

Building an Open Road

The Information Highway will be built for the most part with private money. However, the federal government recognizes its importance to business competitiveness and has made support for its construction a major element of Canadian economic development policy.

The building of the Highway and its services will go forward in a competitive setting. In a landmark decision last September, the Canadian Radio-Television and Telecommunications Commission (CRTC) opened up all aspects of the telephone business to competition. Only two organizations, Telesat Canada which provides domestic fixed-satellite service, and Teleglobe Inc. provider of overseas telecommunications service, retain their protective monopolies. With these changes, Canada has vaulted into the front rank of countries with open-market telecommunications regimes.

In addition, the federal government is revising policies and regulations to encourage the rapid deployment of new radio-based services such as digital broadcasting, next-generation cellular

and satellite-based mobile services.

The government also plans to invest in partnership projects to interconnect institutions such as schools, libraries and colleges, and will share with industry some of the costs of researching, developing and testing the network technologies on which the highway will be based.

CANARIE

The partnership principle is embodied in a \$1.2 billion project already well under way: the Canadian Network for Advancement of Research Industry and Education (CANARIE)

which is destined to play an important part in building the competitiveness of Canadian-based businesses.

Financed mostly by the private sector, CANARIE is a non-profit corporation made up of some 300 organizations representing industry, government and the Canadian research community. Its mission is to accelerate development of the high-speed, broadband networks that constitute the passing lanes of the Information Highway.

Last fall, the federal government announced it would fund the second stage of CANARIE at

\$80 million over the next four years, matched by \$396 million from the private sector. Goals for the second phase include:

- increasing the speed of CA*Net (the Canadian part of Internet) to true multimedia capacity so that businesses and schools can exchange video, audio and high-speed data.
- extending the Information Highway into the Yukon and Northwest Territories and other parts of the Canadian North by 1995.

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