

# Winning Strategies for Immigrant Entrepreneurship in Five Communities

## Final Project Report



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## Winning Strategies for Immigrant Entrepreneurship in Five Communities – Final Project Report



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Citizenship and  
Immigration Canada

Citoyenneté et  
Immigration Canada

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# Acknowledgements

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While much attention has been given to issues facing immigrant professionals seeking to work in their fields of expertise, we know significantly less about immigrant business owners. Who are they? What are their motivations for owning a business? What challenges do they face? What helps? Building on a longstanding interest in the employment challenges facing immigrants to Canada and on a history of working together, Judy Travis of Workforce Planning Hamilton and I thought these questions worth pursuing. Citizenship and Immigration Canada (CIC) apparently felt the same way, and we thank CIC for funding the Winning Strategies for Immigrant Entrepreneurship project, also known as “Wise5.”

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Any errors or omissions in the report or accompanying materials are mine. For further information on this project, please go to [www.wise5.ca](http://www.wise5.ca) or email [info@wise5.ca](mailto:info@wise5.ca)

This report is dedicated to immigrant entrepreneurs across this country, and it is hoped that the findings of this research will help recent and future entrepreneurs and the communities that attract them.

Sarah V. Wayland, Hamilton, ON, 23 February 2012

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# Executive Summary

## Overview

Persons in all immigration categories and from a wide range of countries establish businesses in Canada. Through investments and business formation, immigrants have become a major source of job creation in this country, and they have higher levels of self-employment than their Canadian-born counterparts. Yet starting a business is challenging, and failure rates are high, both for immigrants and the Canadian-born.

As this country increasingly relies on immigration for labour force and population growth, and as almost all new jobs are created by small businesses, it is important to learn more about immigrant businesses and how to help them thrive. To this end, the Winning Strategies for Immigrant Entrepreneurship project (“Wise5” for short) built on a partnership of local Workforce Planning Boards in five communities: Hamilton, London, Niagara Region, Windsor, and Waterloo Region including Guelph. To learn about experiences of immigrants in business, we interviewed more than 100 individuals in these communities, including immigrant entrepreneurs, service providers and other persons with knowledge of immigration and business.

This report builds on findings from these interviews, from relevant articles and reports, and from primary research into services and supports to identify key business supports and business start-up trajectories that have met with success. It contains recommendations for communities for supporting immigrant businesses and identifies best practices that can be adopted in other regions.

## Immigrant Entrepreneurs

Among Canadian immigrants, self-employment rates increase with age as well as with time spent in Canada. Compared to employees, both immigrants and non-immigrants who are self-employed tend to be male, older, married with children at home, and better educated.

Some immigrants are attracted to self-employment by a business idea or opportunity, because self-employment is common in their profession (e.g., physician, lawyer, contractor), or for other reasons. Others, however, are “pushed” into self-employment by the lack of other paid employment.

We interviewed 65 immigrant entrepreneurs (40 men and 25 women) for this project, including at least 10 persons from each of the five communities. These individuals had a variety of motives for starting a business: 75% were voluntary entrepreneurs who were “pulled” into entrepreneurship while the remaining 25% were either involuntary entrepreneurs who were “pushed” into entrepreneurship, or had experienced some combination of “push” and “pull” factors.

The entrepreneurs we interviewed immigrated to Canada in various immigration classes. Just over two-thirds came from Asia, Latin America, or the Middle East. The entrepreneurs tended to be highly educated: 64% had at least an undergraduate university degree. Nearly 70% of the entrepreneurs either had direct experience running a business or had been involved in a family business in their country of origin.

Among the immigrant entrepreneurs we identified, several business profiles emerged. Most either purchased established businesses, followed a more franchise-like model, offered professional services based on existing expertise, or opened retail outlets or restaurants to import products and sell locally for example, foodstuffs, clothing, and handicrafts. A few were attempting to develop new products and take them to market.

## Immigration Trends in the Wise5 Communities

Analysis of Permanent Resident immigration data for the Wise5 communities found that they received less than their “fair share” of immigrants: as of 2010, approximately 22% of the province’s population lived in the five areas, yet on average these areas received only 12% of the province’s permanent resident entries. Also, the Wise5 communities receive fewer economic class entries, and more refugee class immigrants, relative to the total number of entries to Ontario.

Just over half of all new permanent residents (in four of the five communities) indicated their intention to work, including starting their own business. Almost one-third of entrants come with a university degree. Hamilton and Niagara had proportionally fewer entrants with university degrees than the other communities, but both had relatively higher levels with trade certificates or non-university diplomas. Whereas the bulk of Ontario’s new permanent residents come from just a few countries (eg. 40% coming from only five countries), immigration to the Wise5 communities was from more varied sources.

## Achieving Success

In our interviews, we asked immigrants to identify “key ingredients to success” for people starting and running a business in Canada. The top responses were: networking, hard work/ motivation, and relevant business knowledge and skills. Immigrants spoke often of the need for networking, especially making connections outside their own ethnic communities.

Many of the entrepreneurs who appeared to be experiencing success in their businesses tended to share some characteristics. They were voluntarily self-employed; highly educated, many with graduate degrees; spoke excellent English; and had prior business experience in their country of origin in the same industry. Many of them had taken business seminars and courses in Canada, had strong local networks, and spoke of persisting in face of challenges.

Similarly, many of them followed a common trajectory or pathway into business. Immigrants did not start new businesses right away but rather after a period of settlement and adjustment to living in Canada and learning about Canadian business culture and practices.

## Barriers and Challenges

Becoming an entrepreneur in Canada is not always an easy option to pursue, and immigrants and Canadian-born alike face many of the same challenges. However, immigrants face some additional barriers, including language barriers, lack of familiarity with Canadian business culture, lack of a Canadian credit history, and lack of social and professional networks. In our interviews with immigrant entrepreneurs, access to financing was identified as an obstacle almost three times more often than the next obstacle.

Key informants identified many of the same barriers, but they also spoke more about the lack of preparation and lack of understanding of Canadian business operations as being detrimental to the successful establishment of a business.

## Supports and Services for Entrepreneurs

There are a range of supports available to newcomers who wish to start their own businesses. Some supports are targeted specifically to newcomer populations while others are more general in nature but available to newcomers. Many have eligibility requirements, some of which may exclude more recent immigrants. In this report, we have categorized supports and services in the following way:

**Information and referral.** The information and referral process helps match people with services. The objective is to match people with the services that will meet their individual needs.

**Training.** Training refers to the acquisition of knowledge, skills, and competencies as a result of the teaching of useful vocational or practical skills and knowledge.

**Individualized supports.** Individualized supports are tailored to the needs of the person seeking assistance and include advice, counseling, assistance with creating a business plan, and mentoring offered in a one-on-one format.

**Financing.** This refers to providing or raising the funds or capital for the creation and maintenance of a business. Financing ranges along a continuum from micro-loans to multi-million dollar investments.

**Business incubation.** A business incubator supports businesses during their start-up phase. The goal of the incubator is to help business owners grow their businesses to the point where they are viable without supports.

**Professional networks.** Professional networks help entrepreneurs make new contacts and connect with other people in the same industry or occupation. These “warm contacts” can be useful in terms of information and knowledge sharing as well as for soliciting clients and business partners.

## Suggestions for Services and Some Local Best Practices

**Training.** There is a need for slower-paced self-employment programs as well as more intensive programs. There are many one-time seminars and workshops, but very few programs that offer more intensive training in a classroom setting with opportunities to develop peer networks and receive ongoing guidance and feedback. Some programs have eligibility requirements that exclude most immigrants. *Local Best practices: WRAP course (Kitchener) and BizPlan at Welcome Inn (Hamilton).*

**Individualized supports.** Enhancing one-on-one supports was identified as a need, as was the need for more mentoring connections, including by longer-term immigrants who have succeeded in business. *Best practices: Waterloo Newcomer Business Network and Business Immigrant Mentorship at Enterprise St John (New Brunswick).*

**Helping people access financing.** Ideas to overcome the financing barrier include individualized guidance for navigating financing options, expanded microloan programs, and expansion of the Community Future Development Corporations model to urban centres. *Local best practices: FirstOntario Credit Union Micro credit initiative (Hamilton) and Goodwill Industries Microloan Project (London).*

**Supports for existing business, including immigrant-specific professional networks.** Businesses may need supports after becoming established, either to address new challenges or to expand. *Local best practice: Supports for Spanish-speakers in London, Ontario.*

## Recommendations

These recommendations are to communities at large, including the settlement sector, municipalities, other levels of government, and other stakeholders such as Chambers of Commerce and Small Business Enterprise Centres. The recommendations are divided into these categories: Offering a range of supports to accommodate different needs and readiness for business start-up; Ensuring accessibility to services; Promoting existing services; Improving access to finance; Creating opportunities for networking and professional development; and Developing entrepreneur-friendly policies.

It is recommended that:

1. Every municipality and region examine its offerings to ascertain whether or not it offers a range of supports that accommodate the diversity of need among prospective entrepreneurs
2. Service providers and stakeholders meet to identify potential areas of collaboration in promoting entrepreneurship locally
3. Enthusiasm for entrepreneurship be promoted by dynamic events such as “Innovation Nights” and friendly competitions among start-ups
4. Service providers and funders examine their offerings with a view towards improving accessibility by a variety of prospective entrepreneurs, including these three key aspects: affordability (free wherever possible), eligibility requirements, and language supports
5. Service providers create a “warm connection” for inquiries by having a live person answer the telephone
6. Service providers in different jurisdictions explore the possibility of offering regional events in different languages to attract larger audiences
7. Service providers list and include program details on their own websites
8. Service providers promote their services -- including any available interpretation supports or services in languages other than English -- through the “ethnic” media
9. Service providers create a “warm connection” to prospective immigrant clients through in-person visits to settlement and language classes, college classes, and other appropriate venues
10. Employment service providers become educated about the benefits and viability of self-employment as an option for clients
11. Service providers who work with potential business owners have some business experience themselves
12. Governments and other stakeholders work with financial institutions to expand the availability of financing for new businesses
13. Municipalities and community agencies work with financial institutions to promote and grow existing micro loan programs
14. Governments and other stakeholders explore the possibility of implementing a program similar to Canadian Youth Business Foundation but aimed at persons aged 35 and older
15. Service providers and other relevant stakeholders explore the creation of mentorship opportunities focused on business, possibly through the Chamber of Commerce, which is already an important local support for small businesses
16. Prospective entrepreneur mentees undergo some business training and screening prior to being matched with a mentor

17. Regional databases for mentorship be explored as it may be challenging to find strong matches in smaller communities
18. Chambers of Commerce form a task force to examine how their own organizations might better incorporate immigrants, including through ethnic business groups and through speakers that can promote the value of diversity
19. Relevant stakeholders, including service providers, form a community coalition to advocate for business-friendly policies and government initiatives at all levels of government
20. Municipalities explore the idea of a tax holiday for businesses in their first year of operation

Communities that wish to grow their local economies can do so by paying heed to the best practices and recommendations presented in this report. By acting strategically, communities can create a more welcoming environment and business climate for new immigrants. In the long run, this will benefit not only immigrants but the broader communities in which they choose to settle, work, and live.

## List of Acronyms

CFIB	Canadian Federation of Independent Business
CIC	Citizenship and Immigration Canada
CSBF	Canadian Small Business Financing
CYBF	Canadian Youth Business Foundation
EI	Employment Insurance
OSEB	Ontario Self Employment Benefit Program
OWSED	Ontario Works Self-Employment Development
RIC	Research, Innovation and Commercialization
SBEC	Small Business Enterprise Centre
SME	Small to medium enterprise (having fewer than 500 employees)
Wise5	Winning Strategies for Immigrant Entrepreneurship in Five Communities project

# 1. Introduction and Overview of Topic

Immigrants in all immigration categories and from a wide range of countries establish businesses in Canada, thereby contributing to our economy, society, and culture. Immigration is fueling labour market growth, and immigrants have higher levels of self-employment than their Canadian-born counterparts. Yet starting a business is challenging, and failure rates are high, for both immigrants and the Canadian-born.

In this context grew the idea for the Winning Strategies for Immigrant Entrepreneurship project or “Wise5” for short. This project builds on existing research related to immigrant entrepreneurship by working with local workforce planning boards in five communities to conduct original qualitative research. We interviewed service providers and others working in this area to get their perspectives. Then we interviewed more than 60 immigrants about their experiences of starting and running businesses in the five communities, including the challenges they faced and what kinds of supports were most helpful.

This report brings together findings from relevant articles and reports, primary research into services and supports that work well, and more than 100 interviews in order to identify key business supports and business start-up trajectories that have met with success. It contains feasible recommendations for communities in southwestern Ontario, and it identifies practices that can be adopted in other areas of the province. It is hoped that the rich findings from this research will help immigrants, policy-makers, and service providers to create opportunities for entrepreneurship and job creation in Ontario.

## Importance of immigrant entrepreneurship in Canada

The impetus for this research was the ongoing urgent need to facilitate the incorporation of newcomers into Canadian labour markets, the knowledge that small business is the major source of new product and service innovations -- as well as the most dynamic source of job creation, and the challenges facing second tier cities in attracting and retaining newcomers. In this context, we believe there is far greater potential for economic and business development within immigrant communities in Ontario, and that entrepreneurship can offer an important route to economic integration.

Over the past decade, an incredible 98.5% of new jobs in Canada were created by firms with under 100 employees, and almost 60% were created by firms with fewer than five employees. In Ontario, the self-employment rate has risen substantially since the early 1970's, with the self-employed labour force growing at more than two times the rate of wage and salary employment to reach the level of 2.7 million self-employed people in Canada as of 2009.<sup>1</sup>

*What I find exciting — the very fact that they have left their own country and language and ethnicity — gives us insight into who they are. They pre-filter themselves by coming here, and we should take advantage of this. We need to find ways to build on their being naturally innovative. Immigrants are part of any solution; they are entrepreneurial and innovative.*  
— Key informant

According to the Canadian Federation of Independent Business (CFIB), a majority of SME (small to medium enterprise) owners intend to exit their businesses within the next decade, mainly due to retirement, with as many as two million jobs affected. Attracting motivated and entrepreneurial workers and business people from around the world may help turn these risks into opportunities for new immigrants, small

<sup>1</sup> Statistics Canada, *Labour Force Survey*, July 2009.

business owners, their employees and the economy in general. The CFIB recommends that governments “strive to attract more entrepreneurial workers and qualified business people from around the world who are interested in purchasing existing Canadian businesses.”<sup>2</sup>

Immigrants have become a major source of job creation in this country through both investments and business formation. Immigrants have higher rates of self-employment in comparison to the Canadian-born population: in the late 2000's, about 19% of immigrants were self-employed compared with 15% of Canadian-born individuals. However, self-employed immigrants are more highly concentrated in the cohorts arriving before 1991, and they are less concentrated among recent immigrants.<sup>3</sup> Entrepreneurship offers an important route to economic integration for new immigrants, and we must encourage immigrant entrepreneurship in Canada.

Opportunities for business start-up and success can help Canada in the growing competition for global talent. Improved labour market integration can help alleviate the emerging phenomenon of “reverse brain drain” in which persons with global ties leave Canada to pursue economic opportunities elsewhere. Barriers to economic advancement in Canada may mean that Canada will be bypassed as an immigration destination in the future.

## Project objectives and scope

The objectives of this project are:

- to develop a profile of successful immigrant entrepreneurs
- to identify supports and other factors that facilitated their successes
- to make recommendations for improving the supports and conditions for successful business start-up and maintenance by newcomers, including collaborative responses

**Immigrants in business.** All classes of immigrants – skilled workers, family class, refugees, and more – start and run businesses in Canada, with no apparent association between immigration class and business success. In addition, Canada has created immigrant classes specifically to promote investment in our economy, but these numbers are quite small: principal applicants in the business class categories comprised less than 2% of permanent immigration to Canada in 2010.<sup>4</sup>

**Geographic scope.** Our research focused on five cities and regions in Southwestern Ontario: Hamilton, London, Niagara Region, Windsor, and Waterloo Region including Guelph. These are the largest municipalities in southwestern Ontario, each with a population of at least 200,000 persons, and they are also the top recipients of recent immigrants in this part of the province. Each is home to at least one Small Business Enterprise Centre. Aside from these commonalities, however, the municipalities differ in terms of services for newcomers, particularly with regard to self-employment supports. In addition, they differ with respect to the composition of both their newcomer populations and their economic base.

<sup>2</sup> Andrea Bourgeois, Aneliese Debus, Bradley George, Janine Halbesma, Dan Kelly, Judy Langford, and André Lavoie. *Immigration and Small Business: Ideas to Better Respond to Canada's Skills and Labour Shortage* (Willowdale, ON: CFIB, 2006), 28.

<sup>3</sup> Based on Labour Force Survey data; see Feng Hou and Shunji Wang, *Immigrants in Self-employment, Statistics Canada Perspectives on Labour and Income*, Autumn 2011, 4.

<sup>4</sup> Under the Business Immigration Program, immigrants commit to investing significant sums or to own and manage businesses in Canada. Business immigrants can enter as investors, entrepreneurs, or self-employed persons. *Citizenship and Immigration Canada, Facts and Figures 2010*, accessed January 26, 2012 from <http://www.cic.gc.ca/english/resources/statistics/facts2010/index.asp>

Research on “second-tier cities” such as these is timely as they face significant pressure to attract permanent and temporary populations from overseas to boost productivity, transfer economic activity, and counter population aging trends.<sup>5</sup> The potential benefits of the business endeavours by and labour contributions of newcomers to the ongoing development of Ontario’s cities and communities are great. As such, Ontario cities outside the Greater Toronto Area are working to attract and retain newcomer populations, even as diversity creates new challenges, such as the integration of minorities into smaller, often homogeneous communities. Finally, second-tier cities are an optimal size for building the kinds of collaborative networks that may be needed to work “outside the box” to encourage entrepreneurship.

## Self-employment and entrepreneurship

We conceive of entrepreneurship as operating across a continuum. At one end of the continuum are owners of part-time, home-based businesses as well as contingent workers who are essentially contractors and often live in low-income situations. The 30% of self-employed workers (and 45% of self-employed women workers) who earn less than \$20,000 are found at this end of the continuum.<sup>6</sup>

*It’s not about where they come from, it is about if they want to pursue their own dreams. If so, then immigrants have a good chance of success, even a slight edge because they are ‘hungrier’ and need to prove themselves.*  
— Key informant

In the middle can be found owner-operated (often unincorporated) businesses with fewer than five employees and modest revenues; self-employed professionals such as doctors and lawyers; family-owned and -operated businesses; and “start-ups” whose owners start small but whose business plans forecast quick and significant growth.

At the larger-scale end of the continuum are owners of SME’s with multi-million dollar budgets whose businesses require significant capital investments.

<sup>5</sup> For the purposes of this research, second-tier cities are defined as “spatially distinct areas of economic activity where a specialized set of trade oriented industries takes root and flourishes” and have populations between 200,000 and one million. Second tier cities have a significant presence of their own that distinguishes them from small cities, micropolitan areas, and rural towns. See Ann Markusen, Yong-Sook Lee, and Sean DiGiovanna, eds., *Second Tier Cities. Rapid Growth Beyond the Metropolis* (Minneapolis: University of Minnesota Press, 1999), 3.

<sup>6</sup> Workers’ Action Centre, *Working on the Edge* (Toronto: Workers’ Action Centre, 2007), 33.

## 2. Research Methods

Self-employment is a broad term that refers to individuals who work for themselves in incorporated or unincorporated businesses. All entrepreneurs are self-employed, but what distinguishes them from others is their intent: they are working for themselves because they recognize an opportunity for a new product, service, or market and they act upon that opportunity.<sup>7</sup> In keeping with most of the literature reviewed for this paper, including language used by service providers, “entrepreneur” and “self-employed” are for the most part used interchangeably in this paper.

This project incorporated several research methods: (a) literature search and environmental scan, (b) qualitative interviews, and (c) analysis of immigration data from Citizenship and Immigration Canada on the five Wise5 communities.

### Literature search and environmental scan

The search of the literature consisted of a search of scholarly articles and public reports and analyses focused on immigrant entrepreneurship, ethnic economy, and similar keywords. Our primary geographic focus was Canada, but some research on the United States, Australia, New Zealand, and European Countries was also included. More than 50 articles were identified and examined for relevance to the project, and they were integral to the construction of the literature review below. The 35 most relevant articles were compiled into an Annotated Bibliography that forms a companion piece to this report.

In addition to the literature search, an environmental scan consisted of Internet search for supports and programs aimed at entrepreneurship and immigrant entrepreneurship. Again the focus was on Canada but also benefited from inclusion of policies and practices in other countries.

### Qualitative interviews

**Key informant interviews.** We conducted “key informant” interviews with service providers and knowledgeable individuals in each of the five communities of focus in southwestern Ontario. These individuals were from workforce planning boards, settlement agencies, municipal economic development departments, Small Business Enterprise Centres (SBECs), the private sector, and research, innovation and commercialization (RIC) Centres. Interviews were also used to follow up on leads identified in the environmental scan.

Service providers were asked about the programs and services offered to immigrants as well as the general public, client profiles, what kinds of businesses were started by clients, whether any tracking or follow up was conducted with clients, and more. Other key informants were asked for their impressions regarding the receptivity of their community to immigrant entrepreneurs, the level of supports for new businesses, and what kinds of supports were most needed.

**Targeted interviews with entrepreneurs.** We interviewed more than 60 immigrant entrepreneurs across the five communities, selected for a variety of experiences in self-employment, ranging from home-based businesses to large employers, mix of arrival times, gender, and other variables.

We asked them about their business and experience generally, and how they got started, as well as what drew them to their community. We also asked about what kinds of local supports they had received, and whether any services or networks were particularly helpful. Entrepreneurs shared with us their own views on what it takes to succeed in business in Canada.

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<sup>7</sup> Eileen Fisher and Rebecca Reuber, *The State of Entrepreneurship in Canada* (Ottawa: Industry Canada, 2010), 5.

## Data analysis

Raw landing data were obtained from Citizenship and Immigration Canada for the five target communities for the years 2006, 2008, and 2010. All data come from Citizenship and Immigration Canada, RDM: Facts and Figures 2010 (custom tabulation RE-11.0803).

The data are intended to provide a general context of immigration trends and demographic profiles of immigrants. Though the focus is not on entrepreneurs per se, temporary migrants such as international students and temporary foreign workers were excluded from the analysis as they are in Canada for a specific purpose and time period and unlikely to start a business.

*There are barriers to anyone even if not an immigrant. It's about getting the right space and location and the money. Also, it depends on the individual, whether they have language, ... difficult to get the advertising and promotion going. Are they tapping into strengths and finding people to complement their weaknesses?*  
— Key informant

## 3. Immigrant Entrepreneurs

### Who is self-employed, and why?

Opportunity versus necessity. Some immigrants are pulled or attracted into self-employment by a business idea or opportunity, because their profession requires them to, or for other reasons. These are “opportunity entrepreneurs.” Others, however, are “pushed” into self-employment by the lack of other paid employment. Sometimes referred to as “barrier-based” or survival entrepreneurship, the phenomenon is evidenced by the increased levels of self-employment during times of economic downturn.<sup>8</sup>

Most scholars agree that immigrants choose to be self-employed due to a variety of factors of choice and constraint as opposed to one single factor.<sup>9</sup> Factors such as barriers to employment (“blocked mobility”), the costs of immigration, language, racism and discrimination, and less access to traditional forms of capital may push immigrants to start their own businesses. In *Immigrants in Self-Employment*, Hou and Wang used the 2000 Survey of Self-Employment (SSE) to analyze reasons why immigrants choose self-employment.<sup>10</sup> They found that a majority of self-employed respondents (regardless of immigration status) indicated that they did **not** enter self-employment because of labour market difficulties. (No actual percentage was reported in the study.) However, recent immigrants (within the past 10 years) were more likely to prefer paid employment as opposed to self-employment.

**Personality.** Research indicates that immigrants are by definition “risk takers” who are willing to try new things and are highly motivated to succeed, often for the sake of their families. A recent article in the *Journal of Entrepreneurship* argues that when individuals emigrate from their home country they have a certain level of entrepreneurial drive that leads them to identify opportunities that are not apparent to the existing business community.<sup>11</sup> Exchanges between newcomers and established groups foster globalization through the dissemination of new products and values across national borders.

In another study, interviews with dozens of successful immigrant entrepreneurs found that they all shared the following traits: keen sense of adventure, reverence for education, love and respect for family, eagerness to collaborate, tolerance for risk and failure, passion often born of desperation, and a tendency to dream.<sup>12</sup>

**Demographics.** Among immigrants to Canada, self-employment rates increase with age as well as with time living in Canada. Immigrants who have been in Canada for more than 10 years have a higher self-employment rate than those who have been in Canada for less than 10 years. Much of this difference is due to established immigrants’ higher age. Controlling for age, recent immigrants and non-immigrants have similar rates of self-employment.<sup>13</sup> Many immigrants first work in wage employment before moving on to self-employment, with fewer being self-employed immediately after immigrating.<sup>14</sup>

<sup>8</sup> Hou and Wang, *Immigrants in Self-Employment*, 3.

<sup>9</sup> Li, P. S. 1997. Self-Employment Among Visible Minority Immigrants, White Immigrants, and Native-Born persons in Secondary and Tertiary Industries of Canada. *Canadian Journal of Regional Science* 20(1,2): 103-118.

<sup>10</sup> The SSE interviewed 4,015 self-employed respondents, of whom 470 were immigrants. Hou and Wang, *Immigrants in self-employment*.

<sup>11</sup> P.C. Ensign and N.P. Robinson, *Entrepreneurs because they are Immigrants or Immigrants because they are Entrepreneurs? A Critical Examination of the Relationship between the Newcomers and the Establishment*, *The Journal of Entrepreneurship* 20,1 (2011), 33-53; see also M. Dalziel, Immigrants as extraordinarily successful entrepreneurs: A pilot study of the Canadian experience, *Journal of Small Business and Entrepreneurship*, 21, 1 (2008), 23-36.

<sup>12</sup> Richard T. Herman and Robert L. Smith, *Immigrant, Inc.: Why Immigrant Entrepreneurs are Driving the New Economy* (Hoboken, NJ: John Wiley and Sons, 2010), 168-169.

<sup>13</sup> Hou and Wang, *Immigrants in self-employment* 2011, 4.

<sup>14</sup> Schuetze, H. J., & Antecol, H. (2005). *Immigration, entrepreneurship and the venture start-up process*. In S. C. Parker, Z. J. Acs, & D. R. Audretsch (Eds.), *International Handbook Series on Entrepreneurship* (Vol. 2). Kluwer Academic Publishers.

Compared to paid workers, both immigrants and non-immigrants who are self-employed tend to be male, older, married, have children at home, and have a university degree.<sup>15</sup> In their analysis of Statistics Canada’s 2003 Ethnic Diversity Survey, Kerr and Schlosser grouped immigrants according to their levels of human and social capital, with the “high investment” group encompassing immigrants who had completed some postsecondary education, had fluency in two or more languages, and had membership in one or more social groups.<sup>16</sup> The results of the analysis indicated more than double the proportion of high-investment immigrants reported being self-employed, as compared to the remaining group of immigrant respondents. In contrast, survey participants at the other end of the scale in terms of human and social capital were much less likely to be self-employed.

Another noteworthy finding from this study pertains to income levels of those surveyed. Within each grouping of immigrants, according to their levels of human and social capital or “investment,” self-employed immigrants reported significantly higher incomes than their peers. This also held true overall, that is, self-employed survey participants reported higher income levels across the entire group of immigrants.

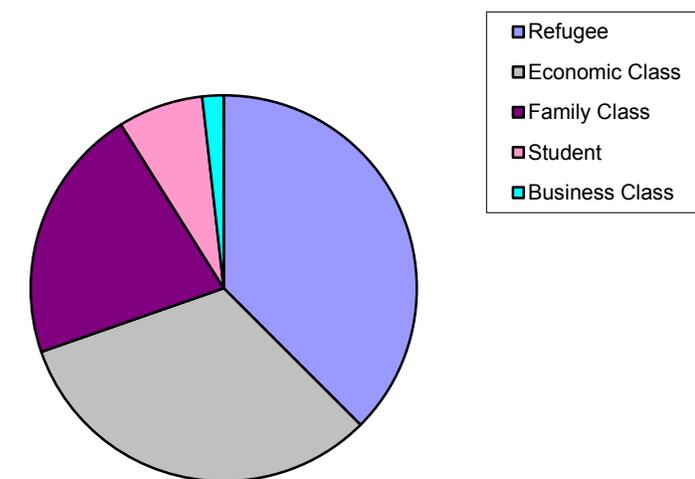
### Profile of Wise5 immigrant entrepreneurs

We interviewed 65 immigrant entrepreneurs (40 men and 25 women) for this project, including at least 10 persons from each of the five communities. They were recruited in a variety of ways: some were identified by service providers and instructors, some responded to a “call for immigrant entrepreneurs” emailed out in each community, and some were obtained through personal connections. In addition, some were identified by other immigrant entrepreneurs (i.e., snowball sampling).

**Background Information.** Approximately 80% of the entrepreneurs were recent immigrants who had been living in Canada for fewer than ten years.

The entrepreneurs immigrated to Canada in various immigration classes. 70% immigrated either in the economic class (32%) or as refugees (38%), while approximately 22% immigrated in the family class. Only one entrepreneur immigrated in the business class.

**Figure 3.1 Immigrant Entrepreneurs by Immigration Class**

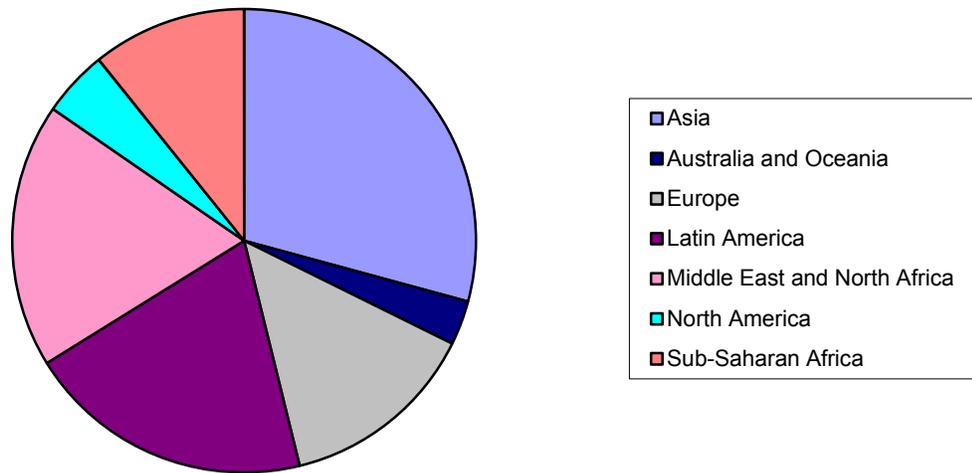


The entrepreneurs immigrated to Canada from 34 different countries. Just over two-thirds came from Asia, Latin America, and the Middle East.

<sup>15</sup> Hou and Wang, 5.

<sup>16</sup> Gerry Kerr and Francine Schlosser, “Start-up and Success in Ethnic New Ventures,” *Frontiers of Entrepreneurship Research* 27,5 (2007). Available at: <http://digitalknowledge.babson.edu/fer/vol27/iss5/4>

**Figure 3.2 Immigrant Entrepreneurs by Region of Origin**



The entrepreneurs tended to be highly educated: 64% had at least an undergraduate university degree. 43% of the entrepreneurs' highest credentials were earned in North America, while the remaining 57% came from diverse regions.

### **Meet Julia Serna, Coffee Vendor**

Julia Serna loves to make fresh coffee for her customers in the Hamilton Farmers' Market, and she is proud to be the original vendor of fair-trade, organic coffee in the Market.

When she first came to Canada, she held several factory jobs, but she didn't really like the atmosphere. She explored the idea of opening her own business. She studied what businesses would be good for Hamilton. Also, she attended some workshops at Hamilton's Small Business Enterprise Centre. After settling on the idea of using her Colombian connections to import and sell coffee, Julia shopped around for a location, finally settling on the Farmers' Market where she has operated for the past seven years.

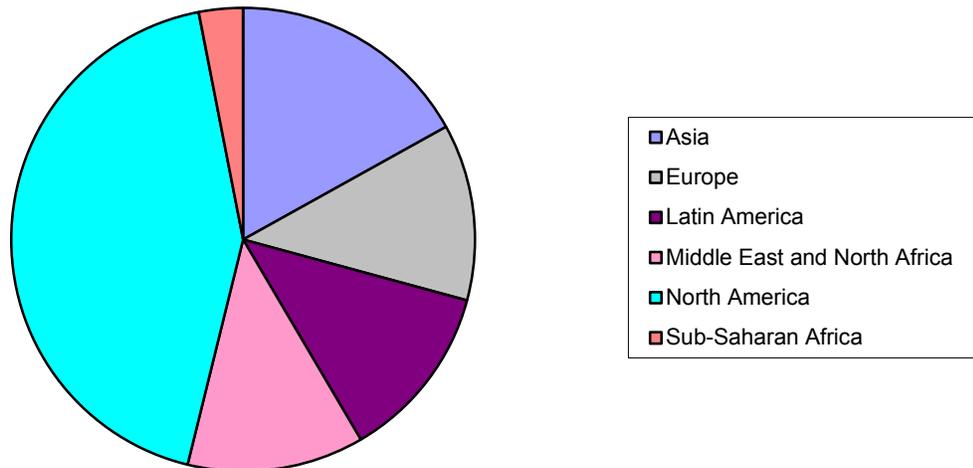
Julia comes from a large, entrepreneurial family and has always liked business and people. Julia's independent spirit and creativity are well-suited to business ownership.

Although Julia finds that owning a business is risky and that taxes are high, there are many aspects of owning a business that she loves. She likes working with people, likes having the opportunity to innovate and be creative, and is confident about the good quality of her product.

**Figure 3.3 Immigrant Entrepreneurs by Level of Education**

Highest level of education	Number of Entrepreneurs	Percentage
University undergraduate degree	23	36
University graduate degree	18	28
College diploma	14	22
Some college courses	4	6
Some university courses	3	5
Professional degree	1	1
High school diploma	1	1
No response	1	1

**Figure 3.4 Immigrant Entrepreneurs by Region Where Highest Level of Education Received**

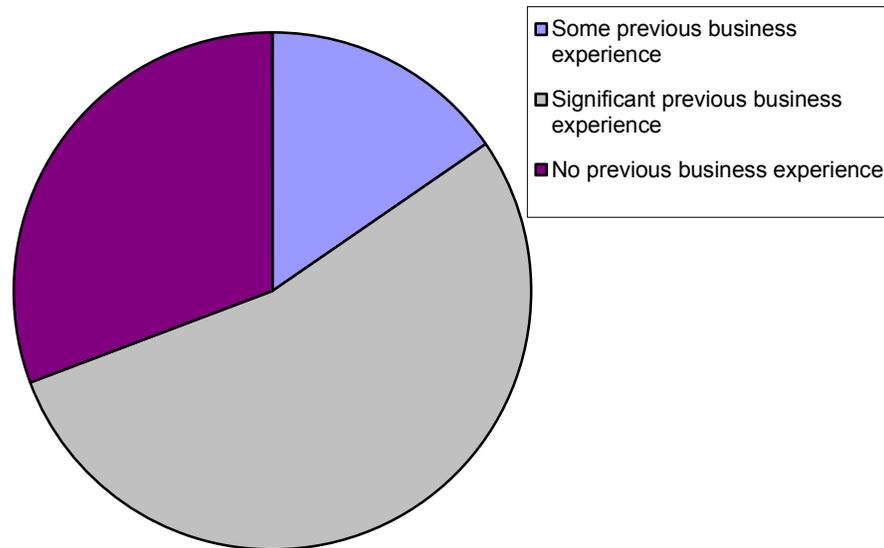


**Current and Prior Business Experience.** Nearly 70% of the entrepreneurs either had direct experience running a business or had been involved in a family business in their country of origin. For 30% of the entrepreneurs, the current venture was their first experience as a business owner.

*Some immigrants pursue entrepreneurship as a first choice, but we see others who are just tired of being unemployed. Some cannot work full time but want to generate some income. Self-employment is a non-traditional solution to a lack of quality employment.*

*– Key informant*

**Figure 3.5 Immigrant Entrepreneurs by Business Experience**



What motivated the entrepreneurs to start a business in Canada? Research suggests that some immigrants are “pulled” into entrepreneurship because they have a business idea or want to be their own boss while others are “pushed” into entrepreneurship as a result of difficulties in the labour market (e.g., un- or under-employment; Hou & Wang, 2011). The entrepreneurs we interviewed had a variety of motivations for starting a business: 75% were voluntary entrepreneurs who were “pulled” into entrepreneurship while the remaining 25% were either involuntary entrepreneurs who were “pushed” into entrepreneurship, or had experienced some combination of “push” and “pull” factors. For instance, several entrepreneurs experienced difficulty finding traditional wage employment in their fields of interest, and as a result were driven to pursue a business idea they felt passionate about.

The entrepreneurs worked in diverse industries, as coded by the North American Industry Classification System (NAICS). Of the entrepreneurs interviewed, 27% provided professional, scientific, and technical services. These businesses included accounting, graphic design, and engineering consulting services. 25% of the entrepreneurs were involved in retail trade (e.g., selling speciality goods) or accommodation and food services (e.g., ethnic restaurants). The remaining entrepreneurs owned businesses that ranged from in-home childcare to janitorial services to property leasing.

**Figure 3.6 Immigrant Entrepreneurs by Industry**

Industry	Number of Entrepreneurs	Percentage
Professional, Scientific, and Technical Services	18	27
Retail Trade	9	14
Accommodation and Food Services	7	11
Administrative and Support, Waste Management and Remediation Services	5	8
Information and Cultural Industries	4	6
Manufacturing	4	6
Arts, Entertainment, and Recreation	3	5
Construction	3	5
Educational Services	3	5

Industry	Number of Entrepreneurs	Percentage
Other Services	3	5
Health Care and Social Assistance	2	3
Real Estate and Rental and Leasing	2	3
Agriculture, Forestry, Fishing, and Hunting	1	1
Transportation and Warehousing	1	1

Almost three-quarters (74%) of the entrepreneurs were self-employed with no employees. Of those who had employees, the majority employed between 1 and 20 individuals. Only 4% had more than 20 employees.

**Figure 3.7 Immigrant Entrepreneurs, Number of Employees**

Number of Employees	Percentage
0	74
1-5	10
6-10	4
11-20	8
21-50	0
51-100	2
Greater than 100	2

**Factors that Attracted the Entrepreneurs to their City of Residence.** According to responses in the Longitudinal Study of Immigrants to Canada (LSIC), immigrants to Canada choose their destination city based on where they already have family and friends. In the Wise5 interviews, we asked immigrant entrepreneurs about how they ended up living in their particular community, and whether their current city of residence was where they had intended to move when they first came to Canada. Since most immigrants settle in larger urban areas and their surrounding suburbs, we were particularly interested to learn why these immigrants were living in smaller urban centres and communities.

For 71% of the entrepreneurs interviewed, their current city of residence was where they had always intended to be, but for 29% it was not. When asked to describe the primary reasons they chose their current city of residence, 52% of entrepreneurs mentioned reasons pertaining to their immediate family or extended family and friends. Although only 12% selected their current city based on direct business reasons, many entrepreneurs mentioned factors that were related to business (e.g., proximity to the United States).

**Figure 3.8 Immigrant Entrepreneurs, Attraction Factors**

Primary Reason	Number of Entrepreneurs	Percentage
Extended Family/Friends	19	29
Immediate Family/Spouse	15	23
Business	8	12
Proximity to US	8	12
Educational Opportunities	8	12
Sent as Refugee	6	9
Paid Employment	5	8
Low Cost of Living	4	6

**Business profiles.** There are a variety of motivations for starting and running a business, including desire to bring an idea to market, to utilize a skill set, or simply to feed a family. Just as motivations differ, the types of business endeavours vary widely as well.

Among the immigrant entrepreneurs we identified, several business profiles emerged. These depended on the goals of the business owner as well as on the resources available to him or her. Not every business fell into one of these categories, but these were the most prominent types of businesses, presented here in ascending order of ambition, innovation and difficulty.

**Figure 3.9 Immigrant Entrepreneurs, Types of Businesses**

Business Description	Pros	Cons
purchase of an existing business such as a retail outlet (“turnkey operation”)	<ul style="list-style-type: none"> <li>• business already established, less innovation required</li> </ul>	<ul style="list-style-type: none"> <li>• motivation of vendor may be unknown</li> </ul>
follow a pre-established model with training from a franchiser or a service provider (e.g., licensed childcare)	<ul style="list-style-type: none"> <li>• building on existing and feasible model</li> <li>• training is embedded in the model</li> <li>• can seek help when needed</li> <li>• ‘head office’ may refer clients or customers</li> </ul>	<ul style="list-style-type: none"> <li>• limits to growth</li> <li>• limits to innovation, always tied to ‘head office’</li> </ul>
offer professional services based on existing expertise and/or prior experience as an employee in same field	<ul style="list-style-type: none"> <li>• minimal capital investment</li> <li>• rely on existing professional networks</li> </ul>	<ul style="list-style-type: none"> <li>• may lack networks and knowledge to market and connect with customers</li> </ul>
retail outlet or restaurant to import product and sell locally	<ul style="list-style-type: none"> <li>• build on homeland connections</li> <li>• fill gap in own ethnic community</li> </ul>	<ul style="list-style-type: none"> <li>• ethnic population may be too small to sustain the business, may need to reach beyond ethnic networks</li> </ul>
Develop new type of business: develop a new product and take it to market	<ul style="list-style-type: none"> <li>• greatest potential for growth</li> </ul>	<ul style="list-style-type: none"> <li>• may be difficult to secure financing, especially if own ethnic communities not well established</li> </ul>

## 4. Immigration Trends in the Wise5 Communities

This section examines data on Permanent Resident Immigration Trends to WISE5 Communities.<sup>17</sup>

It focuses on immigrants who “landed” or became permanent residents in 2006, 2008, and 2010, the most recent year for which data are available. It is hoped that even though these data do not include information on entrepreneurship per se, they provide information about who is coming to southwestern Ontario not only in terms of numbers but also with regard to age, education level, countries of origin, knowledge of English and more. These data also highlight some differences between the receiving communities.

Figure 4.1 indicates that Waterloo-Wellington-Dufferin and Hamilton typically receive the most permanent resident entries in any given year during the time span, while Niagara consistently receives the fewest. While approximately 22% of the province’s population lives in the five areas (as of 2010), on average they only receive 12% of the province’s permanent resident entries.

**Figure 4.1 Total Permanent Resident Entries by Community and Year**

	2006	2008	2010	Average
	#	#	#	#
Hamilton	3,275	2,890	3,175	3,113
Niagara	1,650	1,305	1,310	1,422
Waterloo-Wellington-Dufferin	4,265	3,880	3,850	3,998
Elgin-Middlesex-Oxford	3,155	2,515	3,115	2,928
Essex-Chatham-Kent	3,025	2,165	2,080	2,423
WISE5 Total	15,370	12,755	13,530	13,885
Ontario	125,895	110,880	118,110	118,295

Figures 4.2 and 4.3 show how the total number of entries is divided among Economic Class and Refugee Class entries. One clear conclusion is that the Wise5 communities receive fewer economic class, and more refugee class, entries relative to the total number of entries to Ontario. The only community where the values

are close to the provincial average is Waterloo-Wellington-Dufferin.

Figure 4.4 plots the percentage change in the total number of entries and also the percentage change in economic class entries from 2006 to 2010. The size of the bubble corresponds to the total number of immigrant entries. The figure shows that only in the Windsor area has the number of both total and economic class entries decreased from 2006 to 2010. The number of total entries has declined slightly for the other four communities. Only in the London area has the annual number of economic class entries increased over the time period.

*I went to Montreal first, but people kept telling me to move to southern Ontario for my business interests, so I decided to move here. It did not go well at first.... People buy based on who is behind the product, not the product itself. When they see you are from overseas, they don't know you or how you operate.*  
— Immigrant entrepreneur

<sup>17</sup> The five communities, which mostly correspond to the geographic regions for the workforce planning boards, are comprised of the following census divisions, with largest municipalities in each noted: 1) Hamilton; 2) Niagara Regional Municipality, including St Catharines; 3) Waterloo Regional Municipality, Wellington County, and Dufferin County, including Kitchener-Waterloo and Guelph; 4) Elgin County, Middlesex County, and Oxford County, including London; and 5) Essex County, and Chatham-Kent, including Windsor. The CIC data presented in this report are only for permanent resident entrants. All data come from *Citizenship and Immigration Canada, RDM: Facts and Figures 2010* (custom tabulation RE-11.0803).

Figure 4.2 Economic Class Entries as Share of Total Entries, 2006-10 Average (%)

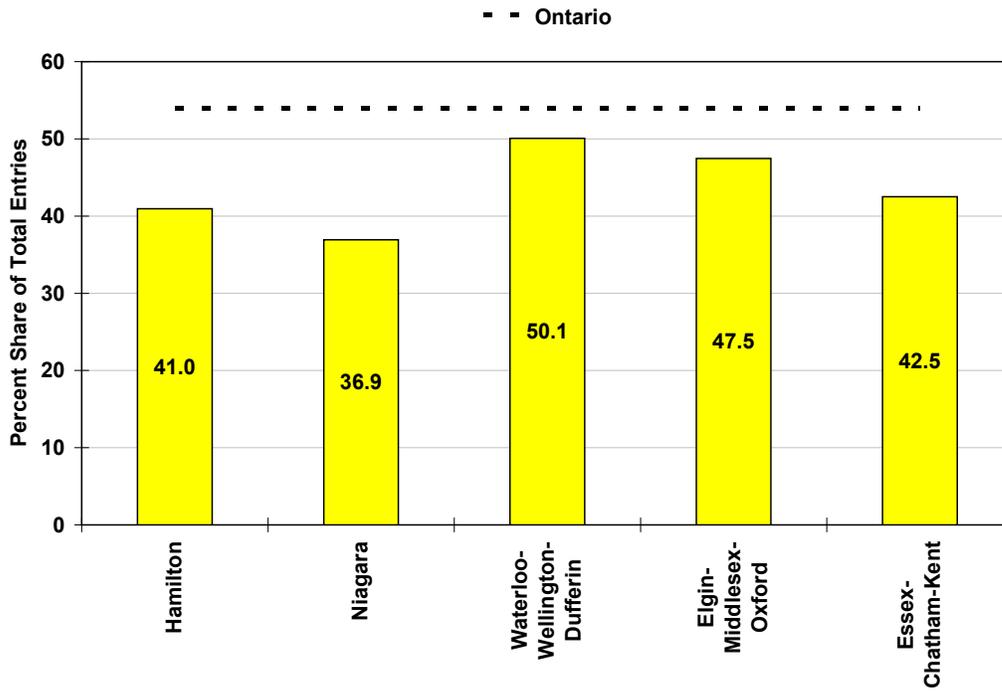
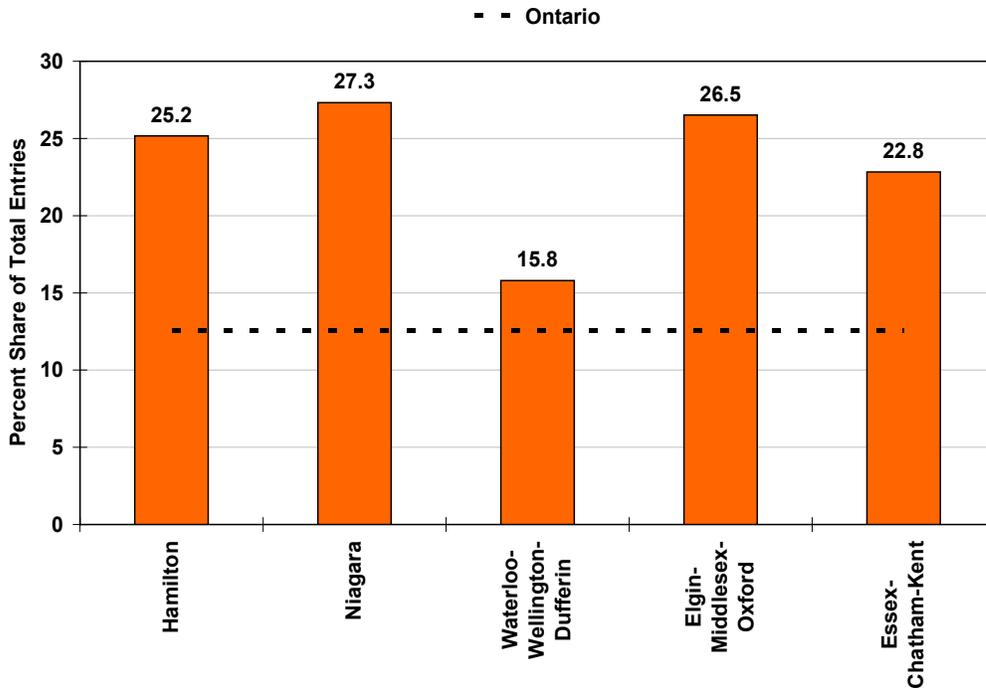


Figure 4.3 Refugee Class Entries as Share of Total Entries, 2006-10 Average (%)



**Figure 4.4 Change in Annual Entries, 2006 to 2010: Total Entries & Economic Class**

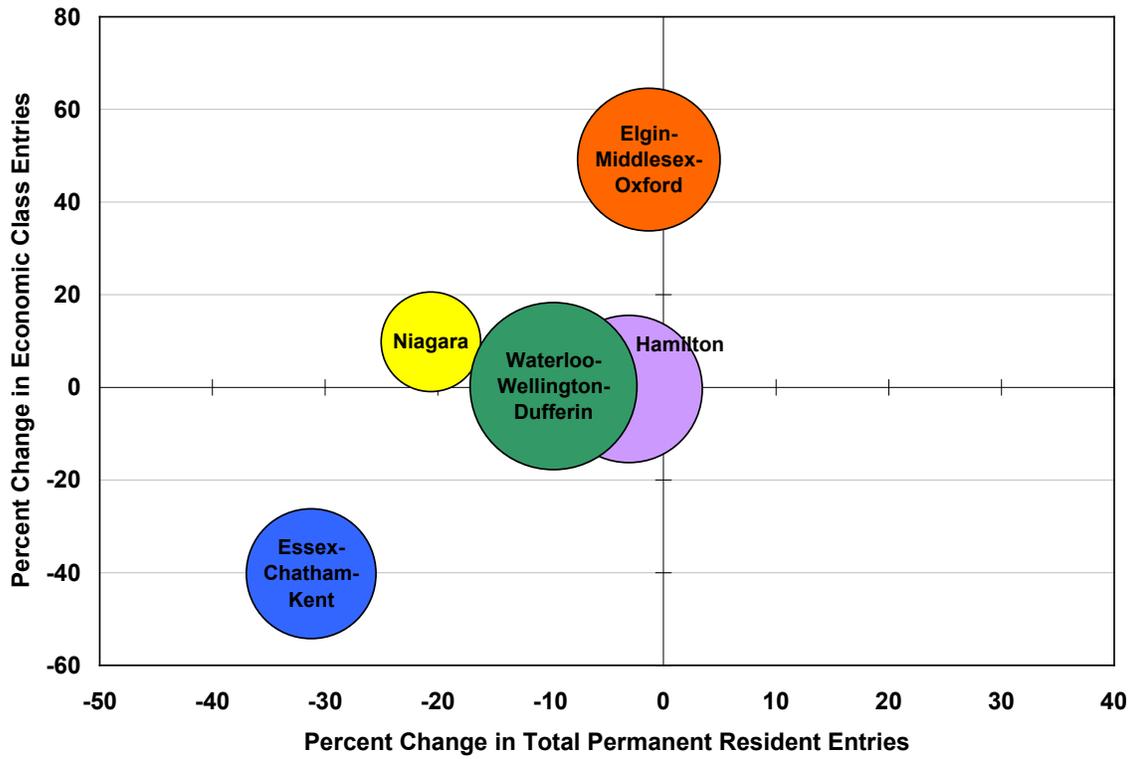
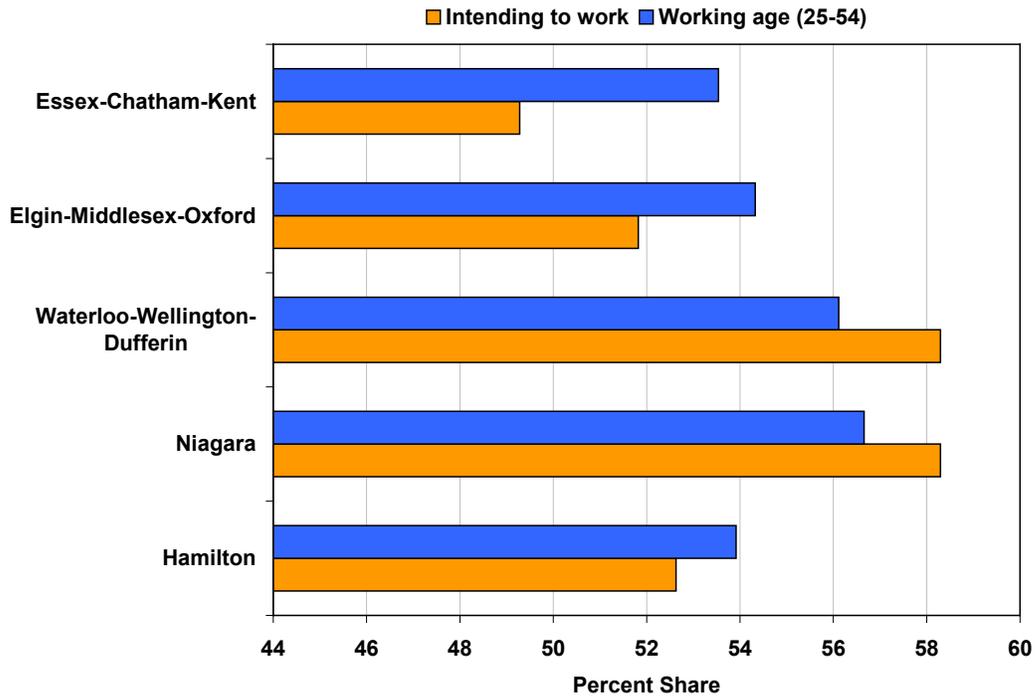


Figure 4.5 shows that just over half of all permanent resident entrants (in 4 of the 5 communities) indicate that they intend to work, including starting their own business. This loosely corresponds to the percentage of entrants in prime working age (considered to be between the ages of 25-54). Figure 4.6 indicates that almost one-third of entrants come with a university degree. The chart also shows that there are some educational differences in entrants among the communities. For example, Hamilton and Niagara have proportionally fewer entrants with university degrees than the other communities; however they both have relatively higher levels with trade certificates or non-university diplomas. The only noticeable difference in terms of knowledge of English is that a much higher percentage of entrants to Niagara have knowledge of English than in the other communities.

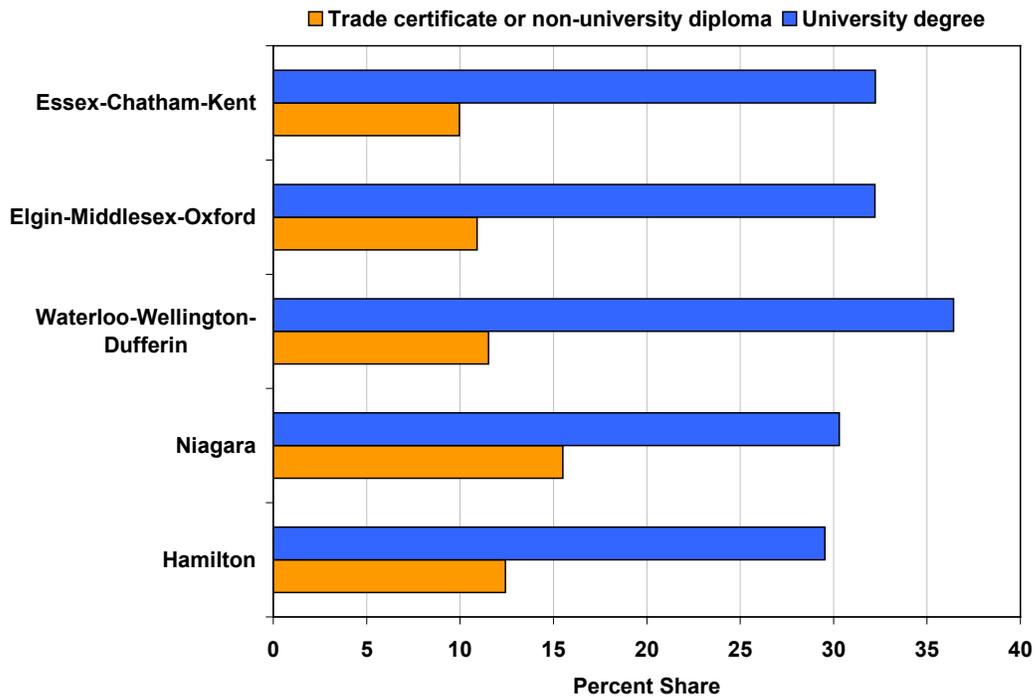
*Many newcomers in our program are professionals or have some business background, so it makes sense to help them use their transferable skills. You can be an entrepreneur anywhere, it is more of a mindset.*  
 –Key informant

Figure 4.8 details the main source countries for permanent resident entries to both Ontario and the Wise5 regions in total. The main countries of origin are essentially the same for both areas. However, the relative importance of particular source countries is different. For example, India is the source country for 8% of Wise5 entrants, but 14.2% in Ontario. It appears that the bulk of Ontario's entries are from just a few countries (eg. 40% coming from five countries), while immigration to the Wise5 communities are from more varied sources.

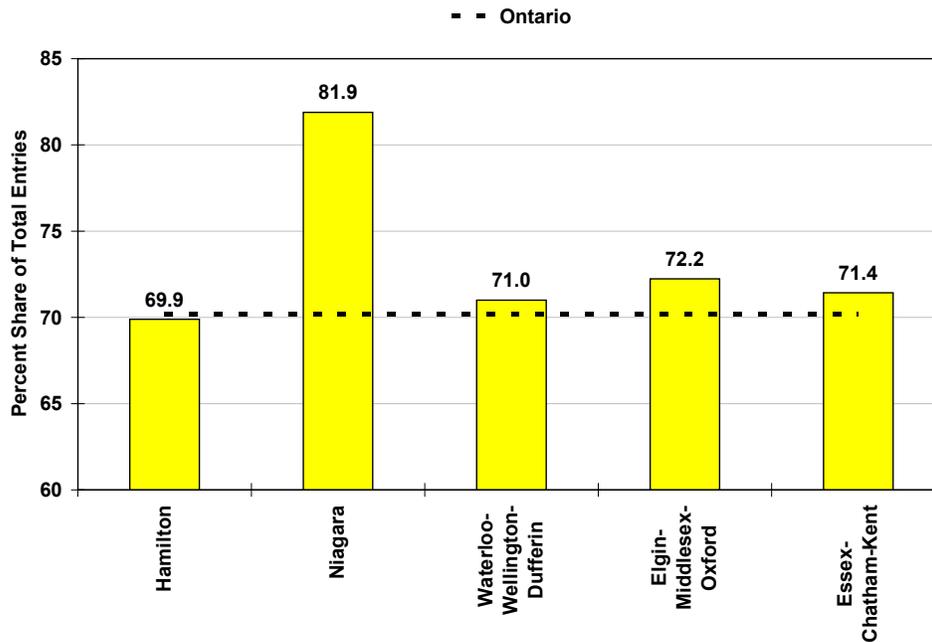
**Figure 4.5 Intention to Work & Working Age Population, 2006-10 Average (%)**



**Figure 4.6 Highest Level of Education, 2006-10 Average (%)**



**Figure 4.7 Knowledge of English, 2006-10 Average (%)**



Note: The categories of English and Both English and French were combined.

**Figure 4.8 Top 10 Countries of Origin, Wise5 Communities Total & Ontario, 2006-10 Average (%)**

Wise5 TOTAL			ONTARIO		
Country	#	Share of Entrants (%)	Country	#	Share of Entrants (%)
USA	1,173	8.5	India	16,742	14.2
India	1,107	8.0	China	13,143	11.1
China	1,042	7.5	Philippines	9,705	8.2
Colombia	853	6.1	Pakistan	6,155	5.2
Philippines	653	4.7	USA	5,248	4.4
UK	577	4.2	UAE	3,922	3.3
Iraq	500	3.6	Iran	3,608	3.1
Pakistan	485	3.5	Sri Lanka	3,458	2.9
UAE	388	2.8	UK	3,157	2.7
Republic of Korea	320	2.3	Bangladesh	2,707	2.3

Note: Country of Origin refers to the entrant's country of last permanent residence.

*A lot of immigrants think that starting a business is the only solution to underemployment. But that's not the only solution. In a lot of cases they will be happier if they can actually use their skills. For instance, a highly educated engineer may not find running a convenience store to be that stimulating.*  
— Key informant

## 5. Achieving Success

### Key Ingredients for Success

In their study *The Anatomy of an Entrepreneur*, entrepreneurship professor Vivek Wadhwa and his colleagues asked company founders about the importance of a series of factors for success on their most recent business start-ups. They were asked to rate each given factor according to its importance, and they were invited to add other factors they thought important. “Experience” was rated as the most important factor: 96% of company founders believed prior work experience was an important factor, with 58% ranking it as extremely important.

The other highest ranked responses were: learning from previous successes, learning from failure, management team, and good fortune. In terms of open-ended responses, more people credited God for their success than anything else.<sup>18</sup>

In our own research, the responses were somewhat different. First, we had a different population: we focused on immigrants who had arrived in Canada within the past ten years. Some were still in the process of setting up their businesses or had been in business for only a short time. Also, our question was completely open-ended, and we asked the question more indirectly rather than about their own experiences per se. We asked: What would you say are the key ingredients to success for people starting and running a business in Canada? We received a wide range of responses, with the most popular ones (10 or more responses) listed here:

**Figure 5.1 Key ingredients for success for starting and running a business in Canada, Interview responses (multiple responses possible)**

Response	Number of responses
networking	22
hard work/ motivation	19
business knowledge/skills (inc. those related to specific market/industry)	18
passion/love being own boss	13
persist in face of challenges	13
money	11
advertising/marketing	11
provide good work/good customer service	11
seize opportunities	10

#### Meet Chintan Virani, Architect

Chintan arrived in Canada in 2003. An experienced architect from India, Chintan worked for another architect in Windsor for three years in order to become certified in Ontario. Then, with the help of his wife, Anuja, Chintan decided to open his own business, Chintan Virani Architect Inc. Chintan always recognized that networking was essential to the success of his business. He turned to the Small Business Centre for help establishing his network. Chintan attended every networking session offered by the Small Business Centre, and he was able to significantly expand his network. During the first year his business was open he distributed over 5,000 business cards in order to advertise his business. So far, business has been good.

<sup>18</sup> Vivek Wadhwa, R. Aggarwal, K. Holly, and A. Salkever, *The anatomy of an entrepreneur: Making of a successful entrepreneur* (Ewing Marion Kauffman Foundation, 2009).

The fact that networking was such a prominent answer in our own survey but not in the Wadwa study may be linked to immigration. Immigrants we interviewed spoke often of the need for networking. When pressed to explain what they meant, they spoke of making connections to people and promoting the business, getting out in the broader community, and meeting people, so it was often associated with expansion beyond one's own ethnic community. Many immigrants also referred to hard work and being motivated to succeed and also to the importance of having business knowledge and the appropriate set of skills related to the particular business.

*The key to success is networking, clear messaging, and customer service. New immigrants can excel in many of these areas. Many do, and are very hard working.*  
– Key informant

Among the immigrant entrepreneurs we interviewed, some of their businesses were more successful than others. Many of the entrepreneurs who appeared to be experiencing success in their businesses tended to share these characteristics:

- voluntarily self-employed/voluntary entrepreneurs
- highly educated, many with graduate degrees
- high fluency in English
- expertise brought from homeland: prior business experience in their country of origin in the same industry
- took business seminars and courses in Canada (at a Small Business Enterprise Centre or a not-for-profit agency)
- strong local networks
- spoke of persisting in face of challenges

Not all successful business owners shared all of these characteristics, but they tended to share many or most of them.

## Pathways to Success

Similarly, we identified a common trajectory or pathway followed by many of the business owners who appeared to be doing well. New businesses are not started right away but rather after a period of settlement and adjustment to living in Canada and learning about Canadian business culture and practices.

### Phase 1: settlement

- upgrades language skills if required
- works in his/her field, learning Canadian practices and preferences first-hand

### Meet Emilio Barbero, Oilim Visualizers

An interior designer by training, Emilio recently started Oilim Visualizers, a company that specializes in 3-D, Animations, Interior Design, and Graphic Design. Emilio attributes his success to the many programs available for newcomers and entrepreneurs in London. Since 2007 when he arrived in Canada, Emilio has worked with the Small Business Centre, Cross-Cultural Learner Centre, and Access Centre.

Emilio has already made his mark on the London community. In addition to running his business, he teaches design courses at Fanshawe College and he is a mentor for WIL Employment Connections' Mentorship for Newcomer Success Program. Through his work in the classroom and as a mentor, Emilio hopes to share his passion for design and entrepreneurship.

### **Phase 2: business conception**

- pursues some upgrading if required, including basic business seminars, health and safety workshops
- builds local business networks, including mentors
- writes a business plan
- pursues financing

### **Phase 3: business launch**

- achieves financing goals
- patience combined with constant rethinking and tweaking of business plan
- hard work, long hours focused on the business

Again, not all successful businesses follow this profile, but this appears to be a good model for immigrant entrepreneurs to follow.

## 6. Barriers and Challenges

### As Identified by Immigrant Entrepreneurs

The odds of starting and running a successful business are not good, with many Canadian businesses failing or closing after several years.<sup>19</sup> Becoming an entrepreneur in Canada is not always an easy option to pursue, and immigrants and Canadian-born alike face many of the same challenges. However, immigrants face some unique additional barriers. In this section, we present the findings from our interviews with immigrant entrepreneurs and those who provide services to them, weaving in findings from published literature wherever possible.<sup>20</sup>

In our interviews with entrepreneurs, we asked: What were the biggest obstacles you faced in setting up a business here? The question was open-ended with no pre-ordained list of responses, yet the responses for the most part correspond with other studies on this topic.

**Figure 6.1 Biggest obstacles to setting up a business in Canada, interview responses**

Response	Number of responses
financing/access to start-up money	34
marketing/finding customers	12
dealing with bureaucracy	11
networking/ lack of social and professional networks	11
lack of knowledge about rules and regulations	9
high cost of business expenses (taxes, rent, products)	9
language/accents	9
lack of knowledge where to go for help	7
lack of knowledge how to start and grow a business	7

**Financing.** Financing was consistently identified as the most difficult issue for immigrant entrepreneurs. In our interviews, access to financing was identified as an obstacle close to three times more often than the next obstacle. In a 2010 study on immigrant entrepreneurship in York Region, difficulties acquiring start-up funding were most commonly cited as an important obstacle for newcomer entrepreneurs.

In general, a person needs a two-year untarnished credit history in Canada to obtain a bank loan. This is an obvious barrier to recent newcomers who need financing. The Canada Small Business Financing (CSBF) Program, a government-backed program in which lending decisions are made by Canadian financial institutions, is the sole means through which small businesses can get bank loans.

A recent government report on financing of small and medium enterprises (SME's) found the following with regard to access to financing (quoted directly):

- In 2007, start-up SMEs primarily used informal sources of funding, such as personal savings (73%); however, about half of SMEs (51%) secured commercial or personal loans from financial institutions compared with 64 percent for established SMEs.
- All SMEs used traditional financing methods, such as retained earnings (57%) and lease financing (22%) to fund their operations. SMEs also tended to use informal financing sources, such as the owner's personal savings (54%) or loans from the owner's relatives or friends (9%).

<sup>19</sup> Just over half of Canada's small businesses are still operating at their five year mark. Fisher and Reuber, *The State of Entrepreneurship in Canada*, 9-10.

<sup>20</sup> Relevant articles include Teixeira, "Community Resources and Opportunities in Ethnic Economies," Teixeira, Lo, and Truelove, "Immigrant entrepreneurship, institutional discrimination, and implications for public policy;" Workforce Planning Board of York Region and Bradford West Gwillimbury, *The Newcomer Entrepreneurship Experience*; Francine Schlosser, Fabio Costante, and A. Shallal, *Barriers facing Canadian Immigrant Small Business* (Windsor: Odette School of Business, University of Windsor, 2007).

## Meet Prakash Venkataraman, Redragon Oil and Gas Systems International Inc.

Building on previous work experience in India, Singapore, Hong Kong and Oman, Prakash was working in the oil and gas industry in Oman when he was recruited to come to Cambridge, Ontario to work in his field to expand a local company into a global one. After a few years of working for someone else, he decided to start his own firm. Relying on his personal credit cards and a home equity loan, Redragon was launched together with partner Paul Hodgson. Today, the firm has more than twenty five employees and conducts business in at least 20 languages across the global in every continent. The firm's product has 5% of global market share. Prakesh believes that his business would be more successful if there were better access to financing for Canadian small businesses. According to Prakash, banks are inherently overcautious, preferring to fund franchises rather than global enterprises, even when they are well-established and show potential for growth. He sees this cautiousness as a threat to present and future small to medium enterprises in Canada.

- Financial institutions often require documents and guarantees before granting access to financing. In 69% of loan applications, the bank asked to see the business' financial statements and in 46% of cases the owner's personal financial statements as well. The larger the business, the more weight the lender gives to the business' financial statements and the less it gives to the personal financial statements of the owner.<sup>21</sup>

Not all potential business owners will be willing or able to meet requirements of documents and guarantees. Such requirements may prove more difficult for immigrants due to lack of credit history in Canada, difficulties with language, lack of familiarity with business plans and Canadian financial statements, and other factors.

**Networking/Lack of social and professional networks.** Again and again, the literature and interviews point to a lack of networks as an obstacle to starting and maintaining a business.

The authors of an analysis of the Ethnic Diversity Survey reached some similar conclusions about the incidence of self-employment and the importance of social capital.<sup>22</sup> But they suggested that social capital was an advantage to the self-employed only when it consisted of associational networks that expanded beyond familial and ethnic ties. In the words of the authors:

In our view, the differential value of social capital across ethno-racial groups could be a cause of economic segregation in self-employment in Canada, such that those with resource-rich networks benefit from their social relations while those whose networks are resource-poor fail to take advantage of self-employment opportunities.<sup>23</sup>

The absence of networks extends from school-, postsecondary-, and neighbourhood-based connections that many Canadian-born citizens automatically have, to the lack of professional networks and mentors who can "show the ropes" to a newcomer wanting to start a business.

**Language.** Language was also identified as a barrier, and not only for recent immigrants. In the York region study, language proved a challenge even among immigrants who had been in Canada for more than ten years. In Schlosser's study of immigrant entrepreneurs in Windsor, business language and English language in general were identified as a top barrier. Lack of fluency in English or French may prevent entrepreneurs from expanding their businesses beyond their own ethnic enclaves, thereby impeding business growth.

<sup>21</sup> Government of Canada, *Key Small Business Financing Statistics*, 4.

<sup>22</sup> Reza Nakhaie, Xiaohua Lin, and Jian Guan, *Social capital and the myth of minority self-employment: Evidence from Canada*, *Journal of Ethnic and Migration Studies* 35 (2009): 625-644.

<sup>23</sup> *Ibid.*, 641.

Communication skills extend beyond one's ability to speak a language to include non-verbal communication and interpersonal skills and confidence. A number of our own respondents mentioned "accent" as opposed to "language" as a barrier to business. Other research has shown that having a heavy accent can be a disadvantage in the labour market, but no research on accent and business ownership was found.

## As Identified by Key Informants

Many of the responses from key informants echoed those of immigrant entrepreneurs, but they also spoke more about the lack of preparation and lack of understanding of Canadian business operation as being detrimental to the successful establishment of a business. In some cases, these misunderstandings may be as fundamental as not realizing that taxes will be owed on business income.

*Without question, immigrants have more challenges than a Canadian-born. They face all the same challenges of seeking employment, and more. They have to face all the barriers, plus find money to start the business and keep it going. They are in a very high risk situation, and it's much more challenging.*  
— Key informant

Service providers felt that immigrants faced the same issues as non-immigrants for the most part: they may be excited about the prospect but lack a decent business plan, they are enthusiastic but may not want to go through the hoops that are required, they need to take more time for learning and planning prior to business launch. Key informants placed more emphasis on the need for entrepreneurs to take responsibility to prepare themselves for owning a business. Again, this is not unique to immigrants and is born out in the high failure rates of small businesses in Canada.

Included below are points raised by key informants that add a new perspective or nuance to the barriers identified by entrepreneurs. Key informants' views were not always in accord with each other, but the ones expressed here resonated more widely among those interviewed.

Obtaining adequate financing. Due to lack of credit history and business experience in Canada, it can be very difficult to obtain start-up funds from a financial institution. Difficulties around financing are evidenced in several regards:

- The idea of borrowing money to start a business is a new idea for many immigrants, as is relying on collateral to guarantee the loan. It is difficult to get loans, but there is also a reluctance to borrow. One entrepreneur told us that she did not want to take out a loan because there would be no way to pay it back if her business failed.
- Some immigrants believe that the government gives out grants to start businesses. Small Business Enterprise Centres receive requests for grants from immigrants who are disappointed to learn that there is no such opportunity.
- As a result of financing difficulties, many small businesses are under-capitalized. This limits their ability to survive business downturns and to plan for business growth.
- Access to funding is very difficult for technology companies. Banks still fund bricks and mortar companies, although our economy has moved past that. Banks do not fund ideas, yet that is precisely what many entrepreneurs have: ideas to develop products.
- Small business is not well-respected by Canadian government and banks. Other countries such as Singapore are much more receptive to business start-up, with banks working in partnership with government to encourage new enterprises.

**Lack of knowledge of rules and regulations, and of Canadian business culture.** Not surprisingly, people who are new to Canada may lack a basic knowledge of Canadian business culture, including the heavy emphasis on and enforcement of rules and regulations, such as the need to register a business, have a Social Insurance Number, pay taxes, and meet standards for quality, cleanliness, and safety (e.g., in restaurants, spas, and beauty salons).

- Sometimes immigrants come from countries where the informal economy dominates, so it is a challenge to function in a more regulated economy.
- Business etiquette such as punctuality and degree of formality may differ from other countries.
- In Canada, the search for quality often takes precedence over the desire to do business with friends: there is more of an emphasis on getting the right person to do the job as opposed to hiring friends and relying on personal relationships to promote business.
- In registered professions, many immigrants face barriers to registration and this can put them in contravention of the profession, delay business start-up, or drive them to operate in the informal economy.
- Many immigrants may be reluctant to pay for services related to starting and running a business. They are skeptical that they will learn anything new and do not know if they can trust the instructors, for example at a Small Business Enterprise Centre.
- Entrepreneurs have to deal with a lot of bureaucracy to get the proper permits. Sometimes delays are too long and the business never launches. This is especially difficult for immigrants who may arrive in Canada with language barriers and an established fear of government or authority.

**Lack of inter-ethnic networks, often related to language barriers.** Immigrants naturally have a higher level of comfort interacting with others who share commonalities in culture and language. A big challenge then is how to expand business beyond one's own ethnic community. This is viewed as especially important in the Wise5 communities as compared to larger urban areas such as Toronto and Mississauga where larger ethnic communities are better able to support ethno-specific businesses.

- Many service providers noted that immigrants want to have their own ethnic group as customers. They are reluctant to branch out beyond their community, but the community often lacks the numbers to support ethno-specific businesses.
- Newer immigrant entrepreneurs tend to hire other immigrants from their same background.
- Many immigrant entrepreneurs start home businesses and thus often lack connections to the broader community.
- Immigrants are reticent to connect, lack confidence, and need encouragement to broaden their networks.
- Healthy business models recognize the need for partnerships among good quality individuals. If the owner is not able to handle every aspect of the business, he or she needs to be able to find the right person who can, and this might entail going outside the ethnic community.

*Most people think they were very successful in their home country. They have lots of technical skills, for example. However, they don't understand that doing business in Canada is different. Canada demands more soft skills. People have to relearn what being an entrepreneur is all about. They need to learn how to be a Canadian entrepreneur. They need to behave as a Canadian entrepreneur, and learn a completely different business system. There are also a lot more rules and regulations here. You can just say "I'm going to open a new business on Monday." That's not the way it works here.*  
— Key informant

**Lack of knowledge of the community.** Key informants stated that immigrants often lacked an understanding of local demographics and community interests, believing that hard work would be sufficient to attract customers or clients.

- Certain business locations are affordable because they are not desirable, and this poses challenges for entrepreneurs on a budget.
- Immigrants need assistance identifying viable business locations.

**Cultural differences around business.** Key informants expressed the view that business ownership has more of a cache in some cultures than it does in Canada, and that business owners are more respected.

In Canada, customer relations are very important, and sometimes even achieve a “customer is always right” mentality that may be new to immigrants. Also, employment standards ensure that employees have certain rights such as being able to take breaks and have days off. Business owners can push themselves hard, but there are limits to what they can expect employees to do.

*When coming to a culture where transactions happen quickly without the relationship building, it is a shock. [Immigrants] don't realize that it's not part of our culture. In Canada, we move quickly. Relationships are not as important.*  
— Key informant

**Lack of a solid business plan.** It was felt that there are many guides to developing a business plan, but few programs that allowed knowledgeable individuals to sit down with a prospective business owner to walk them through the process of developing a viable business plan. In discussing her experience with a pilot program for newcomer entrepreneurs, a key informant interviewed for this research noted the most interesting finding of the pilot: newcomers on average took three

times longer than Canadian-born participants to write a business plan. This was observed in classroom situations where newcomers worked alongside Canadian-born individuals. This may be due to language barriers, but also lack of familiarity with Canadian regulations.

As identified by key informants in our various research communities, the obstacles described above create significant challenges for immigrants wishing to create new businesses.

## 7. Supports and Services for Entrepreneurs

### Types of Supports

The previous section identified some of the obstacles faced by newcomers starting businesses. This section describes supports designed to help overcome these obstacles.

There are a range of supports available to newcomers who wish to start their own businesses. They can be divided into several categories, each of which is explained in further detail, with examples provided, below:

- information and referral
- training
- financing
- individualized supports
- business incubation
- professional networks

Some supports are targeted specifically to newcomer populations while others are more general in nature but available to newcomers. Many have eligibility requirements, some of which may exclude more recent immigrants.

There are many other supports that may be instrumental to helping a particular newcomer start and run a business but which are not aimed specifically at persons intending to start a business, e.g., language training, financial literacy courses, settlement services, and credentials recognition. However, this review focuses specifically on business-related supports only.

**Information and referral.** The information and referral process helps match people with services. The objective is to match people with the services that will meet their individual needs. The business-focused Information and Referral Services in the Wise5 communities consist of the following:

- **Small Business Enterprise Centres (SBECs)** are located in various Ontario communities. Supported by the Ontario Ministry of Economic Development and Innovation, SBECs provide entrepreneurs with the resources and tools they need to start and grow their businesses, including information on registration and licences, import/export, and patents and copyright. Services are in English only and sometimes French, but staff members may speak other languages.
- **Canada Business Ontario** is a free information and referral service for anyone in the province wishing to start or grow a business. It consists of a website and Business Info Line supported by Industry Canada and Service Canada. The call centre provides services in English and French only, but numerous popular business documents on the website are available in 12 languages. Documents include: Business Plan Guide, Choosing and Setting up a Location, Consulting a Lawyer for your Business, and more than 20 other topics.

#### **Business Resources at settlement.org**

*The settlement.org website contains links to essential resources for anyone wishing to start a business in Ontario. Clearly written in accessible English, with some resources available in 30 other languages, readers can go to Employment and then Start a Business to find answers to these questions:*

- *How can I come to Canada as a business immigrant?*
- *What are the advantages of self-employment? What are the disadvantages?*
- *What options do I have to start a business in Ontario?*
- *Where can I get help to start a business?*
- *What do I need to know about licensing and regulations to start a business in Ontario?*
- *Guide to Market Research and Analysis*

*These questions represent a good effort to assist newcomers with their questions, and that is the purpose of settlement.org. However, websites are no replacement for actual services where immigrants can ask questions as well as receive instruction and individualized guidance. Our research indicates that most immigrants would like to meet with a real person who can assist them beyond information and referral.*

**Training.** Training refers to the acquisition of knowledge, skills, and competencies as a result of the teaching of useful vocational or practical skills and knowledge. Training institutions include colleges, school boards, libraries, and private and not-for-profit organizations. Some training programs offer income supports for participants.

For business start-up and maintenance, training often includes an overview of the substance of starting and running a business, how to write and follow a business plan, Canadian business law, and more. For newcomers to Canada, training programs may include language or cultural components such as business language and Canadian norms of professional and interpersonal behaviour.

The training available to newcomers in the Wise5 communities (but not limited to newcomers) consists of:

- **Small Business Enterprise Centres** regularly offer workshops and seminars on various topics related to starting and operating a business, e.g., registering a business and tax filing obligations. These are normally offered in stand-alone sessions.
- **The Ontario Self Employment Benefit Program (OSEB)** is a 42-week program with income supports. Entry is competitive and is based on the viability of the business concept proposed and also the client's need for training and support. OSEB is funded through the federal Employment Insurance (EI) fund and administered by the province. Participants must be EI eligible or have "reachback" status.<sup>24</sup> However, recent newcomers for the most part do not qualify for OSEB because they lack a Canadian employment history as an employee. Also, OSEB is not available to persons with a background in business ownership because they also lack the required employment history.

As such, this program excludes entrepreneurial newcomers. OSEB is neither open to franchisees, nor to persons with professional designations desiring to work in that field.

- **Ontario Works Self-Employment Development (OWSED)** is similar to OSEB but limited to recipients of Ontario Works (social assistance). The training phase of this program is a combination of in-class instruction and independent study. The program is designed to help clients start-up and operate their businesses by providing valuable background on business planning, marketing, sales, financials, and business operations. Participants complete a business plan, and on-going business advisory support is available for one year after course completion.

### **New Canadians' Centre of Excellence Inc. Global Business Centre**

*The Global Business Centre (GBC) is the business hub of New Canadians' Centre of Excellence Inc. in Windsor. It was established for Internationally Trained Professionals, Entrepreneurs and Investors. Services help support and assist newcomers in developing entrepreneurial skills, improving individual employability, and creating local businesses and social enterprises in the Windsor-Essex Region.*

*Entrepreneur supports aim to assist newcomers who immigrated to Canada as entrepreneurs, investors, or who have previous experience in operating their own business and plan to establish one in Canada. Services include:*

- *Business Development Advisor One-on-One Counselling*
- *Activities and Community Events*
- *Business Tours*
- *Guest Speakers and Presentations*
- *Business Discussion Forums*
- *Networking Series with Local Entrepreneurs*

*Participants must have English proficiency level assessed at LINC 5 and above. In accordance with CIC funding requirements, eligibility is limited to Permanent Residents and Convention Refugees. Onsite childcare is provided for children 6 months to 6 years of age.*

<sup>24</sup> EI reachback clients are unemployed clients who have had an EI claim in the past three years or received maternity or parental benefits in the past five years before applying for Employment Benefits assistance. <http://www.hrsdc.gc.ca/eng/cs/sp/hrsdcc/edd/reports/2000-000462/page03.shtml>

In this research, three organizations were identified that provide business start-up supports specifically to immigrants:

- **Niagara Folk Arts Multicultural Centre** (St Catharines and Niagara Falls). The Skills Training Programs, Small Business Basics is for immigrants interested in starting a small business and contains Computer Training, and Soft Skills Development components. The Crossroads program is a self-employment program for immigrant women wanting to start their own business and is funded by the United Way.
- **New Canadians Centre of Excellence Inc. Global Business Centre** (Windsor). Funded by Citizenship and Immigration Canada, participants must have permanent resident status. *(See insert on previous page)*
- **Latin American Career Development Centre** (London). The Self-Generated Companies Program provides a training program to individuals who wish to start their own businesses. It is funded by a grant from the Ontario Trillium Foundation.

Based on interviews, what appears to be distinct about the courses specifically targeting immigrant populations is their emphasis on Canadian professional etiquette (e.g., shaking hands, exchange of business cards), workplace norms, and culture. Students are encouraged to speak in front of the class and receive feedback on their business plans and marketing materials. These exchanges could take place in a course for the Canadian-born as well, but the “value added” in this program is the increased focus on Canadian norms and expectations. Course participants graduate with increased confidence to start a business, both because of their improved knowledge base and because of the peer exchanges and bonding they have experienced with other participants.

An optimal training curriculum for immigrants to Canada would include a combination of generic business content and instruction geared to increasing understanding of Canadian workplace norms and customs. An immigrant-focused course offered alongside a more generic course is one possibility. However, there are only two such “generic” courses offered outside the Ontario Self-Employment Program and similar programs for persons on Ontario Works in the Wise5 regions at this time: **BizPlan at Welcome Inn Community Centre** in Hamilton and **Waterloo Region Assistance Program (WRAP) at the Working Centre** in Kitchener. At BizPlan, about 40-50% are immigrants, and 20% are newcomer immigrants.

It would also be possible to offer a course in several modules or components so that persons could focus on areas of concern but not be bogged down by instruction in areas that are not relevant to their needs. This would allow for more continuity and depth than is found in existing “one off” sessions offered by the Small Business Enterprise Centres while at the same time maintaining efficiency and flexibility.

We know that few immigrants start businesses within the first few years after arrival in Canada. Anecdotal data emphasizes the importance of familiarity with Canadian businesses to business success. Yet many of the services for immigrant entrepreneurs are focused on helping them very soon after arrival. Also, immigrants are no longer eligible for federal-funded settlement services once they become Canadian citizens. It would seem that such eligibility requirements should be loosened when it comes to supports for business start-up.

**Individualized supports.** Individualized supports include advice, counseling, and mentoring offered in a one-to-one format. Individualized supports are tailored to the needs of the person seeking assistance. Often, they entail assistance with creating a business plan. There are many online tools to assist with writing a business plan, but there are very few services that will actually help someone write the plan. Business plans are a prerequisite for acquiring financing from every organization covered in this report.

Several organizations offer individual advice, counseling, and mentoring to all entrepreneurs including immigrants. The most significant of which is offered by **Small Business Enterprise Centres** where clients

can receive individualized assistance from staff on a drop-in or appointment basis, including assistance with business plan development. Small Business Enterprise Centres play a vital role in this area of support, though services are usually offered on a drop-in basis as opposed to through an ongoing relationship with a single advisor. Assessing their ability to help immigrants is beyond the scope of this report, but on the whole they appear to be very busy places, indicating that they are well-utilized but also that it may be difficult for staff to meet the demand for services to address immigrant-specific needs.

- **CYBF** offers a mentoring program that accompanies its loans. Also, CYBF entrepreneurs-in-residence provide support and guidance in all areas relating to the start of a new business. Finally, there is a peer-support network (Entrepeer) that connects entrepreneur youth online and face-to-face with other entrepreneurs as well as mentors and business champions from across Canada.

**Financing** here refers to providing or raising the funds or capital for the creation and maintenance of a business. Financing ranges along a continuum from micro-loans under \$1,000 to multi-million dollar investments. At either end of the continuum, financing a business is one of the biggest challenges for an entrepreneur.

Several financing programs are available to entrepreneurs, including newcomers:

- **Canada Small Business Financing Program** offers loans up to \$500,000 through financial institutions to small businesses with annual revenues under \$5 million. Loan decisions are made by financial institutions, but the risk is shared by the Government of Canada (Industry Canada). All small business loans from Canadian banks are made through this program. It has been criticized for requiring extensive paperwork and taking too long for the loans to be approved, but it is the only small business loan program available. As a result, business advisors sometimes counsel clients needing debt financing to rely on home equity loans or lines of credit rather than this loan program.
- **Business incubation centres** (discussed below) may include access to financing as part of their supports. These are aimed at potential high-growth companies only.
- **Microloans** help individuals without collateral or credit history obtain an affordable micro-loan to improve their standard of living through entrepreneurship. Three programs were identified in the Wise5 communities that are accessible to immigrants:
  - **FirstOntario Credit Union** offers loans in Hamilton through community partners Today's Family, Welcome Inn Community Centre, and Immigrant Women's Centre. Expansion into the Niagara Region is planned for 2012.
  - **Goodwill Industries Microloan Project** in London provides access to small business loans for youth and newcomers who meet the low-income cut-off.

Two immigrant-specific financing programs were identified by this study. The CYBF Newcomer Entrepreneur Program launched in October 2010. It offers flexible loan assessments that do not require a credit history to entrepreneurs aged 18-34 who have been in Canada less than 36 months. Persons can receive up to \$15,000 in start-up financing: a maximum of \$7,500 from CYBF, matched with a maximum amount of \$7,500 from the Business Development Bank of Canada (BDC). CYBF has offices across the country and relationships with 170 community partners that deliver programs. In Waterloo Region, a microloan program called the Immigrant Loan Program is available from the Mennonite Savings and Credit Union through partnership with Working Centre.

Optimally, a variety of financing options would be available to individuals wishing to start a business. However, that is not the case. The presence of microloan programs should help more smaller-scale immigrant entrepreneurs get their businesses off the ground, but most entrepreneurs require larger amounts

### **The Importance of Micro-Financing**

In the Wise5 interviews, financing was mentioned consistently as a major barrier for immigrant entrepreneurs. More than half of the entrepreneurs identified financing as one of the primary obstacles they faced when starting a business.

Microloans can be instrumental to getting a small businesses off the ground. After rising in popularity in communities in Bangladesh and other parts of the developing world, they are now gaining ground in North America. Several new micro loan initiatives can be found in southwestern Ontario:

- In London, a partnership between Goodwill, United Way, Family Service Thames Valley, Libro Financial, and the London Small Business Centre is providing loans of up to \$5,000. A major component of the program is financial literacy training.
- A similar program was launched in Hamilton in May of 2010. The FirstOntario Micro Loan Program involves a partnership between FirstOntario and community partners: Immigrant Women's Centre, Today's Family, and Welcome Inn Community Centre. Loans start at \$500, but upon being successfully repaid, entrepreneurs can then apply for up to \$2,500. In order to maximize the likelihood of achieving business success, the entrepreneurs receive ongoing business support from the community partners as well as from micro loan community advisors from the Hamilton Chamber of Commerce, Hamilton Community Foundation, and Social Planning and Research Council of Hamilton. Like the London micro loan initiative, the FirstOntario program includes an element of financial literacy. Planning is currently underway to expand this program into the Niagara region.
- In Waterloo Region, the Mennonite Savings and Credit Union in partnership with the Working Centre provides micro loans to immigrants.

These micro loan initiatives are great opportunities for immigrants who wish to access start-up capital, particularly when they have a limited credit history. Importantly, the benefit of these micro loan programs extends beyond the actual loan provided to entrepreneurs. By promoting financial literacy and working closely with entrepreneurs as they create business plans, these innovative micro loan programs give entrepreneurs many tools that will increase their likelihood of success.

of capital. Unless they are under the age of 35, a bank loan is really their only option. Unfortunately, these loans are not easy to acquire. One can understand the caution around small business loans which are by nature risky, but the loan approval process could be streamlined and improved. Given the few resources around financing small businesses, it is not difficult to see why more advantaged immigrants are more likely to be self-employed than their counterparts with fewer resources.

**Business incubation.** A business incubator supports businesses during the start-up phase. The goal of the incubator is to help business owners grow their business to the point that they are viable without supports.

Business incubation programs are often sponsored by private companies or municipal entities and public institutions, such as colleges and universities, but also by other not-for-profit entities. Incubators may provide a wide range of services including management and consulting assistance, office space and shared facilities, shared equipment, shared administrative services, and other business support. By sharing the resources, operating expenses are reduced for all incubator tenants.

Unlike many business assistance programs, business incubators do not serve any and all companies. Entrepreneurs must apply for admission to a program. In general, only those with feasible business ideas and a workable business plan are admitted. It is this factor that makes it difficult to compare the success rates of incubated companies against general business survival statistics, but it is generally believed that successful completion of a business incubation program increases the likelihood that a start-up company will stay in business for the long term.

Business incubation is for entrepreneurs at the large-scale end of the business continuum. In terms of the publicly-funded incubation centres in southwestern Ontario, they are part of the **Ontario Network of Excellence (ONE)** that has now grown to 400 commercialization experts located throughout the province to help businesses "move through the innovation and commercialization process." These include

**Communitech** (Waterloo), **Innovation Factory** (Hamilton), **Innovation Guelph**, **Niagara Interactive Media Generator** (nGen), **Tech Alliance of Southwestern Ontario** (London), and **WE-Tech Alliance** (Windsor).

The ONE centres focus on technology entrepreneurs with high growth potential, though each has its own particular areas of focus. For example, nGen focuses on Interactive Digital Media; Health and Wellness, and Life Sciences; Bio-Products; and Green Energy/Technology. The ONE centres work to incubate specific firms, but they also offer workshops and events open to the public.

One rather unique business incubator is **FarmStart**, located in Guelph but hoping to open farms in Hamilton (Waterdown) and Cambridge. FarmStart is profiled below.

**Professional networks.** Finally, professional networks help entrepreneurs make new contacts and connect with other people in the same industry or occupation. These “warm contacts” can be useful in terms of information and knowledge sharing as well as for soliciting clients and business partners. For newcomers, professional networks whose members are from the same country of origin or ethnic group may offer a “comfort zone” for transition into Canadian society.

### **FarmStart Business Incubator**

FarmStart is a not-for-profit organization headquartered in Guelph that aims to encourage and support a new generation of entrepreneurial, ecological farmers. To this end, its incubation farms provide training, start-up funds for seeds and tools, and practical experience. Participants contribute to costs of operation and farm equipment.

FarmStart did not initially focus on immigrants, but the organization’s proximity to the diverse Greater Toronto Area resulted in considerable interest among immigrants, many of whom had been connected to farming in some way in their homelands. On McVean Farm, located in Brampton, almost half of the farmers have arrived in Canada within the past decade. Hailing from all over the world, most have lived in Canada a few years before working with FarmStart. Canadians and immigrants interact regularly on the farm, helping each other out.

In its first year of operation in 2008, FarmStart had four tenants. By 2011, there were 21 tenants and demand had outstripped supply. Most tenants are family groups, often headed by women. Tenants can stay for up to six years, and most hold on to their city jobs while building the farm business slowly. Already some tenants have purchased their own properties to farm which shows that the incubator model is working.

FarmStart manager Sri Sethuratnam continues to see a huge potential to attract immigrants to farming, especially as FarmStart expands to new areas close to diverse populations. With all the interest in “eating local” and in ethnic and organic produce that appeal to immigrants and Canadians alike, it is not surprising that interest is growing.

For now, the focus is on incubators. But as immigrants graduate from the incubator, they will face a new challenge: moving immigrants out of the GTA by finding affordable land and rural communities that have social supports for immigrants in place. Land is very expensive around the GTA, and further out it is difficult to find small parcels of land for sale. FarmStart is interested in working with community partners to find out what would make smaller communities more appealing to immigrants, for example whether the presence of a religious institution might help.

Sri finds immigrants to be very passionate about farming. Many of them build marketing skills within a matter of months, sometimes more quickly than their actual production skills. They need to find crops that have the most value, which are not necessarily the crops they can sell to their own ethnic communities.

It has been challenging for FarmStart to connect to recent immigrants as its programs do not fall into the traditional types of services offered in the settlement sector. Its strongest connections have been with immigrant-specific business incubators. FarmStart lacks core funding but has received project grants from OTF and the McConnell Foundation.

Source: Interview with Sri Sethuratnam, FarmStart-Up Program Manager, and [www.farmstart.ca](http://www.farmstart.ca)

General professional networks include **Chambers of Commerce**, some of which host more specific networks focused on ethnic or immigrant communities (e.g., **Hispanic Business Opportunities** in London, described below). There are also ethno-specific organizations such as **TIE** (The Indus Entrepreneurs) which brings together entrepreneurs in the Indian diaspora as well as industry-specific organizations.

Professional Immigrant Networks or PINs have been defined by Toronto Region Immigrant Employment Council as: “organized, volunteer-run groups created by and for internationally-educated and experienced professionals who seek to: Create a forum to contribute to and enrich their respective communities, Cultivate social capital, Find meaningful employment, primarily in their areas of professional practice, Sharpen their skills-set, and Keep abreast with current trends and changes in their respective sectors.”<sup>25</sup> Some PINs, such as the **Latin American Career Development Centre** in London, run programs designed to assist immigrants who wish to open their own business. Others, such as **Hispanic Business Opportunities**, provide seminars and networking opportunities to existing immigrant entrepreneurs.

*When I got here, I took all five course offered at the Small Business Enterprise Centre. I had a business plan written out two weeks after arriving here. I opened the business, but I had no clients! So I began working for [someone else] which reinforced feeling that I needed to be my own boss. During that time, I did a couple of events, learned how to create brochures, and launched a website. Then we grew the business by making cold calls. Now I have 6 people working for me.*  
– Immigrant entrepreneur

## Existing supports in each Wise5 community

As part of this research, a Guide to Business Services was created for each of the Wise5 communities. Each guide contains a comprehensive list of business-related supports accessible by immigrants and is broken down into the types of service outlined in the previous section (Information and Referral, Training, etc.)

## Where did Wise5 interviewees go for help?

As part of our interviews with immigrant entrepreneurs, we asked them where they went for assistance with their business. The open ended question was: What kinds of local supports did you receive, if any, from the government, your ethnic community, your family, etc.? The responses are listed below.

**Figure 7.1 Local supports received, Interview responses**

Response	Number of responses
Small Business Enterprise Centre	33
business program or seminar offered by a not-for-profit organization	20
financing	18
settlement organization	17
ESL classes	13
personal savings	12
mentor in same industry	11
ethnic community	9
Research and Innovation Centre (RIC)/business incubator	8
family	6
received no supports	6

Again, these were open ended questions with multiple responses possible. More immigrants may have used the services above and not thought to mention them. On the other hand, it was interesting how many responses focused on financing, either obtaining it externally or from their savings. For many immigrant entrepreneurs, financing was seen as a form of local support.

<sup>25</sup> For more information on PINs, including links to a Directory of Networks, go to <http://triec.ca/find-solutions/for-immigrants/strengthen-professional-networks/>

## 8. for Services and Some Best Practices

In our interviews with key informants, many of whom were service providers, we asked: If you could provide one other service or do something else to support newcomers in starting their own businesses, and you didn't have any funding constraints, what would it be? We received a wide range of answers, but several themes were mentioned frequently. In many instances, the services they identified were being offered in other jurisdictions, including in some of the other Wise5 communities, where they appeared to be working well. We have highlighted those in this section as "Best Practices." (We are emphasizing the idea and thinking behind the practice as being a best practice, but we were not able to evaluate the actual program delivery or implementation in this research.)

### Training

Several persons mentioned the need for slower-paced self-employment programs as well as more intensive programs. This includes programs that cater to people with lower levels of education who seek self-employment. There are many single seminars and workshops, but very few programs that offer more intensive training in a classroom setting with opportunities to develop peer networks and receiving ongoing guidance and feedback. Most existing programs such as OSEB have eligibility requirements that exclude most immigrants. There could be a completion certificate as exists with bridging programs, even collaboration with a local college or university.

Financial planning courses were also viewed as important aspects of business operation, and it was felt that more of them should be offered. As well, generalist management training would help entrepreneurs who lack the "soft skills" and management skills needed to succeed in business.

Lively local business competitions, as have been popular on television shows such as Dragon's Den and Shark Tank, could include competitions for the best business plan, or best "one minute pitch," with the winner securing some funding or professional services for the business. Training would be provided to all participants.

Business incubators aimed at immigrant entrepreneurs and persons without financial resources would help these two "barriered" groups. There could be an advisory board/team to work with individuals and offer different services at the same location. These could also house practice areas for services, e.g., a professional kitchen.

Another idea was that of creating partnerships between entrepreneurs and underemployed professionals, such as educated youth and skilled immigrants, to help small businesses commercialize new product innovation.

**Local Best practice: WRAP course (Kitchener).** Funded by Mennonite Development Agency, this course is the only one of its kind in Canada, though 12 similar "Assets in North America" programs run in the US. This 10 week business start-up program runs three times a year, with participants meeting once a week and completing research and assignments on their own time, all with the objective of creating a viable business plan. The course is aimed at four underserved groups: women, low wage workers, new Canadians and refugees. Anyone can participate and fees are calculated on a sliding scale. Micro credit is available to participants.

**Local Best practice: BizPlan at Welcome Inn Community Centre (Hamilton).** Inspired by the Calgary organization Momentum, a settlement organization that developed a focus on entrepreneurship and money management, BizPlan has been around since 2007 and has evolved in the process. It is a 10-session workshop series in which participants work collaboratively and in small groups to plan a business launch or expansion. This program attracts a lot of "micro-preneurs" looking to supplement existing income with a business as opposed to creating a more ambitious firm. Welcome Inn also offers a matched savings plan program for asset building as well as access to the FirstOntario micro loan program.

**Canadian best practice: SUCCESS Business Development and Training Centre in Vancouver**, run by one of the largest immigrant service agencies in Greater Vancouver. The centre was established in 1994 to foster economic integration for new immigrants and the local Canadian population through entrepreneurial training and related support. Some of its most successful ventures have been offered in partnership with the private sector.<sup>26</sup>

**Canadian best practice: Immigrant Entrepreneur Orientation Program (IEOP), operated by Metropolitan Immigrant Settlement Association (MISA)** in Halifax since 1992. Smaller in scope than SUCCESS, but it has generated scores of successful immigrant entrepreneurs.

**International best practice: Barcelona Activa**, the Spanish city's local development agency, and Glories Entrepreneurship Centre. It has responded quickly to the city's growing immigrant population, which has quadrupled in proportion over the past decade, and includes programs targeted at women.<sup>27</sup>

## Individualized supports

Enhancing one-on-one supports was also mentioned by many key informants, who most commonly spoke of the need for more mentoring connections to immigrants, including by longer-term immigrants who have succeeded in business. Ideas included:

- At service providers such as Small Business Enterprise Centres
  - more time for one-on-one supports such as the creation of a business plan
  - addition of part-time staff who speak different languages and could work with new Canadians in communities where there is a large enough population
  - creation of more free services for immigrants
  - enhance the existing “detached” model of information and referral with one that provides more opportunities for connection between immigrants and front-line staff. If front line workers had significant business experience themselves, they could better connect with their clients.
- In terms of mentoring
  - create a local volunteer network with a coordinator who can match mentors with prospective immigrant entrepreneurs.
  - create a professional team that could parachute in to a business to ask questions and evaluate a business's progress. This is a particular type of mentoring.

**Local best practice: Waterloo Newcomer Business Network.** Inspired by a student intern from China on a volunteer work experience with the City of Kitchener, the Waterloo Region Small Business Centre (SBC) has created a series of seminars aimed at immigrants. Held every other month, these free seminars are intended to provide information and instruction as well as networking opportunities to meet experienced New Canadian entrepreneurs who are successfully operating a business. Topics are chosen based on input from immigrant participants and community stakeholders. After each meeting, business counselors are on hand to set up follow-up appointments with participants. The goal is to build that network and also to attract some mentors. Though SBC staff themselves do not speak other languages, the SBC offers appointments in various languages through access to community translator services. Also, the City of Kitchener website is multilingual.

<sup>26</sup> Min-Jung Kwak and Daniel Hiebert, *Immigrant Entrepreneurship and the Role of Non-Government Organizations in an era of Neo-liberal Governance*. RIIM Working Paper No. 07-05 (2007).

<sup>27</sup> *Cities of Migration, Innovation, Entrepreneurship, and Immigrants*, 2010. <http://citiesofmigration.ca/barcelonaactiva/lang/en/>

**Local best practice: Niagara Immigrant Connections Initiative**, a mentoring program run by the auspices of the Niagara Immigrant Employment Council (NIEC). This program is not aimed at business start-up per se but nonetheless provides an example of a structured local mentorship initiative. Much of the mentor-mentee matching will be web-based, with employers able to review mentee profiles by key words and sign themselves up for mentorship where they will be assigned a profile number and all company information remains hidden for security. Every participant is given a clear and concise handbook containing objectives and exercises to guide them through each meeting.

**Local best practice: Global Talent at Work at Hamilton Chamber of Commerce**, a mentoring program focused on matching individuals interested in self-employment and entrepreneurship with experienced entrepreneurs. There are very few business mentorship programs for immigrants in Ontario.

**Canadian best practice: Business Immigrant Mentorship Program at Enterprise St John**. This program is open to immigrants in any immigration class interested in business ownership. Immigrants first take business training and are then selected through a screening process into the mentorship program.

Mentors and mentees work together for a total of 24 hours over a six-month period. The program coordinator provides communication and relationship support as necessary. The program allows for flexibility to meet the needs of participants which change from year to year. This is one of four business immigrant mentorship programs in New Brunswick funded by the provincial government.

**International best practice: One stop multilingual service centres**. Several European cities such as Vienna have set up one-stop service centres where business owners can obtain all the information they need to start and run a company through personal consultation and online business tools. This is very similar to some of Ontario's SBECs, namely the ones that are co-located with relevant municipal offices. However, SBECs do not offer courses and consultations in the languages of immigrants. In Vienna, language was found to be a huge barrier to accessing services, and now bilingual workshops are held daily. Program providers believe that all start-ups need the same information, but that different languages are required to reach newcomer communities. Otherwise, they simply do not access services, and their businesses suffer as a result. The program in Vienna operates with a staff of only two persons.

## Helping people access financing, including:

- individualized guidance for navigating financing options, including accompanying individuals to appointments at financial institutions
- expanded microloan programs
- expansion of Community Future Development Corporations model to urban centres
- expansion of CYBF model to persons over the age of 35
- partnerships between government and entrepreneurs, in which governments become shareholders in a business they view as sustainable and having potential benefits to the community

**Local best practice: FirstOntario Credit Union** helps individuals without collateral or credit history obtain an affordable micro-loan to improve their standard of living through entrepreneurship. FirstOntario offers loans in Hamilton through community partners Today's Family, Welcome Inn Community Centre, and Immigrant Women's Centre. Expansion into the Niagara Region is planned for 2012.

**Local best practice: Goodwill Industries Microloan Project** in London provides access to small business loans for youth and newcomers who meet the low-income cut-off.

**Canadian best practice: Enterprise Greater Moncton.** This organization is similar to Small Business Enterprise Centres in Ontario, but it also offers financing. Employers can borrow up to \$20,000 in seed money that can be used for staffing.

## Supports for existing business, including immigrant-specific professional networks

Businesses may need supports after becoming established, either to address new challenges or to expand. It is important to reach out to existing businesses as well, not just prior to start-up. This could include opportunities to share best practices, or community outreach to promote education about workforce safety standards, worker rights, and other topics.

As well, immigrant entrepreneurs need to be able to access professional networks to share their experiences and learn from each other. Such networks are crucial for individuals who want to be in business but are not fluent in English or French. However, there must be a balance between providing an environment that is comfortable for newcomers and segregating immigrants into isolated ethnic and cultural groups. Having opportunities to connect with larger multi-ethnic and "mainstream" networks and supports is also important.

**Local best practice: Supports for Spanish-speakers** in London, Ontario. Spanish-speakers in the London area have access to a continuum of supports in Spanish, beginning with services for business start-up and moving on to supports for existing businesses. The London Small Business Centre and Latin American Career Development Centre (LACDC) offer seminars in Spanish for prospective business people. Hispanic Business Opportunities (HBO), a project of the London Chamber of Commerce, offers professional networking and supports for business owners, including seminars that address various issues pertaining to business ownership.

*I would like to see more partnerships between settlement organizations and Small Business Enterprise Centres, so that we can provide an introduction to self-employment as well as more advanced options. A solid program would contain these elements: training, mentoring, networking, and funding (a stipend for participants).  
– Key informant*

## 9. Promoting Entrepreneurship Locally: Recommendations

These recommendations are to communities at large, including the settlement sector, municipalities, other levels of government, and other stakeholders such as Chambers of Commerce and Small Business Enterprise Centres.

### Offering a range of supports to accommodate different needs and readiness for business start-up

**Finding:** Immigrants and the Canadian-born alike come from a variety of backgrounds and readiness to start a business. Some have business experience, while others have only an idea that excites them. Some are in a position to launch quickly, while others need to save up, learn about their industry, and build networks.

As such, the supports they need are diverse, for example, moving from less intensive to more intensive:

- information and referral and online resources that outline the steps to writing a business plan and registering a business
- faster-paced training options in the forms of seminars and self-paced tutorials
- slower-paced options for those who need more supports or who are working with language barriers
- business incubators that marry similar types of potential high growth firms with expertise and financing that can help them grow quickly

Training should be offered at a variety of levels, from those aimed at simple self-employment to persons whose idea has real potential for growth.

It is recommended that:

1. Every municipality and region examine its offerings to ascertain whether or not it offers a range of supports to accommodate the diversity of need among prospective entrepreneurs
2. Service providers and stakeholders meet to identify potential areas of collaboration in promoting entrepreneurship locally
3. Enthusiasm for entrepreneurship be promoted by dynamic events such as “Innovation Nights” and friendly competitions among start-ups

### Ensuring accessibility to services

**Finding:** Immigrants quickly identify barriers to accessing services, including fees for service (even seemingly small fees) and communication barriers. Many immigrants have difficulty navigating audio directories when using the telephone. Prospective entrepreneurs who must know the names of the parties they are calling as well as their extension numbers or else leave a message in a general mailbox may be discouraged. Also, eligibility requirements – namely being tied to Employment Insurance -- prevent immigrants from accessing Ontario’s premier self-employment program.

It is recommended that:

4. Service providers and funders examine their offerings with a view towards improving accessibility by a variety of prospective entrepreneurs, including these three key aspects: affordability (free wherever possible), eligibility requirements, and language supports
5. Service providers create a “warm connection” for inquiries by having a live person answer the telephone
6. Service providers in different jurisdictions explore the possibility of offering regional events in different languages to attract a larger audience, for example a business start-up event in Spanish targeting persons in Niagara and Hamilton but located in Grimsby or Beamsville

## Promoting existing services

**Finding:** Each Wise5 community provides a range of supports for business start-up and operation, many of which are accessible to immigrants despite being aimed at the broader public. Yet many immigrants are unfamiliar with these supports or uncomfortable accessing them. Many newcomers prefer a “warm connection” to someone who can help them as opposed to sorting through information on a website. Similarly, some service providers offer interpretation via telephone, but these services do not appear to be well-advertised or well-utilized.

It is recommended that:

7. Service providers list and include program details on their own websites
8. Service providers promote their services -- including any available interpretation supports or services in languages other than English -- through the ethnic media
9. Service providers create a “warm connection” to prospective immigrant clients through in-person visits to settlement and language classes, college classes, and other appropriate venues. Visits could include dialogue with immigrants about elements they would like to see in terms of service offerings.
10. Employment service providers become educated about the benefits and viability of self-employment as an option for clients
11. Service providers who work with potential business owners have some business experience themselves

## Improving access to finance

**Finding:** Financing is the number one barrier faced by prospective entrepreneurs. For immigrants, lack of a Canadian credit history can be an extra barrier. Programs such as CYBF that offer financing supports are limited to “youth,” yet the reality is that many people are in their thirties before wanting to start a business. The average immigrant today is older too, and most do not start businesses until they have lived in Canada for several years.

It is recommended that:

12. Governments and other stakeholders work with financial institutions to expand the availability of financing for new businesses
13. Municipalities and community agencies work with financial institutions to promote and grow existing micro loan programs
14. Governments and other stakeholders explore the possibility of implementing a program similar to CYBF but aimed at persons aged 35 and older

## Creating opportunities for networking and professional development

**Finding:** Networking and professional development are important supports to prospective business owners and persons with established businesses. Community connections help entrepreneurs to keep track of local trends and be prepared for new challenges. Immigrants are often hard-working and have a desire to succeed, yet their networks are often limited and not connected to the broader community. Existing mentorship programs in Ontario focus on professionals and rarely include prospective entrepreneurs.

It is recommended that:

15. Service providers and other relevant stakeholders explore the creation of mentorship opportunities focused on business, possibly through the Chamber of Commerce which is already an important local support for small businesses
16. Prospective entrepreneur mentees undergo some business training and screening prior to being matched with a mentor
17. Regional databases for mentorship be explored as it may be challenging to find strong matches in smaller communities
18. Chambers of Commerce form a task force to examine how their own organizations might better incorporate immigrants, including through speakers that can promote the value of diversity and ethnic business groups such as Hispanic Business Opportunities at the London Chamber.

## Developing entrepreneur-friendly policies

**Finding:** Many of the programs that promote innovation and entrepreneurship are policy-driven, e.g., tax policy, municipal by-laws, but many of these are not designed with business owners in mind. Ontario's Research and Innovation Centres (RIC's) result from a provincial policy initiative that has created business incubators in various Ontario communities.

It is recommended that:

19. Relevant stakeholders, including service providers, form a community coalition to advocate for business-friendly policies and government initiatives at all levels of government
20. Municipalities explore the idea of a tax holiday for new business in their first year

In conclusion, many steps can be taken to enhance the prospects of immigrant entrepreneurs. Communities that wish to grow their local economies can do so by paying heed to the best practices and recommendations presented in this report. Some of these require funding, but many are simply common sense ideas that involve tweaking existing supports and improving communication and collaboration.

In essence, Ontario's urban centres outside the Greater Toronto Area have choices in how they face future demographic realities. They can continue on with the status quo, hoping to attract immigrant entrepreneurs but offering few specific supports. Or they can act strategically by working to create a more welcoming environment and business climate for new immigrants. Pursuing the latter option will increase the chances of attracting more newcomers, of helping new immigrants invest their human and financial capital more wisely, and of retaining them in their communities.



## Appendix A: List of Key Informants Interviewed

In addition to the individuals listed here, we also thank the more than 60 immigrant entrepreneurs who were interviewed for this report. They are not named here for reasons of confidentiality, a condition of their interviews, but this research was greatly enriched by their input.

### Hamilton

Mary De Sousa, FirstOntario Credit Union  
Penny Gardiner, Hamilton Technology Centre  
Mahar Hamade, Chamber of Commerce  
Sandie Heirweigh, Entrepreneurial Edge (OSEB)  
Kristin Huigenbos, Hamilton Small Business Enterprise Centre  
Keanin Loomis, Innovation Factory  
James Ratcliffe, Mentor  
Steph Seagram, The Cossart Exchange  
Sandy Shaw, President, FirstOntario Credit Union  
Dan Sheffield and Syam Chandra, CultureShift  
Kerry Turcotte, Welcome Inn Community Centre

### London

Antonio Belda, Canadian Latin American Association  
Heather Haldane, Goodwill Industries  
Gaston Mabaya, Association Canadienne-Francaise de l'Ontario, London-Sarnia  
Jessie Maggard, Ontario Centres of Excellence  
Valerian Marochko, London Cross Cultural Learner Centre  
Jaime Martinez, Latin American Career Development Centre  
Rodolfo Martinez, Ontario Immigrant Network  
Alec Miller, TechAlliance  
Debra Mountenay, Elgin Middlesex Oxford Workforce Planning and Development Board  
Steve Pellarin, Small Business Centre  
Janie Rother, London Chamber of Commerce

### Niagara

Anna Belanger, Niagara Folk Arts Multicultural Council  
Corinna Carson, Niagara Workforce Planning Board and NIEC  
Helen McCreadie, Fort Erie Business Success and Loan Centre  
Duncan McDuff, Niagara College  
Jessica Potts, St Catharines Enterprise Centre  
Frank Rupcic, General Manager, Venture Niagara  
Steve Stunt, Niagara College Business Development Centre

### Waterloo Region

Serge Desmarais, University of Guelph  
Mary Lou Emburgh, Immigrant Services – Guelph Wellington  
Chris Farrell, Waterloo Region Small Business Centre  
Barbara Fennessy, Business School, Conestoga College  
Arran Rowles, Immigrant Partnership of Waterloo Region  
Sri Sethuratnam, FarmStart  
Bob Shantz, Waterloo Region Assets + Project (WRAP)  
Carol Simpson, Workforce Planning Waterloo Wellington Dufferin  
Lisa Sui, Waterloo Small Business Centre  
Carol Tyler, CEO Solutions

### Windsor

Karen Behune Plunkett and Yvonne Pilon, WE-Tech Alliance  
Sabrina DeMarco, Small Business Enterprise Centre  
Karen Gill-Gore, St. Clair College Self Employment Assistance Office  
Kamal Khaj and Cristina Stamate, YMCA  
Alfie Morgan, Community  
Francine Schlosser, Odette School of Business, University of Windsor  
Michelle Suchiu, Workforce Windsor Essex

## Appendix B: Wise5 Local Advisory Team Members

### Hamilton

Judy Travis, Workforce Planning Hamilton (Chair)  
Mahar Hamade, Hamilton Chamber of Commerce  
Benson Honig, DeGroote School of Business,  
McMaster University  
Kristin Huigenbos, Hamilton Small Business  
Enterprise Centre  
Lily Lumsden, YMCA of Hamilton Burlington  
Brantford  
Tim Rees, Hamilton Immigration Partnership  
Council  
Ines Rios, St Joseph Immigrant Women's Centre  
Sandy Shaw, FirstOntario Credit Union

### London

Debra Moutenay, Workforce Planning and  
Development Board (Chair)  
Robert Collins, London Economic Development  
Corporation  
Jennifer Hollis, London Middlesex Immigration  
Employment Council  
Valerian Marochko, London Cross Cultural Learner  
Centre  
Steve Pellarin, Small Business Centre  
Janie Rother, London Chamber of Commerce  
Martin Withenshaw, Workforce Planning and  
Development Board

### Niagara

Corinna Carson, Niagara Workforce Planning  
Board, Niagara Local Immigrant Partnership, and  
Niagara Immigrant Employment Council (Chair)  
Jeff Burch, Niagara Folk Arts Multicultural Centre  
Angela Davidson, Niagara Falls Small Business  
Enterprise Centre  
Stan Droblich, Employment Help Centre  
Duncan McDuff, Niagara College  
Rena Posteraro, Niagara College  
Jessica Potts, St Catharines Enterprise Centre

### Waterloo Region

Carol Simpson, Workforce Planning Waterloo  
Wellington Dufferin (Chair)  
Mimi Borooah, Kitchener Waterloo Multicultural  
Centre  
Chris Farrell, Waterloo Region Small Business  
Centre  
Valerie Machado, City of Kitchener  
Peter McFadden, Waterloo Region Immigrant  
Employment Network  
Art Sinclair, Greater Kitchener Waterloo Chamber  
of Commerce  
Lisa Sui, City of Kitchener  
Carol Tyler, CEO Solutions  
Vincent Yang, Canada Business Ontario

### Windsor

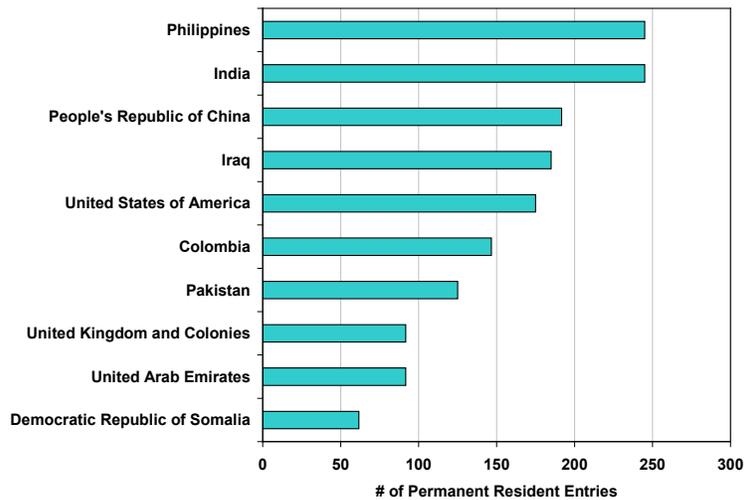
Michelle Suchiu, Workforce WindsorEssex (Chair)  
Melissa Basarac, New Canadians Centre of  
Excellence Inc.  
Sabrina DeMarco, Windsor Essex Small Business  
Centre  
Mary Ellen Bernard, City of Windsor  
John Marrocco, City of Windsor  
Alfie Morgan, Community  
Matias Golob, Community  
Rose Mousaly, St. Clair College of Applied Arts and  
Technology  
Karen Gill-Gore, St. Clair College Self Employment  
Assistance Office  
Leann Sassine, University of Windsor  
Jean Foster, Windsor Public Library  
Hugo Vega, YMCA of Windsor and Essex County

# Appendix C: Community Profiles Hamilton

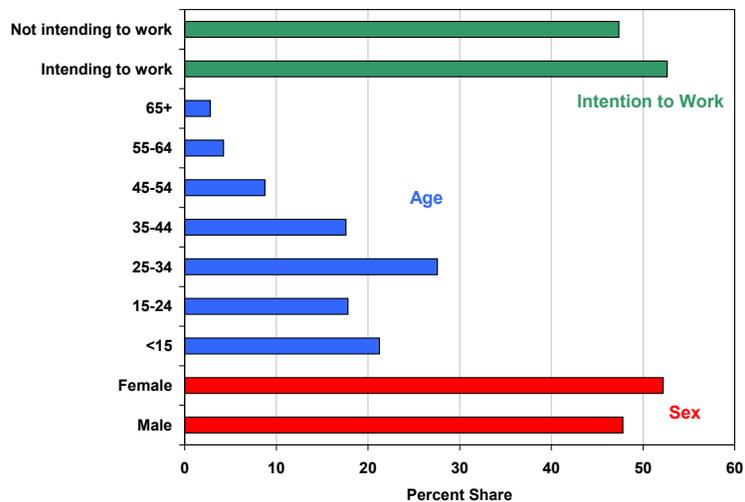
**Permanent Resident Entries by Class and Year**

	2006	2008	2010	2006	2008	2010
	#	#	#	%	%	%
Family class	925	765	735	28.2	26.5	23.1
Economic immigrants: principal applicants	505	480	525	15.4	16.6	16.5
Economic immigrants: spouses and dependents	815	710	790	24.9	24.6	24.9
Refugees	795	610	945	24.3	21.1	29.8
Other	235	325	180	7.2	11.2	5.7
<b>Total</b>	<b>3,275</b>	<b>2,890</b>	<b>3,175</b>	<b>100</b>	<b>100</b>	<b>100</b>

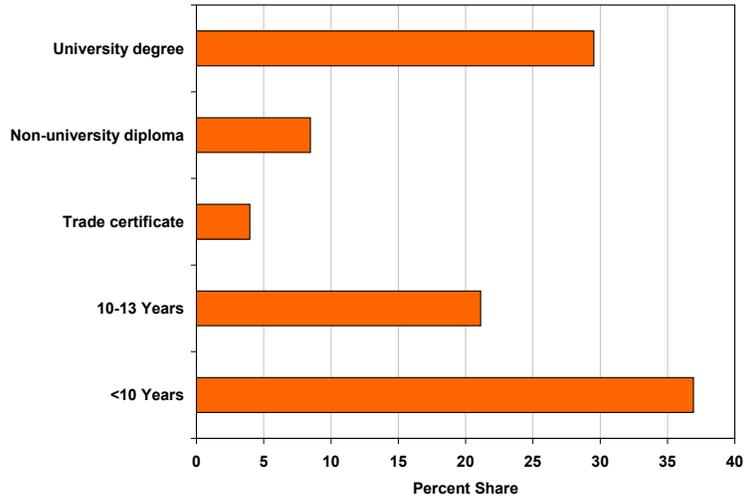
**Top 10 Countries of Origin, 2006-10 Average (%)**



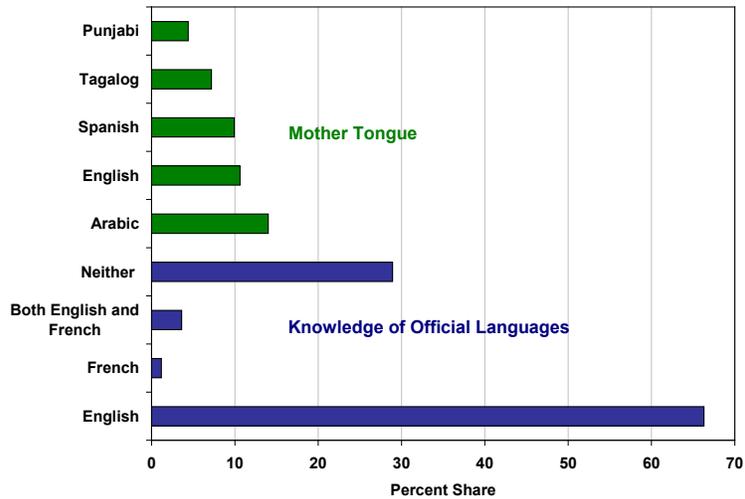
**Demographic Characteristics, 2006-10 Average (%)**



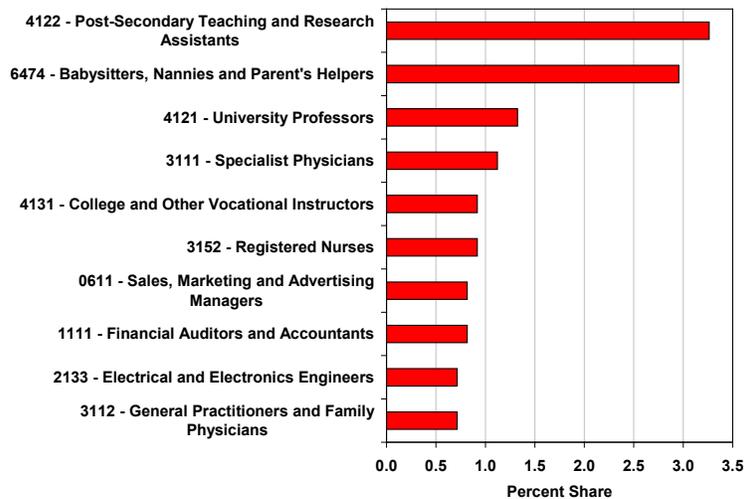
### Highest Level of Education, 2006-10 Average (%)



### Knowledge of Official Languages & Mother Tongue, 2006-10 Average (%)



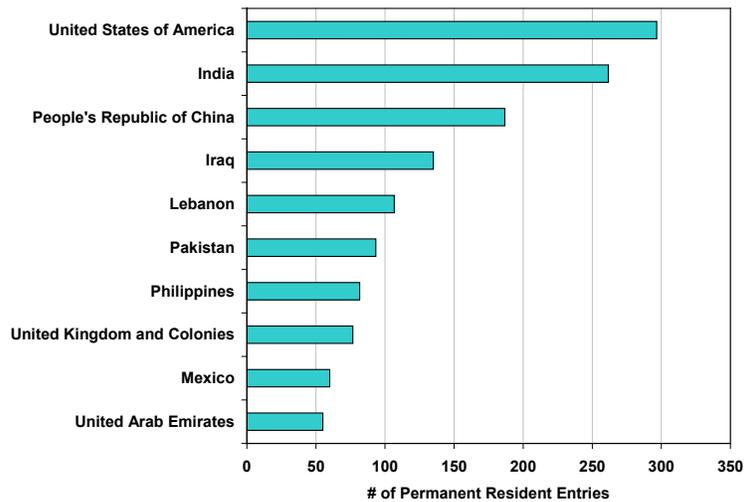
### Top 10 Occupations of Those Intending to Work, 2006-10 Average (%)



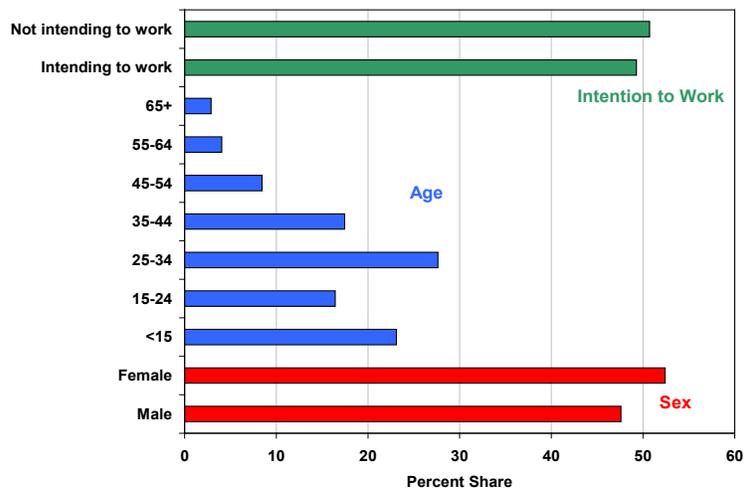
### Permanent Resident Entries by Class and Year

	2006	2008	2010	2006	2008	2010
	#	#	#	%	%	%
Family class	825	670	535	27.3	30.9	25.7
Economic immigrants: principal applicants	535	375	285	17.7	17.3	13.7
Economic immigrants: spouses and dependents	820	550	525	27.1	25.4	25.2
Refugees	675	405	580	22.3	18.7	27.9
Other	170	165	155	5.6	7.6	7.5
<b>Total</b>	<b>3,025</b>	<b>2,165</b>	<b>2,080</b>	<b>100</b>	<b>100</b>	<b>100</b>

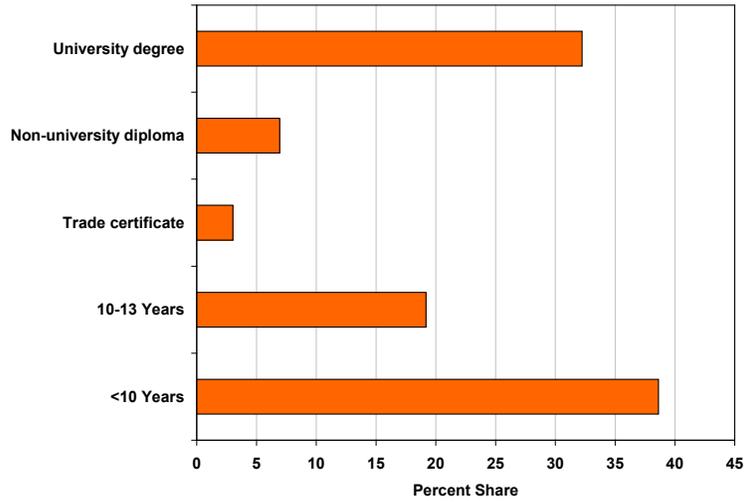
### Top 10 Countries of Origin, 2006-10 Average (%)



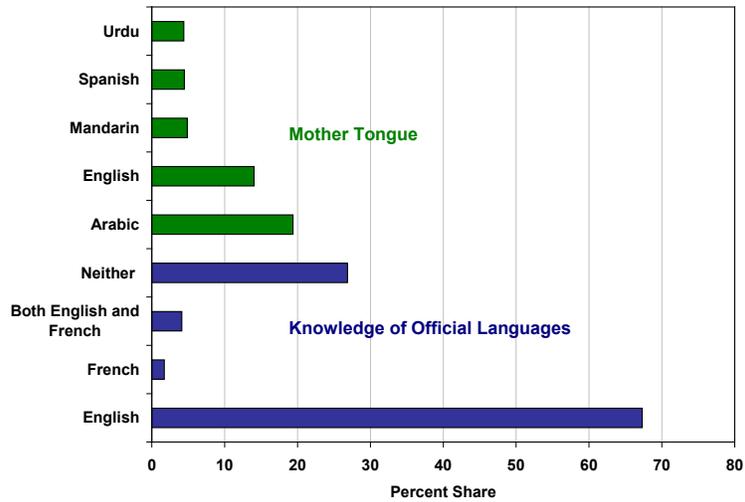
### Demographic Characteristics, 2006-10 Average (%)



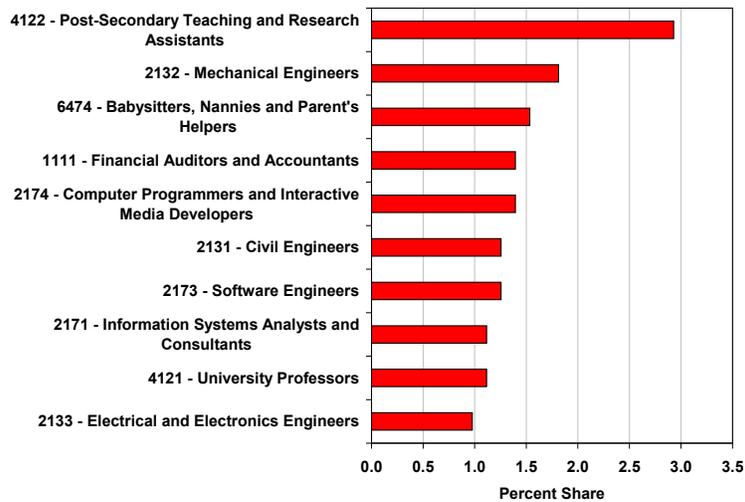
### Highest Level of Education, 2006-10 Average (%)



### Knowledge of Official Languages & Mother Tongue, 2006-10 Average (%)



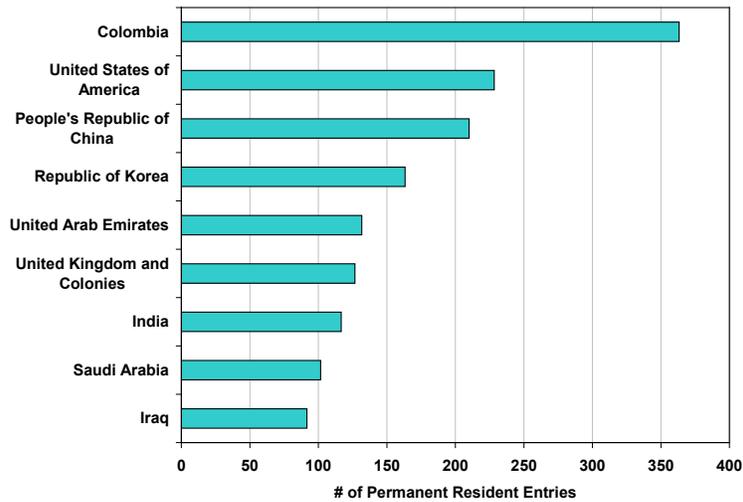
### Top 10 Occupations of Those Intending to Work, 2006-10 Average (%)



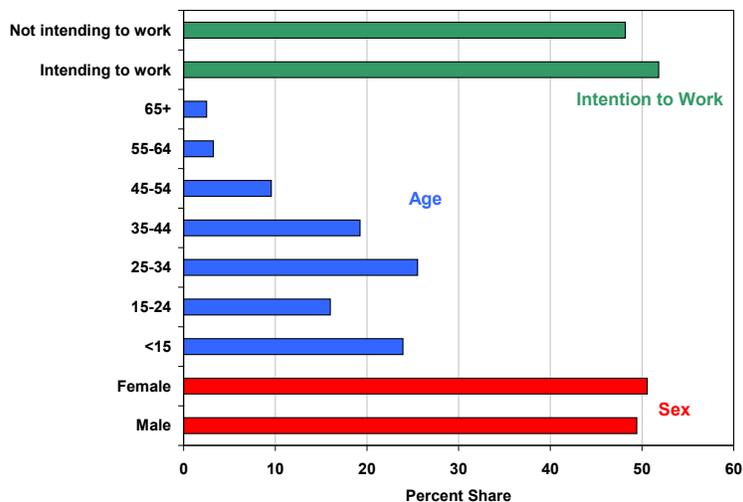
### Permanent Resident Entries by Class and Year

	2006	2008	2010	2006	2008	2010
	#	#	#	%	%	%
Family class	720	610	550	22.8	24.3	17.7
Economic immigrants: principal applicants	435	460	615	13.8	18.3	19.7
Economic immigrants: spouses and dependents	735	795	1,130	23.3	31.6	36.3
Refugees	1,105	515	710	35.0	20.5	22.8
Other	160	135	110	5.1	5.4	3.5
<b>Total</b>	<b>3,155</b>	<b>2,515</b>	<b>3,115</b>	<b>100</b>	<b>100</b>	<b>100</b>

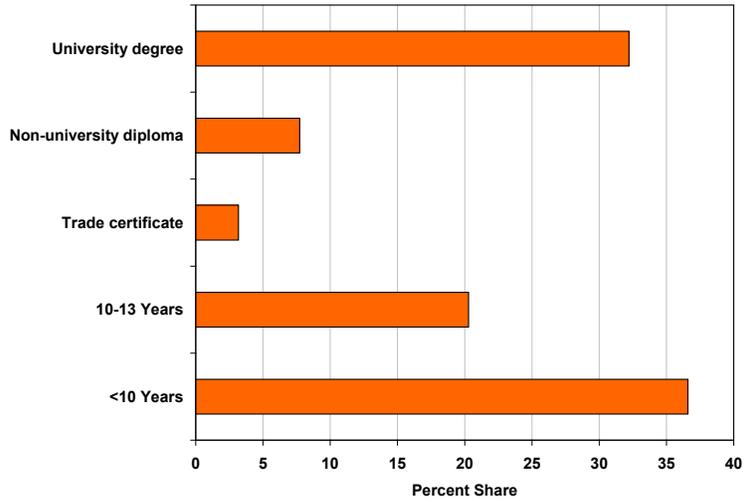
### Top 10 Countries of Origin, 2006-10 Average (%)



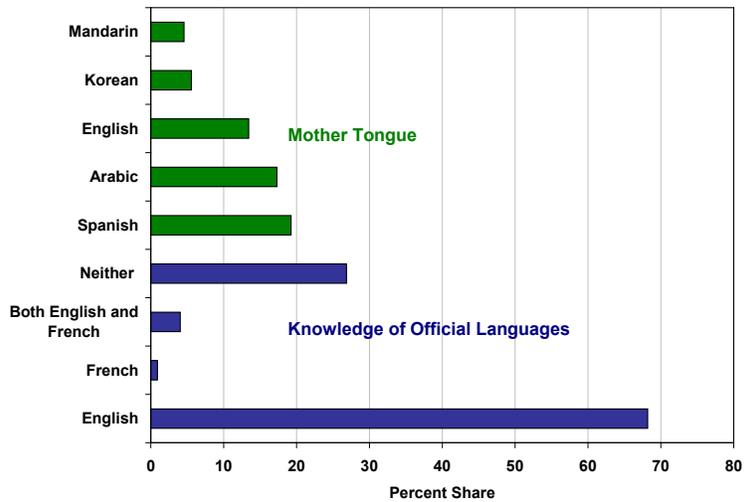
### Demographic Characteristics, 2006-10 Average (%)



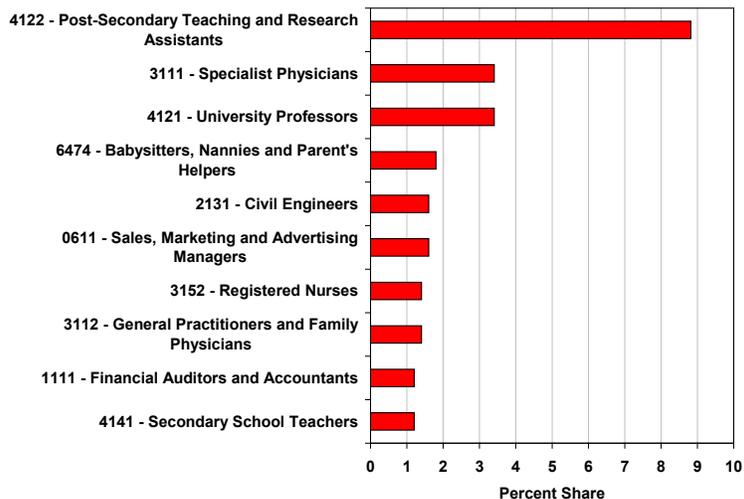
### Highest Level of Education, 2006-10 Average (%)



### Knowledge of Official Languages & Mother Tongue, 2006-10 Average (%)



### Top 10 Occupations of Those Intending to Work, 2006-10 Average (%)

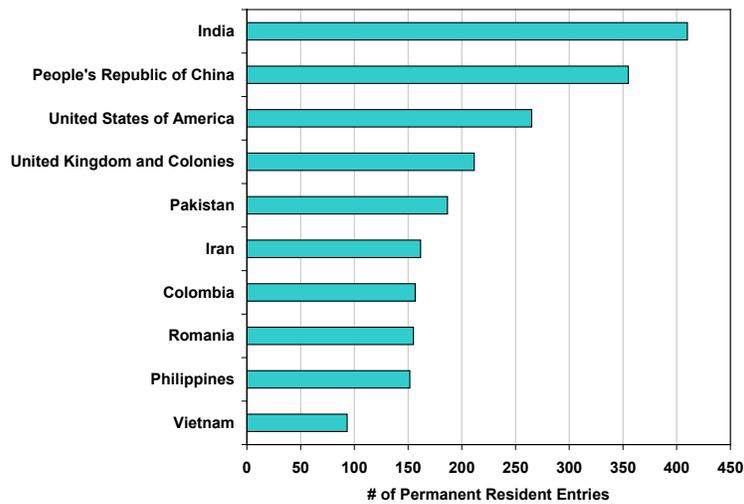


# Waterloo-Wellington-Dufferin

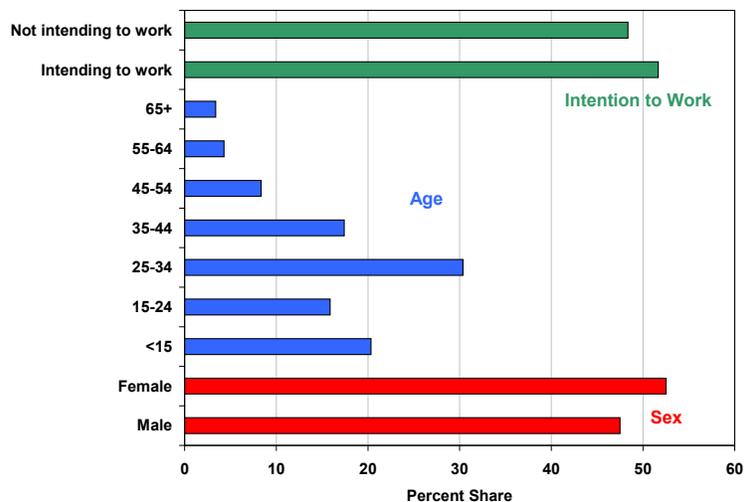
**Permanent Resident Entries by Class and Year**

	2006	2008	2010	2006	2008	2010
	#	#	#	%	%	%
Family class	1,310	1,280	1,060	30.7	33.0	27.5
Economic immigrants: principal applicants	800	795	855	18.8	20.5	22.2
Economic immigrants: spouses and dependents	1,250	1,105	1,200	29.3	28.5	31.2
Refugees	770	510	615	18.1	13.1	16.0
Other	135	190	120	3.2	4.9	3.1
<b>Total</b>	<b>4,265</b>	<b>3,880</b>	<b>3,850</b>	<b>100</b>	<b>100</b>	<b>100</b>

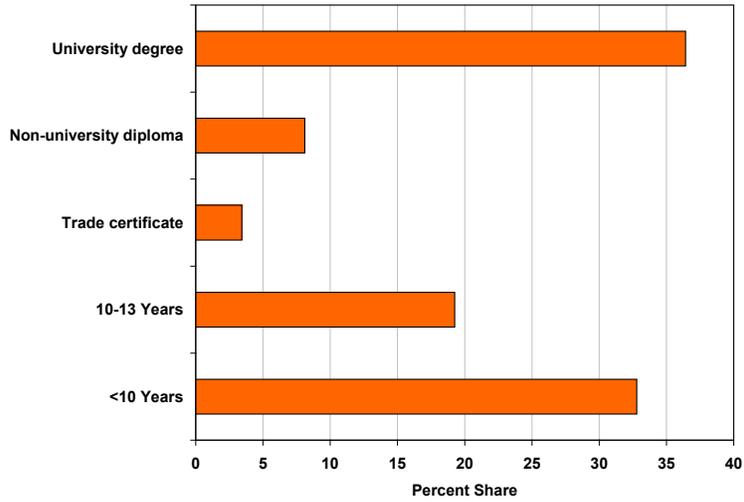
**Top 10 Countries of Origin, 2006-10 Average (%)**



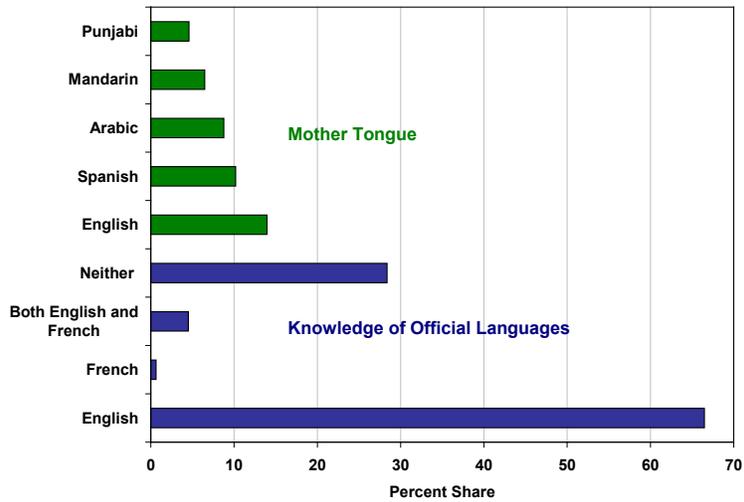
**Demographic Characteristics, 2006-10 Average (%)**



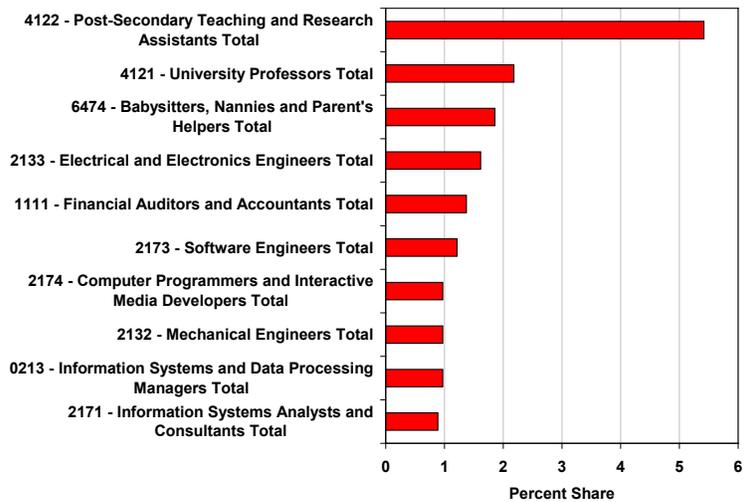
### Highest Level of Education, 2006-10 Average (%)



### Knowledge of Official Languages & Mother Tongue, 2006-10 Average (%)



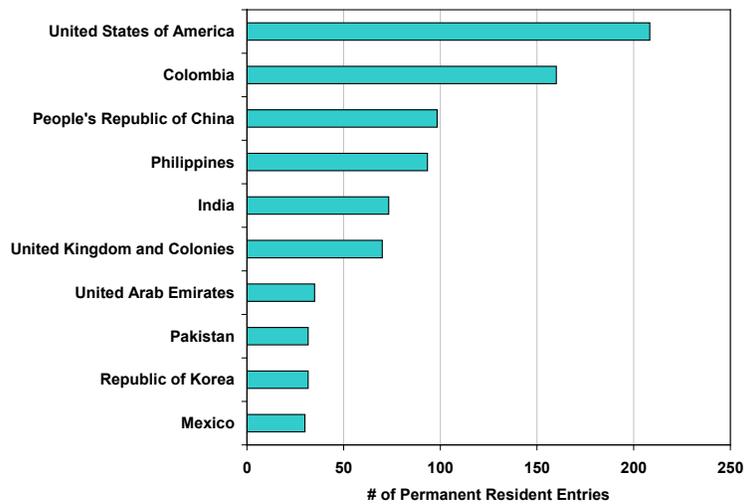
### Top 10 Occupations of Those Intending to Work, 2006-10 Average (%)



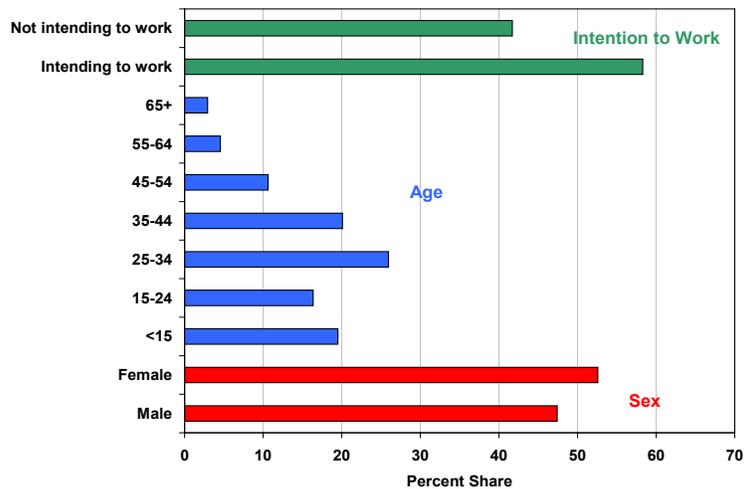
## Permanent Resident Entries by Class and Year

	2006	2008	2010	2006	2008	2010
	#	#	#	%	%	%
Family class	420	445	365	25.5	34.1	27.9
Economic immigrants: principal applicants	205	215	225	12.4	16.5	17.2
Economic immigrants: spouses and dependents	305	290	335	18.5	22.2	25.6
Refugees	620	245	300	37.6	18.8	22.9
Other	100	110	85	6.1	8.4	6.5
<b>Total</b>	<b>1,650</b>	<b>1,305</b>	<b>1,310</b>	<b>100</b>	<b>100</b>	<b>100</b>

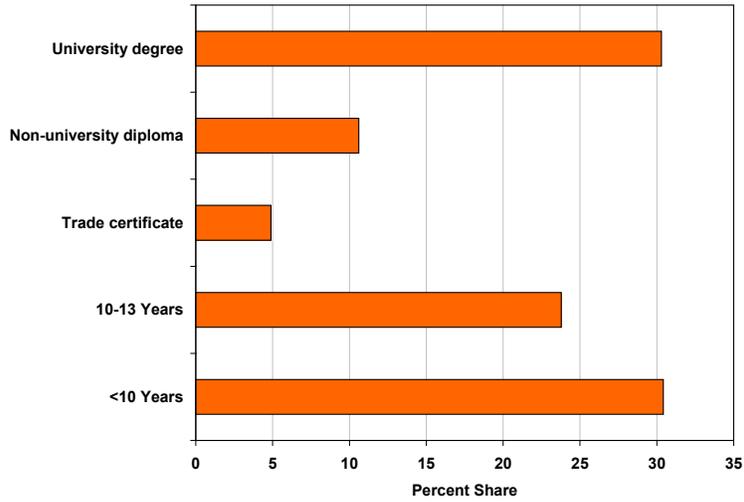
## Top 10 Countries of Origin, 2006-10 Average (%)



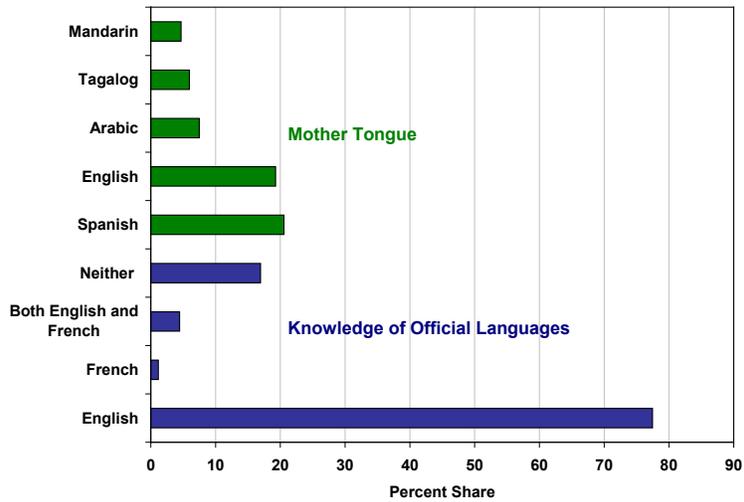
## Demographic Characteristics, 2006-10 Average (%)



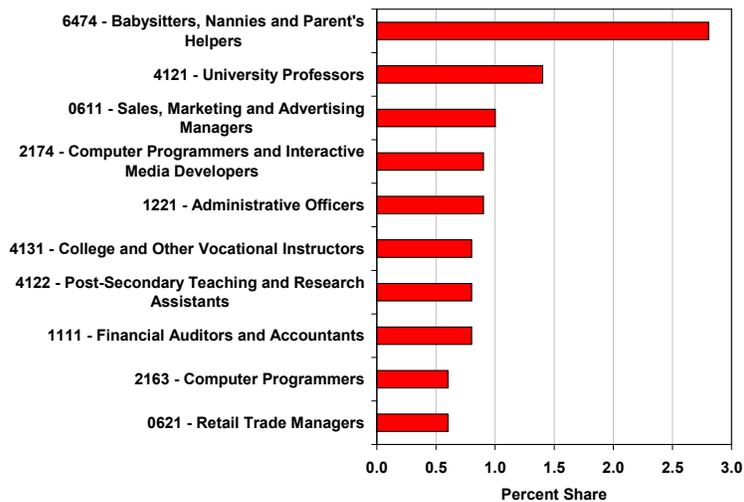
### Highest Level of Education, 2006-10 Average (%)



### Knowledge of Official Languages & Mother Tongue, 2006-10 Average (%)



### Top 10 Occupations of Those Intending to Work, 2006-10 Average (%)









### **Workforce Planning Ontario: A Network of Workforce Planning Boards**

There are 25 workforce planning areas in communities across Ontario. These boards conduct localized research and actively engage organizations and community partners in local labour market projects.

Winning Strategies for Immigrant Entrepreneurship in Five Communities (WISE5) is a partnership of five Workforce Planning Boards: Workforce Planning Hamilton, Niagara Workforce Planning Board, Workforce Planning Board of Waterloo Wellington Dufferin, Elgin Middlesex Oxford Workforce Planning and Development Board, and Workforce WindsorEssex.

WPO is funded by the Ministry of Training, Colleges and Universities under Employment Ontario.

For more information about WPO please visit: [www.workforceplanningontario.ca](http://www.workforceplanningontario.ca)