

January 21, 2020

The Executive Committee, Toronto City Council

CC: Julie Amoroso

10th Floor, West Tower, City Hall

100 Queen Street West

Toronto, ON M5H 2N2

Re: January 23, 2020 Executive Committee meeting on item 2020.EX12.2, Digital Infrastructure Plan

The Council of Canadian Innovators (CCI) is Canada's 21st century business council made exclusively of CEOs from the fastest growing technology companies, including our nation's top smart city innovators. CCI's mandate is to support the growth of Canada's innovation sector by ensuring Canadian tech and public-policy leaders work together to advance Canada's innovation agenda and prosperity.

Each one of our 120 members is a job creator, taxpayer, investor and philanthropist. Many are world-class smart city innovators currently providing technology solutions to the private and public sector in Canada and around the world. Last year, CCI companies have generated over \$6.5 billion for Canada's GDP and currently employ over 33,000 Canadians in high-paying, high-skilled jobs, many of them in Toronto.

The smart city segment is currently worth \$1.3 trillion globally and growing 16% per annum. The smart city industry represents an enormous opportunity for Canadian innovators to continue developing new technologies, as well as new physical and digital infrastructure, to better serve public interest and advance inclusive, low-carbon prosperity for our country.

Unfortunately, neither Waterfront Toronto (WT) nor any of the three levels of government involved in this project consulted with Canadian smart city innovators before the 'Sidewalk Toronto' project was designed and launched.

This is a missed opportunity for Toronto's prosperity goals because our smart city innovators already provide world-class products and services around the world, and have a proven track record of creating technology solutions and innovations, advancing economic development including paying taxes and behaving as good corporate citizens – something that Sidewalk Labs and its parent, Alphabet Inc., have yet to do in Canada.

Our members welcome the mandate to create Toronto's Digital Infrastructure Plan and support its Working Principles as outlined by the Chief Technology Officer, Lawrence Eta. This is a first step in the creation of a comprehensive data governance regime that should govern both economic and non-economic elements of data.

While the creation of working principles is a necessary and overdue first step, we caution that it would be premature and irresponsible for Council to evaluate let alone approve any proposal, including those from Sidewalk Labs, before the detailed Digital Infrastructure Plan is completed.

Much more work needs to be done before such plans can be reviewed, let alone approved.

Two years ago, our members were the first in Canada to call for the creation of national data strategyⁱ and have continuously advocated for digital policy infrastructure to be developed in advance of any vendor being selected for data-driven infrastructure. Such a process ensures that public good does not become a casualty of permissionless innovation by the rapidly evolving tech sector.

We also welcome the recent realignment of the Master Innovation and Development Plan by the Waterfront Toronto and its efforts to create a level playing field for domestic innovators. Our members have asked for specific provisions such as neutral intellectual property provisions; an end to Sidewalk's cannibalistic contracting practicesⁱⁱ, and an agreement that Alphabet must follow IP and data standards developed by a nationally accredited organization. We expect these baseline guidelines will be made part of any future agreement between Waterfront Toronto and Alphabet and its companies.

Innovation policy research shows that high-growth technology companies, such as our members, provide the most economic returns to domestic economies. By forfeiting the opportunity to engage and support local economic and prosperity drivers, Toronto's policymakers are now attempting to govern the digital sphere from the position of defence. While we offer our help in managing this difficult situation, we urge you to consider restarting the development on Quayside by first creating a strategy for smart cities that ensures Toronto's civil liberties, security, prosperity and democracy are protected and then creating a transparent and credible process where a vendor or groups of vendors can be selected to fulfill those objectives.

Toronto's tech community deserves a dignified and strategic approach to the data-driven economy rather than the current all hands-on deck crisis management effort that aims to reel in a single vendor.

Sincerely,



Benjamin Bergen
Executive Director

Council of Canadian Innovators \ Conseil Canadien des Innovateurs

ⁱ Blatchford, A (2018, February, 4) "Time has come for national big-data strategy, tech leaders tell governments", Canadian Press. Retrieved from: business.financialpost.com

ⁱⁱ O'Kane, J (2018, August ,31) "Sidewalk Labs taking steps to control intellectual property on Toronto's 'smart city,' document shows". Retrieved from: globeandmail.com