

Robert Ghiz, CWTA President & CEO

Keynote on the State of Canada's Wireless Industry

STAC 2022 Conference & Exhibition - Virtual
March 30, 2022
1:45 to 2:15 p.m. Eastern

Good afternoon,

Bon après-midi à tous.

I want to begin by thanking everyone for their attendance and participation this week at the 6th annual STAC Conference and Exhibition. While I know everyone wishes we could have gathered in-person this year, I have to say it was nevertheless remarkable to see the excitement and energy from all the organizations, delegates and sponsors attending this year's event.

I know virtual events can be a challenge, but as always, the team and members of STAC have come through.

A huge thank you goes out to our full conference sponsors – Alliance Corp., Avetta, Gap Wireless and RFOCS – as well as the numerous other organizations that have stepped up to sponsor various aspects of the past three days. I also want to extend my sincerest gratitude to everyone who has volunteered for a STAC project, participated in committee meetings, or contributed to STAC's leadership over the past year – with particular thanks to members of the STAC Steering Committee and the various committee leads. We wouldn't be gathered like this without the commitment, hard work and generous support all of you have provided.

The pandemic has been a challenge over the last two years, yes, but it hasn't stopped STAC. Just look at the growth:

STAC membership has increased exponentially since its inception in 2016 – when we had just 10 organizations participating at STAC's launch; now, we have more than 130 involved. What started as a small group of about 40 people is now a community of over 700 like-minded individuals who have a shared commitment to tower safety. In person, virtual, it doesn't matter, the STAC Conference and Exhibition has always shown so many of the things that make this industry great – drive, commitment and passion.

In my view, the reason for that growth and success is simple: It's because of you.

This annual Conference & Exhibition is Canada's premier tower industry event because hundreds of you – professionals from coast to coast to coast and from across the telecommunications spectrum – want to learn about the trends and challenges shaping our country's industry; because you want to make new connections, share your experiences in the field, and engage in spirited discussions with colleagues; and, most of all, because you understand the importance of ensuring Canadians continue benefitting from access to some of the most advanced wireless networks in the world.

The simple reality is that these networks would not function – they wouldn't even exist – without the expertise and dedication of a specialized and skilled tower industry workforce. It is because of this industry – all of you attending the conference this week, all of your colleagues – that tens of millions of Canadians, from urban centres to remote and rural communities, are able to stay connected, to participate in the digital economy, to have access to the entire world in the palm of their hand.

That is something the past two years have proven beyond a shadow of a doubt: The COVID-19 pandemic has clearly demonstrated the immense value of Canada's wireless communications networks, and just how crucial STAC members are to ensuring these networks continue to be safely improved and expanded.

I know it's been said many times before, but it still bears repeating: Despite having a population spread across vast regions of varying terrain, Canada's facilities-based carriers have nevertheless implemented some of the world's fastest and most reliable wireless networks, reaching every province and territory. Independent network analyst, Opensignal, has described Canada as a "4G superpower", with "few other countries better prepared to deploy 5G networks of the future."

Let's take a look at some of the numbers:

Canada ranks among the top five globally for average mobile download speed, with LTE network coverage reaching 99.5% of the Canadian population

This includes rural LTE coverage which has expanded rapidly over the last decade,

increasing from 35.4% of the rural population in 2013 to 97.4% of rural population in 2019. Canadian rural network performance exceeds that of the combined urban/rural networks of most other countries. In fact, in a 2020 report by OpenSignal, OpenSignal stated that if rural Canada were its own country, it would rank 12th in the world in average download speed.

Meanwhile, the demand for wireless services continues to accelerate. As of the end of 2022, there were almost 39 million wireless subscriptions in Canada, 34.5 of which were mobile phone subscriptions. More Canadians now have mobile phones than landlines (at least 94.5% compared to 38.8% in 2020), and over one third of Canadian households rely exclusively on wireless services.

In 2020, Canada's telecommunications industry directly contributed \$70.7 billion in GDP to Canada's economy, while supporting 596,000 jobs.

During that same period, Canada's facilities-based service providers invested over \$10.5 billion in capital expenditures to expand and upgrade their wireless and wireline infrastructure. These network operators also invested over \$12 billion in the last three years to acquire the right to use additional radiofrequency spectrum to continue their deployment of 5G services across Canada.

At the same time, while the consumer price index for all items remained stable during 2000, Statistics Canada's Cellular Services Price Index declined by 14%.

In 2021, the "all items" CPI has risen significantly, while the Cellular Services Price Index has declined further – with the index declining by approximately 23% since January 2020.

This decline in the Cellular Services Price Index is a result of the competition amongst all network operators- big and small.

The economic indicators I've mentioned demonstrate the telecommunications industry's key role as a lifeline for Canadian economic and social prosperity in 2020. But they do not tell the full story of the industry's contributions in the last two years.

These are staggering numbers, but our work is not done. While the vast majority of Canadians have access to wireless services, the expansion of digital infrastructure to underserved communities and along major highways and roads continues.

And to ensure that Canada maintains its leadership role in telecommunications, our network operators are working aggressively to expand 5G services across the country. This work will not be easy nor cheap.

Consulting firm Accenture estimates that the initial phase of 5G deployment will require \$26 billion in capital expenditures by 2026. This does not include the billions of dollars that must be spent to acquire additional spectrum rights.

Why spend so much on 5G? 5G is not just an upgrade to 4G. It is whole new telecommunications system that will transform the way that Canadians conduct business, receive critical services like healthcare, and interact with one another. 5G will be the foundation for the digital economy and will be a key enabler for Canada's economic recovery.

Accenture estimates that the adoption of 5G will contribute an additional \$40 billion to the Canadian economy by 2026, and create approximately 250,000 permanent full-time equivalent jobs in the same period. On top of that they estimate that the construction and engineering work required to deploy 5G networks will result in an additional 150,000 short-term jobs.

But 5G will do more than just stimulate Canada's economy. 5G will help tackle some the world's biggest challenges, including climate change. As the demand for mobile data increases, we need to adopt technologies that allow wireless networks to operate more efficiency. Equally important, our wireless networks must support other industries' desire to use wireless technologies to make their operations and products more environmentally friendly.

5G does both. It is estimated that 5G will drive a thousand-fold increase in mobile traffic in the next 10 years, while the full network's energy consumption will be half that of current levels. And by enabling new digital use cases in sectors like transportation, smart buildings, and smart working, it is estimated that mobile technologies, including 5G, have the potential to address up to 23% of Canada's total 2030 emission reduction by 2025.

Of course, there will be obstacles to overcome along the way. As we've heard this week, our industry is facing challenges on a variety of fronts – including labour shortages, the need to balance safety and efficiency, and adapting to the scope and scale of climate change. But these are challenges we intend to meet head on – challenges that Canada's structure, tower and antenna industry will overcome together.

The work you do, combined with the investments being made by Canada's facilities-based carriers, are not only transforming the way in which Canadians communicate, work, and play; it is also fuelling economic growth and innovation, and helping address some of the world's biggest challenges using digital technology.

It is because of your specialized skills and your commitment that this transformational growth can occur. You are the people who help make it all possible. And you do so while looking out for the safety of one another.

And that's why everyone at CWTA is so incredibly humbled and excited to have hosted you this week at the STAC 2022 Conference & Exhibition. The work we are collectively doing is positively impacting the lives of countless Canadians, while ensuring our country remains a world leader in wireless technology and tower safety.

STAC members do the heavy lifting for people across the country – in big cities and small towns and everywhere in between – to ensure that all Canadians remain connected. Every time I use my phone, the only reason it works – the only reason I can text my family or check my email or laugh at the latest meme on social media – is because you have done the hard work to make it possible.

So, let me close these remarks by simply saying: Thank you.

Canadians are incredibly fortunate to have people like you working behind the scenes to keep us connected, and it is my sincere hope that these last three days will serve to enhance the skills and capabilities needed to do the job so extraordinarily well.

Thank you – and I truly cannot wait to see all of you next year in Niagara Falls!

Merci – et j'ai vraiment hâte de vous voir l'année prochaine à Niagara Falls!

– End of Remarks –