



**SSi Micro Ltd.**

**Presentation to the House of Commons  
Standing Committee on Indigenous and Northern Affairs**

**- Study on Northern Infrastructure Projects and Strategies**

***LOCAL TALENT NEEDS A SHARED BACKBONE AND OPEN GATEWAYS***

Room 410, Wellington Building, 197 Sparks Street  
Ottawa, Ontario

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*(Check against delivery)*

## **Study on Northern Infrastructure Projects and Strategies:**

### ***LOCAL TALENT NEEDS A SHARED BACKBONE AND OPEN GATEWAYS***

1. Good afternoon. My name is Dean Proctor and I am Chief Development Officer of SSi. Our sincere thanks to the Committee for the opportunity to appear today and contribute to your study on Northern Infrastructure Projects and Strategies.
2. SSi was formed and is headquartered in Canada's North. We are a family company, founded over 50 years ago as the Snowshoe Inn in the Northwest Territories community of Fort Providence.
3. We specialize in remote-area connectivity and infrastructure. We remove barriers to access and provide broadband, mobile and other communications services in remote and rural areas in Canada and abroad. Telecommunications is not our only passion: our new energy division – SSiE - is developing new and innovative clean energy solutions for these same remote and rural areas.
4. In all we do, we work productively with those in the communities we serve to ensure that local talent has an opportunity to shine.
5. SSi's mission is to ensure that all communities, wherever they may be, have access to high quality broadband at affordable rates.

6. To achieve this, we have invested heavily in facilities and infrastructure. In Nunavut alone, we have co-invested with Canada over \$150 million into vital infrastructure used to deliver internet and mobile cellular service throughout the Territory. During that time, we have also invested over \$10 million to our community service providers. These local agents are key to our success in all 25 Nunavut communities.
7. In 2005 we launched the QINIQ network. For the first time, every Nunavut community had access to affordable broadband on the same terms and conditions.
8. And this year, we delivered another first: mobile voice and data into every community, where the vast majority had never had access to cell service.
9. SSi is unique: we are successful in a highly capital intensive, highly regulated field, working in remote areas with a small population base. This is almost the opposite of what you'd expect. We can do it because we have innovative people and we leverage ideas and technology, tied together with custom software, to build solutions where there were previously none.
10. Our message to this Committee is simple. There is a need for much more investment in Northern and remote-area infrastructure, but that investment must be properly directed. This Committee can support this critical process by working to ensure good policy translates into real world results.

11. The focus should be on policies that will sustainably improve connectivity for all of Canada's Northern and remote areas, and that will provide the digital tools to support local talent and local development, creating truly Canadian-made - and Northern-made – models that can be exported around the world.
12. This is important: young people in Canada's North can be tomorrow's innovators if they have access to the same tools and support systems that exist in the south. However, if we don't address the critical infrastructure shortfall in the North and other remote areas, then Canada as a "leading innovation nation" will leave people behind – and particularly those in our most at-risk communities.
13. The challenge is not technology, logistics, or money:
  - What is needed is a holistic approach to a problem that is multi-faceted;
  - We need to harness ideas, technology and local capacity to do things better;
  - This we will lead to a digital emancipation, where all Canadians in all regions of the country can fully participate in our digital democracy.
14. To be certain, strong investment *policy* is not enough. Again, investments made must be properly directed. Public investment in broadband must also must support developing local talent – the people that Mary Simon in her Arctic Leadership report called "local champions". And to do this, investments have to respect three fundamental objectives:

- i) competitive and technology neutrality;
- ii) a focus on funding gateway and backbone infrastructure; and
- iii) open access for all service providers to those same facilities.

15. We're happy to see these objectives reflected in recent policy statements of your House of Commons colleagues, Provincial and Territorial counterparts, as well as to the CRTC and Innovation, Science and Economic Development Canada.

16. For instance, in April of 2018 the House Standing Committee on Industry, Science and Technology picked up on these objectives in their report entitled "Broadband Connectivity in Rural Canada: Overcoming the Digital Divide". The report pointed to the important role that smaller and non-incumbent providers have to play in extending connectivity to Canada's more remote areas, particularly given the propensity of incumbents *"... to only invest in high density areas that are more economically profitable."*

17. Given this reality, the Report continues, *"To facilitate broadband deployment in rural and remote communities, the Committee recommends, [...] that the Government of Canada consider ways to increase the accessibility of funding programs for small providers, non-profit providers and non-incumbent providers"*.  
We agree.

18. More recently, on October 26, the federal, provincial and territorial ministers for innovation and economic development agreed to principles of a long-term strategy to improve broadband access for all Canadians.

19. Though the ministers' principles are generally positive, we are concerned their statement on open access is far too tepid vis-à-vis the role and importance of emerging and non-incumbent players – a group that includes First Nations initiatives like the Eeyou Communications Network in the James Bay Region of Quebec. The Ministerial statement says, in part, “Open access requirements can promote competition, affordability, and greater choice and should therefore be considered.”
20. On the contrary: Open access to vital communications infrastructure is not something that should “be considered.” It is absolutely essential for innovation, investment and growth.
21. When public investment focuses on gateways and backbone infrastructure and requires that these be made available on a wholesale basis, it encourages further private investment and innovation in the last mile. This leads to a choice of technologies, service providers and opportunities for those who most need broadband access to participate fully in global society.
22. As SSi has proven in the North and elsewhere, quality local access networks can be built in remote areas largely due to advances in technology, in particular, wireless and IP technologies.
23. Our company is on the front lines. We know, and live daily, the positive impact of information technology and we see the positive impact of our investments.

24. It is important to be vigilant, even when policy principles are generally sound. We have to ensure policies are enacted, and investments are made as intended, and that inertia, neglect and incumbency do not bring us back to a world of an end-to-end monopoly, where incumbent phone companies receive funding, and then restrict access to their publicly funded networks, squeezing out further investment, innovation and consumer choice. We believe this is a real risk that exists today, and the risk must be removed.
25. The challenge and the solution is to build shared-use facilities and open access backbone infrastructure, and we hope this Committee will lend support to and endorse policies that advance local initiative: that is, investments in open gateways, open backbone infrastructure and local capacity.
26. In particular, we urge you not to endorse proposals that would permit parties – like the incumbent phone companies – who happily apply for and take public funding for backbone networks, and then turn around and undermine the basic wholesale requirements that are core to that funding.

## **IN SUMMARY: WHAT IS NEEDED**

27. Much still needs to be done to improve connectivity in Canada's Indigenous and Northern communities. The continuing barrier to better broadband is the backbone transport connecting those same communities to the rest of the world. This reality effectively disenfranchises Northerners and many Indigenous people from the digital democracy.
28. If we successfully deliver on investing in and enabling open backbone and gateway infrastructure, local training, innovation and competition, Canada will be a global showcase, where broadband overcomes the barriers of distance, and where all regions of the country – no matter how remote – benefit from and participate fully in the digital economy.
29. Remember - nobody has a monopoly on ideas – and past monopolies have not been successful in delivering the needed results – otherwise this Committee would not have a mandate to study Northern Infrastructure Projects and Strategies.
30. Thank you for giving SSi the opportunity to present today, and I would be pleased to answer any questions you may have.

**\*\*\* End of Comments \*\*\***