

Written Submission for the Pre-Budget
Consultations in Advance of the Upcoming
Federal Budget

By: Salesforce

Recommendations

- Recommendation 1: That the government invest in the modernization of its internal IT infrastructure that will ensure effective service delivery based on versatility and security.
- Recommendation 2: That the government should provide funding to accelerate the expansion of Canada's broadband network to consumers and small businesses across the country.

About Salesforce

Salesforce is a revolutionary technology company that has been identified as a world leader in cloud-computing. For five consecutive years, we have been ranked as one of the World's Most Innovative Companies by Forbes magazine.

Salesforce is the #1 CRM provider in Canada, with more than 1,700 local employees. In February 2018, Salesforce announced that it would invest over \$2 billion to expand its footprint in Canada, offering more services to Canadians. Currently, more than 6,000 Canadian companies—including Air Canada, Husky Energy, Loblaws, Manulife, Roots, TD Bank, and TELUS are using Salesforce to connect with their customers in new ways across sales, service, marketing, commerce, and more. Additionally, Salesforce and its ecosystem of customers and partners in Canada are on track to create more than 28,000 new direct jobs and USD \$17 billion in new business revenue in Canada by 2022, according to research by International Data Corporation (IDC) Canada. Salesforce has an extensive amount of experience partnering with governments around the world in enhancing internal IT and delivering better services to citizens including the Government of Canada, Province of Ontario, and City of Toronto.

Recommendation 1

As a leader in digital technology and interactive customer relationship management solutions, Salesforce recommends that the government of Canada invest in modernizing its IT technology. This investment will not only be critical to the future optimization of internal government systems, but will also serve as a catalyst to establishing a responsive and more secure network to serve Canadians and support economic recovery.

With COVID-19 impacting all facets of life, businesses and governments have to adapt their operating models to accommodate these difficult times. This is particularly true for our public sector partners who continue to deliver essential services to keep the government running. The pandemic has exposed critical issues within the existing and aging IT infrastructure. Canada has the opportunity to use this juncture to revolutionize its internal systems, and allow for greater security and better customer service delivery. Even as we witness a shift to a virtual work setting, the public sector cannot ignore the real cybersecurity risks the government faces - while they must modernize and adapt to this new operating model, security continues to be paramount in their decision-making process.

Modernizing Public Sector IT Infrastructure

An enhanced IT infrastructure system would ensure that the government is prepared to respond and continue to deliver services during the pandemic or similar situations. The versatility of allowing public servants to work from remote locations, while being connected, will support continued productivity and the ability to deploy resources to ensure there are no service interruptions or delays. Citizens will continue to be able to engage and interact with the government, and the delivery of social programs will be able to continue seamlessly on an enhanced service delivery network.

Through a modernized IT system, government services can be provided effectively and efficiently. Across the world, Salesforce is supporting local to national governments in the upgrade of their IT networks. For example, Salesforce was used to quickly respond to COVID-19 at the Local, Provincial, and Federal levels by providing a platform that quickly offered relief to the unprecedented scale of demand for services. This response includes: twenty-four hours for Industry, Science and Economic Development

Canada's vendor capability intake solution; three days for Women's College Hospital assessment and scheduling solution; and two weeks for Ontario's Contact and Case Management solution. Governments have a renewed sense of urgency to modernize the delivery of their services, eliminating human contact wherever possible, and are realizing they need an agile digital engagement platform to accomplish this.

Efficient Service Delivery

As Canada emerges from the pandemic, it should consider all options to upgrading its operations. This will ensure that the public service can deliver services to the highest standard possible through a variety of interfaces. An upgraded operating system will also ensure that the government can deliver services better for Canadians. Every day, citizens have interacted more and more with the government for a number of reasons. They are increasingly demanding the ability to access Government services through digital channels. While this trend was present before COVID-19, the pandemic has made the ability to deliver services remotely even more critical.

A December 2019 annual review of how well the government interacts with Canadians as they access federal benefits suggests that more people would be willing to use online channels. It stated that Canadians expect the government to deliver services the way they are offered by commercial entities; through more modern and integrated channels. Overall satisfaction rates with online services remained lower than in-person centres, according to the 2019 annual client survey for Service Canada. This is problematic, as in an era of social distancing, the government will need to more often offer digital and remote services. The report suggested that improving satisfaction rates would require setting better expectations about wait times, being more courteous when explaining denials, and improving online functionality. With the possibility of a second wave, the government must examine service delivery in the upcoming period and how they can ensure the confidence of Canadians while offering more services virtually. Simply said, if there is a second wave, Canadians will expect the government to be more prepared and respond at faster speeds.

Officials have been working for years on simplifying and expanding online services, but antiquated equipment as well as complicated rules for procurement and data-use have slowed down the pace of change. The government needs to immediately act to upgrade systems supported by modernized technology that will not only provide optimal services for Canadians, but ensure data security and system integrity.

Supporting Economic Recovery

To ensure that the Canadian economy can recover, it is absolutely important to ensure the businesses and citizens who need to interact with the government are assured that the IT systems they engage with are reliable and secure. Further, a critical component to the economic recovery is simply to ensure that the government can keep up with the demands of the growing and evermore virtual economy.

Shifting the government IT systems to a modernized system with the support of cloud technology will not only ensure versatility by users and consumers, it will ensure a more secure network. As a complete package, this solution is the future of several large organizations, and the model has been delivered successfully for many customers.

As public health officials predict the possibility of a second-wave of the COVID-19 pandemic and/or a slow down in the reopening, the Government of Canada needs to prepare for all eventualities. Remote

work by public servants and virtual delivery of government services will be at the forefront of demand in the immediate future.

Recommendation 2

Salesforce encourages the federal government to scale up efforts to promote the availability and affordability of technology-neutral broadband service to connect all Canadians and small businesses across the country. Recognizing the geographic scale and diversity of Canada, policies should encourage service providers to innovate with the most effective technologies to serve the most people and places, with the most reliable and affordable broadband possible for each location.

The global pandemic has forced the world to quickly shift to virtual connectivity, but also exposed the reach of the digital divide. Public schools, colleges, and universities are currently planning to offer some or all of their classes online this fall. Many Canadians are still required to work from home. Small businesses are being forced to rethink how they interact with customers and their own employees. In remote areas of the country, with no or limited internet connections, these students are not able to adequately be connected for classes. Likewise, several businesses and employees will not be able to connect and adapt to the evolving virtual world through no fault of their own, but simply because of accessibility in their areas. Access to reliable broadband services in their home will be a pre-requirement for many students and working Canadians. School and work will simply not be possible without it.

The digital divide has been exposed by COVID-19. With businesses, schools and libraries closed, many Canadians are left with limited or no access to the internet. This issue has risen in importance because of the divide in access to an array of resources, including health care, government services, business and career opportunities, overall digital literacy and even socialization related to supporting mental health. To ensure that Canada can rapidly bridge this divide, the government must address the availability of internet services.

Statistics Canada reported 42% of low-income households lack Internet access at home. This divide could be caused by many factors and differences in availability of online connectivity resources in different locations across the country. Income disparity is a major factor in determining if a Canadian household is connected online or not. Studies have presented that 97.7% of households that reside within the highest income quartile have high speed internet access, while only 58% of households that reside within the lowest income quartile possess access to the internet at home. Increased access to online training and skilling could open up opportunities for higher paying, technology-centric careers.

As of December 2017, nearly 98% of businesses in Canada are small businesses. Without a recovering small business community, there is no path to economic recovery in a post-COVID world. It is imperative that internet connectivity reach enterprises of all sizes, not only to keep businesses afloat, but to allow them the option to attract talent in any location and to reach potential customers across the nation, and even the globe. New entrepreneurs would have the opportunity to create new businesses across Canada, furthering innovation in the country.

In Budget 2019 the Government announced the creation of the *Universal Broadband Fund*. The Budget promised \$1.7 billion in funding over 13 years to “build on the success of the Connect to Innovate program, and focus on extending “backbone” infrastructure to underserved communities.”

To date, the details of the Government's progress on unveiling its Universal Broadband Fund have not been announced. Given the realities of the global pandemic, Salesforce believes that the federal government should speed up its investment in the Universal Broadband Fund with the goal of ensuring all Canadians have access to broadband internet services by the end of 2022 at the latest.

If Canada is serious about economic growth, it will have to address the reality that the pandemic has demonstrated a truly stark reality that many Canadians, and their businesses, are being left behind. Taking action will spur needed economic activity. In the short-term, businesses and consumers will be able to communicate better, citizens will be able to access employment and social opportunities, and there will be a ripple effect to expand development in remote areas of the country. The impact of reducing the digital divide will, in the long-term, ensure that future generations are connected at a younger age, and presented with opportunities to access education in more areas and attain greater skills that will support more economic growth.