Rural Canada and the AI Moment

A brief for elected officials

The bottom line. Canada's national AI strategy cannot meet its own goals without rural Canada as a partner. The strategy names rural communities and commits real money to AI. What it does not yet do is make sure the money, and the means to use it, reach rural ground. The fixes below close that gap using designs, rules, and a ready-made training program that already exist. Nothing here asks anyone to invent.

The situation, briefly

The AI buildout is landing on rural ground because that is where the power is. Roughly three-quarters of the capacity of Canada's fifty largest generating stations sits outside metropolitan Canada, so the new data centres are siting in rural and small communities. In Alberta alone, connection requests have passed 20,000 megawatts against a peak demand of about 12,000.

The strategy credits rural communities through its National AI Literacy initiative, naming "public libraries and community organizations... especially those in rural, remote, and northern regions." The instinct is right. But the delivery money is another matter: the $200-million Regional Artificial Intelligence Initiative, expanded by a further $500 million, flows through the regional development agencies with no rural earmark.

Rural Canada also starts from behind on the supports its peers take for granted. The European Union has reserved a share of its rural development fund for community-led local delivery for four decades, and the United States runs a permanent rural development agency with an office in every state. Canada built the same kind of tool, a federal Rural Lens to check policy for rural impact, then stopped using it, and it has not been used since 2013. The OECD's 2024 review of rural innovation in Canada put the result plainly: "the current federal innovation policy has an inherent urban bias."

That is the backdrop when a community is asked to host a data centre without the means to weigh what it is offered. It says no. In four months, two Prairie projects showed it. A $12-billion data centre at Sherwood, Saskatchewan drew protests and a First Nation's duty-to-consult objection. Manitoba rejected a hyperscale project at Ritchot after a petition of more than thirteen thousand signatures. Rural communities are not refusing the technology. They are refusing deals they were never equipped to evaluate.

What works: the solutions

Every fix below already exists somewhere in Canadian or peer practice. None requires a new institution or new money beyond what is committed. They are grouped by who acts.

- **Route the money so it reaches rural.** Send the regional AI money through the community-governed delivery design Canada has run since 1985, the Community Futures model, so rural delivery is built in rather than left to chance. Community Futures organizations and local Economic Development Stewardship Committees are the place-based bodies ready to host these hubs. It sits inside the same agency network that already holds the money. (Federal)
- **Fill the empty seat.** No rural delivery practitioner sits on either federal AI advisory body today. Add one, before the buildout's terms are set rather than after. And give rural communities a standing representative on the federal and provincial committees that oversee data-centre development, so hosts help shape the rules before the rules are set. (Federal and provincial)

- **Fund training in rural communities, by rural educators.** Carry an AI-capability curriculum through the strategy's own named channel of libraries and community hubs. A worked curriculum already exists and is described below. (Federal and provincial)
- **Restore the measurement.** Publish rural breakdowns of AI adoption so we can see where rural communities stand. This is the OECD's own first recommendation to Canada. (Federal)
- **Protect what the buildout leaves behind.** Extend the decommissioning and asset-residue rules already applied to wind and solar so a data centre's durable infrastructure passes to community use if the operator leaves. (Provincial)
- **Fund rural delivery organizations directly, with published terms.** Saskatchewan has shown it is workable. Give host communities formal standing in the grid and water arrangements these facilities require. (Provincial)
- **Make community-benefit agreements the default.** More than five hundred binding agreements are already in force in resource development. Apply the instrument to data centres, with local hiring, training, and supply commitments written into the agreement as binding terms rather than the press release. The same terms decide who inherits the substation, water systems, and fibre if the boom cools, as the telecom bust showed when investors lost roughly $2 trillion US and only the communities with claims to the leftover fibre came out ahead. (Industry, with federal and provincial backing)

The training already exists: *The Program: AI-Assisted Building for Rural Communities* is a ready-to-run companion lesson plan, not a proposal to write one. It is ten weekly sessions of about two and a half hours, delivered by a local educator through a library, adult-learning centre, or community hub, to a cohort of six to ten adults who have a real problem to solve and no technical background. It teaches the discipline that makes AI-assisted building safe, built around six plain-English safety rules. A learner finishes with one working, verified piece of their own project, the safety rules as working habits, and a written plan for what comes next. It carries its own session plans and exercises and circulates on its own, so a community can pick it up and run it. This is what funding the named literacy channel can buy on day one.

The ask in one line

Rural Canada is not asking to be rescued by this moment. It is asking to be included in it: partners, not hosts. The precedents exist, the capability can be taught, and the window is open now.

This brief summarizes a full policy paper and its companion program, both with complete sourcing, available on request.