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Canada seen as just a high-tech pit stop

It's easy for skilled immigrants to enter Canada, but for many the United States is the final destination

AMY OLMSTEAD

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Canada welcomes technology professionals from abroad with friendly immigration laws, but before long the same workers are often tempted to bid *bon voyage* and head to the United States.

"Most of our clients want to come to Canada only on a temporary basis," says Leonard Pearl, an immigration lawyer with Chang & Boos in Toronto.

Henry Chang, one of the firm's partners, says almost all of his clients looking to work in high tech think of Canada as a mere stopover point. Many are simply waiting for green cards to be approved, while others spend a year here so they can return to the United States on a temporary work visa. Still others want to become Canadian citizens so they can enter the United States on less scarce North American free-trade agreement work visas.

Sunil Sanghani is one of the many high-tech émigrés who has entered Canada under this country's looser immigration regulations, but who nevertheless feels the pull of the United States.

"The immigration process is easy," says Mr. Sanghani, who left India for the United States, then moved to Canada six years later. He now works in Toronto.

"In the United States, he says, "the opportunities overall are greater. I could develop better skill sets, make more money and pay less tax."

Still, Mr. Sanghani says he enjoys his job at Microsoft Canada Co., where he manages the e-commerce development group for MSN.ca.

Ask him why he's here and he says a number of factors were instrumental. U.S. immigrants can only work under temporary visas for six years. When Mr. Sanghani's

time ran out, his high-tech skills gave him a world of opportunity to choose from.

Canada, he says, was attractive because of its ease of entry, the quality of life, the chance to work for Microsoft and the fact that it is in North America. But after more than a year here, he doesn't think Canada fosters an environment that enables its companies to compete globally.

Some industry representatives go further and say that all the open door does is turn Canada into a high-tech pit stop: Companies reap only a short-term benefit from encouraging lax immigration rules if the immigrant workers can't be enticed to stay.

"Once you attract people, because the doors are maybe slightly wider open here than in the U.S., you have to create an environment where people have a chance of succeeding," says Ashraf Dimitri, president and chief executive officer of Toronto-based Oasis Technology Ltd.

To be sure, many professionals who move to Canada for its reputation as a safe, tolerant, well-off democracy find jobs that satisfy them professionally and financially.

And some companies, like Britain's Delcam PLC, have set up offices here instead of in the United States precisely because of our immigration laws.

"It really came down to immigration: 'What was the quickest way to establish an office?' says Stephen Sivitter, the Delcam employee picked to move and head up the new presence.

The software giant has long sold its drafting and manufacturing applications in North America through a reseller but wanted to back up that channel by opening an office in the Detroit area to be near its key automotive customers. It chose Windsor, Ont.

"Canada has a great attitude toward the

immigration of skilled people," says Mr. Sivitter, now Delcam's vice-president of North American operations. He became a landed immigrant only five months after arriving.

Part of the high-tech industry's appeal is its fast pace, wealth and opportunity. But no one, including Canadian-immigration officials, expect friendly policies to keep people from finding those attributes in the United States, the global technology leader.

"We're kind of at a halfway point," says Gaylen Duncan, president and CEO of the Information Technology Association of Canada. "We don't have the international reputation of the U.S. or their culture. But we speak the same language and we live in similar cities."

Mr. Duncan says, based on anecdotal evidence from ITAC members, that Canada loses some of the workers it attracts from abroad.

The Department of Citizenship and Immigration doesn't keep track of how long temporary workers stay in Canada. But immigration lawyers say that many foreign-born technology professionals are in Canada only for the purpose of getting into the United States.

Canada gets experienced technology professionals in the door more easily for several reasons, according to Glenn Matthews, a partner at the Canadian and U.S. immigration law firm of Porter Matthews in Windsor.

For starters, there's no limit on the number of years a foreign worker can remain in Canada under a temporary visa. Mr. Matthews says that his firm advises immigrants to come to Canada, become a citizen and then apply for a NAFTA work visa.

Then there are the policy differences. Usually, companies that want to hire work-

ers from abroad have to prove they can't find a qualified Canadian — but a government program exempts workers in seven software occupations from this requirement. This can speed up approval times from months to days.

And while getting a U.S. green card can be a long and cumbersome process requiring employer sponsorship, in Canada, many skilled workers can be approved for permanent residency even if they don't have a job or a job offer.

"In my experience, most people want to go to the U.S., but since they can't, they come here as a consolation prize," says Mr. Chang.

Among technology professionals particularly likely to move south are those with managerial or entrepreneurial experience, says Mr. Duncan.

"We are getting some very skilled people from a number of jurisdictions. But they're coming as worker bees. They're excellent workers but they're not the kind of people who are likely to spin off their own company or create employment."

The federal government is aiming to make Canada more attractive to technology professionals. More changes along the lines of the software industry initiative are expected to the temporary worker policy, as are tax changes to employee options programs.

Ultimately, Mr. Sanghani says, the missing elements of risk-taking, investment and innovation keeps Canadians, native and foreign-born, crossing into the United States.

"We're getting some talent," says Mr. Sanghani. "But are they intent on staying here in Canada? If you can go, the majority of people want to go. Canada's value proposition in the long term is questionable."



CHARLES BELFORD

THE ELECTRONIC EXECUTIVE

CIA lessons for manager

As more organizations get networked with their suppliers, business partners and customers in supply arrangements, they naturally want to achieve the highest level of efficiency. Involves technological intimacy between your computers exchange information everybody else's in the chain. Man then face a whole new set of challenges.

An example: Your manufacturing system relies on a computerized logistical system to feed all the parts you need to build your Widget, your latest contribution to the colourful world of kitchen appliances. When the logistical system senses that inventory is running low on this or that part, it automatically orders more parts from your suppliers.

There you have the heart of it. IT change and intimacy wanes.

Now, let me give you the management challenge.

Let's suppose some of your parts suppliers want to increase their prices and you're not going to go along. What's your strategy?

With a little rubbing and an incantation or two, the numbers you gave your suppliers may provide a great deal of valuable information about your product: the efficiency of your manufacturing processes, your pricing structure, the ebb and flow of your sales cycle, and your profit margins on some product.

How should management mitigate risks of technological intimacy?

There are, of course, the usual remedies: Posting bonds or other sureties can help reduce the risks. And there is always litigation, although legal remedies are difficult once the damage has been done. Two of your suppliers are in Third World countries and four of your distributors in the common market, you are going to wait a very long time while the courts determine jurisdiction in a case where you have been abused.

So, what's a poor manager to do?

There may be some lessons from world of intelligence. Intelligence agencies like private companies, sometimes have a partner with nasty people to get good done. In the world of joint intelligence operations, bonds and legal remedies are not an option. Other, more practical rules required. Two come to mind.

The first is the payback rule (and it's both ways). If one agency is undercut by another, there is payback: one agency helps another beyond its time working arrangements, there is payback. It might take a while, but everybody in the intelligence business keeps some sort of books. And memories very long indeed.

The second rule is the demarcation. No matter how intimate the collaboration between intelligence agencies, no from another agency gets to see all the juicy jewels. While agencies may share some of the intelligence product developed their sources, rarely will they reveal identity of the source itself. Even the closest of long-standing relationships their limits. Poking your nose where it been told it doesn't belong can cause a vacation of the payback rule.

Payback in business — when you've got even — can take many forms. It's of course, be proportional to the effort. And the firm on the receiving end should strongly suspect, but remain uncertain to the hand that dealt them the difficulty. Common methods include having