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DIACC Industry Insights:
Digital ID in Government Services

What is Digital ID and How Does It Impact Key Industries and Their Customers?

This paper is the fifth in a series prepared by the Digital ID and Authentication Council of Canada (DIACC) highlighting the potential impact that digital ID could have on key sectors of the Canadian (and global) economy.

In this paper, we focus on government services.

What is Digital ID?

Identity is a type of information about an entity (for the sake of simplicity, a person) that uniquely describes the entity within a given context. In other words, identity is a collection of indicators (or attributes) about a person (entity) that make that person unique. Digital identity (ID) is a set of attributes that links a personal entity with their online interactions by using trusted sources. Digital ID refers to one's online persona - an online footprint. It touches important aspects of one's everyday life, from financial services to health care and beyond.

A trusted identity means that:

- A person can be distinguished from one another and uniquely identified, when required
- A service can be delivered to a specific person (i.e. the person is the same person that registered/enrolled)
- A service is delivered to the right person (reducing the possibility of fraud)

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What You Need To Know

- For many, interacting with government brings to mind a bureaucratic culture and outdated processes, such as waiting in lineups, paper forms sent via mail and waiting on hold over the phone.

  - Time-consuming as well as inconsistent processes to access different government programs can result in a poor user experience.

- Today, many government agencies operate in a siloed manner. This forces citizens to understand multiple government structures and engage separately with each ministry or agency. The result is a disjointed, time-consuming and often confusing user experience, one that undermines the adoption of the new digital services.

  - For example, if a citizen wants to open a restaurant, they will need to contact multiple ministries and agencies to achieve the task.

- Digital ID will transform how individuals and businesses interact with government. In short, the possession of a unique digital identity can streamline citizens' and businesses' interactions with government, resulting in greater efficiency.

  Digital ID checks are done:

  - Immediately (elimination of staff processing time)

  - From any location (no need to show up in person)

  - Without need for document transfer (mitigation of privacy breach risk)

- Many governments are taking note, and are working to adapt in the digital age, making easy access to services a priority. Governments around the world are embracing digital transformation strategies, such as Australia, the European Union, Singapore and Peru, while others are lagging behind.

- The time for action is now - there is a need for this, and Canadians are ready to welcome digital ID into their daily lives. A recent DIACC report found that 70 per cent of Canadians see collaboration between the government and private sector as the best approach to creating a pan-Canadian digital ID framework.

  - Moreover, 76 per cent of Canadians expressed somewhat or extreme interest in verifying their online identities through digital ID authentication with government agencies.

  - Individuals place a high level of trust in government agencies, with 83 per cent trusting this group to keep their personal information safe and secure.

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What This Means For Stakeholders

Digital ID has far-reaching impacts for a variety of stakeholders, all of whom would benefit from its nationwide implementation.

Public Service/Policymakers

- Operational efficiencies

  - A digital ID system will lead to improved government services provision - separate government departments will not require the printing and re-submission of forms from separate departments if a citizen uses their digital ID to consent for their data to be shared from one department to another.

  - Improved integrity of communication (phone communication, email), as digital ID dramatically increases the certainty that the government is interacting with the correct person.

  - A more client centric approach to serving the public - by putting Canadians at the centre of digital ID solutions, government will change how interactions with Canadians are designed. In Estonia, for instance, the government is digitizing important services to eliminate paperwork as well as bureaucracy. Filling prescriptions to renewing driver's licenses may be completed online, significantly reducing lines and wait times at in-person service offices. Additionally, citizens can monitor their data, and see if it has been accessed by any government or private institution.

- Canada's recently released Digital Charter outlines various commitments, such as open and modern digital government services. Digital ID will help achieve these key principles, including safety and security, as well as ensuring transparency (knowing how your data is being used, and by who), portability (being able to hold your data and move it where you would like), and interoperability (the fact that data can be used on different services, and with different government software systems).

  - A set of Digital Standards serves as the foundation for how the government will use technology to better manage information and services. Standards include: empowering staff to deliver better services, iterating and improving frequently, and building in accessibility from the start. Having these standards to adhere to sets government up for success, citizen satisfaction and convenience in the digital age.

- With a digital ID system, there will be less frequent data entry errors, resulting in higher data quality. Digital ID consent mechanisms that enable the sharing of data for research would lead to better policy direction and outcomes.

  - This is true not only for research, but also for privacy and security. A Digital ID system that allows citizens to see a record of when their data was shared and for what reason would increase government transparency and citizen trust.

- Policymakers will be able to innovate by creating new ways of providing services to Canadian citizens and businesses by transforming how government policies work. The elimination of high transaction costs for certain services should allow for this group to better serve the needs of Canadians.

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Businesses

- Today, small businesses face challenges in interactions with local, provincial and federal government departments. They are required to complete actions that are mainly manual processes, such as business registration, licensing, permitting and inspections.

  - Some countries are assigning unique digital identities. In New Zealand, for instance, a program was launched in which businesses operating within the country's borders were assigned a 13-digit unique identifier number. As the number was associated with the business' trading name, address and phone number, businesses did not need to produce this information upon each interaction with government agencies.

Citizens

- Providing consent to share data across departments will allow for quicker service provision, from a verification perspective (license, social services, etc.)

  - Today, processes to conduct identity validation and authentication remain manual, which leads to increased costs and slower access to services, which directly impacts taxpayers. Interactions with government workers is very time consuming, as proving identity often requires an in-person visit of at least 30 minutes. This is excluding the time spent commuting to the service centre, which can be substantial for those living in rural areas.

  - The Digital Charter places users at the centre of the design, and lays out key principles such as control and consent. Under the control and consent principle, Canadians will have control over what data they are sharing, who is using their personal data and for what purposes. Digital ID would enable this, as citizens would have greater assurance that their privacy is protected.

- Digital ID would empower self service for citizens with government administrations.

  - With a unique digital ID, citizens could "log into" government, similar to how they log into a bank account, thereby accessing services all in one place. For instance, a land developer could check the status of a building inspection and apply for government grants, while a homeowner could apply for an easement and pay taxes.

- This would also result in enhanced accessibility for those living in rural and remote communities. What if individuals living in such areas did not have to travel to government offices, which are few and far between?

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Real-Life Applications

The Government of Newfoundland and Labrador (GovNL) is committed to increasing the number of services delivered online by 50 per cent by the year 2022. Areas of focus include MyGovNL Digital ID - which provides clients with a single username and password to use in every digital interaction with the GovNL, as well as a redesign of the website to make it easier to use and search for services.

The province of British Columbia introduced the BC Services Card, allowing citizens to easily access the province's services. Ever since the first cards were issued in February 2013, they have been used as a physical piece of secure government-issued ID. The card was designed to make it easier for B.C. residents to access provincial government services with just one card, and keep personal information secure. Enhanced security features help protect personal information and prevent fraud, with chip technology embedded into each card. This project was a collaborative effort - the core partnership group consisting of parties such as the Ministry of Health (HLTH), and extending to include other service delivery partners, such as Health Insurance BC, SecureKey and IBM.

OrgBook BC is a searchable public directory of open verifiable data regarding organizations that are legally registered in the province of B.C. For instance, an entrepreneur looking to open a restaurant could search through OrgBook BC and see what dependencies exist for a business, and all permits and qualifications that their business would need. In previous years, starting a business involved a lot of paperwork, which served as a major barrier. The blockchain-enabled platform allows businesses to digitally share trusted information with other levels of government, suppliers, banks and other partners, thereby reducing both time and energy for entrepreneurs.

Looking outside of Canada, the Once-Only Principle is one of the underlying principles outlined in the European Union's eGovernment Action Plan 2016-2020. Under this principle, citizens and businesses provide data only once in contact with public administrations. Public administration bodies work to internally share and reuse this data, even across borders. Of the 28 EU member countries, 24 have begun to implement this initiative, which is expected to save 855,000 hours for citizens and 11 billion euros for businesses, annually.

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Reinforcing Key Values

Providing Canadians with control, consent and convenience are the core components of a digital ID system, as well as inclusivity, openness, and meeting broad stakeholder needs - these same values are set out in the DIACC's Digital Identity Ecosystem Principles.

No one organization can solve this, which is why an ecosystem approach is critical. Part of the DIACC's uniqueness is collaboration between the public and private sectors. When it comes to digital ID, it is important to ensure multiple voices at the table in building a pan-Canadian framework that supports the needs and values of all Canadians.

Where do we go from here?

Governments around the world are starting to recognize the importance of digital service delivery, with a frictionless user experience at the core.

"Digital ID is not a product, it's a process," said Robert Devries, Assistant Deputy Minister, Platforms Ontario Digital Services at IdentityNORTH, a recent digital economy workshop held in Ottawa. "It's a process of replicating in the cyber world that which we do every day, whether it be using a passport or driver's license…and it only works if we're all involved."

"The public is ready for it, governments are ready, technology is at a place where it is mature enough, and we need to just get on with it."

The time for action is now. So now the question becomes: how can you take action to progress digital ID?

- Embrace and encourage innovation and technological change in government service delivery.

- Recognize that this is a collaborative effort - partner with other stakeholders to share learnings and different areas of expertise.

- As technologies for digital ID are evolving at a rapid pace, change must be factored into technology choices, while also providing a form of continuity for users. Staying up-to-date on how security and user convenience profiles evolve over time is crucial (for instance, SMS-based transaction codes are being deprecated and replaced with dedicated code generator applications that are more robust and secure).

- When designing for digital identity, it is important to maintain a balance of security and convenience access for users. In the past, many governments preferred "caution over convenience," which often resulted in very secure systems that were difficult to use. The Pan-Canadian Trust Framework (PCTF) is providing the right balance of security and convenience to optimize user experience, based on the level of security and assurance required for a transaction.

- Citizen engagement, as well as user research and testing are important to anticipate citizens needs and ensure the digital services provided are relevant and useful.

Finally, join DIACC to have a seat at the table where frameworks and strategies are being developed so that they work for your organization. With members from both the public and private sector, strong collaboration is intrinsic to the work that we do.