

10. EPILOGUE

10.1 Assessment

Canadian non-resident investment and immigration law is comparable to that of any other developed country and is certainly more predictable than some jurisdictions. With a great deal of patience and persistence, good professional advice and a well planned program, the sophisticated non-resident investor and/or business immigrant should not encounter any insurmountable obstacles and can be confident from the outset that the process will be successfully conducted within a reasonable period of time. The present federal and provincial government policies are to encourage non-resident investment and business immigration. Prices for premises, labour and materials are stable, foreign exchange rates are favourable and although the impact of the terrorist acts in the United States of America and the war on terrorism will undoubtedly delay the non-resident investment and immigration process, Canada has not been a target for terrorist activities, the bureaucracies involved are developing procedures to minimize delays and complications, and the legitimate investor or immigrant has nothing to fear other than being subjected to much closer scrutiny than was the case prior to September 11, 2001.

10.2 Nature of Canadian Business

Canadian business functions, in large measure, according to the principles of free enterprise with only limited government intervention - often more than in the United States but certainly less than many jurisdictions in Western Europe and elsewhere. With the possible exception of the law of trusts, the non-resident investor or business immigrant will quickly discover that Canadian business law is not fundamentally different from other systems with which he or she is already familiar. Commercial activity is similar everywhere and in Canada the non-resident investor or entrepreneur and the business immigrant can expect to find many opportunities and a receptive business climate.

10.3 Mobility of Capital

Canada has traditionally been free from foreign exchange and currency controls (except in times of war or national emergency) and is a responsible member of the international financial community. Canada will not change this position in the foreseeable future and, subject to payment of any taxes imposed by Canadian law and subject to compliance with the reporting requirements of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada), the investor can import and export capital to and from Canada at will.

10.4 Outlook for the Future

Canada, like all countries, is affected by current international, political and economic circumstances. The credit crunch which crystallized in the United States and which has grown to be a financial crisis on a global scale has inevitably impacted Canada. It is important to keep in mind, however, that the extremes which were experienced in the United States, and elsewhere, have not occurred in Canada.

Inflation has been quite low in Canada for several years (around 2% per annum). The Bank of Canada has continued to keep interest rates low in order to stimulate the economy in the face of the credit crunch, but it is expected that there will be a gradual increase in interest rates to offset the fear of inflation. Despite the fact that the current economic instability has affected some investors, the current market conditions also create innumerable opportunities for the right type of investor. The availability of skilled labour, the existence of an established industrial economy and the availability of the services required to

efficiently operate

business make Canada a far more attractive location for entering the North American market except for industries where a large body of unskilled labour is important. The North American free trade area continues to be the largest in the world, and Canada is the place where entrepreneurs from Western Europe and elsewhere can invest with confidence!

10.5 A Final Word

Obviously it is impossible to provide advice on a specific situation in this type of manual. Every non-resident investor or prospective business immigrant must submit his or her particular situation for scrutiny by professional advisers both in Canada and at home. This should be undertaken before any final decisions are made and his or her advisers should be allowed sufficient time to consider the issues carefully. As every experienced business person knows, there is no substitute for good advice, careful planning and diligent implementation of the plans made. It must also be kept in mind that Canada is unique in many respects and experience elsewhere in North America may not be sufficient to ensure success in this country so good Canadian professional advice is essential. Very dramatic changes are occurring in many parts of the world but there is one constant - Canada continues to be a land of opportunity for the sophisticated investor and the creative entrepreneur!

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