



Office of the Auditor General (OAG) – Audit of Connectivity in Rural and Remote Areas

Innovation, Science and Economic Development (ISED) – Detailed Action Plan

Report Ref. No.	OAG Recommendation	ISED Response	Description of Final Expected Outcome/Result	Expected Final Completion Date	Key Interim Milestones (Description/Dates)	Responsible Organization/ Point of Contact
Monitoring and Data Management						
2.20	<p>Innovation, Science and Economic Development should:</p> <ul style="list-style-type: none"> determine the funding that will be needed to bring affordable and quality high-speed Internet to 100% of Canadians by 2030 and, if needed, seek resources to meet this target establish a quantitative and time-bound mobile cellular connectivity target monitor actual Internet and mobile cellular adoption rates as a result of federal investments evaluate whether the Internet speed goal of 50 megabits per second for downloads and 10 megabits per second for uploads will still be a sufficient minimum standard to enable Canadians to meet their professional and personal requirements by the connectivity strategy's 2026 and 2030 target dates, and update the strategy if needed 	<p>Agreed. The Connectivity Strategy commits to connecting all Canadians by 2030 and improving mobile cellular coverage.</p> <p>More than \$10 Billion in investments are being implemented through federal and provincial-territorial initiatives and the private sector. Canada is on track to exceed 98% coverage by 2026. With respect to the final 1%, there is uncertainty on the precise level of progress given some project details are being finalized and uncertainty with certain separate private investments. The Department will update its data regularly and will conduct another review of coverage and slated expansion over the course of 2023 as project details crystalize. In parallel in 2023, the Department will conduct a review of the state of mobile coverage and planned investments. The Department will then seek additional resources if necessary.</p> <p>Once projects are completed, the Department will study how adoption rates are impacted as a result of federal investments. The Department will develop a project plan by 2024 to advance this work.</p> <p>The Department agrees that evaluating the 50/10 Mbps over time is prudent. The Universal Broadband Fund will support progression to faster speeds with 80% of funded projects capable of speeds of 1 gigabit per second. The Department will evaluate the suitability of the 50/10 Mbps minimum in advance of the 2026 and 2030 target dates.</p>	<p>The Department will assess progress towards the government's 50/10 Internet target as a result of public and private investments and determine whether any additional funding is needed to achieve it. The Department will also assess the state of mobile coverage and planned investments.</p> <p>The Department will assess the impact of federal investments on Internet and mobile cellular adoption rates in project areas.</p> <p>An assessment of the 50/10 Mbps target will be conducted to ensure it meets the needs of Canadians, and if necessary, the Department will adjust the current speed target.</p>	Winter 2025	<p>The CRTC will conduct a review of its Broadband Fund, which will inform planned ISED initiatives. (Spring 2023)</p> <p>The Department will assess coverage data provided by the CRTC from their annual facilities survey. (Fall 2023)</p> <p>The Department will conduct mapping and analysis to determine the state of progress towards the 50/10 Mbps Internet target and the extent of remaining gaps. (Fall 2023)</p> <p>The Department will assess mobile coverage and technology trends as well as private and public sector investments. (Fall 2023)</p> <p>The Department will conduct case studies of federally funded projects regarding adoption (Fall 2024)</p> <p>The Department will conduct analysis of the connectivity target and related</p>	Senior ADM, Strategy and Innovation Policy Sector and Senior ADM, Spectrum and Telecommunications Sector

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					considerations to ensure the government's connectivity strategy is up to date. (Winter 2025)	
2.25	<p>Innovation, Science and Economic Development Canada and the Canadian Radio-television and Telecommunications Commission should:</p> <ul style="list-style-type: none"> establish consistent methods for telecommunications service providers to report the coverage of mobile cellular connectivity verify the mobile cellular connectivity data provided by telecommunications service providers. 	<p>Agreed. Reliable, accurate, and comprehensive data on mobile connectivity is essential for Canadians to make informed decisions and for government to assess availability of wireless services as well as the state of the sector.</p> <p>Both organizations recognize the importance of collecting accurate mobile coverage data and are taking steps to improve the quality of data collected.</p> <p>On May 26, 2022, the Government of Canada announced a new proposed Policy Direction to the Canadian Radio-television and Telecommunications Commission. The Policy Direction touches on a range of issues including competition, affordability, and consumer rights. Of particular relevance to this recommendation, the Policy Direction directs the Commission to collect, report publicly, and make available to consumers more information about mobile services. This includes requiring the Commission to develop and implement a standardized and robust approach for reporting mobile wireless coverage.</p> <p>The Policy Direction is expected to come into force in 2023. The Commission will then determine how best to implement this requirement. In parallel in 2023, Innovation, Science and Economic Development engineers will refine the Department's fixed wireless tool – which was developed to provide a more accurate assessment of fixed wireless coverage - to incorporate mobile considerations.</p>	<p>The Department will work with the Canadian Radio-television and Telecommunications Commission (CRTC) to ensure that the collection, verification, and public reporting of mobile wireless connectivity data by telecommunications service providers is improved.</p>	Spring 2024	<p>The Department assessed public comments on the proposed Policy Direction to the CRTC. (Summer 2022)</p> <p>The Minister of Innovation, Science and Industry issued the Policy Direction to the CRTC in February 2023, which included measures to improve the collection and reporting of mobile cellular connectivity data. (February 2023)</p> <p>The Department will work with the CRTC to collect the latest mobile wireless coverage data. (Spring and Summer 2023)</p> <p>The Department will develop a mobile wireless coverage assessment tool, which will leverage a similar tool that was developed to assess fixed wireless coverage. (Fall 2023)</p>	Senior ADM, Strategy and Innovation Policy Sector and Senior ADM, Spectrum and Telecommunications Sector
2.30	<ul style="list-style-type: none"> Innovation, Science and Economic Development Canada should provide more regular and timely updates to the public National Broadband Internet Service Availability Map in order for applicants to federal connectivity initiatives to better plan connectivity projects. 	<p>Agreed. Accurate public mapping data provides important information for project applicants, consumers, and the general public.</p> <p>The Canadian Radio-television and Telecommunications Commission's Annual Facilities Survey is the main vehicle for Internet Service Providers to provide coverage information. Survey information and updates from funding partners is continually assessed as program decisions are taken. Innovation, Science and Economic Development Canada works</p>	<p>More accurate, accessible and timely connectivity information is made publicly available so that Canadians have better information about the availability of telecommunications services, and so that potential applicants to government initiatives are able to apply for funding where needed</p>	Spring 2023 (ongoing updates bi-annually)	<p>The Department will update the National Broadband Map every six months starting in 2023. These updates will also include the Eligibility Mapping Tool which continues to be available which allows applicants to federal connectivity initiatives to better plan connectivity projects. The Spring 2023 update will</p>	Senior ADM, Spectrum and Telecommunications Sector

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		<p>collaboratively to ensure partners have this information to better plan their projects.</p> <p>The accuracy of the National Broadband Map is of utmost importance. The map has been published and vetted over several years. In the event of another call for proposals, a pathfinder service will be again offered to applicants, including support on the mapping data and how discrepancies could be addressed. There is also an existing verification process where evidence can be submitted to correct perceived errors or data gaps to the map to ensure the government does not duplicate or overbuild investments. This process will be leveraged, and the Department will increase visibility of its existence in 2023-24 to both stakeholders and users to ensure broader awareness of the National Broadband Internet Service Availability Map website.</p> <p>In 2023, the Department plans to make regular public updates every six months to the National Broadband Service Availability Map.</p>	and better plan and execute their projects.		include the latest ISP coverage and coverage from federally funded projects with signed contribution agreements (e.g., ISED, INFC, CRTC, CIB, ISC). The Fall 2023 update will also include the latest ISP and federal support coverage but will be augmented to include major updates received through CRTC's Annual Facilities Survey.	
2.36	Innovation, Science and Economic Development Canada and the Canadian Radio-television and Telecommunications Commission should identify, collect, and analyze data, including consideration of household income, to measure progress against the affordability objective of Canada's connectivity strategy to support improved Internet and mobile cellular connectivity in rural and remote areas, including in Indigenous communities.	<p>Agreed. Innovation, Science and Economic Development recognizes that additional action is needed. Through the Policy Direction to the Canadian Radio-television and Telecommunications Commission announced on May 26, 2022, the government has outlined clear goals to improve competition and affordability along several dimensions. The Direction comes into force in 2023 and the Commission will then incorporate it into its regulatory measures. Through the Universal Broadband Fund, prices will be improved substantially. As part of the program's comparative assessment, prices offered is an important criterion and the overall economics of the projects brings prices down.</p> <p>Starting in 2023, the Department plans to augment its agreement with Statistics Canada to improve the frequency and breadth of data analyzed for Internet and mobile cellular services. Over the course of 2023, the Department will also examine different measures of income to use in analysis and establish a plan for monitoring and analyzing these data going forward in relation to connectivity investments.</p>	The Department will develop and implement an approach to collecting and analyzing data on affordability to measure progress against the affordability objectives in Canada's Connectivity Strategy.	Spring 2024	<p>In Q4 2022, the Department began work with Statistics Canada to secure new data on broadband and cellular prices, with an agreement reached in Winter 2023 (Winter 2023)</p> <p>The Department will be evaluating this new data to inform its work on assessing affordability. (Spring 2023)</p> <p>The Department will develop baselines for broadband and mobile prices. (Fall 2023)</p> <p>In parallel, the Department will undertake research on peer countries' approaches to assessing affordability in their rural connectivity initiatives. (Fall 2023)</p>	Senior ADM, Strategy and Innovation Policy Sector

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		<p>In advancing this work in 2023, the Department will engage with the Commission while respecting their status as an arm's-length tribunal.</p>			<p>The Department will undertake research on the use of income-based measures in peer jurisdictions. (Fall 2023)</p> <p>Baselines will be compared against prices offered as a result of UBF projects to assess program impacts, and the prices available to consumers in urban areas. (Winter 2024)</p> <p>Once this research is complete, the Department will develop a plan for the ongoing monitoring of affordability. (Spring 2024)</p> <p>The Department will engage with the CRTC as this work proceeds.</p>	
2.52	<p>ISED should:</p> <ul style="list-style-type: none"> improve the application review and approval process to meet its expected timelines for the Universal Broadband Fund in order to speed up funding and implementation of connectivity projects. 	<p>Agreed. Ensuring the review and approval of proposals is conducted in an expeditious and rigorous manner is important. The program received over 2,000 Rapid Response Stream and Universal Broadband Fund applications, far more than what was anticipated. The high number of applications resulted in a large overlap of competing applications that increased the complexity of determining which of the projects that passed assessment could be funded and what order. The Universal Broadband Fund allows proponents to spend a portion of the funds upon conditional approval to ensure timely project delivery. In fall 2022, the percentage proponents can spend upon conditional approval was increased to up to 30% of the funds. Rapid Response stream recipients continue to have the ability to spend 100% of conditionally approved funding.</p> <p>The Department recognizes there are opportunities to further streamline certain processes. Work on internal process effectiveness is ongoing, particularly on improving our electronic tracking system for managing process steps during program delivery. ISED will iterate and improve the tracking system in 2023-24. Lessons learned will be applied to present rollout, as well as future calls for proposals and/or initiatives.</p>	<p>The Department will integrate lessons learned and best practices to further streamline UBF program processes, with a view towards improving overall effectiveness and timeliness.</p>	Fall 2023	<p>To streamline the UBF application and review processes in order to improve program effectiveness and timeliness, the Department will further leverage the UBF Case Management System (Salesforce) by:</p> <p>(1) Capturing and tracking project assessment, review and approval processes (Winter 2022)</p> <p>(2) Providing management reports and dashboards to enable greater oversight of the implementation of the UBF (Summer 2023)</p> <p>(3) Implement a feedback mechanism for users of</p>	Senior ADM, Spectrum and Telecommunications Sector

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		<p>In 2024-2025, the Universal Broadband Fund will be subject to a departmental program evaluation. Part of this will assess the effectiveness and efficiency of program processes and the administration of the program. Through this closer assessment, and lessons learned from past and present broadband programs, the Department will be well positioned to make necessary improvements to accelerate the review and approval of broadband program proposals.</p>			<p>Salesforce to improve the internal tracking system. (Fall 2023)</p> <p>In parallel to the above, the Department will also undertake a departmental program evaluation of the UBF in 2024/25. Findings from this evaluation will also contribute to optimizing the UBF's implementation. The report is expected by Q4 2024/25.</p>	
Spectrum Management						
2.63	<p>In order to facilitate spectrum sharing, Innovation, Science and Economic Development Canada should:</p> <ul style="list-style-type: none"> collect accurate information on the licences being used, or not used, the name of the licensees, and the geographic coverage area of the licences publish and regularly update a map and the associated database with this information. 	<p>Agreed. While the majority of the information ISED collects is accurate, ISED recognizes the importance of collecting accurate information and making it available to stakeholders to facilitate spectrum sharing and support the creation, expansion, and improvement of wireless broadband services to consumers and businesses across Canada.</p> <p>Having recognized that there are some gaps in its data collection process, ISED consulted on new data collection requirements in the Consultation on Amendments to Requirements for Spectrum Licensees to Submit Technical Information about Sites. ISED will issue a decision in 2023 that will outline the new data collection requirements, including enhancements to the conditions of licence related to providing accurate site deployment data. As part of the new data collection process, ISED also plans to deploy a new database in late 2023.</p> <p>Once the new database is deployed and the related enhanced conditions of licence have come into force, the improved site deployment data will allow ISED to expand the spectrum information provided online, including the use of maps, as well as keep this information up to date to facilitate spectrum sharing and to provide transparency to stakeholders.</p>	<p>Improved public access to up-to-date information on spectrum licences and spectrum usage, including maps, to facilitate spectrum sharing and provide transparency to stakeholders.</p>	End of 2025	<p>ISED will publish a decision outlining new data collection requirements and enhancements to the conditions of licence related to providing accurate site deployment data (late 2023).</p> <p>ISED will deploy a new internal database to manage site upload data (early 2024).</p> <p>Once this database is active, ISED will conduct data quality verifications and analysis and begin development of associated mapping products by mid-2024.</p> <p>ISED will develop mapping products showing spectrum licensees, licence areas, and site deployment information for internal testing by early 2025.</p> <p>Public launch of licence data information and mapping</p>	Senior ADM, Spectrum and Telecommunications Sector

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					features, with ongoing regular updates by late 2025	
2.67	<p>Given the speed at which technology develops, especially in the satellite sector, Innovation, Science and Economic Development Canada should regularly monitor the fee regime for satellite connectivity to ensure that the regime meets its intended outcomes. The department should also make adjustments if warranted, including by consulting stakeholders on the regime's impact on connectivity in rural and remote regions across Canada.</p>	<p>Agreed. ISED recognizes the importance of assessing the effectiveness of its regulatory regimes and has regularly reviewed and adjusted the satellite services regime to ensure it addresses transformations in the satellite industry. Most recently, in 2022, the Decision on Updates to the Licensing and Fee Framework for Earth Stations and Space Stations in Canada simplified the licensing approach and fee structure while reducing overall fees to support the evolution of the satellite industry and facilitate the deployment of innovative solutions, including those for broadband connectivity. These new satellite fees will come into force April 1st 2023, and earth station fees will come into force October 1st, 2023.</p> <p>ISED expects to review the effectiveness of this regime by 2027 as stakeholders gain experience with the new framework and as satellite technology continues to develop. ISED will review and consult stakeholders on this basis, making adjustments when necessary, to facilitate the deployment of modern satellite services for Canadians, including in rural and remote regions across Canada.</p>	<p>Improved approach to licensing and a fee structure that reduces fees overall to support the evolution of the satellite industry and the deployment of modern satellite services.</p>	2027	<p>New satellite fees will come into force April 1, 2023 and earth station fees will come into force October 1, 2023. (April and October, 2023)</p> <p>ISED will undertake preliminary outreach to satellite service providers to review the impact of changes to the licensing and fee framework to ensure that it effectively addresses recent transformations in the satellite industry. (2026)</p> <p>ISED will review stakeholder feedback and evaluate the need for further stakeholder consultation. (2027)</p>	Senior ADM, Spectrum and Telecommunications Sector