

# Business in Canada as a Non-Canadian

Are you a non-Canadian business person who has an established business in your own country and would like to start a business in Canada? Or are you a non-Canadian individual who would like to open a company in Canada?

## **Starting a Business in Canada When You Already Have a Business**

Expanding into Canada for an already-established foreign business is straightforward: each province has registration procedures (and fees) for extra-provincial incorporation.

So, for instance, if you, a non-Canadian, currently operate a corporation in India, and you want to open a business in Ontario, you need to register your business as an extra-provincial corporation in that province.

For extra-provincial incorporation, you will need an Agent for Service, an "individual, 18 years of age or older who is resident in Ontario, or a corporation having its registered office in Ontario".

Note that although I am writing of Ontario in this example, all the provinces and territories have similar requirements. To start a business in Canada, you will need to contact the provincial registry of the province you want to do business in and go through its required procedure. If you wish to do business in more than one province, you will need to register separately with each province.

If, on the other hand, as a non-Canadian, you want to start a company in Canada and do not already have an established business in your country of origin, there are several ways you could open a business in Canada.

## **Start a Business in Canada by Immigrating**

First, if you wish to live in Canada, you could apply to come to Canada as a business immigrant. This is the only way that you will be able to both start a business in Canada and live here.

When you look through the information on business immigration to Canada from Citizenship and Immigration Canada, you'll see that there are two types of business immigrant: Start-up visa for entrepreneurs and Self-employed persons.

As announced on February 11, 2014, these new categories replace the original Immigrant Investor and Federal Entrepreneur programs. Read the details of Canada's Start-Up Visa for Entrepreneur Immigrants.

To come to Canada as a self-employed person you must have either:

- relevant experience in cultural activities or athletics, and intend and be able to make a significant contribution to the cultural or athletic life of Canada, or
- experience in farm management, and intend and be able to buy and manage a farm in Canada.

Learn more about your potential eligibility to immigrate as a self-employed person.

## Start a Business in Canada *Without Living in Canada*

If you do not immigrate to Canada, and are not a Canadian citizen or a landed immigrant (have permanent resident status), you *can* still **start a company in Canada by setting up a partnership or a corporation with one or more Canadian citizens or landed immigrants.**

Obviously, as a non-Canadian, if you are setting up a partnership with one other person, that other person would have to be a Canadian citizen or landed immigrant.

For corporations, as per the Canada Business Corporations Act,

***"At least 25 per cent of the directors must be resident Canadians (if 25% of the directors is not a whole number round up to the nearest whole number). Where a corporation has less than four directors, at least one must be a resident Canadian (S. 118(3))".***

When you start a company in Canada, if that company is a partnership, you will need to register your partnership in the province or territory you are going to do business in. Contact the provincial registry of the province you want to do business in and go through its required procedure.

If the company you are starting is a corporation, you will first need to decide whether you are going to incorporate your business federally or provincially. Information is readily available on the internet as to advantages of each. Note that if you incorporate your new company federally, you will still need to register, not "incorporate", your business with each province or territory you do business in.

## Can I start a business when I'm in Canada on a work permit?

To legally start a business in Canada as an individual, you need to be a Canadian citizen or a landed immigrant (permanent resident) and as a foreign worker here on a work permit in Canada, you are neither.

Canada work permits are usually valid only for a specified job, employer, and time period, you would violate the conditions of your work permit by starting a business in Canada. This means that you are not legally allowed to do work "on the side", or even do other work for the employer listed on your work permit.

## The Bottom Line

If you are a non-Canadian who wants to start a business in Canada, you will have to either get a permanent residency or immigrate to Canada, or find one or more Canadians to team up with.

These are the ways that individuals can "do business" in Canada.  
**S.E.I** does not condone any illegal means of doing business in Canada.  
**S.E.I** can show you legal ways to diversify your portfolio and do **Business in Canada.**

Contact our Chairman directly for personal confidential advice.

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