

ECONOMIC OUTCOMES OF FEMALE IMMIGRANT ENTREPRENEURSHIP

*Angeline Low
School of Finance and Economics
University of Technology, Sydney*



CONTACT: Dr Angeline Low, PO Box 324, Mosman, NSW 2088, Australia. Tel: 612 9969 6025, Fax: +61 2 9969 6259, Email: Lowangel@bigpond.net.au, Angeline.Low@uts.edu.au

ABSTRACT

The contribution of female immigrant entrepreneurs is not acknowledged in the debates about the economic impact of Australian immigration. Often, the immigration debate is controversial and evolves around the questions, such as: What contributions do immigrants make? Do they add to or take from the country in net economic terms? Do immigrants take jobs from non-immigrants? Do immigrants create jobs? Do immigrants have higher unemployment rates than non-immigrants? Unfortunately, such debates attract anti-immigration views such as: immigrants are highly welfare-dependent and are welfare cheats; immigrants avoid paying taxes; immigrants employ their own kind and harbour other illegal immigrants; immigrants operate in the black economy; immigrants commit crimes; and many other negative expressions that add to the paranoia against immigrants and immigration policies. This paper is interested in engaging in the immigration debate by questioning the economic contributions of a group of Asian-born women entrepreneurs in Sydney. This empirical study shows that they make significant economic contributions to new businesses and to job creation in addition to other non-quantifiable economic benefits to Australia.

INTRODUCTION

This paper draws on an original fieldwork of a group of Asian immigrant women entrepreneurs in Sydney. Face to face interviews were conducted with 80 Asian-born women entrepreneurs (ABWEs) from China, Hong Kong, Indonesia, Laos, Malaysia, the Philippines, Singapore, Taiwan, Thailand and Vietnam who have settled in Australia. The interviews were semi structured. As there was no ready published list of immigrant entrepreneurs or an easy access to interview subjects, the sampling was based on a snowball of referrals and was purposeful to the investigation. Listening to voices of this group of women was crucial to knowledge building on the dynamics of female immigrant entrepreneurship and the economic outcomes of their entrepreneurial endeavours.

The key proposition is that female immigrant entrepreneurs make significant economic contribution to Australia. The quantifiable economic outcomes of the entrepreneurial endeavours were investigated and where possible evaluated against published statistical data on small businesses and employment so as to determine their significance. This study measures economic

contribution by the number of enterprises and the number of jobs created by the ABWEs at the time of the interviews. While attempting to quantify the economic contributions, the richness of the interview data qualitatively presents economic outcomes beyond mere mathematical numbers and this is further investigated. The impact of ethnicity and class on the economic outcomes are also examined in the light of the immigration debate.

AN OVERVIEW OF AUSTRALIAN IMMIGRATION

The history of Australian immigration is one of racialisation although racism has changed over 200 hundred years since the first British stepped on Australian soil in 1788. Prior to that Australia was home to an estimated 700,000 indigenous Aboriginal population (Collins, 1991:201) and was frequented by traders and fishermen from neighbouring islands along its northern shores. In 1901, Australia introduced The Immigration Restriction Act that officialised the White Australia Policy and marked over a century of institutionalised discrimination against anyone who was not white and not born in the United Kingdom. It was not until the period 1966 -1973 that this draconian policy was gradually dismantled (Collins, 1991; DIMA, 2002a).

According to the 2001 Census, Australia is today a truly multicultural country and is home to 4.1 million people born overseas, accounting for 28% of the population, and from over 200 countries (ABS, 2002c). Of those born overseas, the three main countries of birth were United Kingdom (5.5%), New Zealand (1.9%) and Italy (1.2%). Apart from the three, no other country accounted for one or more percent, signifying the diversity of Australia's overseas-born population. The census found that English was the only language spoken at home by 79.1% of the population. The census identified 2.6 million people who spoke a language other than English at home. Italian is the most commonly spoken language other than English, followed by Greek, Cantonese, Arabic, Vietnamese, German, Mandarin and then by Spanish, Macedonian and Tagalog. Altogether, Australia's population of 19 million speak 282 languages (ABS, 1999c).

Australia today is competitor for a "better quality" of immigrants (DIMA, 1999b), and like Canada (CIC, 2002a, 2002b, 2003) moved to align its selection process closer to economic benefit. For example, Australia has a set of selection criteria based on a stringent points test that rewards younger applicants with high education and vocational skills, good English language-speaking proficiency and the ability to transfer capital (DIMIA, 2003b). The policy objective is to admit more immigrants who can contribute immediately and over a longer period to the economy. This policy led to the selection of young and robust immigrants with readily marketable skills or adaptable skills and also immigrants with business experience and wealth to invest. Many Asian immigrants qualify in this way. The selection is based on their capacity to contribute human and financial capital soon after resettlement. Parallel to these changes in immigration policies in Australia, there have been cutbacks in relative terms to the intake of refugees and family reunion groups of aged parents, unskilled siblings and relatives who are considered to be high users of services and welfare.

THE IMMIGRATION DEBATES

The following sections look briefly at the literature in Australia, Canada and the USA on the immigration debates.

Debates in the early immigration history of Australia covered many issues, primarily in connection with the preservation of a white Australia to the exclusion of others, especially the Chinese, other Asians and the Pacific Islanders. The immigration debates of the 1980s and the 1990s were refocussed on Asian immigration to Australia. The debates included the level of the Asian immigration intake, multiculturalism and the socio-economic benefits of immigration. At the start of this new millennium, wedged in between the debates were the drama of the boat arrivals of refugees and asylum seekers from the Middle East and the public hysteria fuelled by politicians at the height of an election campaign. On the Australian Department of Immigration website, a fact page titled *Dispelling the Myths About Immigration* responded to hypothetical queries such as: Is Australia being swamped by Asians? Why do foreigners form ghettos and make Australians feel like foreigners? Why do we see so many foreign faces in Australia? (DIMA, 2001b). That the government believes such questions are of great interest to the general public is indicative of the type of misinformation and xenophobia that surround discussions and debates of immigration issues and especially of Asian immigrants in Australia. Adding to the xenophobia of the immigration debate are the complexities of resettlement issues and the expectation and evaluation of immigration outcomes, especially in relation to the economic returns of immigrants to Australia.

In the past two decades, debates about the state of Asian immigration into Australia were very much triggered by the comments of three people, namely Geoffrey Blainey, John Howard and Pauline Hanson (Castles, Foster, Iredale, & Withers, 1998:1). In the 1980s, historian Blainey made known his views against the Asianisation of Australia and against multiculturalism (Blainey, 1984, 1991; Mackie, 1997:29). In 1988, the then Federal Opposition Leader, Howard announced that if his party won the elections, he would reduce Asian immigration and break with the policy of multiculturalism (Collins, 1991:286). Eight years later, an unknown politician, Hanson, in her first speech to Parliament, said, "I believe we are in danger of being swamped by Asians" (Hanson, 1996). Their political debates on Asian immigration and multiculturalism widened and became mainstream immigration debates. However, these debates about Asian immigration are based on emotions and lean on facts. As McNamara and Coughlan (1997: 3) observed, "Many people holding strong opinions on the subject would have no idea of what the level of immigration to Australia currently is, or how this has changed over time".

The Unemployment Debate

Past history shows that Australia's immigration policy response to periods of economic boom was to increase immigration levels and to reduce levels when the economy took a downturn (Collins, 1991) and in response to public concern about immigration increases with rising unemployment (Castles et al., 1998). The phenomenon of the 1990s of economic recovery and simultaneous corporate downsizing resulted in much insecurity in the labour market and renewed past racist and xenophobic attitudes towards immigrants, who were blamed for taking jobs from the locals. However, research in Australia found no evidence for a causal link between

immigration and unemployment (Ackland & Williams, 1992; Castles et al., 1998; Pope & Withers, 1993; Wooden, 1994). On the contrary, these studies supported the argument that immigration has positive effects on unemployment and the economy. A common conclusion amongst researchers is that immigration does not lead to increases in unemployment, although public discourses often ignore this research finding.

The Cost of Demand-Supply of Services Debate

Further arguments in the immigration debates include claims that immigrants strain government services, drain welfare resources and contribute less to taxes. There is no real consensus on this from research conducted so far. These studies are based on the demand-supply effects of immigration where demand on government spending on health, education, social security and other public services exceeds the supply of government revenue and taxes collected to provide these services (Castles et al., 1998:61-64).

For example, on the demand side, a study carried out by the Centre for International Economics (CIE) showed that the net present value cost to the Australian Government of a 23-year-old born in Australia was \$223,000 in early 1990s. For an immigrant of the same age, it was \$13,000 (CIE, 1992), a substantially lower amount, reflecting enormous savings in education and healthcare compared with an Australian-born (Castles et al., 1998). Some immigrants make one-off demands on settlement services such as information, service access, language education and overseas skills recognition programs. This was estimated to cost \$83 million net for 121,000 immigrants in the early 1990s (CIE, 1992). This worked out to be around \$686 per immigrant in one-off government spending, not a big sum as it could be recovered through income taxes in the lifetime of the new immigrant, especially considering that a new immigrant is generally younger than the average of the Australian-born population and therefore has a longer economic life to contribute to taxes. On the supply side, (Whiteford, 1991) found that the overseas-born paid similar income taxes to the Australian-born. Based on these figures, it is rather obvious that in the longer term, immigrants return more than they take in government services (Castles et al., 1998). Thus, to study the demand-supply impact of immigration on government services, Castles and his colleagues argued that this has to be seen over the net lifetime contributions of immigrants and non-immigrants to government budgets (Castles et al., 1998).

The Welfare Debate

Blainey (1991) argued that immigrants are a drain on welfare resources by referring to some selective data from the Department of Social Security and the Australian Bureau of Statistics. He highlighted subgroups of immigrants and the more recent arrivals who were over-represented as welfare recipients. However, in the years following, Blainey's frequent debates with the media provided him attention and there were a few studies that supported his views, such as Harrison (1984) and Flatau & Hemmings (1991). There were many more who did not or agreed within the narrow parameters of their research data. They included Whiteford (1991), Maani (1993), Birrell (1993), Birrell & Evans (1996) and Healy (1994). Overall, the researchers and their critics agreed that as they engaged data sets, time periods and methodologies that were different, their results were not comparable but nevertheless added to the debate.

Nahid & Shamsuddin (2001) joined in the debate using probit models to evaluate the impact of birthplace on the probability of participation in unemployment benefits programs. They found that the unemployment rate was higher amongst immigrants (11%) than the Australian-born (7%) and highest amongst recent immigrants (16.5%) who arrived post-1985; and that immigrants of non-English-speaking backgrounds faced a higher unemployment rate of 12.9% than immigrants from English-speaking backgrounds (whose unemployment rate was 8.8%). Given the higher representation of the unemployed amongst immigrants from non-English-speaking backgrounds, it is not surprising that Nahid and Shamsuddin found a higher representation of this group of immigrants in welfare queues. Nahid and Shamsuddin's findings also supported the earlier findings (Alcorso, 1995; Collins, Gibson, Alcorso, Castles, & Tait, 1995; Collins, Sim, Zabbal, Dhungel, & Noël, 1997) that non-English-speaking immigrants were discriminated against in the job market. In exploring the probability of receiving unemployment benefits for each birthplace group, Nahid and Shamsuddin found that for every age group, the foreign-born university graduate has a higher unemployment rate than the Australian-born university graduate and this pattern is evident across all groups, those with diploma, trade certificates and no secondary school qualifications.

So far researchers have acknowledged that welfare-recipient rates were higher for recently arrived migrants and especially for those under the humanitarian visa category and those who sponsored their families (Murphy & Williams, 1996:15-20) but, over time, welfare rates fall significantly (Birrell & Jupp, 2000; Castles et al., 1998; Collins, 1991; Nahid & Shamsuddin, 2001; Whiteford, 1991). However, in 1996, a two-year waiting period on most welfare payments to newly arrived migrants (other than those who entered Australia under the humanitarian visa category) was introduced (Centrelink, 2002; DIMA, 2001h). This change of policy reinforced the view that newly-arrived immigrants are a burden on the social security system of the country, but ignored research findings so far that showed that high welfare dependency is confined mainly to a disadvantaged group, that is, immigrants from refugee-intake countries. According to Nahid and Shamsuddin (2001: 1597), this policy would force many new migrants to accept "bad jobs" and deter them from investing time in accumulating skills that are specific to the Australian labour market. This is a potential long-term loss for Australia and deprivation for immigrants in achieving their true potential.

In summary the findings showed that other than immigration status, economic circumstances and demographic characteristics determine the extent of welfare dependency.

The Welfare Debate in Canada and the USA

Canadian research on the consumption of welfare services found that immigrants continued to contribute positively to economic growth and were less welfare-dependent than Canadian-born persons (CCF, 1999; Ornstein, 1996). In addition, the work of Akbari (1989, 1991, 1995) showed immigrants in Canada contributed more in taxes than non-immigrants.

Perhaps the most comprehensive study to date in Canada is the one based on the Longitudinal Immigration Database (IMDB) developed by the Strategic Policy, Planning and Research Department of Citizenship and Immigration, Canada (IMDB, 1998a, 1998b, 1999). The profile series explored three factors, the level of education, the official language ability and

the category of admission as characteristics relating the settlement experiences of immigrants to their economic performance over a fifteen-year period, 1981-1995. Not surprisingly, the IMDB study found that the lower the immigration taxfiler education level and the lower the ability to speak English on arrival, the higher is the incidence of welfare benefits receipt (IMDB, 1999: 9). Immigrants who arrived with a university degree and had been in Canada for 5 years or more tend to perform better and earn higher income than other immigrants and the average Canadian-born. Again not surprisingly, economic migrants show low rates of unemployment benefit and social assistance usage than those who came as part of family reunification or as refugees. The findings confirm what Australian studies have shown – that immigrants of refugee background and those under the family reunion scheme experience higher levels of welfare dependency.

In the USA, Simon (1989) argued that on balance immigrants to the USA make citizens richer rather than poorer and that immigrants over their lifetime pay more in taxes than they use in government services. However, despite Simon's findings, the critics remain strongly against immigrants' use of welfare. It appears that immigrants' use of welfare is rising in the USA. Borjas (2002) argued that in the 1970s immigrant households were less likely to receive welfare than non-immigrants, but by 1996 the reverse was the case and with a large gap between the two groups. In 1996, new welfare legislation was introduced to reduce welfare rates amongst all Americans and new immigrants were not allowed to access most forms of welfare assistance for five years after arrival. This rule is more restrictive than the two-year waiting period that Australia introduced, as highlighted earlier.

Passel (2002) argued that immigrants in the USA use more welfare because they are poorer than non-immigrants, not because they have a greater propensity to use welfare. Borjas and Passel agreed that policy makers were wrong, that it was not a welfare problem but an immigration problem that needed fixing. It appears that changes in selection criteria for immigrants, selection of immigrants with marketable skills and wealth, would reduce immigrants' propensity for welfare. This policy had already been adopted in Canada and Australia as highlighted earlier.

In summary, the USA debate found that some groups of immigrants have greater propensities for welfare dependency use than others and that policies can be directed to address the problems within these groups rather than allowing all immigrants to be labelled negatively and penalised. Therefore, the debate recognised that on the whole and over their lifetimes, immigrants contribute more to the country in taxes than they take in government services and assistance, as had been found in the studies cited.

Jobs Creation Debate

There is a lack of research that quantifies the job creation capabilities of immigrant entrepreneurs (CEIP, 1997) and scarce attempts to quantify jobs created are based on small samples of immigrant entrepreneurs. Nevertheless, the existing limited studies are important as they contribute some hard facts to the immigration debates. For example, Sung (1996) studied Chinese immigrants in the city of New York, demonstrated how these immigrants helped themselves, creating their own jobs as well as jobs for others. Sung used the garment and restaurant industries as examples. According to Sung, the Garment Industry Development Corporation reported that in 1992, garment manufacturing had a turnover of US\$10 billion in

New York. She argued that this industry would have been lost against cheaper imports had it not been for Chinese entrepreneurial investments in 600 to 700 garment factories that created new jobs and employed 100,000 workers, mainly women and 60% are non-Chinese workers. These immigrant entrepreneurs accounted for a third of all garments manufactured in New York. Sung argued that the presence of a robust garment manufacturing industry also supports jobs in the fashion industry. Likewise, there were over 2,000 Chinese restaurants in the Tri-state Region that supported the seafood, meat, vegetables, linen and other restaurant suppliers, creating new jobs in the process. Sung's views were echoed by Wong (1998) who found that the new wave of Chinese immigrants in the San Francisco Bay area had created employment opportunities not only for themselves but for non-Chinese as well, in traditional ethnic and high tech businesses.

While the above quantified the number of jobs created by Chinese immigrant entrepreneurs in the garment industry in New York, Camarota (2000) through the March 1997 and 1998 Current Population Surveys in the USA (covering 50,000 households) showed that immigrant entrepreneurs are just as capable as native-born in job creation when they were asked about the number of employees in their businesses.

Contribution to Taxes Debate

The Australian debate on the contribution to taxes leans towards suspicions and accusations that immigrants are involved in tax evasion, although no researcher has been able to prove the case directly. In an Australian study of the underground or black economy, Bajada (1999:369) estimated that an average of \$55 billion in economic activity goes unreported each year. Although Bajada did not identify any group of people in the black economy, his study raised questions about the possibilities that immigrants were engaged in the black economy given the way they do business and the features of their businesses. This includes the high concentration of immigrant businesses within the household economy and subterranean economies; the ease of cash, bartering and other unrecorded transactions between co-ethnics and in ethnic enclave economies; and the hiring of family and co-ethnics where businesses often "understate the size of their payroll to conceal the size of their operations so as to declare a much lower taxable income" (p. 370).

Rothengatter (2002), undertook a five-focus-group study of 38 interview subjects, including a group of ethnic Chinese-Taiwanese entrepreneurs in Australia, to investigate their social networks and tax-compliance attitudes. Rothengatter found that the group of non-immigrant business owners in the study tended to equate tax cheating with specific ethnic groups, such as Asians and Eastern European immigrants. In the focus group discussions, the non-immigrant group perceived that ethnic businesses use improper invoicing and record keeping and that these businesses pay cash wages to family members to cheat on taxes. The Chinese-Taiwanese focus group described similar perceptions of the behaviours of non-immigrants and the belief that all small business owners are engaged in some form of tax non-compliance.

This common stereotyping of tax cheating occurs within groups and amongst different groups and against each other. Unfortunately, such stereotyping in the immigration debates hurts the innocent and decent immigrant entrepreneurs who contribute their fair share of taxes.

Immigrant Entrepreneurship and the Economic Model

So far, I have highlighted the economic debates around immigration and unemployment, welfare dependency, job creation and taxation and noted the findings from the literature that immigrants have positive rather than negative economic impacts. However, the debate on the economics of immigration is still not fully decided in Australia as more comprehensive economic modelling on a longitudinal basis is needed to understand the causes of welfare dependency in any community and to weigh dependency against the contributions that immigrants make.

Collins (2000a) criticised economic modelling of the impact of immigrants in Australia carried out so far as restrictive: they do not distinguish between small business and big businesses and do not employ sufficient disaggregation to allow them to take in the many dimensions of cultural diversity. This means that the impact of ethnic entrepreneurship is not captured, so in a sense the whole debate on immigration has ignored the ethnic entrepreneurship dimension.

There is merit in Collins' criticism considering that the small business sector in Australia accounted for 50% of employees in 1996/1997 (ABS, 1998) and, although this has since dropped to 47% in 1999/2000 (ABS, 2001c), this sector accounts for half of Australia's labour force. The risk-takers in the small business sector are small business owners, 30% of whom were born outside Australia (ABS, 1999b). One-third of new small businesses are being started by immigrants, 57% of whom are from non-English-speaking countries (ABS, 1997a). Immigrant women from non-English-speaking backgrounds are more likely to be in small business than Australian-born women and immigrant women from English-speaking countries (ABS, 2003b). By continuing to ignore the economic contribution of ethnic entrepreneurship, the immigration debates are not presenting a sufficiently comprehensive and balanced view of immigrants and their contributions to Australia.

ECONOMIC OUTCOMES OF FEMALE IMMIGRANT ENTREPRENEURSHIP

In the following sections, I will look at my interview data to explore the economic outcomes of female immigrant entrepreneurship through the contributions made by the group of ABWEs in Sydney and compare with official statistics where possible.

Enterprise Creation and Innovation

Altogether, the ABWEs are involved in over 50 different business areas, producing and selling different products and services. These range from Asian grocery shops to garment manufacturing, tailoring and clothes alteration; to trading a wide range of products and providing legal, accounting, architectural and dental health services; to building construction and real estate agencies selling properties, and to advertising and ownership of the ethnic print media.

In this debate on immigrants' economic contribution it is important to ask whether the ABWEs created their own businesses. Creation of new businesses is expansionary; it impacts on the Australian economic base as it creates new jobs as well as new business opportunities and enlarges the taxation pool. Taking over an existing business and expanding it also adds to the economic base and creates new jobs. However, operating status quo does not, except where the vendor takes the profits and goes on to create another new business.

The majority of the ABWEs (78%) have created new businesses at start-up. Of the remaining 18 ABWEs (22%) who did not start their businesses as new businesses, ten bought their business from third parties and five had taken over the business that their parents originally started, while one went into business with her two older sisters who had earlier started the business and two were given the business by their generous employers for no financial consideration or compensation. While the ABWEs from Singapore and Taiwan have all created new businesses as the first business they have ventured into in Sydney, it is interesting to note that the ABWEs from Vietnam are most likely to have taken over the business that their parents started. The ABWEs from Vietnam who had taken over their parents' businesses came to Australia as young refugees and were all involved in the businesses that their parents had established. In addition, it is also interesting to find that two of the ABWEs with refugee backgrounds were given a head start in setting up their legal practice by their male Anglo-Saxon employers.

Some ABWEs had changed the nature of goods or services for sale or changed or broadened the customer base, added more sales outlets, introduced computer applications and professional management, and thus increased the value of the businesses that they had taken over. Effectively, the businesses that they took over had been recreated. Even those who took over family businesses had introduced substantial innovations to their businesses. For example, one of the ABWEs changed her parents' low-value fabric shop to one specialising in high-value bridal fabrics. She then went on to expand her business further by opening a bigger bridal fabric and formal wear shop in the corporate zone of the central business district in Sydney. This demonstrates not only her innovative capabilities, but also the risk-taking and ongoing investments immigrants are capable of making in expanding their businesses, and increasing their economic contribution to Australia in the process.

Those ABWEs who bought existing businesses had also innovated their businesses. For example, one of the ABWEs wanted to open a jewellery business. It would be difficult to get to lease a shop space in a major shopping complex as she had no track business record as a jeweller. She decided she had to buy an existing jeweller's business. So in theory she bought the business to allow the seller to transfer the commercial lease to her. In reality, what she bought was the commercial lease to the shop space and only the shell of the shop and no customer base from which to start. Effectively, this ABWE and her business partner had to build the jewellery business anew. They had to determine the product mix, develop new customers, employ staff and do all the things that are necessary to get a new business up and running.

Overall 43% of the ABWEs had established only one business from the time of settling in Australia to the time of this study, 37% had started two business and the remaining 20% of the ABWEs had established three and more businesses. When looking at the impact of class and ethnicity on the capacity of the ABWEs to create new businesses, it was found that 67% of the ABWEs who had no university education and those who entered Australia as business migrants were equally likely to have established more than one business. This was followed by ABWEs of Chinese background (60%), those came as refugees (58%). The group who came as refugees had the highest (32%) representation compared to those who came as business migrants (17%) and family, independent and other visa holders (16%), had established three or more businesses. In comparing education levels, non-university-educated ABWEs had a higher proportion of women

(23%) who had started three and more businesses than university-educated ABWEs (17%). Also when comparing Chinese ABWEs with non-Chinese ABWEs, there was a higher representation of the latter who had started three or more businesses. Overall 71% of the ABWEs at the time of the interviews operated one business each, compared with 43% who had only established one business since settling in Australia. The sharpest contrast was with the group of ABWEs who came to Australia on business migration visas; they had the highest representation (67%) of ABWEs by visa entry group with more than one business established since immigrating and yet currently 83% of them are operating only one business.

The findings show that ethnicity and class alone cannot explain why some ABWEs established one, two, three or more businesses. There is a need to examine the economic environment and opportunity structures at the time and to understand the types of resources the ABWEs had access to as these factors also influenced their capacity for entrepreneurship. Starting another new business is part of the ABWE's entrepreneurial process. The process of entrepreneurship is dynamic and other factors like changing personal and family circumstances and the economic environment need to be factored in as well. Therefore, studying the ABWEs' ability to create new businesses and to sustain their entrepreneurial activities will require a longitudinal approach. This will also require modelling economic factors existing over the same time frame. Unfortunately, a longitudinal study is beyond the scope of this research. Future research on immigrant women's entrepreneurship will need to study their capacity to build businesses over time, including looking at the number, size, type and location of businesses. Nevertheless, this research has shown that ABWEs are capable of creating new businesses and growing them, and they make significant contributions to the enlargement of Australia's economic base and the creation of new jobs, as the next section will illustrate.

Job Creation

Studies had found that businesses operated by women are generally smaller than those operated by men and that they remain small (Minniti, Arenius, & Langowitz, 2005; Roffey et al., 1996). The GEM 2004 Report on Women and Entrepreneurship in 34 countries showed that women's early stage businesses tend to have less than five people owning and managing the business (Minniti et al., 2005: 28-29). The study also showed that women expected to create zero jobs or between 1 and 5 jobs within a 5 year period from start up. In Australia and according to ABS data (ABS, 1999b: 48-49), in 1999, where businesses are predominantly operated by males, 35% of their small businesses are operated from home, and where businesses are predominantly operated by females, 40% of these businesses are operated from home. In addition while 52% of male-operated businesses are non-employing businesses, 66% of female-operated businesses do not employ workers. Of those businesses that employ workers, female-operated businesses tend to employ a smaller number of workers. However, female-operated businesses are generally newer than male-operated businesses. More than 17% of female-operated businesses are less than a year old and another 40% are between one and five years old. With 57% of businesses less than five years old and compared with a total of 45% of businesses operated by men that are less than five years old, it is not surprising that female-operated businesses are smaller, given that generally the age of a business has an impact on size. Nevertheless, women's participation in small business is increasing (ABS, 1997c, 2001c) and, despite their disadvantaged positions at start-up, women continue to constitute an important portion of the small business landscape and their contribution to employment and job creation should not be discounted, but recognised and encouraged.

Given the above scenario of the state of female entrepreneurship in 34 countries and of small businesses in Australia, in the following sections I will examine the employment dynamics of the businesses operated by the ABWEs. I will determine whether this group of female immigrant entrepreneurs are capable of growing their businesses and in creating jobs. I classify all fulltime, part-time and casual work as jobs or employment created by the ABWEs as these are wages expenses of their businesses. This is in line with the ABS labour force data (ABS, 2001c) that include total numbers in full-time, part-time and casual employment. Although it is not possible to include the indirect employment opportunities generated through the business activities of the ABWEs, it is useful to note here that several of the ABWEs generate indirect employment in terms of subcontracted work and work done by commission agents.

When determining the number of people employed in the ABWEs' businesses, I took the numbers at the time of interview to provide a snap shot view of their contribution to employment. This underestimated the employment contribution of the ABWEs as over the lifetimes of their businesses they would have created more jobs. While I recognise that the levels of employment, namely the number of jobs and the quality of jobs created, differ according to the life cycle stage of a business, it is beyond the focus of this research to match the stages of businesses operated by the ABWEs with employment numbers. Consequently the levels of employment taken at the time of interviews do not take into consideration the life cycle stage of the ABWEs' businesses, except that in my analysis I classified the ABWEs into five groups, according the number of years each has been in business in Australia. This does not necessarily refer to the status of the life cycle of a particular business enterprise, but only to the length of time the ABWE has been in business, which may give a sense of her business experience and, for some, the age of a particular business.

On average, 4% of the ABWEs had been in business in Australia for one year or less; 19% for two to four years; 39% for five to nine years and 39% for ten years or more. As a group, the ABWEs have directly contributed a total of 904 jobs, comprising 719 full-time jobs, 80 part-time and 105 casual jobs. This indicates that on an average each of the ABWEs has directly created 11.3 jobs. However, this needs to be compared with the rest of the Australian business sector and this is presented in the following sections.

Table 1 presents a comparison of employment by the ABWEs against the ABS survey of small business employment data for 1999-2000 (ABS, 2001c). The ABS employment figures are presented on per business and not per business operator basis. Thus to make the ABWEs' data comparable, I have presented my ABWEs' data on a per business basis as well, accounting for the 111 businesses operated by the 80 ABWEs. The ABS defines a small business as one employing fewer than 20 people and I have classified my interview data accordingly. Also, the ABS data separate "employing businesses" from "non-employing businesses." The non-employing businesses belong to the 'own account workers' category as taken from the ABS Labour Force Survey (ABS, 2001c). I have also separated the ABWEs who work on their own account and employ no one else to make this comparable. Given these three considerations and adjustments, I believe that my interview data set is comparable with the ABS data.

Table 1: Number of Small Businesses and Persons Employed

	Australian-born Women Entrepreneurs	ABS Data for Australia¹
Employing Small Businesses* (small businesses with employees)		
Number of small businesses	65	532,700
Number employed	345	2,493,600
<i>Average number employed</i>	<i>5.3</i>	<i>4.7</i>
Non-Employing Small Businesses* (small businesses with zero employees)		
Number of businesses	7	542,200
Number of own account workers (self-employed)	7	687,400
<i>Average number employed</i>	<i>1</i>	<i>1.3</i>
Total All Small Businesses (below 20 workers)		
Total number of small businesses	103	1,074,900
Total employed in small businesses	352	3,181,000
<i>Average number employed</i>	<i>3.4</i>	<i>3.0</i>
Total All Small and Big Businesses		
Number of businesses	111	1,114,600
Number employed	904	6,734,800
<i>Average number employed in a business</i>	<i>8.1</i>	<i>6.0</i>

* ABS classification

¹ From ABS Statistics, Table 1.1, Number of Small Businesses and Persons Employed, By State 1999-2000, Small Business in Australia, Update 1999-2000, Australian Bureau of Statistics (ABS, 2001c).

Table 1 shows that small businesses operated by the ABWEs employed more people than the average Australian business. For small businesses with employees, the ABWEs employ an average of 5.3 persons compared to 4.7 persons for the Australian average. In the “Non-Employing Small Businesses” category, 1.3 persons is self-employed for the average Australian small businesses with zero employees, whereas the ABWEs self-employed only 1 person. When all Australian businesses are taken together, small and big businesses, the average number of persons employed is 6. For all businesses operated by the ABWEs, the average number of persons employed is 8.1 and is more than one-third (35%) higher than the Australian average.

The finding that the ABWEs employ more people than the average employed by small businesses in Australia is significant. It shows that the ABWEs make significant contributions to job creation and employment. These findings also support my argument that the ABWEs are capable of growing their businesses and operating larger businesses.

To further support my argument that the ABWEs are capable of growing their businesses, I categorised my interview data to compare with the ABS data on the size of businesses in Australia according to the numbers employed. Table 2 shows the distribution of the size of businesses operated by the ABWEs compared with the ABS data for Australia.

Table 2: Distribution of Size of Business by Number of Persons Employed

No of persons employed ²	Asian-born Women Entrepreneurs		ABS Data for Australia ¹	
	No. of ABWEs' businesses	Percent	No. of businesses	Percent
1 to 4	59	59.2	907,900	81.5
5 to 19	37	33.3	167,100	15.0
20 to 99	14	12.6	33,200	3.0
100 to 199	0	0	3,700	0.3
200 or more	1	0.9	2,700	0.2
Total	111	100.0	1,114,600	100.0

¹Small Business in Australia Update 1999-2000, Australian Bureau of Statistics (ABS, 2001c)

²Based on ABS' Ranges of Number Employed. Persons employed are full-time equivalents

Based on the interview data in Table 2 that compares the number of persons employed by the ABWEs against the Australian small business employment data, I argue that more ABWEs operate larger businesses than the Australian average. It shows that 96.5% of all businesses in Australia employ fewer than 20 people. In other words, only 3.5% of businesses in Australia are big businesses. My interview data set shows that 13.9% of the businesses operated by the ABWEs are outside the ABS definition of a small business. These are considered big businesses, employing 20 and more people. My interview data also show that 9.8% of the ABWEs are operating big businesses employing more than 20 people and this is close to three times more than the businesses in Australia in that category. In addition, the interviews found that 20% of the ABWEs indirectly created jobs for many more through subcontract work and appointment of commission agents to deliver or to sell their goods and services. These jobs were not quantifiable.

Another significant finding in this study refutes the immigration debate that immigrant entrepreneurs employ their own kind. It was found that the ABWEs employ a low proportion of family members and people of similar ethnic background. Close to one-third of the ABWEs do not have any family members working with them. Less than ten percent of the ABWEs have more than eighty percent of their employees who are family members. These findings challenge critics that immigrants employ their own kind and even if they do as the ABWEs do, they are contributing to employment and that is to be applauded.

Contribution to Taxes

The economic contributions of the ABWEs were measurable in terms of the number of new businesses created, the number of people employed and the number of jobs created. However, it was not possible to quantify the taxes paid by the ABWEs, except in qualitative terms. To do so, one would need to access the tax files of the ABWEs and that was not possible.

Nevertheless, the interview responses showed that the ABWEs have positive feelings towards paying taxes and they claimed to have acted ethically. Many of ABWEs not only made reference to their tax contribution, but at the same time were saying that they were not taking back from the government and society in the forms of unemployment and welfare benefits. Some of the statements made were strong, for example, "I have not received welfare a single day in my life" and one ABWE said, "I lose my dignity," that is if she were to apply for welfare benefits. All the ABWEs have no experience with welfare payments prior to migration as none of the Asian countries has a welfare

system similar to Australia's. The ABWEs who came as refugees did receive resettlement support on arrival, but claimed that they had not taken more than they had given back in taxes.

The pride of entrepreneurship that provided the ABWEs with financial independence and a non-welfare dependency was highly evident from the interviews, and this in itself is a positive socio-economic outcome for Australia, and should be recognised in the immigration debates.

Other Economic Outcomes

There are other less obvious qualitative manifestations of immigrants' economic contributions to Australia and these include socio-economic contributions, such as cultural diversity and social cohesion, and the contribution that immigrant entrepreneurs make to their immediate community and to society at large. These were grounded in the rich interview data.

The emergence of international research into the commodification of ethnicity and cultural diversity has in recent times redirected some attention to the positive impact of the concentration of ethnic entrepreneurial activities in ethnic enclaves (Rath, 2002a). The following ABWE's story illustrates this as well as the positive intersections of family, gender, ethnicity, immigration, opportunity structures, group characteristics and state and institution. The parents of one of the ABWEs were early investors in Cabramatta, an ethnic enclave of poor working-class immigrants in Western Sydney at the time. They arrived as refugees, but managed to build the first large-scale Asian supermarket that comprised a fresh fruit and vegetable market and an Asian food hall with an adjoining fish market. The market place became the experiential business training ground for this ABWE and for many other co-ethnics. This enterprising ABWE and her parents of refugee background had contributed to the economic development of a suburb and had left their mark on the cultural vitality of the area that attracts tourism dollars today and provides employment for many co-ethnics and other Australians. Likewise, the ABWEs who are located in Sydney's Chinatown are contributing to the continuing Chinese character in the precinct. This commodification of ethnicity is also characteristic of all Chinatowns in major cities around the world bringing economic returns that are not recognised in the immigration debates.

There is not a lot of research that links ethnic entrepreneurship to the community domain. There are four important findings in this study about the ABWEs' social contribution to Australia (Low, Forthcoming). First, there is a high rate of ABWEs' participation in community organisations. Close to three-quarters of the ABWEs are engaged in community organisations in a variety of ways and with different levels of intensity. Second, the ABWEs are as likely to be engaged in voluntary work outside their immediate community as they are within it, contrary to international research findings that immigrants tend to cluster within their ethnic enclaves and contribute closely to their particular ethnic community organisations. Third, the ABWEs possess diverse capital and knowledge that they bring to community organisations. They also contribute by gathering and managing such knowledge to their community activities that create bonding and bridging social capital. The ABWEs nurture and play pivotal roles in ensuring the survival of their ethnic heritage and in doing so they contribute to the nation's wealth of cultural diversity capital. Fourth, the ABWEs build community capital through interactions between their knowledge and skills at different levels of commitment to community work and how they each can leverage their power and influence for community good. The result is the community

capital that ABWEs build, an important role that is not recognised in current literature. The roles taken and the contributions the ABWEs make to society are significant and need recognition in the immigration debates.

FUTURE RESEARCH

Future research on immigrant women's entrepreneurship will need to take a longitudinal approach to study their capacity to build businesses over time, including looking at the number, size, type and location of businesses. There is a need for research into the magnitude of immigrant entrepreneurs' economic and social contributions to enlighten the immigration debates.

CONCLUDING REMARKS

ABWEs are capable of growing their businesses and operating larger businesses. They make significant contributions to job creation and employment. They also add to the economy in many different ways. Additionally they contribute to community development and to building bonding and bridging social capital. Their economic as well as their social contributions must be recognised in the immigration debates.

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