

New Canadians being sworn in at a Citizenship ceremony. A nation of immigrants, Canada has attracted more than two million new immigrants since 2006. Government of Canada photo

## From Supply to Demand-driven in Immigration

Chris Alexander

Canadians have generally positive views of immigration and a strong belief that it brings great advantages to our labour market and economy. We are moving from a supplyfocused system, in which applicants waited in a queue for years to one that is driven by demand, in which we quickly and proactively accept into Canada those prospective immigrants whose skills fit current labour market needs. Why do so many talented people want to come live in Canada these days? The answer is as big as the country itself.

mmigration to our country is a phenomenon that is centuries older than Canada itself. It has immeasurably shaped and enriched our society, our economy, and almost every aspect of Canadian history.

Thanks to our successful history of immigration, Canada is internationally renowned as a place where newcomers have the opportunity to flourish and to succeed, to make great contributions, and to work at realizing their dreams. Canadians have generally positive views of immigration and a strong belief that it brings great advantages to our labour market and economy. This widespread support of immigration can be partly explained by the fact that so many Canadians have been touched by immigration in one way or another. Whether it be their family background or their day-today interactions, every Canadian is aware of the impact immigration has on our country.

At the same time, Canadians' broad support for immigration also depends on the effectiveness of our immigration system, and on immigration policies that adapt to new challenges and meet the needs of our changing world. Government must ensure that Canada's immigration system is fast, flexible and fair, that it responds to our national interests and modern labour-market realities, and that it helps drive future success. Canada has welcomed an annual average of more than 250,000 immigrants since 2006, the highest sustained level of immigration in Canadian history.

We're making substantive changes in both our policies and operations, welcoming more permanent residents, and attracting to Canada the world's most talented and innovative immigrants, who will contribute to the Canadian economy and help our country flourish.

At the same time, we've been transforming our immigration policies and programs so they are best aligned with our country's current economic and social needs.

In recent years, we've introduced a series of reforms to ensure that as we welcome newcomers to our country and continue to honour our great humanitarian traditions, we are also bolstering our economy and labour market while ensuring Canadians come first.

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We have made tremendous improvements to how we manage our immigration system, most notably by significantly reducing the backlogs that plagued the system for years. These improvements have opened the door to the development of creative immigration policies that better serve Canada's current and future economic needs.

A ccordingly, we're making substantive changes in both our policies and operations, welcoming more permanent residents, and attracting to Canada the world's most talented and innovative immigrants, who will contribute to the Canadian economy and help our country flourish. These reforms will culminate in January 2015, when we launch Express Entry, Canada's nextgeneration approach to managing and processing applications in our key economic immigration programs.

Express Entry will enable us to select immigrants based on the skills and attributes that Canada needs. Canadian employers will use it to select the highly skilled workers they need to fill available positions only when they cannot find a qualified Canadian or permanent resident to do the job.

Express Entry will work in two steps. First, prospective immigrants will indicate their interest in coming to Canada by providing information electronically about their skills, educational credentials, language ability, work experience and other attributes.

Second, candidates who meet the criteria for one of the designated immigration programs will have their profiles placed in the Express Entry pool.

These designated programs are:

• The Federal Skilled Worker Program, Canada's flagship economic immigration program, through which more immigrants come to Canada than through any other program;

- The Federal Skilled Trades Program, which was created to quickly and efficiently bring to Canada skilled tradespersons who work in the construction, manufacturing, transportation, and service industries, and;
- Canadian Experience Class, which provides a pathway to permanent residency for qualified temporary workers and students with Canadian work experience.

Once their profiles have been placed in the pool, candidates will be ranked against each other based on a comprehensive ranking system, which will consider factors linked to immigrants' economic success once in Canada. Candidates may also be nominated by Canadian provinces and territories to meet labour market needs in specific regions of Canada. Only the highest-ranked candidates, including those with provincial or territorial nominations, or valid job offers from an employer in Canada, will be invited to apply for permanent residence. Once candidates receive an invitation to apply, the second step will be to submit an electronic application for permanent residence which will be processed within six months or less.

e are moving from a supply-focused system, in which applicants waited in a queue for years and were passively considered for acceptance in the order in which they applied, to one that is driven by demand, in which we quickly and proactively accept into Canada those prospective immigrants whose skills fit current labour market needs.

The Start-Up Visa Program is another example of how we're making innovative changes to the immigration system. We introduced the program in April 2013 to target immigrant entrepreneurs with the potential to build innovative companies here in Canada, creating jobs for Canadians, and offering us another opportunity to compete on a global scale.

This program is the first of its kind in the world. By granting permanent resident status upfront, it allows immigrant entrepreneurs to take risks and build successful new companies in Canada.

Eligible entrepreneurs with viable business proposals can become permanent residents immediately, once they have secured the support of a Canadian venture capital fund, angel investor group or business incubator, and their immigration application has been approved.

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hen entrepreneurs' business plans are reviewed by key private sector investors, they will ensure that those plans are sound and that they make good business sense. Since investors' success depends on choosing winners, they will only invest in ideas they think have merit and will succeed.

This past summer, at the Vancouver business incubator that committed to investing in their start-up idea, I met Stan Korsei and Alex Zadorozhnyi, the program's first two successful immigrant entrepreneurs, who came to Canada from Ukraine. We are moving from a supply-focused system, in which applicants waited in a queue for years and were passively considered for acceptance in the order in which they applied, to one that is driven by demand, in which we quickly and proactively accept into Canada those prospective immigrants whose skills fit current labour market needs.

Their company, Zeetl Inc., developed an application that allows companies to monitor social media for customer complaints and concerns and instantly establish a temporary direct phone line for the customer to call.

These two entrepreneurs exemplify the kinds of individuals we hope to bring to Canada through the Start-Up Visa Program. By bringing together Canadian venture capital funds, angel investors, and business incubators with foreign entrepreneurs, the program will continue to foster innovation, and create more jobs and economic growth in Canada.

Canadians have good reason to proud of our immigration system, which has been central to the development of our country over many generations. Reforms will support a strong, prosperous and socially-integrated Canada as we continue to welcome record numbers of individuals who contribute to our economic success.

Why do so many talented people want to come live in Canada these days? The answer is as big as the country itself.

It's the quality of life in our cities three of the five most liveable in the world according to the *Economist* Intelligence Unit. It's our per capita income—the highest in the world in recent years by many measures for any country with over 30 million people.

But it is mostly a sense of opportunity that draws so many newcomers. They know the importance of financial stability: Canada's banks have been rated the best in the world for seven straight years by the World Economic Forum.

They know the importance of a startup culture: Toronto and Vancouver are among the top 10 cities in the world for business start-ups, with many other Canadians cities and towns catching up fast.

They know the importance of low taxes, sound laws and a solid state business environment. Canada has been rated the top jurisdiction in the world in which to do business by Bloomberg, Forbes and KPMG.

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They also know that a society succeeds, when all of its citizens enjoy such opportunities. *The New York Times* recently concluded that Canada had the strongest middle class in the world among the many countries it studied.

These achievements were no accident. For Canada to return to balance in its federal budget, for our infrastructure spending to be stronger and more sustained than ever, for Canadian families to be saving, on average, \$3,500 in annual federal taxes compared to what they paid in 2006, tough choices have had to be made.

We owe a special debt of memory and thanks to Jim Flaherty, one of our longest-serving finance ministers, who brought Canada's performance on tax, financial and economic issues to a new peak. He left a legacy of excellence, of which we are all beneficiaries.

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