

facilitating business travel to Canada

2010

Making Canada More Competitive



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Executive Summary

Facilitating Business Travel to Canada

Introduction

The movement of business visitors, to and from Canada, plays a vital role in supporting commercial activity and helping to forge the relations on which future business expansion depends. Business visitors enter Canada for short periods of time to finalize sales, to familiarize themselves with Canadian goods and services, to receive management and other training related to the sale of plants and equipment and to participate in strategy meetings that impart essential information about conditions abroad.

Canada's immigration legislation exempts business visitors from the requirement to obtain a work permit as they do not compete with domestic workers: business visitors do not enter the Canadian labour market and their source of payment and place of business is located outside Canada. Business visitors are **not** exempt, however, from the requirement to obtain a Canadian visitor visa if they are nationals of countries for which visa requirements exist.

The issues

The report, *Facilitating Business Travel to Canada*, identifies a series of systemic problems in Canada's treatment of business visitors from emerging economies, a rapidly growing sector that is already important and will become more so over the next several decades. Canada's ability to do business in these markets matters. Unfortunately, however, there is considerable tension between Canada's trade diversification and development goals and current immigration practices. The evidence for this comes from testimony provided by members of the Canada China Business Council, the Canadian Council of Chief Executives, the Canadian Chamber of Commerce, and the Canada Eurasia Russian Business Association, the Canadian Council on Africa, and Canadian Manufacturers and Exporters.

The following major, inter-linked problems were reported:

- Timeliness: The overriding business concern is with slow processing. Slow processing interferes with (business) planning and operational requirements and impairs the competitiveness of Canadian firms in emerging markets. Business representatives cited numerous instances of cancelled visits and lost business opportunities as visas were not available in time to mesh with domestic activities. Business visitors are, as a rule, assigned the same processing priority as tourists and other non-business visitors.
- Lack of predictability: Business tends to value predictability nearly as much as timeliness. The current process, however, is highly variable making it difficult for Canadian firms to plan and resource domestic activities (for example, training programs for business visitors). This is especially pronounced where visitors from different countries are brought together. Faced with uncertainty, Canadian firms are being forced to make risk-averse decisions that are not in Canada's best interest, such as diverting activities to third countries.
- Intrusive information demands: Business regards the information demands on prospective business visitors as excessive, overly intrusive and enormously time consuming. Respondents expressed the need for approaches that are better calibrated to local sensitivities, especially when dealing with senior business and political figures many of whom balk at the demands and simply refuse to apply for a visa. Requirements, such as having to send passports and financial information to third countries for scrutiny by visa officials (when there is not domestic Canadian presence) were especially problematic.
- Skewed refusal rates: There exists a widespread perception, both among business visitors and the companies that want to sponsor them, of discriminatory treatment of applicants from regions such as Africa. This perception is reinforced by disproportionately slower service and by

sparse information, mostly just tick boxes, about the reasons for refusal. Where senior officials are implicated, the refusals sometimes have serious repercussions for both current and future business dealings. The practice of stamping the refusal decision into the applicant's passport is seen as adding injury to insult.

- Lack of access to decision-makers: The lack of access by business visitor sponsors to immigration decision-makers is another critical issue. Companies regard the visa issuance process as opaque and are frustrated by the absence of opportunity to add or clarify information in the event visas are refused. The lack of contact prevents mutual learning from occurring, so misunderstandings are repeated and misperceptions cannot be corrected. Canada's visitor visa service tends to be inflexible and is premised on a one-size-fits-all rule that clashes with business realities.

What is particularly puzzling to Canadian companies is that other, like-minded countries are able to provide better service, more quickly and more predictably, without the pitfalls of the Canadian program. Australia, the United States and countries throughout Western Europe were cited as having superior business visitor programs. This issue will assume growing significance as emerging markets increase in size and importance for Canada. Under globalization, the ability by Canadian firms to bring people to Canada creates economic value for both the firms and for the country as a whole. The Associations whose members contributed to this report were unanimous in claiming that the present business visitor process places Canada at significant competitive disadvantage. The short-run losses accrue to projects and can be tallied in activities that have been cancelled or diverted to our more receptive and business-friendly competitors. In the long-run, respondents expressed the fear that the lack of responsiveness to corporate needs will undermine the rate of business development.

Recommendations

The report makes four broad recommendations for remedying the current business visitor process to make it compatible with business needs. These

recommendations invoke 'tested' measures that are ready for implementation, either because they are already used by competitors or because they build on promising ideas that have been put into play by Citizenship and Immigration Canada.

(1) Create a distinct policy for business visitors:

The visa regime needs to be reconfigured to recognize that business visitors are not, themselves, CIC's 'clients'. The clients are the corporations that sponsor the visitors. It is essential that there be a policy commitment by ministers is needed, implemented by the departments involved, to prioritize business visitor processing and to distinguish it from tourist flows and similarly casual traffic. Operationally, this means prioritizing business visitor processing; establishing business visitors as a discrete category of temporary entrant subject to distinct procedures that respond to business needs for fast, predictable visa decisions; and dedicating resources to the task.

(2) Make business part of the visa decision process

Business recognizes the difficulty facing visa offices in determining the quality and certainty of the information on which they base their decisions. Business also recognizes that by virtue of its direct contact with prospective visitors and their employers, it is well positioned to assess the validity of information and to contribute to the decision process. In light of this, business is prepared to work with Citizenship and Immigration Canada in a processing regime that requires companies to vouch for the validity of business visitor information in exchange for rapid service, competitive with other countries, and predictable timing for decisions. Specifically, this report recommends:

That Citizenship and Immigration Canada create a roster-system whereby trusted firms manage the information gathering and visa submission process in exchange for express business visitor service. This could be based on the system operated by Australia or the promising system (near 100 percent visa

approval rate, 24 hour turn-around and '0' instances of abuse) that Canada has implemented in India and may, now, extend to other regions. Such a move would be welcomed by business.

That ancillary mechanisms be implemented for verifying trust in smaller 'markets' where roster systems are not practical or to facilitate the inclusion, on rosters, of newer, 'untested' firms. These mechanisms could include the requirement that sponsoring institutions post performance bonds and monitor the business visitors they sponsor to ensure compliance.

(3) Create opportunities for contact

Enhanced opportunities for direct contact between business and CIC decision-makers, both at the national policy level and at an operational or field level, are essential. The former would sensitize business and government to each other's needs, providing a venue for creative and mutually supportive actions; the latter, by providing (limited) opportunities for case-based information exchange, would equip the visa system with the flexibility it currently lacks to respond to exceptions (a business norm) and urgencies. It would also promote mutual learning and would contribute to relationship-building and to trust.

(4) Consider introducing a customized, fee-based service

Business, with varying degrees of success, already employs consultants and lawyers to assist with complex, time-consuming applications that require expert knowledge of immigration procedures and expedited processing. Business associations would be prepared to collaborate with Citizenship and Immigration Canada to investigate the feasibility and appeal of introducing premium, customized (to local conditions), fee-based services – located in Canada - for companies wishing to sponsor business visitors. Special business centres and services recently introduced by the United States have been well-received by business.

Main Report

Facilitating Business Travel to Canada

I Introduction

This paper focuses on an important human dimension of Canada's evolving international relations: The movement of business visitors, to and from Canada, which plays a vital role in supporting commercial activity and helping to forge the relations on which future business expansion depends. Business visitors enter Canada for short periods of time to finalize sales, to familiarize themselves with Canadian goods and services, to receive management and other training related to the sale of plants and equipment and to participate in strategy meetings that impart essential information about conditions abroad. In this regard, the paper highlights a number of systemic problems being encountered by major Canadian companies and organizations in the course of their business operations and offers suggestions for how better to align Canada's visa procedures with business needs. The experiences which form the basis of this report were those of members of the Canada China Business Council, the Canadian Council of Chief Executives, the Canadian Chamber of Commerce, the Canada Eurasia Russian Business Association, the Canadian Council on Africa, and Canadian Manufacturers and Exporters. The paper is premised on the view that:

- Streamlined visitor visa procedures would enhance Canada's competitiveness;
- Canada is not fully capitalizing on its "brand" as a leader in the field of immigration and diversity, a powerful and strategic advantage that it enjoys by virtue of its longstanding, intensive investments in immigration and multiculturalism;

- Canadian policy is misaligned, creating a situation in which visa procedures clash with export and business development priorities; and,
- A win-win situation – better protection of Canada and visa facilitation – can be achieved through careful, structured collaboration between government and business.

The report is divided into four sections. First, a public policy case is advanced for improving the issuance of visas to business visitors. Second, the policy and operating environment facing Citizenship and Immigration Canada (CIC) is briefly examined. Third, problems resulting from current visa practices are identified using information supplied by Canadian companies and business associations. Fourth, problems are analyzed and recommendations are made for resolving the tension between controlling visitor entry, on the one hand, and facilitating business development, on the other. Improved collaboration between government and business forms an essential component of this resolution.

I Capitalizing on our investments in immigration and diversity

Canada's 1.6 trillion dollar economy generates exports totalling some 560 billion dollars, annually. The chief components of this outflow include petroleum products, metals and minerals, aircraft, autos, motor vehicles and vehicles parts, along with agri-food, industrial machinery, construction, transportation and telecommunications equipment and services, fertilizers, plastics, pharmaceuticals, and engineering and numerous other services.

While it is tempting to think that Canadian products sell themselves solely on quality and price, the reality is that business transactions depend crucially on the development of durable, inter-personal relationships. What this means is that for Canada's exports to grow and to reach their full potential, the range, frequency and quality of exchanges between Canadians and foreigners will also need to expand and improve. Included in these exchanges are fact-finding and relationship-building visits by foreign corporate and government officials, promotional visits tied to sales and planning, and visits by managers and technical personnel who need training to operate and maintain the equipment that Canada sells abroad. As this report makes clear, immigration policy and service delivery have a vital role to play in facilitating these exchanges and fostering trust, an essential feature of all business relationships, but especially exports.

Internationally, Canada enjoys the reputation of being a large, diverse country that has been extraordinarily successful in integrating newcomers, free of the tensions that have surfaced elsewhere. The resulting goodwill and receptivity to Canadians and to Canadian enterprise constitutes a unique strategic advantage in the global economy. As such, it has the potential to help domestic firms penetrate overseas markets, gain access to foreign suppliers, and expand exports. Unfortunately, there is a marked disparity between the image that Canada has worked so hard to cultivate and the manner in which we comport ourselves

abroad. Instead of openness and flexibility, foreign visitors who require visas are greeted – in their own words – by indifference, closed doors and suspicion. Business visitors are regularly frustrated by slow service, complex procedures and, what appear to be, arbitrary decisions regarding visas. Many would share the view of an Indian businessman that applying to Canada for a visa is a “very painful experience”.¹ The result is a more difficult environment in which to pursue trade diversification and business development, making it harder for Canadian firms to compete internationally with countries whose images are not as exalted as ours but whose information and visa services far exceed what we currently offer.² This erodes our strategic advantage and dissipates the benefits created by our investments in diversity and multiculturalism.

As globalization expands, it will become increasingly important to resolve the tension between Canada’s immigration screening and the trade diversification and business development goals that are repeatedly cited as key federal priorities by both Industry Canada and the Department of Foreign Affairs and International Trade (DFAIT). As noted in a recent DFAIT report, the process of globalization will “... be accompanied by tremendous growth in the importance of the emerging world. One-tenth of a percent of the import market of the BRIC countries alone is estimated to be worth \$29 billion in 2038, so Canada’s share of these markets matters. ... [E]merging markets will play an [increasingly] important role in the future of Canadian manufacturing.”³

As elaborated below, the tension between immigration and economic objectives is not a function of immigration policy but, rather, immigration practice:

¹ See “India and Canada, A New Era of Co-operation”. Report to Ministers of the India-Canada CEO Roundtable prepared by the Canadian Council of Chief Executives and the Confederation of Indian Industry. Delhi and Ottawa, September 2, 2008.

² Previous studies into business travel to Canada have concluded that the issuance of visitor visas constitutes a self-imposed, non-tariff barrier. See “Facilitating Business Travel to Canada, Making Canada Competitive in Africa” by the Canadian Council on Africa, November 2005; “Facilitating Business Travel and Admission to Canada of Foreign Business People Requiring Temporary Residence Visas” by Citizenship and Immigration Canada and others, Fall 2006; and “Barriers at the Border, The Cost of Impediments to Business Mobility” by the Conference Board of Canada, December 2008.

³ Canada's State of Trade: Trade and Investment Update 2009; Department of Foreign Affairs and International Trade; Website accessed December 30, 2009.

specifically, the manner in which business visitors are screened and processed. As this responsibility falls to CIC, the focus of this report will be on the department's role in facilitating the movement of business visitors and other person-based business flows into Canada from abroad.

III CIC's Policy and Operational Environment

Canada's immigration legislation sets out objectives and conditions for persons seeking visitor visas (including business visitors). One objective is “to facilitate the entry of ... temporary workers for purposes such as trade, commerce ... international understanding and ... scientific activities”. Another is “to protect the health and safety of Canadians and ... to maintain the security of Canadian society”. For persons coming to Canada temporarily, a major concern is that they “leave Canada by the end of the period authorized for their stay”. Other concerns are to keep out war criminals and members of organized crime⁴.

Canada's immigration legislation exempts business visitors from the need to have a work permit as they are not in competition with domestic workers - they do not enter the Canadian labour market and their source of payment and place of business is outside Canada. They are **not**, however, exempt from the requirement to obtain visitor visas if they are nationals of countries for which visa requirements exist. Visitor visas are imposed on countries whose nationals pose significant control problems, such as working and studying illegally, making refugee claims and not leaving Canada voluntarily.

Because of the need to consider these ‘control’ requirements, visa issuance is much more than a mechanical process of document production. It requires that the risk of negative impacts be assessed before a visa can be issued. These risks are greatest in countries where migratory pressures are strong and concerns about criminality and security are high. The result is that CIC must comport itself as both a “gatekeeper” and “gate opener”. This task has proved difficult to reconcile.

CIC operates approximately eighty offices abroad processing massive numbers of immigrant and non-immigrant documents. Processing priorities are set by the

⁴ In countries where war crimes, organized crime and security are concerns, these add to processing times for visitor visas.

Minister in accordance with public policy objectives. Spouses who are sponsored by Canadian residents, for example, receive priority consideration. Visitor processing, on the other hand, is not addressed in legislation or policy, so whatever priority they receive is administrative and subject to local pressures as determined by CIC officials on the ground. As business visitors are not, generally distinguished from other visitors, their processing is also set locally.⁵ This will need to change for progress to occur. As this paper notes, the different circumstances facing business visitors and their role in furthering Canada's international competitiveness argues for separating business visitors from tourist and other flows.

Perceptions of Canada through a visa lens

This section presents results of meetings with both business officials and representatives of Citizenship and Immigration Canada, as well as written responses by business representatives to a questionnaire about their experiences with Canada's visa issuance process abroad. The focus was on: (i) business visitors whose entry was directly linked to commercial activities by Canadian companies exporting goods or services; and (ii) visitors who wished to attend short training courses or who sought entry to attend trade promotion initiatives not directly connected to specific business ventures. Neither of these flows impacts Canadian labour markets since business visitors do not displace domestic workers and do not receive payments from Canadian companies or their overseas subsidiaries. This distinguishes business visitors from temporary workers where Canadian jobs are potentially at risk. In the latter case, the Department of Human Resources and Skills Development Canada plays an important vetting role.

Problems regarding timeliness

The overriding business concern is with a **lack of timeliness**. This was recently identified as a critical issue by a roundtable of Indian business CEOs; it has been

⁵ India, as noted later in the paper, is an exception in that business visitors are accorded special treatment.

flagged in Free Trade Agreement negotiations with the EU; and it is regularly raised by firms doing business in countries as diverse as Russia, Mexico, Panama, Nigeria and Kenya. Business representatives interviewed for this report cited numerous instances of having to cancel training courses because participants could not obtain entry visas in time; of having to divert training to the U.S. or Germany; and of top business executives abandoning the visa process because it was overly complex and, as noted elsewhere, overly intrusive. The net effect is to impair the competitiveness of Canadian firms in emerging markets around the world.

Business is dynamic and the ability to respond quickly is critical. Having to factor in weeks of waiting for visas to be issued before business visitors can be brought to Canada constitutes a significant impediment for Canadian companies operating abroad. It also serves to discourage foreign companies and their management cadres from doing business with Canada, particularly in countries where there is no CIC presence or where visa offices are far away. In these situations, prospective business visitors face even longer delays than usual as well as (sometimes) deal-breaking frustrations, including the requirement to send passports to countries where CIC has offices, with all the delays this entails, the inability to travel while passports have been surrendered, and the risks of document loss. While current procedures may suffice for tourist visas, they are patently out of step with business needs, a fact that CIC appears to acknowledge in a study by the Conference Board of Canada citing problems with the business visitor processing system.⁶

Lack of Access

The lack of access to immigration decision-makers is another critical issue for companies who regard the visa issuance process as opaque, a function of communication with visa posts being confined, for the most part, to the telephone or internet. This produces enormous frustration, especially as businesses are not given the opportunity to add or to clarify information in the

⁶ Conference Board of Canada; Barriers at the Border; p.4.

event that visas are refused. Faced with delays or special needs, all too often, businesses are forced to resort to whatever means are at hand, including appeals to embassy trade officers and ambassadors to intervene and to accelerate the visa process. On occasion, accelerated treatment can be obtained if the company is fortunate enough to know senior CIC officials in Ottawa, a form of exceptionalism that should not be necessary for unexceptional business transactions. (The fact that visitor visas are issued because of such interventions suggests that the problem is not one of substance but rather of organization or resources.)

Excessive Information

There is also widespread agreement that the information demands on prospective business visitors are, as a rule, excessive, overly intrusive and consume enormous amounts of time.⁷ Applications seek a great deal of personal information, pose questions felt to be inappropriate and involve problematic procedures, such as (the aforementioned) sending passports and detailed financial information to third countries for scrutiny by visa officials. Canadian businesses are at a loss to explain to senior local officials and business persons, who are used to special treatment, why so much personal information is required and why passports must be sent away for the (uncertain) duration of the visa issuance process denying them the possibility of foreign travel until the documents are returned. Not surprisingly, many business visitors choose not to apply for a visa rather than being deprived of the ability to travel during the time it takes to process their application.

In contrast to CIC's extensive demands for information, the Department itself provides little feedback to explain the reasons for its refusals. Vague form letters using tick boxes to explain decisions are insufficient to soothe corporate clients (both foreign and domestic) and to provide the assistance that clients (the business firms) require to avoid similar outcomes in the future.

⁷ The complexity and extent of information that is sought deters legitimate business visitors from applying for visas.

Visitor Visa Refusal Rates

The pervasiveness of problems with regard to visitor visas being refused would appear to be geographically linked. In Africa, to cite the most glaring example, there is a longstanding and near universal perception of unwarranted, overly high and arbitrary visa rejections while, in other regions, respondents were less likely to raise visa refusals as a major issue.

As noted above, the lack of information regarding refusals and the inability to speak with decision-makers is widely regarded as a problem. This is especially acute where senior officials are implicated as it can have serious repercussions on both current and future business dealings – particularly where explanations for visa refusal are vague and do not suggest how future applications could be adapted or improved to produce better results. A related issue concerns CIC's practice of stamping applicants' passports to indicate that they have been refused. While this may be administratively convenient, it has implications for applicants when they apply to visit other countries and has proved to be the source of significant discontent by persons with whom Canada seeks to do business. It was described by one business respondent as "adding injury to insult".

Unpredictable outcomes

Predictability regarding the time needed to obtain visas and the likelihood of acceptance are vitally important for proper business and project planning. In a competitive global environment, uncertainty undermines Canada's ability to benefit from its business operations abroad. Faced with uncertainty, Canadian firms are being forced to make risk-averse decisions that are not in Canada's interest. At the time of the writing, a major Canadian corporation was wrestling with a decision regarding where to conduct training for Russian and CIS personnel for equipment that it had sold to Russia. The training was valued at \$1.2 - \$1.5 million per machine. The choice was between Canada and a European country and company officials were emphatic in stating that visa issuance was not a problem in the European case but was seen as a significant impediment in

the case of Canada.

Lack of flexibility

Business dealings are characterized by uncertainty: not all factors can be anticipated and flexibility is needed when the unexpected occurs. In contrast, Canada's visitor visa service tends to be inflexible and to follow a one-size-fits-all rule that ignores the realities facing business visitors and their corporate sponsors. Business visitors are assigned the same processing priority as tourists and other non-business visitors.

The consensus view of the business leaders who contributed to this paper is that CIC lacks the capacity to respond to urgent, short-notice visa applications, even when trade officials in DFAIT participate in the request. [Urgent visa demands do not pop up because the companies concerned leave matters to the last minute expecting CIC to make up for their tardiness, but rather because requests for quick turnaround are a regular and unavoidable feature of the prevailing, competitive business environment.] A recent example supplied by another major corporation provides a case in point: An opportunity arose for the president of a national Angolan agency to visit the corporation's Canadian offices. As CIC has no Angolan presence, a messenger service would have been needed to deliver the passport to South Africa; but, then, it would not have been returned in time for the agency president to leave for scheduled appointments in Europe. To expedite matters, the Canadian company sought DFAIT help in contacting CIC to arrange for a visa to be issued by a European CIC office - the president had previously visited Canada and DFAIT was hoping to see him again during his Canadian visit - but the senior official was unable, in the time available, to comply with the extensive requests for information (including detailed military record), submit his application and receive visa approval. In fact, he eventually refused the exercise and cancelled his visit.

Cultural Differences

To an extent, the problems described above point to cultural differences between

business and government and between government and local elites. As regards the former, there is a consensus among business clients that visa processing problems are systemic in nature and that CIC needs to develop a service orientation that is more 'business-friendly'.

Business clients expect quick, customized service and ready access to decision-makers. The overburdened bureaucracy they encounter is, however, better suited to mass production and works in a tightly constrained regulatory environment that is not well suited to discretion and tailored solutions. This reticence is compounded by the fact that officials are schizophrenically responsible for controlling the entry of undesirables as well as facilitating legitimate flows. Not surprisingly, business and government cultures clash.

Respondents also expressed the need for greater cultural understanding and for approaches that are better calibrated to local sensitivities, especially when dealing with senior business and political figures. Current information requirements and practices are seen, in many countries, as disrespectful and offensive, extending too deeply into the personal domain. Unless more sensitive approaches can be devised, business will be lost, networks will be impaired and the ability of Canadians to partner and to leverage support will be curtailed.

The difficulties that stand in the way of procuring business visas are perceived by applicants as being at odds with stated business and project 'messages' touting opportunities for exchange, training and partnership. The resulting 'disconnect' places commercial and longer-term business development initiatives at risk.

Losing to the competition

What is particularly puzzling to Canadian companies and to business visitors is that other countries are able to provide better service, more cheaply, more predictably and more quickly. In contrast to Canada, the United States, with some exceptions, is able to issue visas in a matter of days. There are also special, fee-based Business Visa Centers located in the U.S. to help American firms

sponsor visitors.

Australia has similar measures and has introduced a specific Sponsored Business Visitor Short-Stay Visa. Posted public service standards suggest that it may take Australia up to a month to issue a visa in places such as Africa, however, in practice, it generally takes about a week. Even Europe is faster than Canada. Visas to France and Belgium can be obtained very quickly with the possibility, in some locales, of same day service; and the Netherlands has recently launched a service called the "Orange Lane" for prospective investors and business executives worldwide. Included in these measures is a speeding up of the application process for business visitors.

It is hardly surprising, in light of these differences, that Canadian companies are complaining of being at a competitive disadvantage. Exacerbating the situation is the periodic practice by a number of countries - Russia and Libya, to name two - to reciprocate slow service by delaying visa issuance to Canadian businessmen⁸. (More recently, Mexico has threatened to do the same.) This makes Canadian companies doubly disadvantaged compared to their competitors from other countries.

Other concerns

A number of other concerns related to visitor visas were raised by Canadian businesses. One noteworthy complaint concerned the need for repeat applicants to present the same amount of information as on previous occasions, including personal information, even though they had previously met all conditions for entry to Canada. This creates confusion and annoyance for applicants as well as extra work for CIC. Multi-entry visitor visas are a possibility but they tend to be used infrequently because the processing fees are double those of single-entry visas, meaning that unless a second visit is already planned, applicants opt for the single-entry document.

⁸ Numerous countries cited reciprocity – their quick processing versus the considerably slower process operated by Canada.

Modernizing business visas: producing quick, predictable, quality decisions

Most problems, whether occurring in government or the private sector, can be solved by adding resources. Clearly, this is not a viable option for improving Canada's visa operations in the current economic climate. Instead, solutions will require new ways of doing business - fresh approaches to existing problems – such as distinguishing between business and other visitors; finding ways to rationalize the use of scarce resources; and improving collaboration between government and business around the visa process. Of course, not everything must be newly invented. A number of the ideas cited below are not novel and are already in play. Some, like financial performance bonds, are already used by Canada, albeit in different contexts; others, like corporate rosters and fee-based premium services, have been successfully implemented by our competitors.

The balance of this section lists ideas that originated in discussions with business and government representatives. They are grouped under five pillars: (i) Policy reform; (ii) Speed; (iii) Predictability and consistency; (iii) Improving access; and (iv) Building expertise.

IV Policy reform: Creating a policy for business visitors

A central lesson that emerges from an examination of Canada's competitors and, indeed, from Canada's own behaviour in India is that business visitors differ from other visitors and have correspondingly different needs. A key element of this difference is that the business visitors themselves are not CIC's 'clients'. The clients are the corporations that sponsor the visitors and the interests that are at stake are both corporate and public since they impact directly on Canada's competitiveness.

The starting point for policy reform should be to establish that rapid processing of business visitors is a goal for CIC. A clear policy statement to this effect would open the way for establishing business visitors as a discrete group with its own procedures and priorities.⁹ Many of Canada's competitors, as noted earlier, already have such policies, backed by specific legislative and administrative provisions. Furthermore, such a process has been successfully instituted in Canada's India office and a strong case can be made for extending the Indian pilot to all points of service.

India is one of the countries where CIC faces significant workload and control challenges: yet it is in India that CIC has managed to successfully navigate the tension between its control and facilitation responsibilities. In April 2008, CIC launched its Business Express Program (BEP) under which applicants from a number of large corporations with important trade and investment relationships in Canada and India can avail themselves of fast-track processing and simplified application procedures. The initial list of corporations was identified by the trade section of the Department of Foreign Affairs and International Trade (DFAIT) based on prior contact. There is provision under the program for adding companies to the fast-track list.

⁹ It is not clear whether CIC's current legal authorities would allow it to prioritize business visitors. Regardless, the Department is able to establish broad administrative priorities which would likely prove effective.

Under the BEP, when a member company requires a visitor visa for one of its business people, a (previously) designated person from the company notifies CIC, by e-mail, of the firm's plans, assembles the necessary documentation and transmits it to the visa office. CIC then verifies that the firm is a member of the Business Express Program which entitles the company, and the applicant, to express service and stripped-down documentation requirements.

To date, achievements by the program have been impressive with a near 100 percent visa approval rate, a 24 hour turn-around (thus avoiding the problems associated with CIC holding passports for several weeks) and zero instances of abuse. Clientele from the fifty or so BEP member companies have been growing and no firms have been removed from the list.¹⁰ Central to the scheme is the trust that has been developing between the companies and CIC.

CIC has indicated that it is planning to extend the 'India-model' globally, though applicant volumes and local circumstances may lead to local variations in how the service is organized and implemented. Much thought is currently going into the Mexican situation where the imposition of a visa requirement in July 2009 has created difficulties for business visitors who were accustomed to entering Canada directly (following a perfunctory airport examination), but who now find themselves having to join long visa processing queues in Mexico City.

Recommendations:

- (1) Establish business visitors as a discrete category of temporary entrant subject to distinct procedures that take into account business needs for fast, consistent and predictable visa decisions.
- (2) Accelerate extension of the 'India model' to as many points of service as possible.

¹⁰ The success of BEP has led to a Worker Express Program that began in June 2009 and follows the same procedure as the BEP. It is aimed at employees of approved companies who need work permits and medical examinations. So far, 400 work permits have been issued without a problem. During his trip to India in November 2009, Prime Minister Harper announced the creation of a special office to provide the express business visas and work permits.

Managing information for speedy decisions

The best way to accelerate the processing of business visitors by Citizenship and Immigration Canada is to improve the quantity, quality and certainty of information available to decision-makers.¹¹ In large measure, this can be accomplished by developing structured, collaborative relationships between CIC, a select number of federal and provincial ministries and, most importantly, Canadian firms operating abroad.¹² Before turning to specific solutions, however, a short excursion is needed to consider the question of risk management and information quality.

It is normal CIC practice to depend on applicants and, to a lesser extent their Canadian sponsors (a relative or business), for the information that is needed to make a visa decision. This poses a difficult challenge for visa officers who must then establish the validity of the information they receive, notwithstanding their physical remoteness from the applicants and their lack of detailed, on-the-ground knowledge of their circumstances. The proposals advanced by this paper address this fundamental limitation by arguing two essential points:

- First, that the information that CIC needs to make informed decisions about business visitors is available to Canadian companies operating on the ground;
- Second, that CIC should not attempt to verify this information directly, which is impossible in many instances, but indirectly by establishing whether to trust the information source, in this case, the company that is prepared to vouch for the data's validity.

There are several ways to evaluate whether this trust is merited including: the existence of a long-standing, documented history of providing accurate information; a system of financial guarantees (such as performance bonds guaranteeing the departure of their clients) that imposes penalties for inaccuracy;

¹¹ The information that is needed concerns both visa applicants and their corporate sponsors.

¹²DFAIT, HRSDC and provincial ministries of immigration and economic development will often be familiar with the companies that are attempting to sponsor business visitors.

and a performance-based roster system that offers ‘truthful’ companies premium service and consigns ‘untruthful’ ones to the regular, undifferentiated visitor visa stream¹³. Premium service for companies on the proposed roster would translate into corporate profits thus creating an incentive for companies to provide accurate information.

As noted earlier, a number of precedents exist for the ideas detailed above. Australia already operates a roster system of businesses that are allowed to sponsor visa applicants. Prospective sponsors are members of federal and state parliaments, authorized government officials, local government mayors and *Gazetted organizations*. Under this system, (sponsored) visa processing has been “repatriated” to Australia where it is easier to work with applicants through their sponsors (who are the real clients). Overseas posts are brought into the picture only when there are doubts about an applicant's bona fides. Visas are issued with or without a security bond and visa holders are monitored to ensure departure. If visa holders do not abide by their conditions of entry, the business sponsors forfeit their security bond (where applicable) and may have their business sponsorship rights withdrawn. The system has been successful in providing both better service and higher levels of compliance.

A system operating on similar principles is used by Canada in India to ease the application process for temporary visas. Specialty services have long been available from lawyers and consultants but for the past several years, for a small fee, prospective visitors have been able to send their applications to a privately-run processing centre that handles exchanges with the immigration post. Applicants using this service avoid having to rely on mail, travel agents, messengers and line-ups to submit applications. If interviews are required, they are scheduled at times convenient to the applicant. The essence of the service is that by ‘privatizing’ a portion of the processing system, CIC has shifted the onus for establishing the validity of information to the privately-run processing centre

¹³ Canadian businesses and other organizations could be asked to monitor and report on the compliance of visitor visa holders.

which derives value from its ability to offer better service.

Whatever 'system' is ultimately adopted, a closer relationship between CIC and Canadian firms operating abroad is a good and necessary thing. In particular, it would contribute to a more balanced assessment of the benefits and risks associated with visa decisions. Insufficient attention is, currently, paid to longer-term concerns associated with business development and 'branding'. At the same time, it would sensitize corporations and other entities to risks that need to be managed in the national interest.

Recommendations

- (3) Work closely with Canadian companies to enhance the quantity, quality and certainty of information - particularly local knowledge - on which visa decisions are based.
- (4) Create a roster of trusted organizations and a performance-based system for managing roster membership which provides trusted organizations with speedier processing for sponsored visitors.
- (5) Develop and implement mechanisms for verifying trust, including mandatory monitoring of visitors and the posting of compliance bonds by sponsoring institutions.
- (6) Encourage private sector participation in visa handling, emulating new arrangements in India.

Creating predictability and consistency

Two distinct approaches are needed to improve the predictability (how long it takes for decisions to be rendered) and consistency of the business visitor process. The first focuses on improving the quality of information that is presented to visa officials and the second focuses on 'protecting' the resources that are dedicated to business visitor processing.

Current procedures for business visitors are confusing and decisions lack transparency. CIC needs to make a concerted effort to develop and disseminate

more detailed and better-tailored (to local conditions) information about the visa assessment process and the evidence on which decisions are based. CIC's manuals and guidelines also need to reflect the policy significance of business visitors and to distinguish them from tourists and temporary workers. Existing documentation blurs the distinction between temporary workers (who take jobs in Canada) and business visitors (who do not), creating the risk of visa officers using inappropriate standards for business visitor processing.

Another method that might be considered for improving documentation and facilitating the application process is a domestic version of the fee-for-service Business Visa Centers that now operate in the United States. The response to the Centers by American companies has been overwhelmingly positive. The Centers do not intercede in visa decisions and their role is limited to helping American firms prepare and submit the documents that support business visa applications.

The second important change that is needed to enhance predictability centres on stabilizing the resources that are assigned to business visitor visa processing. Under the current regime, all processing resources are fungible. As a result, business visitor visa processing is frequently displaced (especially in summer) by increases in demand (both expected and unexpected) for immigrant, temporary entry and tourist visa processing. Dedicated resources – appropriately prioritized - would reduce fluctuations and stabilize processing times, offering better support for Canadian firms operating abroad.

Recommendations

- (7) Develop and disseminate more detailed, customized (to local conditions) information about the visa assessment process and the evidence on which decisions are based.
- (8) Investigate the use of private sector arrangements, such as those employed in India, for assisting visitor visa applicants and their sponsors abroad.
- (9) Assess the value of introducing special fee-based business centres or business services in Canada, along the lines of those recently introduced by

the U.S.

- (10) Clarify the descriptions and treatment of business visitors in CIC's manuals and guidelines in order to better align them with present legislation and regulations
- (11) Differentiate visitor visa streams and dedicate specific (and appropriately prioritized) resources to the processing of non-tourist, visitor visas.

Creating access

Central to the approach this paper recommends (and adopted in India) is direct communication between CIC and business. As explained above, CIC's current operating method generally avoids direct interaction on the grounds that face-to-face contact is too resource intensive. This approach, however, is not well adapted to clarifying information and dealing with last minute issues, features that are integral to complex business operations. By limiting direct exchanges, CIC also ensures that very little 'learning' takes place and that applicants continue to repeat 'mistakes'. Clearly, some middle ground is needed to allow regular business input into national-level policy and operational decisions. This should be supplemented by increased local contact to ensure that procedures are adapted to local needs and to allow additional information to be fed into the visa decision process as circumstances change or unanticipated information needs arise.

Given current resources and priorities, posts are not in a position to offer special services or to engage in extended information exchanges with applicants or sponsors. (This is not to say that limited opportunities should not be provided to solicit or feed additional information into the decision process.) This said, the option does exist to provide tailored services, providing these could be fully charged. For a substantial processing fee, the U.S. offers a Premium Processing Service that allows employers to request faster processing for certain employment-based petitions. A similar – though less costly – service could, in principle, be introduced for business visitors to Canada. It remains to be seen

whether there is demand for such services, which would depend on the overall success of a revamped visitor visa process. A significant improvement in visa processing would obviate the need for a premium service.

Recommendations

- (12) Establish regular contact between CIC, business and other stakeholders at both national and local levels to review policy and operations with respect to business visitors.
- (13) Introduce limited opportunities for case-based information exchanges between CIC and companies sponsoring business visitors.
- (14) Investigate the possibility of (and demand for) a fee-based, special process to provide firms and other sponsors of non-tourist visitors with customized, premium service.

Creating expertise

The most important way to augment the expertise of decision-makers is to create institutions and behaviours that increase their collaboration with 'experts', particularly those with knowledge of local business conditions. CIC's main focus is on selecting new Canadians, admitting temporary entrants and protecting Canada from undesirable intrusions. CIC does not have a strong business orientation and the majority of officers do not possess business expertise. One way to address this shortcoming would be to involve business in training programs so as to equip officers with a better understanding of business interests and methods. Business involvement could take the form of participation in course design, training delivery and consultation with regard to manuals and guidelines. By participating in such exchanges, Canadian companies would also develop a better appreciation of the challenges facing visa officers.

In addition to working more closely with business, immigration officers should also be encouraged to work more closely with their colleagues who are involved in commercial operations and trade promotion to share information and to create

an improved strategic focus for Canadian activities abroad.

Recommendations

- (15) Involve the Canadian business community in designing and delivering training programs to visa officers.
- (16) Encourage immigration officers to work more closely with colleagues responsible for commerce, trade and development in order to benefit from their expertise and to create a shared strategic focus within Canada's overseas missions.

Translating ideas into actions

The recommendations set out in this report are reasonable and doable, many with a proven 'track-record'. They build on the premise that the aims of Canada's government are largely congruent with those of Canada's corporations. There is a shared interest in building on Canada's strategic advantages and equipping Canadian firms to compete internationally. A similar impetus exists for government agencies to align their policies and actions in order to strengthen their support for Canada's trade, development and foreign policy objectives.

Three things are needed to translate the ideas contained in this report into actions:

1. A political decision by the Minister of Citizenship and Immigration to resolve the problems encountered by Canadian firms attempting to sponsor business visitors from countries subject to visa requirements.
2. A commitment by the Department of Citizenship and Immigration Canada to work collaboratively with the business community and other key stakeholders, including the Department of Foreign Affairs and International Trade, to find innovative solutions.
3. A timetable for change that inspires confidence in stakeholders that their concerns are being taken seriously and that relief is on the way.

V Conclusion

It is always tempting when confronting a problem to start by allocating blame. A concerted effort should be made by all parties to avoid this trap. There are no guilty culprits, apart from shifting strategic priorities and growing international competition. Meeting these challenges will require a spirit of cooperation and a willingness by all parties to collaborate, to modify practices and to look for new and better ways of doing business and realizing objectives. Canada has a unique strategic advantage resulting from its successful and early adoption of diversity, an advantage that its competitors are struggling to procure. This window will not remain open forever. While it lasts, Canada should capitalize on its strategic asset and the investment it represents by ensuring that Canadian practice lives up to internationally 'advertised' Canadian ideals. Governments and corporations have a shared strategic interest in making this happen. This paper sets out a basis for collaboration and proposes a number of promising ideas to help launch the discussion.



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