

June 19, 2012

Start-Up Visa Seeks to Attract the Next Zuckerberg to Canada

By Warren Creates and Jacqueline J. Bonisteel

While it is an uphill battle to lure Silicon Valley entrepreneurs away from California's vibrant community of tech start-ups, Canada is taking on the challenge. The new Start-Up Visa program is seeking to bring to Canadian soil the minds dreaming up the next Google or Facebook. A strategically placed billboard en route to San Francisco's technology hub calls for those in the industry struggling to land a U.S. H-1B visa to consider the Canadian alternative.

Canada's Start-Up Visa, officially launched on April 1, 2013, is open to anyone with one year of post-secondary education, basic English or French language ability, sufficient funds to settle in Canada, and a substantial third-party investment. The investment must be in the form of a minimum \$75,000 CAD from an approved Canadian angel investor, or minimum \$200,000 CAD from an approved Canadian venture capitalist. The designated angel investor groups or venture capital funds are found on [CIC's website](#).

The program is not limited to any specific industry, but it is expected that the majority of beneficiaries will work in technology. Similar programs introduced in the UK, Australia and Chile have also focused on tech start-ups.

Canada is hoping that entrepreneurs will be enticed by the World Bank's recent finding that Canada is the best place in the G7 to start a business due to a strong banking system, growing job market, low taxes, and high standard of living. Also, a key selling point of the Canadian program is the fact that those accepted will be granted permanent residence in Canada—regardless of whether the business succeeds. This sets it apart from the programs of other countries.

Canada's program contrasts with the U.S. H1-B visa, which has been criticized for its slow processing times and extremely limited quotas. The Canadian program will allow up to 2,750 applications per year—though Citizenship and Immigration Minister Jason Kenney has stated that he does not anticipate that quota to be met in the first year. Processing times are expected to be six months or less.

Critics of Canada's Start-Up Visa state that it is too limited and too risky. Venture capitalists in Canada are reputed to be risk-averse, so potential applicants may struggle to secure the requisite funding. Also, given the difficulty of predicting which start-up idea will thrive, Canada is taking a gamble in offering permanent status to those with an idea and Canadian funding.

However, the new Canadian program could present an excellent opportunity for foreign entrepreneurs and Canadian investors. Canada is eager to welcome entrepreneurial talent, and to see this program succeed. For a fledgling start-up, this may be just the time and place to turn plans into reality.



PERLEY-ROBERTSON,
HILL & McDOUGALL LLP/s.r.l.

The Immigration Law Group at Perley-Robertson, Hill & McDougall LLP/s.r.l. has the expertise to assist potential Start-Up Visa applicants with assessing their eligibility, preparing comprehensive application packages, and addressing any potential complications.

Warren Creates is Head of our Immigration Law Group and a Certified Specialist in Immigration, Refugee and Citizenship Law. He can be reached at wcreates@perlaw.ca or 613.566.2839. To view his bio, please [click here](#).

Jacqueline Bonisteel is a lawyer in our Immigration Law Group. She can be reached at jbbonisteel@perlaw.ca or 613.566.2845. To view her bio, please [click here](#).