

Canada Introduces Revised Approach To Business

Canada recently redesigned its business immigration program to render it more attractive to entrepreneurs and investors. While offering an environment highly suitable to the business and personal needs of entrepreneurs, Canada seeks to attract experienced businessmen who will create jobs and contribute to the country's economic development.

The following are the main features of the program which came into effect on January 1, 1986.

New Investor Category

Changes have been introduced in the Immigration Regulations permitting the establishment of a new class of business immigrant, the investor. This group of immigrants will compliment the earlier entrepreneur and self-employed categories. Unlike entrepreneurs, however, investors will not need to become actively involved in the management aspects of business ventures. They will have to have a proven track record in business and possess personal net worth of at least C\$500,000 of which a minimum of C\$250,000 must be invested for at least three years in a project which will contribute to the creation or continuation of employment opportunities in Canada for other than the investor and his dependents. Investors may choose from one of three investment options: investment in a business or commercial venture, either new or existing; investment in a privately administered investment syndicate supported by the Canadian province in which the syndicate will make investments; or, investment in a government-administered venture capital fund targetted to business development. By creating the investor class, the Government has provided legal base for accommodating those risk ventures which the provinces consider important to their regional economic development, while, at the same time, seeking to attract a select group of individuals who possess the capital necessary to expand Canadian industries and generate employment.

Entrepreneurs

Entrepreneurs are defined as persons who have the intention and ability to establish, purchase, or make a substantial investment in a business venture in Canada. This venture must make a significant contribution to the economy and must result in the creation or maintenance of employment opportunities for one or more Canadian citizens or permanent residents, other than the entrepreneur himself and his dependents. This category is designed to attract experienced business persons whose background is oriented towards the management of small to



A new country brings new opportunities.

medium sized enterprises, which the entrepreneur will manage on an active basis.

Revised Immigration Criteria

Traditionally, Canada's immigration program has consisted of three parts, the economic, family reunion, and humanitarian streams. While family reunion and humanitarian immigration have continued without change over the past few years, there have been temporary restrictions on the economic stream. As of January 1, 1986, these restrictions have been lifted.

Universal selection criteria for independent applicants were first introduced in 1967. The selection criteria popularly known as the "point system", have been revised from time to time to ensure that they reflect Canada's economic requirements while continuing to respect the principles of universality and non-discrimination enshrined in the Immigration Act. The recently announced adjustments to immigrant selection criteria are intended to respond to four current needs. First, they will provide enhanced opportunity for independent applicants, including but not limited to those with relatives, to immigrate to Canada. Secondly, they will support current and projected economic development requirements, in particular the needs of Canada's job market. Thirdly, they will restore the balance among the three components of immigrants to Canada by increasing the number of independent applicants admitted. Finally, they will provide a short-term method of helping to forestall Canada's projected population decline.

Applicants will be assessed on a number of factors. Among these are age, education, occupation, experience, ability to speak English and/or French and a "levels or demographic" factors by which the government can control the size and composition of future immigration levels. In addition, the presence of relatives in Canada who are prepared to guarantee ongoing support for new arrivals is also taken into account. All applicants, worldwide, are assessed against the same criteria and will be required to satisfy the same "pass mark".

With the implementation of these changes, the balance among independent applicants, family reunion and humanitarian admissions will be restored. In addition, demographic and social concerns will be met and a base established for longer-term economic growth.

Self-Employed Persons

The third category of business immigrants consists of self-employed persons. Like entrepreneurs, self-employed immigrants have the intention and ability to establish a business in Canada which will make a contribution to the economy or to the cultural or artistic life of Canada. This category accommodates individuals who, although they may not create or preserve jobs for Canadians, nevertheless, are able to make contributions in economic, artistic or cultural terms. Persons who may be considered as self-employed include farmers, sports personalities, artists, people active in the performing arts, and, in certain circumstances, persons operating small businesses required