

Long Term Factors

Education

The maintenance of high standards of education is, of course, fundamental to the country's growth and prosperity in the long term. There is also considerable benefit in marketing our education services abroad to attract high calibre students from overseas, because they develop strong links with Canada while they are here and often return as immigrants and investors. It is significant that, on the January 1997 Team Canada visit to Korea, the Philippines and Thailand, 60 people out of the 500 or so Canadian participants were from our universities, colleges and even public school boards, intent on increasing enrolment of students from those countries and on finding research contracts.

Sixty % of all international students in Canada come from the Asia Pacific. In 1994, 90,000 international students contributed \$2-3 billion to Canada's economy and helped to generate 19,000 jobs. Asia's burgeoning economies are taxing their countries' educational, training and human resource infrastructures to the limit and many students from there are keen to learn in an English or French speaking environment. There is an opportunity for Canada to tap this need for undergraduate university education, graduate level courses and specialized training offered by international business schools, community colleges and public and private language schools, and the private sector. These courses can be delivered in both Canada and in Asia. Asians do business with people they know and trust. By becoming better known to the next generation of Asian decision makers, Canadians will have a competitive advantage when doing business in Asia.

In April 1995, the Government of Canada in cooperation with the Asia Pacific Foundation of Canada (APFC) created a network of Canadian Education Centres (CECs) to promote education and training opportunities in Canada. Today, CECs in Kuala Lumpur, Taipei, Seoul, Hong Kong, Singapore, Jakarta, Bangkok, New Delhi, Mexico City, and Canberra provide professional assistance to recognized education and training institutions to market their programs in order to attract full-fee paying international students to study in Canada. A CEC in Beijing, as well as the other centres, also secure corporate and group training contracts. There are over 210 subscribers: all major universities, colleges,

language training institutions, secondary school boards, private secondary schools, and training institutes. The CEC Network, a wholly-owned subsidiary of the APFC, has already made a big difference to the recruitment of international students. For example, in Korea, student authorizations have increased from 800 in 1993 to 8,000 in 1996 and this statistic does not capture the hundreds of students coming to Canada for short term study (less than three months). The maintenance and expansion of the network is strategically valuable in the promotion of education links with Canada, and helps to build long term relationships necessary for sustained business with Asia.

Business Immigration

The Business Immigration Program was formally recognized in the Immigration Act of 1976 and its associated Regulations of 1978, which established the entrepreneur and self-employed categories of immigrants with their own selection criteria. The Investor Program was introduced in 1986 and has recently been amended. Business immigration provides a significant source of investment capital for Canada and accounts for 10% of immigration flows. In 1996, out of a total of 225,313 immigrants, 10% came in under one of the Business Programs (5% entrepreneurs, 3% investors and 2% self-employed). In 1995, nearly 3,000 entrepreneurial immigrants invested \$435 million and created 12,850 jobs; 1,400 investor category immigrants invested \$607 million and created 2,635 jobs; and there were just over 1,000 in the self-employed category. Since its inception in 1986, \$3.75 billion has been invested by some 14,000 investor category immigrants resulting in the creation of 33,700 jobs. In 1996, Hong Kong provided 37% of such investor immigrants, followed by Taiwan (20%) and South Korea (7%).

Research, Development and Venture Capital

The linkage between research, development and venture capital is well illustrated by the chart in Table 6, taken from a recent presentation by the Medical Research Council of Canada in Japan²⁵. The presentation emphasized the fundamental role played by basic research in the "virtuous cycle of growth and development opportunities". Without it, tomorrow's innovative companies will not exist; but the chart also illustrates the essential role

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