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***RE: Consultation on New Access Licensing Framework to Support Rural and Remote Deployment***

The Fruit and Vegetable Growers of Canada (FVGC) and Canadian Produce Marketing Association (CPMA) welcome the opportunity to provide feedback to Innovation, Science and Economic Development Canada (ISED) regarding the ongoing consultation on the proposed introduction of a new supplementary licensing process for unused spectrum.

**Overview of Connectivity in the Fresh Produce Sector**

Canada's fruit and vegetable supply chain is operating in a highly sophisticated and modern agricultural sector, of which Canadians can be proud. This has largely been driven by innovation and an incorporation of new technologies, which have collectively changed the way in which many think of producing food. These innovative practices ultimately aid decision making and risk management, allow producers and others to anticipate and respond to changing consumer demands, and ultimately optimize productivity and outputs.

Among the many ways in which our sector is embracing new technologies and modern practices are:

- Better data management to improve business practices and production outputs;
- Digitized food safety programs to ensure the quality and health of crops;
- More targeted emission reduction and carbon sequestration; and
- Monitoring of inputs and maximized efficiency of crop protection products.

Tools such as these are vital to the future success of the sector, and demonstrate how entrenched technological innovations have become at the primary production level. To make use of them, however, our sector relies on access to reliable, predictable, and high-speed internet services. While maintaining access to high-speed internet is not a challenge for many Canadians, those living in rural communities (in which many of our farms and other businesses are located), face under-developed network infrastructure and overall poor coverage.

Many remain excluded from being able to take full advantage of technological advancements. Not only does access to affordable and reliable internet directly impede businesses from incorporating modern practices, but it is increasingly complicating the ability to attract a new generation of leaders into the sector who are far more adept and reliant on using technology.



Acknowledging that spectrum policy is an important piece of this challenge and poses a way to address the digital connectivity divide felt by rural and farming communities, we are hopeful that this consultation will be a solid step forward in ensuring better access for all Canadians.

### **Outcomes-Based Priorities of the Sector in Support of Rural Deployment**

Our organizations strongly support the overall policy objectives ISED is seeking to address through this consultation. However, as representatives solely of end-users, our focus is more on ensuring outcomes-based policy initiatives that are supportive of rural deployment. As a result, we are unable to comment on the technical questions posed by ISED and the merits of each specific proposal.

In saying that, we do believe that spectrum policies should, in general, be predicated on the notion that those who possess band licenses should build and deploy reliable services. This consultation emphasizes the need to facilitate the deployment and timely availability of services across Canada (specifically in rural and remote regions) and to work towards addressing the connectivity gap affecting many of our members. Achieving this goal starts with a commitment to better foster investment in wireless networks and the development of innovative and emerging applications.

Specific to the framework being evaluated through this consultation, we also believe that the spectrum business model should prioritize the empowerment of those providers who are committed to deliver reliable internet services, including in rural Canada. Simply put, licenses should be made available to network builders who are ready and willing to deploy the spectrum. While we acknowledge there are complexities that come with infrastructure roll-out and building public networks, ensuring the commitment of license holders and providers to do so in a timely manner is critical. Otherwise, delays and challenges will persist, at the expense of those relying on these critical services.

The proposed access licensing framework appears to be a step in the right direction, and a potential mechanism through which those committed to building networks would be better positioned to move forward. This would better facilitate the deployment and availability of reliable services in communities that currently lack them, many of which are located in rural Canada. It is also believed that the proposed process would foster greater development of the marketplace, driving consumer choice and an ability to access more competitive prices.

### **Strengthening Deployment Terms and Conditions**

In addition to the access licensing framework, we also believe that a critical component of strengthening Canada's rural internet deployment is addressing the composition of deployment terms currently associated with spectrum licenses.

The recent introduction of Tier 5 service areas does begin to address the geographic considerations of deployment in rural areas and seeks to ensure that not only larger population centres receive coverage. However, in practice, the current criteria associated with these conditions insufficiently address the prescribed outcomes.

Our organizations recommended that more targeted conditions should be imposed to more effectively achieve the prescribed outcomes. In particular, ISED should impose more stringent and targeted deployment conditions to encourage license holders to more rapidly deploy services and ensure the equitable distribution of connectivity to consumers in the given area. We are also supportive of the concept of such deployment requirements being an eligibility criterion for the renewal of existing licenses.

Moving towards increased deployment conditions is expected to result in one of two outcomes:

- Primary license holders will develop services more efficiently in an area covered by their license. If there are prescribed deployment requirements that license holders must fulfill to maintain ownership of that license, they will be incentivized to do so.
- Alternatively, more stringent conditions will encourage primary license holders to pursue subordinate agreements with regional providers. In many cases, these providers may be better suited to deliver service at a fast pace, and will be able to enter into an agreement to do so. This will have the additional benefit of promoting competition in the marketplace and allowing smaller providers to continue providing service in their communities.

### **Concluding Comments**

Our organizations strongly believe that every Canadian has a reasonable expectation, and right, to reliable internet access. While this is already a reality for those living in urban centres, many rural communities are still waiting for better connection. This has become even more evident during the pandemic, as the connectivity divide has complicated access to tele-medicine, the capacity for at-home education, and the ability to navigate government services.

The Government of Canada has a responsibility to ensure that spectrum and rural broadband deployment supports all communities and allows our sector to continue innovating and modernizing production. By increasing overall access to spectrum, as well as working to target undeployed and undeveloped spectrum with expired license terms, ISED can better leverage these under-utilized resources and enable providers to deliver more reliable services across Canada.

Thank you again for the opportunity to provide input on the proposed licensing process. We appreciate your consideration of our comments and would be pleased to answer any questions you may have.

Should you have any questions, or require any additional information, please do not hesitate to contact Angela Reid ([areid@fvgc.ca](mailto:areid@fvgc.ca)) or Shannon Sommerauer at [ssommerauer@cpma.ca](mailto:ssommerauer@cpma.ca).

### **About the Fruit and Vegetable Growers of Canada**



The Fruit and Vegetable Growers of Canada is an Ottawa-based voluntary, not-for-profit, national association that represents fruit and vegetable growers across Canada. These growers are involved in the production of over 120 different types of crops, with farm cash receipts of \$5.9 billion in 2021. Since 1922, in collaboration with members and the government, FVGC has advocated on important issues to ensure a viable future for Canada’s fruit and vegetable sector.

### **About the Canadian Produce Marketing Association**

Based in Ottawa, the Canadian Produce Marketing Association (CPMA) is a not-for-profit organization representing companies active in the marketing of fresh fruit and vegetables in Canada, from the farm gate to the dinner plate, spanning the entire produce industry. The Association’s members include major growers, shippers, packers, and marketers; importers and exporters; transportation and logistics firms; brokers, distributors, and wholesalers, retailers, and foodservice distributors; and fresh cut operators and processors. Founded in 1925, CPMA is proud to represent over 830 domestic and international members who are responsible for 90% of fresh fruit and vegetable sales in Canada, making significant contributions not only to our economy, but to the health and well-being of Canadians.