

TECHNATION^{CA}

TECHNATION's 2024 Ontario Budget Submission

January 31, 2024

Building upon our [Statement in Reaction to Ontario's 2023 Fall Economic Statement](#), we are pleased to share TECHNATION's 2024 Ontario Budget Submission.

The technology industry plays a pivotal role in Ontario's economic landscape, contributing significantly to job creation, innovation, and economic growth. Ontario attracts global talent, fosters entrepreneurship, and is a cutting-edge research and development hub. The tech sector diversifies the provincial economy and continues to position Ontario as a leader in emerging technologies, ensuring its competitiveness in the global market.

TECHNATION, Canada's national technology association, applauds the progress the Government of Ontario has made in cloud adoption and the establishment of a Trustworthy Artificial Intelligence (AI) Framework (responsible use of AI) to support the delivery of citizen services. We continue to urge the Government of Ontario to prioritize critical investments in the transformation of its health system, innovations in digital health, modernizing and streamlining procurement, as well as enhancing cybersecurity. These investment priorities will not only drive efficiency and innovation across all sectors but will also strengthen Ontario's position as a digital leader in Canada and beyond.

Health Data Management and Digital Health Tools

Efficient health data management and adopting digital health tools are imperative for enhancing healthcare outcomes in Ontario. The province can streamline patient care, improve diagnostic accuracy, and facilitate collaboration among healthcare providers by implementing advanced data systems. Investment in digital health tools will significantly reduce mental health service wait times and streamline healthcare access, aligning with Ontario's Digital First for Health Strategy.

Embracing digital health tools empowers patients with better access to healthcare information and ensures a more responsive and adaptive healthcare system that can meet the population's evolving needs. Continued investment in Ontario's health data infrastructure and digital strategies is paramount to catalyzing the transformation of our health system and fostering innovation. We recommend that the Government of Ontario:

- Ensure prompt and secure access to essential technologies for enhanced patient care;
- Promote health equity through appropriate data collection, analysis, disclosure, and use;
- Implement health data and interoperability standards to facilitate seamless data sharing;
- Strengthen cybersecurity measures to safeguard health data and systems; and

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- Enhance Ontario's Digital Health regulation to provide timely digital access to personal health information and promote AI and Machine Learning (ML) integration in healthcare.

Delivering Value through Procurement

Modernizing procurement practices in Ontario is crucial for ensuring transparency, efficiency, and accountability. Improved procurement practices benefit the government and contribute to the growth of local businesses, driving economic development, and fostering a thriving business environment in Ontario.

The Government of Ontario should embrace nimble, agile procurement strategies and collaborate with tech industry leaders to foster economic growth and drive innovation in public service delivery. Our key recommendations include:

- Further leveraging Ontario's vast existing ecosystem to adopt solutions over developing in-house ("buy tech, don't build tech");
- Engaging tech industry leaders to support digital transformation and procurement reform for efficient online service delivery; and
- Leveraging Ontario's purchasing power to drive economic prosperity and innovation.

Enhancing Cybersecurity through a Provincial Strategy

With the increasing number of cyberattacks, a comprehensive provincial cybersecurity strategy is essential to safeguard Ontario's critical infrastructure, businesses, and citizens. By investing in cybersecurity measures and fostering collaboration between government and industry, the province can better protect against cyber threats and ensure the resilience of its digital ecosystem.

A comprehensive strategy will bolster Ontario's cybersecurity defences and foster trust in digital technologies, encouraging further innovation and economic growth. Our recommendations include:

- Co-create a cybersecurity strategy and roadmap with the tech industry, emphasizing future interoperability with other provinces and the federal government;
- Foster cyber talent development and upskilling through training, tax credits, and wage subsidies; and
- Provide resources and shared services to educate and protect municipalities and small enterprises.

Driving Economic Prosperity through Ontario's Tech Sector

The province's commitment to supporting tech companies, fostering research and development, and providing a skilled workforce contributes to sustained economic growth. Together, we can enable a digitally advanced Government of Ontario to provide modern services while ensuring the safety and security of private information and data.

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Ontario's thriving tech sector positions the province as a key player in the global digital economy, fostering a resilient and prosperous economic future. To continue to enhance its potential, the Government should:

- Continue to invest in rural broadband to bridge the digital divide, collaborating with the federal government;
- Fund learning opportunities and work-integrated learning (WIL) to enhance tech sector employment; and
- Diversify the tech supplier base and provide more contract opportunities for Small and Medium-sized Enterprises (SMEs) and under-represented groups.

Building Ontario Businesses Initiative (BOBI) Regulations

Per our feedback to the public consultation, submitted September 11, 2023, to the Ministry of Public and Business Service Delivery of Ontario and Treasury Board Secretariat, we strongly recommend measures to foster a level playing field for Ontario businesses through the *Building Ontario Businesses Initiative Act*. We propose a well-defined regulatory framework that gives preference to Ontario businesses while ensuring efficient procurement, especially during specialized or emergency processes.

In addition to entity type-based thresholds, we suggest exploring a tiered threshold system based on a public sector entities' size or annual revenue. Furthermore, we propose introducing a "subcontracting preference" to encourage collaboration between local and non-local businesses.

About TECHNATION

TECHNATION is the industry-government nexus for technology prosperity in Canada. As a member-driven, not-for-profit, TECHNATION unites Canada's technology sector, governments, and communities to enable technology prosperity in Canada. TECHNATION champions technology prosperity by providing advocacy, professional development and networking opportunities across industry and governments at all levels, connecting Canadian scale-ups with global tech leaders, engaging the global supply chain, and filling the technology talent pipeline.

TECHNATION has served as the authoritative national voice of the \$242 billion ICT industry for over 60 years. More than 45,000 Canadian ICT firms create and supply goods and services that contribute to a more productive, competitive, and innovative society. The ICT sector generates more than 717,590 jobs and invests \$10.3 billion annually in R&D, more than any other private sector performer. TECHNATION was formerly the Information Technology Association of Canada (ITAC). For more information: www.technationcanada.ca

TECHNATION would welcome the opportunity to present its recommendations to the Ministry of Finance and the Standing Committee on Finance and Economic Affairs. For inquiries or further information: Shae McGlynn, Vice President Public Policy at smcglynn@technationcanada.ca