

Capitalizing on a Digital Economy Strategy

With the right plan, Canada can dominate the global digital economy. By building on our strengths and working together with the federal government, Canadian businesses will be in the right position to realize the benefits of digital technologies and achieve a competitive advantage internationally.

The Canadian Chamber of Commerce welcomed the federal government's announcement in Budget 2010 that a Digital Economy Strategy will be developed and implemented. On May 10, 2010, the government announced it would consult widely with the public on the Digital Economy Strategy before taking action. With the introduction of Bill C-32, the *Copyright Modernization Act*, the government has taken the first step towards updating Canada's copyright laws. The amendments in the bill strike a good balance between various industry and consumer interests and provide a solid foundation for future economic growth and job creation in Canada.

The Canadian Chamber has been leading the charge calling for this digital strategy by working with leading technology companies and by producing policy papers that encouraged a strong partnership between government and business to make this strategy work.

E-business is a key enabler of productivity growth, increasing profit and decreasing costs of Canadian firms. While most enterprises are aware that doing business electronically is a prerequisite for success in today's global economy, many businesses, especially small businesses, remain unaware of the value of e-business.

In 2009, the Canadian Chamber adopted a policy resolution entitled "Ensuring Canada's Economic Success Using Information and Communications Technology". This resolution highlighted the need for the government to establish a national information and communications technology strategy and encouraged the government to once again become a world leader in this field. It also provided policy recommendations that remain relevant and should be incorporated in a digital economy strategy.

It's no secret that productivity is directly linked to innovation and the adoption of technology. Countries like the United States, Britain, Australia and Denmark are pouring resources into the digital economy and in some cases, creating federal ministries to oversee opportunities and challenges. Canada's productivity gap compared to the United States remains problematic. While the business community understands the government's current financial constraints, there are pioneering ways to work together to advance the digital economy strategy.

Recommendations

That the federal government:

1. Under the leadership of the Minister of Industry, lead the implementation of the Digital Economy Strategy across the government and make adoption of information and communications technology (ICT) a government-wide priority.
2. Re-allocate resources toward investments in ICT and ICT-related programs.
3. Develop a pilot project to assist small and medium sized businesses (SMEs) across the country with implementation strategies for ICT.
4. Create an environment that better protects intellectual property rights.