deep analysis of the satellite technology that's coming forward and how we could leap into new technologies to accelerate this entire process?

Ms. Karen Hogan: We didn't focus so much on emerging technology. We looked at what's out there and really focused on the use of spectrum licences, where radio frequency bands are used in areas where you don't have hard cables. We made some recommendations around improving access to spectrum and sublicensing that we hope will help improve access in some of the rural communities.

Some changes that were recommended in our 2018 audit were put in place. They were just put in place, so it's too early to know whether the change to how spectrum is managed will actually yield better results for rural communities.

Mr. Michael Coteau: I know that the scope of an audit involves looking at existing programs and doing an analysis, but at the same time, you may come across ideas that people bring forward within the system.

Did you come across any alternative deployment systems like co-operatives and things like those that you would recommend the government start looking into?

Mr. Sami Hannoush: One thing we did highlight in the report was that for many of these infrastructure projects, one of the considerations for the departments was to look at scalability and whether or not the project going forward would be scalable to future speeds. I think it was very good to include that in the conditions of these projects.

We also looked at the low-earth satellite coverage to a certain degree to get a sense of how that's being deployed and how that can be used to temporarily, or in the short term, provide connectivity at a high speed until the fibre optic cables can reach the communities.

These were things we looked at.

The Vice-Chair (Mr. Kevin Waugh): Thank you very much.

Thanks, Mike, and thank you for your question on Starlink, because Starlink in rural Saskatchewan is exploding, if you don't mind my saying. It seems to be the most popular way to get connected these days.

We're on the third and final round, because we're coming close to 5:30. We'll give the Conservatives and the Liberals five minutes each. We'll go to the Bloc and the NDP for two and a half minutes, and then we'll wrap it up, as we have constituency week coming up.

We have the Conservatives for five minutes.

Mr. Shields, go ahead, please.

Mr. Martin Shields: Thank you, Mr. Chair.

Ms. Hogan, in the report you did a lot of work, and we're going to read about some of the provincial results on rural. Why do you think there is such a discrepancy? I see high numbers in some provinces and much lower numbers in others. Why do you believe there is a discrepancy?

Ms. Karen Hogan: Anecdotally, it is likely because there is more funding provincially or municipally devoted to connectivity in certain provinces than in others. As I mentioned, seven provinces have MOUs because those provinces have connectivity strategies and initiatives and the others do not. I imagine some of that would contribute to the disparity among provinces.

Mr. Martin Shields: Do you have any suggestions as to how that could be evened out or any directions you might suggest? Are you suggesting the other provinces or communities need to get more involved? How are we going to resolve this discrepancy from province to province?

Ms. Karen Hogan: I would expect that's something the federal government does when it assesses what projects to fund. If you have an accurate map that shows you that a certain province is really underserved, then you likely want to target more funding there than in a province that's almost fully served. I would expect that

would be done at the level of project approvals by the federal government.

• (1720)

Mr. Martin Shields: When we get to indigenous communities, the number is much smaller. The federal government knows where indigenous communities are and knows where reserves are, yet the numbers are much lower than the provincial averages across the country. They're not provincial and they're not municipal, so does the partnership there go back to being federal and indigenous?

Ms. Karen Hogan: I think in the case of many indigenous communities, it comes down to not having the actual infrastructure yet in the areas where indigenous communities are located. It's about having the right financial incentives or programs in the strategy to ensure that infrastructure gets to the most rural and remote areas.

That's why one of our recommendations about actually costing out what it will take to reach those hardest to reach really needs to be done soon so that a better plan can be outlined between now and 2030.

Mr. Martin Shields: That's interesting, because in the largest and second-largest reserves in Canada—one is in my riding and one is next door—we're not talking about rural and remote, yet their numbers are down, so it's not remote.

Ms. Karen Hogan: I am not sure I have much more to add to that.

Mr. Martin Shields: I get that and I understand.

On the 10 months to almost two years to approve projects, as you've said, it takes a lot of talking. Now, it's fine to do a lot of talking, but the idea is to get something done.

How do we move that target from almost two years down to 10 months?

Ms. Karen Hogan: That's a challenge that I think both of these entities have to address. As I mentioned, they didn't expect the volume they received. They now know what they need to do differently so that this happens more quickly.

The funding of those projects even delays other spending, so the Infrastructure Bank will give loans once construction starts, but construction can't start if you haven't been approved for funding. There is really this snowball ripple effect, and that's why it's really up to the CRTC, as I said, to administratively go faster so this can have some concrete action.

Mr. Martin Shields: Even though they've hired a lot more employees, it still hasn't reduced the time.

Ms. Karen Hogan: We didn't audit the whole process, unfortunately. I don't know where those resources went when they hired extra people.

Mr. Martin Shields: Thank you.

Mr. Chair, I have a motion I'd like to read, please, to wind up. The motion is to summon Vicky Eatrides. I move:

That, considering the Auditor General report tabled on Monday, March 27th titled "Connectivity in Rural and Remote Areas," the committee summon Vicky Eatrudes, Chairperson and Chief Executive Officer of the Canadian Radio-Television and Telecommunications Commission, to testify before committee as soon as possible for no less than two hours.

The Vice-Chair (Mr. Kevin Waugh): Are you tabling that?

Mr. Martin Shields: It's moved.

The Vice-Chair (Mr. Kevin Waugh): It's moved. Okay.

Go ahead, Mr. Bittle.

Mr. Chris Bittle: We haven't done committee business. We don't know where we're going. We have so few meetings left.

I have a concern about the language. We typically don't summon officials. I think the CRTC has appeared every time this committee has invited it. I don't know what the rationale is behind that.

I know there was some animosity the last couple of times the CRTC chair was here. There was, again, filibustering. We call them and do not want to hear from them, even though we summon them as a particular witness.

I don't know why we're doing this on the fly. We've heard some evidence. Perhaps it's useful to hear from the chair of the Canadian Radio-television and Telecommunications Commission. I really don't think it's appropriate to summon that individual, and I think it's far more important for this committee to get on the path to figure out what we're going to do.

We have an important study on sport, which I think is every member's priority in terms of the protection of kids. This is very important. As the Auditor General mentioned in her report, it's very important, as it is fundamental for Canadians to have that access, but we're dealing with the safety of children. That was this committee's priority. We've taken a meeting to hear this, even though I believe this is the industry committee's jurisdiction.

We talk about the CRTC, but when everyone has talked about the Government of Canada, they have been referring to industry or ISED or whatever it's being called these days. This study is better left for them.

I want us to get to a point where we have a sense of where this committee is going, and then we want to hear from the minister. We've just passed a motion to hear from Gymnastics Canada. We want to hear from other sports organizations. We want to go through this whole list.

I think there are seven meetings left. There may be eight. In terms of what's left, are we putting this back in there? Is it something we want to see in the fall, which may be more important? Are we turning this into a study? Are we duplicating what's going on at industry?

Last time we had discussed... There was a motion before industry, but it wasn't yet confirmed where that motion was going. Again, we don't want to be duplicating our efforts in what's going on there.

I don't know. What's the priority of the committee?

Mrs. Rachael Thomas: Keep talking.

Mr. Chris Bittle: We're going in and out.

I guess Mrs. Thomas is the one who gets concerned whenever I speak. She can heckle all she wants. That allows me to go off in that direction, if she wants.

I know we agreed to end at 5:30. I don't grant consent to go beyond that. I think that was something we had all agreed to.

Again, these are things that can be discussed in advance. I don't know the purpose of dropping this in at the last minute. This committee has worked very well through the sports study, but I don't know what the point of the surprise is. It doesn't make sense, especially when we have the absence of the rest of this committee's stated objectives to get to the bottom of what we want to look at.

I know sport is at the top of that. Perhaps it's wishful thinking, but I would love to be in the position—and I'm sorry to the analysts—to give the analysts homework for the summer and say this is what we want to do. I think this should be a priority so that we can come back in September and say, "Let's focus on this report. Let's have recommendations," because the minister has already started announcing important initiatives to do things.

Let's just deal with this at a committee business meeting. We have to discuss that. We have to figure out the business of this committee. It doesn't make sense to start acting in this manner, dropping motions at the last minute without any consultation among the parties. I'm sure this is something we could have debated.

• (1725)

Mrs. Thomas made a very good point in terms of not hearing from Pablo on estimates. That was a very valid point to make back when she made it. I know there were some discussions of his intentions, but that was an earlier discussion. We agreed. We made provisions. We hoped that the minister would appear on that day.

Again, this may be a valid thing to hear about from the CRTC. However, my experience of calling a minister on estimates is that none of the questions are on estimates, and I expect that few of the questions asked of the CRTC will actually be on the Auditor General's report.

I would like to move this to a point where we can sit, discuss it, have a reasonable discussion about where we're going, set out our agenda—

The Vice-Chair (Mr. Kevin Waugh): I have a point of order from Mr. Julian.

• (1730)

Mr. Peter Julian: I move that we adjourn.

The Vice-Chair (Mr. Kevin Waugh): There's a motion to adjourn, but you can't do it on a point of order.

Go ahead, Mr. Bittle.

Mr. Chris Bittle: On that point, I will move that the meeting be adjourned, per the agreement of the committee, and I don't consent that we go any further.

Mrs. Rachael Thomas: There was no unanimous consent from the committee and we—

An hon. member: Yes, there was.

Mrs. Rachael Thomas: I was never asked for my consent. You have to include everyone for unanimous consent.

Mr. Chris Bittle: The chair said it. The chair consulted with the Conservatives. He consulted with all of the opposition parties.

You can't change your mind at this point. We announced it. There was no discussion.

The Vice-Chair (Mr. Kevin Waugh): Mrs. Thomas, I did consult with you. I consulted with the Bloc.

I'm sorry, Mr. Julian. You weren't in the room so I didn't consult with you, but it was agreed that we would in fact adjourn around 5:30.

It is past 5:30, so I will accept the motion to adjourn.

Before I do, I want to thank the Auditor General. Thank you for coming today, Ms. Hogan. Mr. Hannoush, I want to thank you too.

Having said that, enjoy constituency week. We have 10 days away, and we'll see you on Monday, May 29.

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