

# UN Third Global Forum

## Seminar 3: Contribution of E-Government to Economic and Social Development

Naples, March 12, 2001

### Main Points

- Context for government
- Canada's Electronic Commerce Strategy
- Cultural Identity
- Distance Learning

### Context for government

- ◆ Governments have always collected, used & communicated information
- ◆ Technology itself does not change the information required
- ◆ Not "How can we apply IT?"
- ◆ But "How can we operate differently with IT?"

### Context for government

- ◆ Globalization
- ◆ Macro-economy
- ◆ The Internet
- ◆ Network Connections
- ◆ Knowledge work
- ◆ Measuring Competitiveness

## Globalization is pervasive

### ◆ Global Trade

- + 70% 1980 to 1990
- + 60% 1990 to 1998

### ◆ Global Foreign Direct Investment

- + 250% 1980 to 1990
- + 130% 1990 to 1998

## Competitive Macro-economy

- ◆ Canada's fiscal performance has turned around dramatically – a major shift in public policy
- ◆ Canada like other nations has worked hard to eliminate its budget deficit

## Potential of the Internet

### ◆ Comparative cost – 42 page document sent from Ottawa to Tokyo

- |                      |            |         |
|----------------------|------------|---------|
| • Overnight delivery | 24 hours   | \$40.00 |
| • Fax                | 31 minutes | \$8.99  |
| • Internet           | 2 minutes  | \$0.001 |

720 times faster  
40,000 times cheaper

## Importance of Being Connected

### ◆ Internet users (% of population)

- Canada 48%
- U.S. 43%
- Europe 26%

### ◆ Average weekly hours on-line

- Canada 5.1
- U.S. 4.2
- Europe 3.2

## Knowledge workers are key

### ◆ Canadian Employment growth by education level (1990-1999)

- Post-secondary +2,255,000
- High School (HS) +139,000
- Less than HS -947,000

## Measuring competitiveness

### ◆ Study by IDRC of SMEs

### ◆ Still an elusive connection

- Positive for manufacturing & utilities
- Marginal in services

### ◆ Importance of capturing all the benefits of the change, not just automation but process redesign

## Canada's EC Strategy

- ◆ Building Trust in e-commerce (C-6)
  - Cryptography, Authentication, Privacy
- ◆ Creating the Regulatory Framework
  - Taxation
- ◆ Strengthening the Infrastructure
- ◆ Encouraging Adoption
  - Government On-Line

## Taxation

- ◆ 1998 Ottawa OECD meeting issues
  - "Permanent establishment" difficult to define
  - Tax havens become more accessible
  - Ability to acquire products directly from non-residents may eliminate collection points for commodity taxes
  - Transformation of "tangible goods" to electronic products could reduce taxes and customs duties and tariffs collected

## Communications Networks

- ◆ Telecommunications Act
  - Telecommunications performs an essential role in the maintenance of Canada's identity and sovereignty
- ◆ Telecommunications policy should
  - Facilitate the orderly development throughout Canada of a system to safeguard, enrich and strengthen the social and economic fabric of Canada and its regions, and to provide reliable and affordable service in all regions

## 1994 CRTC Decision

- ◆ Universal & affordable access to basic telecommunications (not just phone)
- ◆ Telephone company can earn a reasonable return
- ◆ Equitable treatment of subscribers
- ◆ Assurance that telephone company monopoly not abused
- ◆ Encourage development of new services

## Government On-Line

### Serving Canadians in a Digital World

- ◆ By 2004, our goal is to be known around the world as the government most connected to its citizens

## Connecting Canadians

- ◆ 10,000 public Internet access sites in rural, remote and urban sites
  - Community Access Program
  - Schoolnet & First Nations Schoolnet
  - Librarynet & Volnet
- ◆ CANARIE
- ◆ Bridging the Digital Divide

## Delivering Single Window Service

- ◆ Should Banks deliver take-out food?
- ◆ Can Governments capture information as a by-product of related events?
  - When a business pays employees?
  - Parking fines when renewing drivers' licences

## Delivering Single Window Service

- ◆ Why are there stovepipes?
- ◆ New stovepipes for old?
- ◆ Is one bit of knowledge work like any other?
- ◆ Can client service staff know everything?

Previous process  
(Diagram)

Redesigned process  
(Diagram)

## Business Number

A strategic investment to enable:

- ◆ simplification and integration of government transactions with business
- ◆ has already made tax administration more efficient
- ◆ efficient delivery of client-oriented, "tailored" services for business
- ◆ partnerships for related transactions

## Possible Lessons?

- ◆ Drive change from operational needs, not technological possibilities
- ◆ Simplify first, then automate
- ◆ Seek feedback -- pilot or phase-in
- ◆ Lead prudently, follow aggressively
- ◆ Maximise reuse -- plagiarise freely

## Cultural Identity

- ◆ Parliamentary Committee Report (1999) "A Sense of Place, A Sense of Being"
- ◆ Government response "Connecting to the Canadian Experience: Diversity, Creativity and Choice"

## Cultural Identity

- ◆ By being rooted in "a sense of place a sense of being", Canadians will master the forces of globalization and technology
- ◆ Culture is "those creative things we choose to do as we live together as citizens of Canada and the world"

### Connecting to the Canadian Experience

- ◆ Culture plays a role in how Canadians relate to each other, their communities & institutions
- ◆ Cultural development fuels our capacity to be creative & innovative
- ◆ Culture affects our relationships in areas from trade to human rights

### Connecting to the Canadian Experience

- ◆ Culture affects our evolution as a country
- ◆ Culture helps us to understand each other & work together for the common good
- ◆ Culture contributes to our economic growth and job creation

### Connecting to the Canadian Experience

- ◆ Globalization and Technology have put the world's wealth of culture within easy reach
- ◆ But puts at risk our ability to carve out a space for Canadian voices, stories and images

## Distance Learning

- ◆ Canada's larger e-Institutions
  - *Athabasca University* 23,000
  - *Téle-université du Québec* 17,000
  - *BC Open Learning Agency* 6,500
  - *Canadian Virtual University (consortium of universities)*
  - *COHERE (consortium of universities)*



## Distance Learning

- ◆ Never before have universities knowledge and intellectual resources been so critical to
  - The employability of our young adults
  - To the future careers of Canadians
  - To Canada's competitiveness
  - To Canada's culture

## Distance Learning

- ◆ On-line learning will come to Canada
- ◆ Either through our institutions
- ◆ Or through off-shore institutions and corporations, responding to the global market and their own domestic exigencies

## Distance Learning

- ◆ Three preoccupations of the 2001 "Advisory Committee for Online Learning"
  - Fostering a culture of lifelong learning
  - Harnessing the power of new learning tools to improve access
  - Ensuring Canada's universities secure the benefits of the move to online learning

# Distance Learning

## ◆ A vision for 2005

- The virtual classroom will offer a high quality learning experience
- The learning opportunity will suit individual needs, income, language and learning style
- Lifelong learning will be a way of life
- Online learning will improve access and contribute to equality of opportunity