Study: Immigration, business ownership and employment in Canada, 2001 to 2010

Released at 8:30 a.m. Eastern time in The Daily, Monday, March 21, 2016

Immigrants who have been in Canada for more than 10 years have higher rates of private incorporated business ownership than individuals born in Canada. However, the types of businesses owned by immigrants tend to employ fewer paid workers than those owned by individuals born in Canada, according to a new study.

Rates of business ownership are relatively low among immigrants during their initial years in Canada, but, over time, these rates surpass those for individuals born in Canada.

Among immigrant taxfilers who had been in Canada for 10 to 30 years in 2010, about 6% were owners of private incorporated businesses that employed paid workers. This compares with about 5% of Canadian-born taxfilers. But, while immigrant-owned private incorporated businesses employed, on average, about four paid workers, those owned by Canadian-born individuals had about seven paid workers.

Of all immigrant-owned private incorporated businesses, 45% were located in four industries: professional, scientific and technical services; retail trade; accommodation and food services; and transportation and warehousing. One-third of private incorporated businesses owned by Canadian-born individuals were in these four industries.

The rate of unincorporated self-employment was also higher among longer-term immigrants (22%) than among individuals born in Canada (16%). When restricted to individuals who received at least one-half of their total earnings from unincorporated self-employment—defined as primary unincorporated self-employment—these rates were 12% for the longer-term immigrants and 8% for individuals born in Canada.

Immigrants who were principal applicants in the business class had the highest incidence of incorporated business ownership or primary unincorporated self-employment, with a combined rate of 40%. Among principal applicants in the economic class, the combined rate was 17%, while among both family-class immigrants and refugees, it was 15%.

Note to readers

The public is invited to chat with an expert on this study today, March 21, 2016, from 2:00 p.m. to 3:00 p.m., Eastern time.





The research study "Immigration, Business Ownership and Employment in Canada," which is part of the Analytical Studies Branch Research Paper Series (11F0019M), is now available from the Browse by key resource module of our website, under Publications.

Highlights of the findings of this study are available in the article "Business Ownership and Employment in Immigrant-owned Firms in Canada," which is part of *Economic Insights* (11-626-X). From the *Browse by key resource* module of our website, choose *Publications*.

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; STATCAN.infostats-infostats.STATCAN@canada.ca).

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