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The Case for Real Change: Reimagining Digital Government in a Canada-Strong Era

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Reimagining Digital Government in a Canada-Strong Era

Canada stands at a once-in-a-generation crossroads. With Mark Carney at the helm as Prime Minister and a renewed national spirit driving unity and ambition, the conditions are finally right for real transformation in the federal public service. His early actions - from appointing ministers focused on government transformation and AI, to accelerating progress on interprovincial trade barriers - signal that it's not business as usual. This is a moment for bold, systemic change.

Prime Minister Carney has also announced significant spending reductions across the public service, reinforcing that the status quo is no longer viable. His message is clear: we must move toward a more modern, efficient, and citizen-focused government. The Clerk of the Privy Council echoed this urgency, calling on departments to embrace transformation not as a threat, but as a necessary evolution in how government delivers for Canadians. The window to act is open. The need for action is immediate.

To build the government Canada needs, we must pursue two equally critical thrusts of transformation:

- **Reimagining how we deliver services to Canadians**, making them more seamless, proactive, equitable, and citizen-centred; and
- **Modernizing how government works on the inside**, by transforming our back office, internal operations, and digital infrastructure.

Of course, any serious effort to realign spending must begin with the largest cost drivers - transfer payments, benefits delivery, defence, and intergovernmental transfers. But once those strategic levers are addressed, attention must turn to structural inefficiencies that exist both in the services we provide and the machinery we use to provide them.

This paper focuses on that dual challenge: how we **transform government from the inside out and the outside in**, using digital tools, streamlined processes, and a fundamentally reimagined

public service. It is grounded in my own experience as Chief Digital Officer at Transport Canada, where I led transformation efforts from within the system, and saw both the appetite for change and the barriers that get in the way.

Nowhere is this moment for bold change more urgent than in how government serves its people. Digital transformation isn't about technology projects - it's about building a faster, smarter, more agile, and human-centred government. One that delivers better services to Canadians and works better behind the scenes.

The Need for a Bold, Clear, National Vision

Canada needs more than incremental improvement. It needs a bold, clear, and future-facing vision for digital government - one that is ambitious enough to inspire, practical enough to deliver, and sharp enough to focus attention and action.

This vision must go beyond digitizing forms or optimizing internal workflows. It must lay out a compelling path to a leaner, more agile, and more human-centred government; a government that serves Canadians better and operates smarter from within.

But vision without execution is just aspiration. To realize this future, Canada needs more than good ideas. It needs the right leadership structures, decision-making mechanisms, and delivery capacity at the centre.

A New Centre of Gravity for Digital Transformation

What's required is a **central executive function** with real authority, delivery power, and visibility. One that is explicitly mandated to drive whole-of-government transformation - not buried in a policy unit or fragmented across silos.

The current model isn't enough. Treasury Board Secretariat's Office of the Chief Information Officer (OCIO) has deep expertise in standards and governance, but lacks the **mandate, funding, and operational muscle** needed to lead large-scale transformation. A policy shop alone can't cut through institutional inertia or mobilize delivery at scale.

That's why Canada must establish a **Digital Government Executive Office** - anchored at the centre of government, with a clear Cabinet mandate, a strong delivery team, and the authority to break down cross-cutting barriers.

With the appointment of Minister Jenna Sudds as the Secretary responsible for government transformation, there could be a compelling case to consider situating the Digital Government Executive Office within Public Services and Procurement Canada (PSPC). Positioned there, the Office could leverage PSPC's operational machinery, procurement levers, and Ministerial mandate to drive whole-of-government modernization. Reporting to Minister Sudds would

align digital transformation with her broader portfolio focus - creating a bridge between structural reform, service delivery innovation, and institutional renewal.

Structure that Enables, Not Constrains

Positioning this Digital Government Executive Office within PSPC could unlock powerful levers - procurement reform, service delivery redesign, and Ministerial oversight all in one place. It would also align digital transformation with the broader structural renewal agenda already within Minister Sudds' portfolio.

Alternatively, embedding it within PCO would elevate digital to a whole-of-government priority, anchoring transformation in the Cabinet's centre of gravity and strengthening strategic alignment.

Regardless of structure, the core principles must hold: this Office must be delivery-focused, empowered to act, and accountable for progress. It must bridge across departments, drive convergence across policy and delivery, and act as a catalytic force for reimagining both how we serve Canadians **and** how we work inside government.

Of course, even the best-designed structures and mandates won't deliver change on their own. Institutions are only as effective as the leaders who bring them to life. To truly drive transformation at scale - across services, operations, and culture - we need a public service leadership cadre that embraces digital as a core leadership responsibility. Structure enables action. But it is leadership that sustains it, accelerates it, and makes it real.

Leadership as the Engine of Transformation

Big visions require bold leadership. The kind of transformation we're calling for cannot be delegated to the middle. It must be **owned and driven by the most senior levels** of government - with real accountability and sustained engagement.

Digital government must become a core leadership priority, not a niche concern buried inside CIO shops or segmented across dozens of governance forums. To truly transform how we serve Canadians and how we operate internally, we need a public service culture where **Deputy Heads and executive teams are active stewards of change**, not passive recipients of strategy.

That starts with a digitally fluent executive cadre - leaders who understand technology, data, service design, and above all, the human side of change. We need a **Chief Digital Officer with a whole-of-government mandate**, embedded in the proposed Digital Government Executive Office, reporting at the highest level and empowered to drive alignment, coherence, and speed across departments.

Executive Leadership: Driving Change from the Top

In every successful transformation I've witnessed or led, one factor stood out: executive sponsorship that didn't just endorse change but lived it.

Deputy Heads shape departmental priorities, allocate resources, and set the tone for innovation. Their engagement is the difference between real progress and surface-level compliance. When digital transformation is treated as a core leadership responsibility - not a delegated operational task - change takes root.

This leadership must be supported with the right tools, training, and peer learning networks. But culture change doesn't start with toolkits. It starts with behaviour. How Deputies chair meetings, interrogate business cases, approve hiring plans, and challenge the status quo all signal what matters. And what gets reinforced.

At Transport Canada, I saw firsthand that our most meaningful progress came not from better tech, but from senior leaders who aligned policy, delivery, and digital from the outset. It was structure, sponsorship, and trust that moved the needle, not code.

The proposed Digital Government Executive Office could help institutionalize this leadership shift by working with PCO, the Canada School of Public Service, and departments to:

- Embed digital competencies in executive performance agreements
- Integrate transformation principles into Deputy onboarding
- Advance a pipeline of digitally fluent future leaders through succession planning

In short: **transformation starts at the top, and it rises or falls on leadership.**

REIMAGINING SERVICES TO CANADIANS

Digital transformation must begin where it matters most: **with the people we serve.**

For too long, governments have treated service delivery as a downstream function - something to optimize around internal processes or technology stacks. But real transformation begins by reimagining the citizen experience from the outside in.

In recent years, Canada has made real progress in this space. The Canadian Digital Service (CDS) has helped raise the bar for user-centred design and agile delivery. Departments like Immigration, Refugees and Citizenship Canada, Service Canada, and CRA have launched initiatives that make services more accessible, more digital, and more responsive to people's needs.

But while the energy and experimentation are there, the scale and consistency are not.

Much of the best work remains siloed or experimental - CDS has delivered real value through targeted initiatives, but it was never structured or empowered to operate as a delivery powerhouse driving whole-of-government transformation, and individual departments often pursue their own service reforms in isolation. There is no single mandate, accountability mechanism, or sustained leadership model to drive whole-of-government progress on service transformation. What's missing is a shared, enforceable commitment to building services around the people they're meant to serve.

To make real, lasting progress, Canada must move beyond pilots and point solutions. We need to treat citizen-centred service delivery as a strategic priority, not a side project. That means scaling what works, embedding service standards across programs, and creating the structures and incentives that make great design the norm - not the exception.

The future of service delivery is not about channels. It's about life journeys, integrated supports, and trust.

From Friction to Flow: Unlocking Foundational Enablers

Several foundational shifts are needed to make this vision real, many of which are already underway, but not yet scaled.

1. Digital Identity: The Keystone of Seamless Service

The single most powerful enabler of digital government is a secure, interoperable, Canadian digital identity system. I have watched progress stall for decades due to jurisdictional fragmentation and a lack of legislative will. Identity is provincially rooted, and without legislative reform and much stronger cross-government coordination, progress will remain piecemeal.

Some provinces - British Columbia, Alberta, Ontario, Quebec, and Newfoundland - have taken significant steps in creating provincial digital ID systems – and that is great. But a national, integrated approach remains out of reach. We need to change legislation, align standards, and act boldly.

A pan-Canadian digital ID system, built on strong privacy and interoperability standards, is essential to enabling services that are faster, more personalized, and less frustrating. Countries like Estonia and Singapore have shown what's possible. Canadians deserve the same.

2. The Digital Pantry: Shared Tools for Better Service

Too many departments are still building their own scheduling systems, notification tools, or case tracking functions from scratch. This wastes time, money, and energy - and leads to inconsistent user experiences.

A central library of shared digital components - a “Digital Pantry” - would allow departments to plug into proven tools for common service functions. This enables faster, more consistent, and more user-friendly delivery across government. But it requires a shift from fragmentation to federation, from “build your own” to “build once, use often.”

Although there might be some examples of where this is being done now, it is not being done at scale. To do this right requires new governance, funding models, and delivery capacity. Collaboration must be engineered - and rewarded.

3. Equity by Design

As services go digital, we must ensure no one is left behind. Rural communities, low-income Canadians, people living with disabilities, and Indigenous populations must be explicitly supported through inclusive design, affordable access, and locally grounded engagement.

This means going beyond broadband infrastructure to address affordability, digital literacy, and service co-design with equity-seeking groups. Canada can learn from models like New Zealand’s Digital Inclusion Blueprint and Finland’s legal guarantee of broadband access.

4. Anticipatory and Proactive Services

The next frontier isn’t just digital - it’s intelligent. Governments around the world are exploring AI-enabled service models that anticipate citizen needs and offer timely, contextualized support.

Imagine a world where a parent applying for parental leave is automatically pre-qualified for other benefits, or where a change in address updates records across programs. This kind of anticipatory government requires the integration of identity, data, consent, and service logic - designed around the user, not the org chart.

Removing the Policy Handcuffs

One of the biggest barriers to reimagining service delivery is not technical, it’s **regulatory**. Many programs are still governed by legislation that assumes paper-based processes, siloed mandates, or rigid eligibility rules.

Canada must modernize its policy and regulatory frameworks to enable more adaptive, outcome-focused service delivery. This includes expanding the use of digital sandboxes,

anticipatory policy models, and co-development with users to test and scale innovative approaches.

Toward a Citizen-Centred Service Model

Reimagining services is not about layering new tech onto old models. It's about shifting the posture of government - from process-driven to people-driven.

That means asking:

- What are the moments in life where Canadians interact with government - and how can we make those moments easier?
- Where are the greatest sources of friction, duplication, or delay?
- How do we design services that are multilingual, accessible, trauma-informed, and culturally relevant?

And above all:

- How do we build trust?

Because in the end, service design is trust-building. Every time someone interacts with government - whether to apply for a benefit, update a record, or seek help - that experience shapes their confidence in the system.

Delivering better services isn't a nice-to-have. It's the **primary way most people interact with government**. And while important progress has been made - from CDS to individual departmental efforts - we are still falling short of what Canadians expect and deserve. Too much of this work remains isolated, under-resourced, or stuck in pilot mode. What's missing is a whole-of-government commitment to scale what works, mandate consistency, and embed service transformation as a core institutional priority. If we want to rebuild trust in government, this is where we start.

MODERNIZING GOVERNMENT FROM THE INSIDE OUT

If better services are the most visible face of transformation, **modernizing how government works behind the scenes is what makes it possible**.

Internal processes - finance, HR, procurement, grants, correspondence, translation services, call centres - are filled with legacy systems, redundant approvals, and outdated workflows that drain resources and delay outcomes. This is where some of the greatest opportunities lie to simplify, automate, and reallocate capacity to higher-value work.

The government's ability to deliver faster, smarter services to Canadians depends directly on its ability to work faster and smarter internally. It's time to modernize the machinery.

Moving from Complexity to Simplicity

As Clerk Michael Sabia recently acknowledged, “Our internal processes have become quite complicated... Trying to simplify processes is going to be a priority.” This signals a new mandate from the top: reduce complexity and unlock capacity - not by trimming around the edges, but by **reimagining how we work**.

This isn’t about updating outdated systems. It’s about rethinking the entire operating model: how decisions are made, how data flows, how talent is used, and how we support mission delivery with modern tools.

Unlocking Efficiency Through Automation

The federal public service is full of **process-heavy, transactional work** - from data entry and reconciliation to routing forms, verifying information, and copying data between systems. These tasks are not only repetitive and time-consuming, they’re also error-prone, slow, and often demotivating for the employees doing them. There are often high rates of employee turnover in these roles.

Functions like HR, finance, procurement, and grants management are particularly ripe for automation. They’re governed by clear rules, follow predictable workflows, and often involve moving information between outdated or disconnected systems. These are ideal candidates for robotic process automation (RPA), AI agents, and low-code intelligent workflows.

Across the public service, tens of thousands of person-hours are still spent on work that could be done faster, cheaper, and more accurately by automated tools. This is not theoretical - it’s already happening in private sector operations, provincial governments, and even in pockets of federal departments.

By automating routine administrative work, we can dramatically reduce processing times, eliminate human error, and improve the reliability of internal services, while freeing up people to focus on more complex, judgment-based, and human-facing tasks.

And this isn’t about job cuts. It’s about workforce evolution. It means fewer future hires in transactional roles, and more reskilling of existing employees into areas like analysis, design, oversight, and delivery.

Modern automation tools are ready. The use cases are obvious. What’s needed now is a deliberate shift in how we think about talent, productivity, and modernization.

AI-Enabled Government Operations

Leaders across government need to start asking the same kinds of questions the private sector is already asking: “*Is this work something only a human can do?*” If not, then automation and AI

should be the starting point - not the afterthought. This isn't about chasing technology, it's about reshaping how work gets done.

Beyond basic automation, **AI is starting to reshape how governments works from service delivery to policy development, from triage to insight.** And while many departments have begun experimenting with AI, its real potential lies in moving beyond isolated pilots to integrated, system-wide use.

Departments like IRCC have already started using AI to triage high-volume immigration applications - over seven million to date - freeing up case officers for more complex work and improving fraud detection. At Statistics Canada, AI is being used to automate questionnaire processing and support multilingual chatbot services. The Pay Centre has deployed virtual agents to handle compensation inquiries more efficiently. These aren't experiments, they are examples of real delivery.

But unfortunately, they're still the exception, not the rule. To scale this impact, we need to shift our mindset from "pilot" to "platform." That means looking across the enterprise - at HR, finance, grants, procurement, case management, and yes, even policy work - and asking: *Where could AI help us work smarter, not just faster?*

The opportunity goes far beyond back-office tasks. AI can support document triage, categorize incoming requests, flag anomalies, suggest policy options based on real-time data, and surface trends that would take weeks for analysts to identify manually. Used well, it can help public servants make better decisions, not replace them.

But realizing that value requires a change in posture. We need to **embed an AI-first mindset** across departments, where leaders are *expected* to explore how AI could improve outcomes before defaulting to traditional approaches.

Organizations like Shopify are already operating this way. Their CEO challenged staff to *justify new hires by first proving that AI couldn't do the task.* **Public sector leaders should be asking the same questions.** Before creating a new team or hiring more staff, ask: *Is this work something only a human can do?* If not, automation or AI should be the starting point, not the afterthought.

To make this shift stick, departments need support. That means providing enterprise-wide tools, shared AI capabilities, policy frameworks, and safe testing environments that allow teams to experiment responsibly and scale what works. Treasury Board's Directive on Automated Decision-Making and the Algorithmic Impact Assessment tool provide a strong foundation. But we now need to move from responsible principles to scalable practice.

This is not about chasing shiny tools. It's about **rebuilding how government works in an age of intelligent systems.** And if we do it well - anchored in trust, transparency, and purpose -

Canada can lead not just in responsible AI, but in showing how smart government can be better government.

Data as Infrastructure

None of this works without modern, interoperable, trusted data. Despite a stronger focus on data across federal government departments and agencies, it still often remains siloed, inconsistent, and difficult to access - making even basic analysis or service integration a challenge.

We must treat data as **critical infrastructure**, on par with funding and talent. That means modern data platforms, enforceable standards, named Chief Data Officers, and a shift from hoarding to sharing - grounded in strong privacy, ethics, and transparency.

Shared Platforms and the End of DIY Government

Too many departments are still building their own systems, forms, and service logic from scratch - resulting in duplication, inconsistent quality, and wasted investment. We need to shift to a platform mindset: **shared tools, reusable components, common infrastructure**.

This includes core functions like identity verification, payment processing, notifications, and document uploads. The “Digital Pantry” concept can help realize this shift - giving teams access to pre-approved building blocks they can plug into, rather than building their own.

To make this real, we need the governance and funding mechanisms to support shared delivery models, and the cultural shift to reward reuse and collaboration over custom builds.

Why This Matters

Modernizing internal operations isn't just a cost-efficiency play. It's a strategic enabler of everything else government wants to do: deliver better services, scale programs faster, improve outcomes, and rebuild trust.

With public service reductions underway and growing fiscal pressure, transformation is no longer optional - it's the *only* path forward. But the choice isn't between cuts and status quo. It's between **strategic reinvestment in modernization** or continued erosion of public service capability.

This is our opportunity to build a leaner, smarter, more adaptive public service, not just by working harder, but by working differently.

CHANGE MANAGEMENT: THE INVESTMENT THAT MAKES THE CHANGE REAL

None of this transformation will stick without one crucial investment: change management.

This isn't a comms plan or a training rollout at the end of a project. It's a strategic capability that must be built in from the start - and sustained throughout. Without it, even the best-designed transformations stall, lose momentum, or quietly revert to the old ways of working.

Transforming government isn't just about redesigning processes or deploying new tools. It's about people - how they think, how they work, and how they adapt. Change management is what helps organizations navigate uncertainty, build trust, and move from resistance to readiness. It's how we turn structural shifts into sustained new behaviours.

At Transport Canada, we made change management a deliberate, well-resourced pillar of our digital transformation. Our Deputy understood that change wouldn't happen by accident - and that real progress required dedicated attention to the human side of change. We built change management into every major initiative, from early engagement through to adoption and sustainment. It wasn't always easy, but it was essential - and I credit much of our success to the depth and intentionality of that investment.

This work can't be delegated or done off the side of a desk. It requires active sponsorship from leaders, embedded support for teams, and a thoughtful strategy for communication, engagement, and capability building. It's what ensures that new ways of working actually take hold - and continue to evolve.

Investing in change management builds the foundation for long-term transformation. It builds excitement, creates momentum, fosters adaptability, reinforces accountability, and creates a culture of continuous improvement. Done well, it equips organizations not just to survive a single change - but to lead through the next one.

CONCLUSION

The Time is Now

The stars are aligning: new leadership, growing fiscal pressure, public demand for better services, and a renewed national spirit of ambition and unity. For the first time in a generation, Canada has a real opportunity to reimagine government - both in how it serves and how it operates.

We don't need to start from scratch. We have strong foundations to build on - from the work of the Canadian Digital Service to real delivery in individual departments, to promising advances in automation, AI, and data modernization. This hasn't just been experimentation - some departments have delivered real, tangible improvements for Canadians.

But the problem is, they've done it alone. Progress has been isolated, dependent on the leadership and capacity of individual organizations. Now is the time to move from experimentation to execution - and from execution to scale.

We need to move from pockets of progress to a **whole-of-government approach** - one that ensures transformation doesn't depend on luck, individual champions, or siloed efforts. Great service and smart operations must become the rule, not the exception.

If we act boldly now, Canada can take its place as a global leader in digital government - not just through technology, but by showing how trust, equity, and ambition can be woven into the fabric of public institutions in the digital age.

This is the call for Deputy Heads, Ministers, central agencies, and digital leaders to step up. To treat digital transformation not as a project or platform, but as a leadership responsibility and a national imperative.

The choice is not between cuts and complacency. It's between **strategic reinvestment in modernization - or continued erosion of public trust and institutional capacity**. We can unlock billions in internal efficiencies, reallocate talent to where it's needed most, and deliver faster, simpler, more human services to Canadians.

The opportunity - and the urgency - have never been greater.

We don't need to wait for change to happen.
We can lead it.