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# Are Users Up to Speed? The Demand Side of Sustainable Broadband

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# Are Users Up to Speed? The Demand Side of Sustainable Broadband

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## Broadband in Canada

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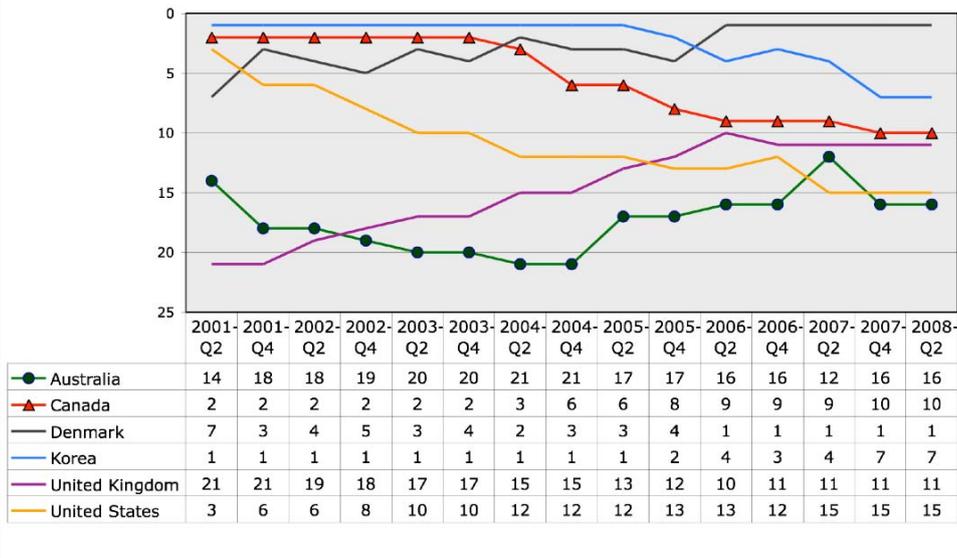


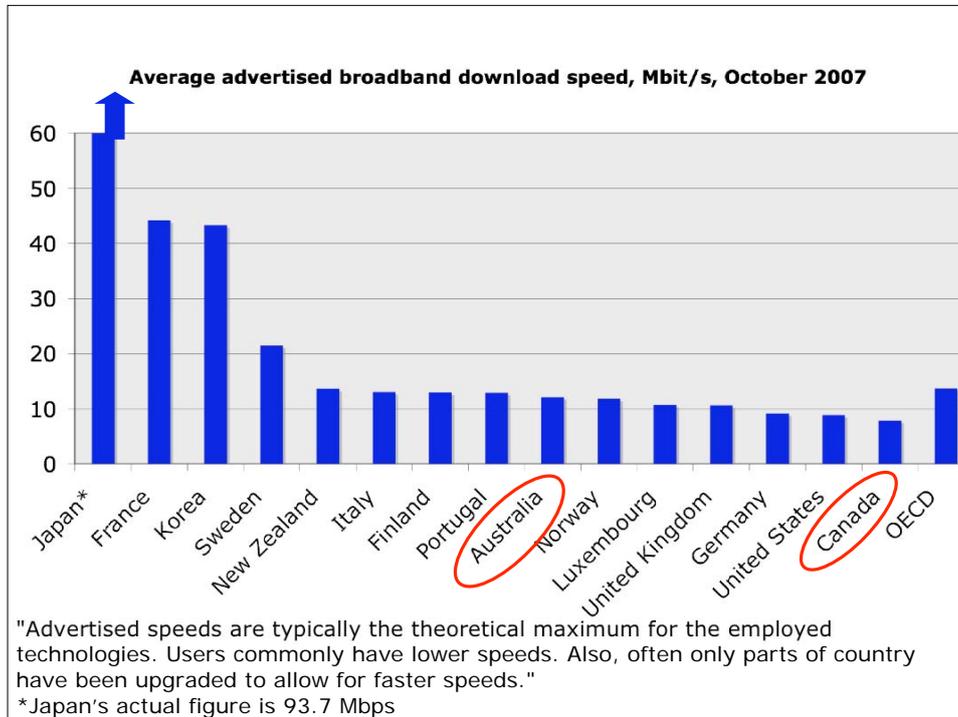
- Early adopters
- As of 2007:
  - 93% of households can access wired broadband service
  - 48% of households subscribe to broadband services (plus 16% using 'lite')
  - >50% of broadband subscribers buy 5-9 Mbps service, but 25% choose service offering <1.5 Mbps

# Broadband in Canada

- Perceived to be a leader in broadband, but:
  - Limited competition in the marketplace (despite LLU, open access), long contracts
  - Concerns about traffic shaping, restrictions on usage
  - Limited, expensive mobile broadband
  - No policy discussions about next-generation broadband networks

**Broadband Subscribers per 100 inhabitants, OECD rankings**





## Can Canada learn from Australia?

- What is important in building a next-generation broadband network?
  - Capacity building (demand)
  - Infrastructure decisions (what to supply)
  - Private sector and public sector involvement (how to pay for it)

## Can Broadband enable Sustainability?

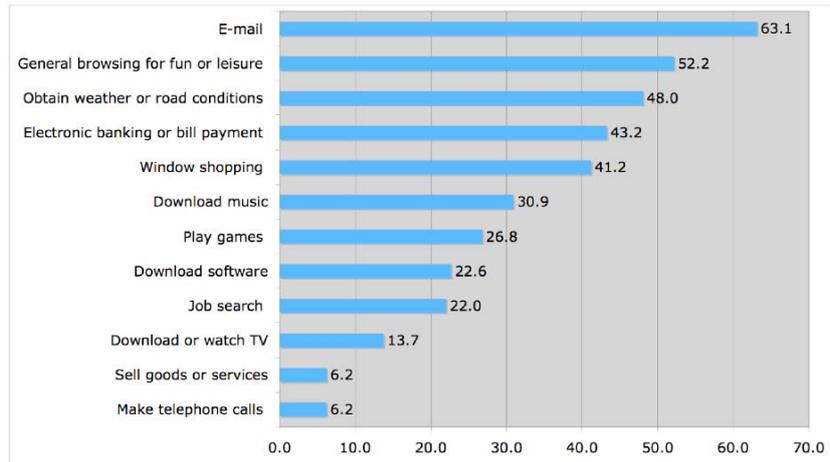
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- Issues involved in building infrastructure impact the extent to which it can contribute to sustainability
- Two examples and a question:
  - Substitution of digital products for physical products
  - Substitution of online interaction for travel
  - Are we focusing on the right thing?



# Canada: Online Activities

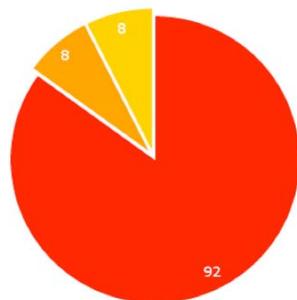
% of Canadian population (aged 16+) doing each online activity



## CCi Digital Futures Report

# The Internet in Australia

■ Music store ■ On the Internet ■ On the Internet



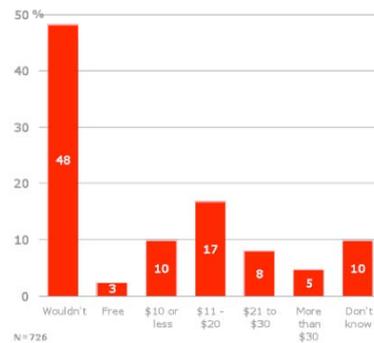
N=726

### 5.18 Where do you usually buy your music?

The vast majority of internet users still usually buy their music from a 'bricks and mortar' store. Less than one in ten (8.1%) usually buy online.

## The Internet in Australia

**5.27 If a boxed DVD or CD set was on sale for \$40, for what price would you consider downloading a digital copy instead?**



## Capacity

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- There will always be a Flashing 12:00 problem
- Broadband usage is not yet sufficiently integrated into average people's daily lives to result in benefits from substituting digital products for physical ones

## What about Organizational Capacity?

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## Fixed vs. Mobile Broadband

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- Not an either-or decision, but...
  - Fixed broadband is not yet delivering broader societal benefits to wide user base (e.g. e-health, e-learning)
  - Fixed broadband may end up being used primarily for entertainment purposes
  - Mobile devices as the primary tool for communication, networking, information retrieval, and some entertainment

## Sustainability: PC vs. Mobile

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## Points to Ponder

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- Fibre to the home is probably inevitable, but is the demand really there now?
  - Market forces vs. interventionist approaches?
  - Mobile vs. fixed
- What is needed to encourage a 'culture of use' that would encourage more sustainable outcomes?

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before December 11