



*Centre for the
Study of Living Standards
Centre d'étude des
niveaux de vie*

New report reveals that broadband internet drives productivity growth in Canada and globally

Press Release – Ottawa, December 5th, 2023

The Centre for the Study of Living Standards (CSLS) today released a final report entitled “An Econometric Analysis of the Impact of Broadband Internet on Productivity”. This groundbreaking study, spanning 116 countries over the period 2009–2019 reveals the substantial role broadband internet plays in driving productivity across nations, both developed and developing.

Key Highlights:

Broadband Helps Drive Canadian Productivity: For Canada, broadband internet was a significant growth engine, contributing 0.16 percentage points annually to productivity. **This accounts for a notable 17% - around one-sixth - of Canada’s total productivity growth over the decade.**

U.S. Comparison: In comparison, broadband internet accounted for about 13% of the United States' productivity growth in the same period.

Broadband's Big Boost: The study finds that broadband internet is a major driver of productivity growth across the world. In developed countries, it contributed an average of 0.20 percentage points yearly to this growth. The impact was even more pronounced in developing countries, adding 0.26 percentage points annually.

Productivity is the main source of improvements in standard of living. The study underscores the vital role of telecommunications investment and innovation, not just within the sector, but across the entire Canadian economy. As critical infrastructure, telecommunications advancements spill over, enhancing productivity across the economy through the adoption of new digital technologies.

The findings highlight the need for government support to expand broadband access, optimize regulatory frameworks, and encourage private sector investment, particularly in underserved areas to enhance the social and economic benefits throughout Canada.

Expert Validation:

The report's credibility is bolstered by the review of 13 independent experts in telecommunications and innovation.

The report, developed with funding provided by TELUS Communications is available online at <http://www.csls.ca/reports/csls2023-08.pdf>

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The Centre for the Study of Living Standards (CSLS) is a national, independent, Ottawa-based not-for-profit research organization. Its primary objective is to contribute to a better understanding of trends and determinants of productivity, living standards, and economic well-being in Canada through research.