

D: prevailing demand  
 $D_T$  : threshold level of demand with  
S: prevailing supply of backbone

**Table 1:**  
**Likely growth in backbone, and requisite policy response in situations for which the investment in backbone is commercially UNVIABLE**

Demand/Supply Situation	Salient Feature	Likelihood of Increase in backbone	Requisite policy response for increasing backbone
(1) $D_T > D > S$	<ul style="list-style-type: none"> <li>- Inadequate demand,</li> <li>- but excess demand in comparison to supply (i.e. waiting list in market),</li> <li>- not certain whether certain factors constrain supply</li> </ul>	Unlikely	<ul style="list-style-type: none"> <li>- Increase prevailing demand</li> <li>- Decrease <math>D_T</math> through policies to reduce costs, increase operational flexibility, and reduce delays</li> <li>- See if any factors are constraining supply, and address them</li> </ul>
(2) $D_T > S > D$	<ul style="list-style-type: none"> <li>- Severely inadequate demand (i.e. major demand constraint),</li> <li>- no excess demand in comparison to supply (i.e. no waiting list in market),</li> <li>- not certain whether certain factors constrain supply</li> </ul>	Unlikely	<ul style="list-style-type: none"> <li>- Strong focus on increasing prevailing demand</li> <li>- Decrease <math>D_T</math> through policies to reduce costs, increase operational flexibility, and reduce delays</li> <li>- See if any factors are constraining supply, and address them</li> </ul>
(3) $S > D_T > D$	<ul style="list-style-type: none"> <li>- Severely inadequate demand (i.e. major demand constraint),</li> <li>- no excess demand in comparison to supply (i.e. no waiting list in market)</li> </ul>	Unlikely	<ul style="list-style-type: none"> <li>- Strong focus on increasing prevailing demand</li> <li>- Decrease <math>D_T</math> through policies to reduce costs, increase operational flexibility, and reduce delays</li> </ul>