

## INNOVATION STARTS HERE: ← ICT FUNDAMENTALS FOR CANADA'S INNOVATION AGENDA

### Background

During the 2015 election campaign, the Liberal Party promised to launch a \$600-million "Innovation Agenda" with a focus on restoring Canada's ranking as a top R&D spender, creating jobs, and bolstering academia's research capabilities.

Today, the Department of Innovation, Science and Economic Development (ISED) has been tasked with meeting that ambitious mandate. Armed with a bold vision and six action areas, ISED Minister, the Honourable Navdeep Bains, has set out on a path to consult with Canadians and industry groups to help shape an Innovation Agenda for Canada.

The Information Technology Association of Canada (ITAC), as the voice of the Information and Communications Technology sector (ICT), appreciates this vision and thanks the government for recognizing the fundamental role that innovation plays in Canada's economic development. The technology sector is not just a vertical; it's a horizontal that fuels every single sector across the country.

### The time is now

The value of innovation is seen daily as digital technologies continue to dramatically change the lives of Canadians. Trends like cloud, cyber security, big data, cognitive computing, and the Internet of Things will lead to even bigger changes over the next decade. If Canada hopes to compete to win in the next phase of the global digital revolution, it is critical that governments across the country take steps now to lay the right foundation.

ITAC recognizes that this is not the first time a federal government has tried to move the needle on innovation.

While some issues have been addressed in previous iterations, many challenges persist. But, over the past few years, disruption has established itself as the new normal and economic prosperity has become firmly linked to innovation. This time the economic stakes are too high for the Innovation Agenda to fall short.

That is why a successful Innovation Agenda is an absolute imperative—not only to the Canadian tech sector, but to *all* sectors of the economy.

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### Meaningful, bold changes needed

Canada has the brains to play a lead role in the next wave of the digital revolution but the Government needs to establish the right policy foundations to make this happen. Lessons learned from past innovation initiatives can help.

### *There needs to be a willingness to make substantive policy changes.*

Governments, and arguably Canadians, are often characterized as risk-averse, which can be a good thing. However, to drive an innovation revolution across Canada, re-branding or simple tweaks to existing programs or government structures will not

be enough. The government must be willing to "go big" and make substantive investments and policy changes to drive innovation.

### *A whole-of-government approach is essential.*

ISED is a fantastic supporter of innovation, but many of the policy issues restricting innovation fall under other departments' jurisdiction (e.g., tax, immigration, and procurement). That is why every government department needs to understand how their policy could impact innovation.



The Innovation Agenda must also be a coordinated cross-government strategy that includes every department. Departments that work on programs and files directly impacting Innovation Agenda imperatives need to be held accountable through planning tools like the Report on Plans and Priorities, and performance measures like the Management Accountability Framework.

### ***The tech sector must be heavily involved in the development of the Innovation Agenda.***

More than 36,000 Canadian ICT firms create and supply goods and services that contribute to a more productive, competitive and innovative society. ICT companies lay the fiber and build the world-leading networks and software that make the digital economy go. Our sector alone generates over one million jobs directly and indirectly, and invests \$4.9 billion annually in R&D—more than any other private sector performer.

As an innovation driver, ITAC and the sector which it represents should be frequently consulted throughout the planning and development process of the Innovation

Agenda to ensure the government's plans align with global technology realities, trends and best practices. The ICT sector has a multitude of experience in building and implementing digitization plans with other public sector organizations worldwide. Therefore, the Government can only benefit from this type of ongoing collaboration: projects will be actionable; and procurement modernization initiatives will be outcome-oriented, easier to respond to, and less burdensome on suppliers and taxpayers.

### ***Table plans with industry experts before they become final.***

We need to ensure experienced leaders are involved in the final stages of major program and policy files like Canada's Innovation Agenda. The use of industry experts to focus on strategies, deliverables, plans, priorities and execution will lead to a robust, meaningful, inclusive and results-driven Agenda.

## **ITAC WILL HELP**

The new government has demonstrated its keen willingness to consult and collaborate with industry and academia. This includes the recent OECD's *2016 Ministerial Meeting on the Digital Economy: Innovation, Growth and Social Prosperity*, where Minister Bains included ITAC as part of the Canadian delegation, and where he led the first Innovation Roundtable.

At this June conference, ITAC identified four fundamental priorities that the Canadian tech sector must be addressed for the Innovation Agenda to succeed, and committed to publishing four innovation papers to contribute to the dialogue. These include:

- **In September:**
  - 1) Modern Digital Economy &
  - 2) Competitiveness and Trade
- **In October:**
  - 3) Modern Digital Government
- **In November:**
  - 4) Talent and Skills Development

Throughout fall 2016, the Innovation Papers series will provide insight into the state of Canada's digital economy, and offer recommendations to enable Canada's ICT sector to reach its world-class potential.

To further assist and support, ITAC will showcase the thought leadership behind each innovation paper through a "Policy in the Pub" debate mid-November. This event will provide an opportunity for policy makers to debate with and hear from industry, academia, and government officials about what they would like to see from an Innovation Agenda—to continue the dialogue on how they plan to move the yardsticks forward.

ITAC will also continue to offer Government the industry perspective and expertise it requires. Be it to review policy, populate a task force, or help design a new program, ITAC will bring the best subject matter experts to the Government in order to help them meet their goals. Together with industry, ISED and all Government stakeholders can build an Innovation Agenda that works for Canada.

**The Innovation Agenda is an incredible opportunity for this government to make substantive policy changes. If new, bold ideas are implemented with great care and attention, the Innovation Agenda will benefit all Canadians by growing our economy and ensuring continued prosperity for our country.**

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