



**Government of the Northwest Territories Response to Committee
Report 22-19(2): Report on Telecommunications**

The Standing Committee on Economic Development and Environment (SCEDE) presented their Committee Report “Report on Telecommunications” on November 30, 2021. This report contains nine recommendations for the Government of the Northwest Territories (GNWT) Department of Finance which addresses the accessibility, reliability, and affordability of telecommunications services in the Northwest Territories (NWT).

The following are the GNWT Department of Finance responses to the recommendations contained in Committee Report 22-19(2).

Recommendation 1

SCEDE recommends the GNWT continue to invest in publicly owned backbone internet infrastructure in the NWT. Specifically, the GNWT should prioritize the opportunity to create fibre redundancy in the NWT.

GNWT Response

The GNWT continues to support, advocate, and invest in backbone infrastructure where feasible in the NWT. As of this date, the GNWT has provided both financial and human resource support to the Tłıchǵ Government in their pursuit of the Whatı Fibre Line. The GNWT has also assumed the leading role on the proposed Inuvik to Tuktoyaktuk Fibre Project which is currently in the early phases of development. Additionally, operation of the Mackenzie Valley Fibre Line (MVFL) which was commissioned in 2017, is ongoing through a joint venture with a private industry and the GNWT.

At present time, the GNWT is not directly involved in any fibre redundancy project, however, will continue to advocate for improved redundancy and last-mile improvements as opportunities arise. Potential future opportunities exist with the Great Slave Lake Fibre loop which would provide redundant fibre service to customers in the North Slave (led by private sector) and the development of the Dempster Fibre line in the Yukon which may provide redundancy for customers on the Mackenzie Valley Fibre Line. The Department will keep Committee apprised as further opportunities become known.

Recommendation 2

SCEDE recommends the GNWT ensure fibre to the home is made available to Tuktoyaktuk residents at the completion of the Inuvik to Tuktoyaktuk fibre line installation.

GNWT Response

The Inuvik-Tuk Fibre Line is currently approved in the GNWT's 2022-23 Capital Plan with construction expected to take place in 2023-24. Timing of the project will depend on the approval from Canada for funding, as well as if the project will need environmental assessment and required permissions for carry-out. The project is currently in its initial phase with an Environmental Review currently in progress.

Next steps for the project include:

1. Community and Stakeholder Engagement (2022-2023)
2. Development of Technical Design and Construction Specifications (2022-2023)
3. Route Investigations (2022-2023)
4. Development of Procurement Process (2022-2023)
5. Construction (2023-2024)

Once completed, fibre to home for the residents of Tuktoyaktuk will be maintained by the private sector.

Recommendation 3

SCEDE Environment recommends the GNWT ensure all backbone Internet infrastructure in communities accommodates open wholesale access to NWT businesses, to co-locate internet services at a fair price to NWT businesses.

GNWT Response

The GNWT has been involved in 15 Major Regulatory Proceedings over the past 27 Years with the Canadian Radio and Television Commission (CRTC). The themes have been remarkably consistent: affordability, subsidies, and supporting competition, which includes wholesale access. While the GNWT has generally taken the position that competitors are best equipped to raise their specific requirements before the CRTC, the GNWT has nonetheless taken positions on several specific issues including supporting the introduction and regulation of Wholesale Connect and Third-Party Internet Access.

Recommendation 4

SCEDE recommends the GNWT to advocate to the Canadian Radio Telecommunications Commission to set aside funding under its Broadband Fund for smaller service providers and Indigenous-owned businesses to help promote competition.

GNWT Response

The GNWT routinely supports Northern companies seeking funding from the Federal Government on broadband Internet access services, wireless networks and other telecommunication matters. For example, the Tłı̨chǫ Government project to fund the Whatì Fibre Line through the Universal Broadband Fund.

The GNWT also supported a special recognition of indigenous communities in the CRTC's updated *Telecommunications Act*. The ability to consult with Indigenous communities was also a condition of our recent Request for Proposal for a Regulatory Consultant.

A key component addressed in CRTC matters is to ensure the CRTC considers the interests of the NWT residents and businesses in its decision making.

Recommendation 5

SCEDE recommends the GNWT ensure all publicly funded internet backbone infrastructure in the NWT provide wholesale high-speed Third- Party Internet Access.

GNWT Response

The MVFL was built with the intention of Open Access throughout the Mackenzie Valley so customers were able to connect to Points of Presence. This would result in instant transportation to their choice of southern service providers in High Level, Alberta.

The GNWT entered into a 23-year agreement with Northern Lights General Partnership to design, build, finance, operate, and maintain the MVFL. Northern Lights General Partnership operates the MVFL on the behalf of the GNWT and remains neutral and independent.

The GNWT's overall goal with the MVFL is to not only offer high speed telecommunication services to a vital class of users along the Mackenzie Valley but to also strengthen the local economy through greater competition and access to the MVFL.

Recommendation 6

SCEDE recommends the GNWT address the digital divide within the NWT by providing free access to basic internet packages through Income Assistance funding and NWT Housing Corporation public housing units.

GNWT Response

Currently, the Department and Finance in partnership with the Department of Education, Culture and Employment (ECE) is undertaking a review of the Income Assistance (IA) Program. The IA program review is exploring the costs and implications of including free access to basic home internet packages. Given the high cost of buying internet directly into homes, consideration should be given to the relative utility of shared public internet access such as can be achieved through community libraries. Of the estimated 2500 NWT households without in-home internet, approximately 2250 of them have access to free in-community internet through ECE's network of 21 public libraries.

The NWT Housing Corporation has confirmed that they do not have an update to provide regarding the provision of basic internet services with public housing programs as of now.

Recommendation 7

SCEDE recommends the GNWT to address the digital divide by building partnerships that can provide free Wi-Fi service in all regional centres.

GNWT Response

While the GNWT agrees that providing access to free Wi-Fi (last mile) services in all regional centers will contribute to the strengthening and growth of the NWT's digital economy, the GNWT presently does not list the establishment of free Wi-Fi services in the NWT as part of its broadband expansion plans.

However, the CTRC has recently announced a Northwestel initiative to enhance last mile services for all NWT communities to the universal service objective of a minimum of 50/10 in all NWT communities by 2023. This initiative continues to be closely monitored by the GNWT as well as the CRTC to ensure all communities are receiving the universal service objective, of a minimum of 50/10, which will improve services for not only residents but also government services such as, distance education, E-Health, and other government services and programs in the NWT.

Recommendation 8

SCEDE recommends the GNWT encourage competition in the market by procuring internet services in smaller pieces so that local internet service providers can effectively bid on these opportunities.

GNWT Response

The Department of Infrastructure has stated that in anticipation of the next Digital Communications network procurement expected in 2026/27, the Technology Service Center (TSC) and the Office of the Chief Information Officer will continue to assess changes in the technology field and work together to address concerns around security, integration and standardization of hardware, software and maintenance processes.

In preparation for that procurement, TSC will reevaluate if opportunities exist that would permit procuring internet services in smaller pieces so that local internet providers can effectively bid on these opportunities.

Recommendation 9

SCEDE recommends a response to the recommendations listed above within 120 business days.

GNWT Response

The GNWT accepts this recommendation and is pleased to provide this response to the Standing Committee on Economic Development and Environment within the prescribed timeline.