

Title: Immigrant Entrepreneurship in Kelowna, B.C.: Challenges and Opportunities

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Research Question:

What is the role and impact of immigrant entrepreneurs in small- and medium-size cities? What types of businesses do they have? Are their businesses substitutes or complements of those owned and operated by non-immigrant business owners? What are the challenges and opportunities facing them? Are they the same as those facing their non-immigrant counterparts? Do they cope and/or strategize similarly to the non-immigrant population? Do they bring a different set of skills and values to the process? What can small- and medium-size cities do to attract and retain immigrant entrepreneurs?

Importance:

With immigration projected to account for all population and labour force growth in Canada by 2031, small- and medium-size cities are facing pressure to attract immigrants to counter aging trends in the population and boost economic productivity. One of the challenges these cities face is how to retain and integrate new immigrants given a lack of tradition in settling contemporary migrants and an absence of appropriate infrastructure to integrate them. Since immigrant businesses are often considered an engine of economic growth, this study, using Kelowna, BC as an example, attempts to explore the experiences of immigrant entrepreneurs in small- and medium-size cities in comparison to those of the non-immigrant entrepreneurs. We believe that looking at what and how current immigrant entrepreneurs are doing today may offer insights into the future directions these cities should take in terms of attracting immigrant businesses.

Research Findings:

Immigrant and non-immigrant entrepreneurs had different experiences in establishing their businesses. A higher proportion of immigrants than non-immigrants encountered barriers in establishing and maintaining their businesses. While major barriers were similar, immigrants emphasized more weight on the burden of government regulations and financing whereas non-immigrants were more concerned with high operating costs and market competition. In the absence of institutionally complete communities or strong ethnic economies, immigrants do not rely extensively on their own community resources, which are considered instrumental in immigrant business development in major urban centres. Characterized by a low degree of social embeddedness, they seem to follow a more “individualistic” pattern of establishing and running their business. In addition, immigrant entrepreneurs have a more optimistic outlook of doing business in Kelowna than their Canadian-born counterparts, an encouraging sign when the city is trying hard to attract more immigrant investment to the region. As part of its outreach strategies, the city ought to work in partnership with other levels of government to let the world know where Kelowna is and transform it into a more welcoming community, putting in place appropriate infrastructure that can connect newcomer entrepreneurs to the larger society and economy, and removing any perceived/potential regulatory/institutional offsets.

Implications:

Given that the proportion of immigrants in paid employment is larger than those running their own businesses, we wonder if immigrants who choose paid work in smaller cities are different from those who choose to be self-employed. Some comparative analyses are needed. On the issue of immigrant entrepreneurship, more comparative studies are needed with respect to both immigrant and Canadian-born entrepreneurs in cities of different sizes and/or characteristics to understand (1) the position of certain immigrant groups as entrepreneurs in some sectors of local economies, (2) how they deal with the challenge of running their business, and (3) why certain immigrant groups are more prone than others to rely on their own community resources and how this may affect their levels of self-employment and business success in small- and medium-size cities.