

The Benefit of the Wireless Telecommunications Industry to the Canadian Economy

PRINCIPAL FINDINGS

Wireless communications **generate a total economic value of some \$39 billion for the Canadian economy:**

- over \$16 billion in terms of direct contribution to the GDP through the sale of goods and services — comparable to the GDP of Newfoundland and Labrador (\$20 billion)
- an additional \$14 billion benefit due to the economic flow through to contributing suppliers in the supply chain
- nearly \$9 billion in consumer surplus — this is the additional benefit or satisfaction that consumers get from wireless services, above and beyond what they pay for the services

The wireless industry **contributes to employment:**

- over 294,000 people are employed in Canada as a result of the wireless industry
- the wireless sector offers high value employment – it has an average salary level of \$59,000, compared to a Canadian average salary of \$42,640
- the value added per employee in the wireless sector is estimated at \$195,000 per year, compared to \$71,000 per year for the average Canadian employee

ABOUT THE STUDY

This fact sheet summarizes the findings of a study conducted by Ovum Consulting for the Canadian Wireless Telecommunications Association (CWTA). The focus of the study was to quantify the economic impact of the industry in terms of the GDP, jobs and productivity gains for both the supply side and demand side of the economy.

The study was based on empirical data from the year 2008. Data was provided by a number of companies in the Canadian wireless sector, and obtained from a number of publicly available sources including the CRTC, Statistics Canada, Industry Canada, and annual reports of wireless operators, terminal suppliers and network equipment manufacturers. Ovum forecasts for revenues and services in the wireless sector have also been used in the modeling.

A complete copy of the report is available on the CWTA website (www.cwta.ca).