THE ECONOMIC AND SOCIAL FEATURES OF IMMIGRANT AND ETHNIC ENTERPRISES IN AUSTRALIA

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ABSTRACT
This paper reviews the main researches conducted in Australia on immigrants and ethnic groups. It analyses statistics and official reports mainly from OECD countries and Australian Bureau of Statistics. It then highlights major contributions of immigrants and ethnic groups to the Australian economy and society. It also reviews ‘expert opinion’ on how ethnic communities and ethnic business characteristics in Australia reflect established ethnic theoretical frameworks. The latter are examined for validity. Identification of research gaps leads to recommending new research on networking among ethnic entrepreneurs, covering relationships both within and among different ethnic communities and Australian government and business associations.

Key words
Immigrant and ethnic entrepreneurship, small enterprises, ethnic communities, cultural diversity, Australia

INTRODUCTION
“Immigrant workers in Australia dreamed of freedom: to have no boss or foreman above them, to be able to set their own work rhythms … They also dreamed of freedom from racism and prejudice in the workplace …. For NESB (non English speaking background) ethnic groups in Australia, a small business such as corner shop, a small factory, taxi or building firm promised dreams of independence, of freedom and financial security, if not fabulous wealth” (Collins et al. 1995, p. 9).

The Australian condition on the subject of immigrants and ethnic groups is in somehow a unique one compared to other OECD countries. Australia has been settled by immigrants and the Australian economy is strongly dependent on immigrants. According to Liebig (2007) about 25% of the work
force is foreign-born. Immigrants and ethnic groups not only participate in labour market as employees, but also contribute to the economy as self-employed or employers and create value for society and individuals as well. Agrawal and Chavan (1997) stated that in Australia during the past few decades many immigrants and ethnic minorities established businesses and the number of ethnic businesses expanded with upward trend. It is significantly worthwhile examining the influence of immigrants and ethnic groups in Australia both economically and socially. This paper focuses partially on Australian ethnic entrepreneurship phenomenon, highlighting demographic patterns of ethnic groups and their major economic and social features in Australia. The uniqueness of those features has encouraged economists, policy makers and sociologists to take into account the potential advantages of immigration flows. Collins (1993; 1996) believed that, in order to understand the ethnic entrepreneurship phenomenon in Australia, it is necessary to bear in mind that several changes in Australian history and global macro-environment have significantly moulded the current economic and social patterns of immigrant and ethnic groups in Australia. Therefore, the present authors look back at Australian history and its impacts on Australian population as antecedents to explain how ethnic enterprises participated and affected the Australian economy. The existing Australian researches and official reports from OECD and ABS also helped to highlight and study these economic and social features of immigrant and ethnic entrepreneurs in Australia. The historical trace is described briefly, followed by demographic patterns which are the consequence of changing macro environment in Australia. This leads to an exposition on ethnic enterprises from both economic and social perspectives.

**Historical trace**

The recorded history of Australian immigration started with first group of white people landing on Australian seashores in 1788 (Collins 1993). According to White and Mulvaney (in Collins 1993), British explorers estimated that the Aboriginal people at that time numbered about 700,000. In 2001, aborigines comprised only about 2.2 per cent (Census 2001) of the almost 21 million Australian people. Thus, most Australians could trace their ancestry to people who emigrated here after 1788. Patterns of migration have varied many times since early white settlement. They have affected the economic, political and geographical milieus of Australia. Collins (1993) stated that, for a long time, migration to Australia was focused on “family migration”, which encouraged immigrants to become permanent residents of the country. These immigration patterns were similar to those of Canada, New Zealand and United States. They were significantly different from those in Western European countries, where foreign workers were not expected to domicile permanently.

In terms of economic circumstances, during the early nineteenth century, many people from the British Isles migrated to Australia in response to the economic boom in Australia at that time. However, in the 1850s, discovery of gold in parts of the South East Australia (such as Victoria) changed the face of migration. The flows from mainly the British Isles gave way to one from all around the world, including Chinese, who came to work in the gold mines. The economic explosion did not last long and, when economic growth faltered and declined, many anti-Chinese riots erupted and the Australian honeymoon of the Chinese ended badly. It led to the introduction of immigrant legislation that banned especially the Chinese from entering Victoria and New South Wales in 1857 and 1861 respectively (Price in Collins 1993; 2002).

This legislation was the first stage of grounding the “White Australia Policy”, promulgated in 1901, that encouraged European immigrants and precluded non-white counterparts to arrive in Australia. Foreigners were required, at the time of arrival, to take a dictation test in a European language (Morgan 2006). This policy not only prevented non-white immigrants from coming to Australia, but also formed a racist environment that coerced “coloured immigrants” to move out of the country. For instance, a report revealed that the numbers of Chinese in Australia dropped from 30,000 in 1901 to 9,000 in 1947 (Choi in Collins 1993; 2002).

The “White Australia Policy” underwent some minor variations in terms of immigration. Collins (2003b) reviewed those and mentioned that in several periods, before and after mid-1970s, Australian Government has adjusted its immigration policy in response to the economic and social issues in each period. For instance, in 1947, Australian policy had two main aims: increasing the number of immigrants to grow the Australian population and maintaining the socio-demographic pattern of Australia as a “white country”. Many South and Eastern European came to Australia in this period to
fill the labour shortage. They were considered “white” but were certainly not British. Morgan (2006) stated that the proportion of British foreign-born people reduced from about 72% in 1947 to 42% in 1971. In the same period, immigrants from Southern European countries grew from 7% to nearly 21%. This trend continued till early 1970s, when the economic boom gave way to an economic crisis due to international capitalist recessions (Collins 2003b). This resulted in Australian immigration sources shifting from mainly Britain (till about the 1850s) to countries around the globe, especially in the post-World War II era (Morgan 2006).

The “White Australia Policy” was replaced by the “Non- discriminatory immigrant and multicultural policy”, in effect since 1972 (Agrawal & Chavan 1997; Collins 1993, 1997, 2003a, 2003b), with incremental changes over time in response to the changes in the macroenvironment as well as the needs of the country. Global investments restructuring in late 1970s and early 1980s caused several major changes in the Australian economy, such as manufacturing plants being moved from Australia to developing countries mainly in Asia. More investments were and still are needed in new and high technology in order to compete with imports and the need for unskilled manual labour has declined sharply. Collins (2003b) argued that the former reasons pushed the Australian Government (1975-1982) to introduce the “points test” in the immigrant selection criteria and to launch a new migrant category -- the “Business Migrant”. This resulted in attracting immigrants with high education and skills background mainly from Asia. Statistics show that over 100,000 immigrants settled annually in Australia in 1981 and 1982, which was the highest immigration rate since the late 1960s (Collins 1996). A later variation of Australian immigration policy came after the election of the Howard coalition government in 1996 (Collins 2003b). The Howard government introduced two changes: decreasing the family component of immigrants and increasing the independent and skilled component of Australian immigration policy.

The previous policies and their tweaking over time indicate that the Australian immigration policies have been predicated upon both domestic and international economic, socio-demographic, and geopolitical situations. Those policies have impacted upon Australian demographic patterns, development of a significant and broad-spectrum ethnic small business sector which has added value to the Australian economy. The demographic patterns are discussed below, followed by characteristics of ethnic small business sector in Australia.

### Demographic patterns

As a consequence of the country’s immigration policies, Australians live in one of the most multicultural societies in the world. Statistics (SOPEMI 2004, p 120) show that the country’s proportion of foreign-born population was second only to Luxembourg’s among OECD countries. In 2004, about 23 per cent of Australians were born overseas, compared to 19.3 and 12.3 per cent respectively of overseas-born reported in Canada and USA. SOPEMI (2004, p.154) also reported that, of the foreign-born population in Australia, about 33 per cent were born in North West Europe (mainly UK and Ireland), about 19 per cent in Southern and Eastern Europe and approximately 12 per cent in South East Asian countries. Table 1 shows that net migration was on the increase between 2002 and 2005, with the highest intake being in 2004, an increase of nearly 34 per cent over 2003 (SOPEMI 2007).

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Net Migration Inflows</th>
<th>Percentage Changes from previous year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>110,600</td>
<td>13%</td>
</tr>
<tr>
<td>2003</td>
<td>125,300</td>
<td>33.5%</td>
</tr>
<tr>
<td>2004</td>
<td>167,300</td>
<td>7%</td>
</tr>
<tr>
<td>2005</td>
<td>179,800</td>
<td></td>
</tr>
</tbody>
</table>

Sources: SOPEMI 2004 & SOPEMI 2007

The British and Irish have comprised two main groups of immigrants since 1788. Agrawal and Chavan’s study (1997) indicated that immigrants from other regions came to Australia in successive massive waves. The study identified three main periods when other nationalities migrated to Australia. In what was termed “Pre-World War II” period, the first wave included Germans, as the first European people with non-English speaking background, and Chinese and Jews who settled in Australia in 19th
century. In the second period, called “Post-World War II”, immigrants came mainly from Greece, Italy, Netherlands, and some East European countries such as Poland, Hungary, and Yugoslav Republic. This was the consequence of the application of the White Australia Policy being conscientiously applied. The third period comprised the 1960s to date, when Australia became the host country for a wide range of immigrants that has included Turkish, Indian, Sri Lankans, Vietnamese, Africans and Middle Eastern people. In this last era, major international conflicts such as the Vietnam War and Israel-Palestinian conflict provided the impetus for people to seek safer havens such as Australia, either via humanitarian programs or via immigrant self-decision processes.


- Due to the addition of more than 100,000 new Australian residents annually (see Table 1), thanks to the positive average Net Overseas Migration per annum, in 2005 almost one quarter (24%) of Australian population was born overseas (see Table 2 which presents the number of overseas-born people in Australia from each major contributing region in 2005), an increase of 3% over the Census 2001 figure. Of the overseas-born component, the majority came from European countries (11.4%), and Asian countries (6.1%).
- In terms of age group, the largest number of overseas-born Australian people was in the age group 40-44 years, both for males and females. The proportion declined for the 60+ age groups.
- The source countries of the overseas-born Australians comprised the following (ABS 2006):
  1) North-West European, including British, Irish, Western European and Northern European
  2) Southern and Eastern European, including Southern European, South Eastern European and Eastern European
  3) South East Asian, including Vietnamese, Indonesian and others
  4) North East Asian, including Chinese
  5) Southern and Central Asian, including Indian, Pakistani and Central Asian
  6) North African and Middle Eastern
  7) Sub-Saharan African
  8) American, including North American and South American

Together with Australian-born people and Australian Aborigines, New Zealanders were classified in the Oceania and Antarctica region.

Table 2: Estimated Australian resident population based on regions of country of birth, 2005

<table>
<thead>
<tr>
<th>Major regions / Country</th>
<th>Estimated population in 2005</th>
<th>Proportion (% of total)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North-West Europe</td>
<td>1,487,741</td>
<td>7.31%</td>
</tr>
<tr>
<td>Southern and Eastern EU</td>
<td>834,997</td>
<td>4.10%</td>
</tr>
<tr>
<td>South East Asia</td>
<td>613,995</td>
<td>3.02%</td>
</tr>
<tr>
<td>North East Asia</td>
<td>375,974</td>
<td>1.84%</td>
</tr>
<tr>
<td>Southern and Central Asia</td>
<td>262,200</td>
<td>1.29%</td>
</tr>
<tr>
<td>North Africa and Middle East</td>
<td>284,998</td>
<td>1.4%</td>
</tr>
<tr>
<td>Sub-Saharan Africa</td>
<td>204,955</td>
<td>1.00%</td>
</tr>
<tr>
<td>American (both North and South)</td>
<td>187,612</td>
<td>0.92%</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>1,137,374</td>
<td>5.59%</td>
</tr>
<tr>
<td>New Zealand</td>
<td>455,105</td>
<td>2.23%</td>
</tr>
<tr>
<td>Australia (Oceania and Antarctica)</td>
<td>15,499,108</td>
<td>76%</td>
</tr>
<tr>
<td>Total</td>
<td>20,328,609</td>
<td></td>
</tr>
</tbody>
</table>

Notes:
*The proportion total does not add up to 100% due to representation in more than one category.
† Some double counting
Collins (2000) found that the first and second generations of immigrants comprised almost fifty per cent of the population in the four major cities (Melbourne, Sydney, Brisbane and Perth) in Australia. Majority of those immigrants was involved in running small businesses.

Chavan and Agrawal (2002) used various data sources to infer Australian demographic patterns. Some features of these were:

- One-third of people who lived in two major cosmopolitan cities in Australia, namely, Sydney and Melbourne spoke a language other than English at home.
- Of the 79% of the people who were born in Australia, 25% had at least one parent born overseas.
- About 40% of Australians had direct international links, either commercial or cultural and family ties.

The present authors believe that this specific demographic pattern described above forms a concept of multiculturalism which acknowledges the ethnic and cultural diversity of Australia. This multiculturalism concept became part of national agenda for Australian government and policy.

**Ethnic small businesses in Australia**

Australian ethnic small business possesses quite unique characteristics and features. Figure 1, developed by using ABS (2004) data, shows the percentages of the first generation of business operators – owners – in Australia by state and territory in 2003 and 2004. It indicates that, in 2004, some 30.2% of small business operators in Australia were born overseas. In other words, they were the first generation of immigrants. In terms of geographical distribution, the highest percentage was in Western Australia with 38.7%, followed by Northern Territory and New South Wales with 34.5% and 31% respectively. The lowest percentage was in Tasmania with 22.2%.

Figure 1: First generation immigrant business operators as a percentage of all small business, Australia and by state and territory, 2003 and 2004

![Graph](image-url)
The above figures, which are supported by several studies and researches, have led economists, politicians and sociologists to state that the Australian ethnic small business sector has a significant responsibility in the current economy. For instance, Collins (1997) believed that ethnic businesses contributed significantly to the value and quantum of Australian exports. In addition, ethnic business is capable of playing a vital role in the globalization of the Australian economy through its dealings with others countries, mainly with the home country of the ethnic business owners. For example, one-third of 45 South-Asian businesses surveyed in Western Australia were involved in the import or export of goods or services from or to the country of origin of the business persons (Stromback & Malhotra 1994). Ethnic business owners have maintained a strong relationship with their home countries and have several commercial and cultural links to their home country. The same research showed that as many as 35 of the 45 businesses surveyed provided ethnicity-based goods and services and/or exploited links with country of origin (Stromback & Malhotra 1994). This pattern is probably generalizable to other ethnic groups as well because those business owners were either born overseas or had at least one parent born overseas (ABS 1996; Census 2001). For instance, Chavan & Agrawal (2002) cited the examples of a refugee from Vietnam who developed a partnership with a local law firm in Vietnam and took to Vietnam the combination of professional skills and cultural needed to unlock the market; and an Italian who was involved in importing pasta from a factory which his cousins ran in Italy.

In other main destination countries for migration flows such as the United States, Canada and UK, sociologists, economists and anthropologists have investigated the migration phenomenon for decades. However, up to 1980, there were very few researches on immigration and ethnicities in Australia (Collins 2003a). After 1980, several Australian researches have stood out in clarifying the ethnic business phenomenon. These researches include Collins’ three surveys, known as Sydney survey, National survey, and TAFE survey, between 1988 and 1996; an entrepreneurship development research on ethnic business in Sydney – which was a PhD research done by Chavan during 1997; a research conducted in Perth by Western Australian Labour Market Research Centre among South Asians (Stromback & Malhotra 1994); a PhD thesis written by Peters regarding Greek, Italian, Dutch and Vietnamese enterprises in Western Australia in 1999; and a study of Italian business owners in South Australia by Lampugnani and Holton in 1991. Some of these researches, such as the Sydney, National and TAFE surveys, used “Control groups” comprising non-immigrant business owners and/or English Speaking Background (ESB) immigrant counterparts. In broad brush, these researches have focused on aspects such as social class, employment and unemployment rates in labour market, and effects on the economy and population distribution patterns. The economic aspects and the social aspects are now described below.

**Economic aspects**

One feature of 'ethnic small businesses' is that the pattern of business starts-up is not the same across different ethnic groups. Based on three surveys conducted by Collins (1996; 2003b), some groups such as the Korean, Taiwanese, Italian and Greek are over-represented in business than Australian-born. Some other groups such as the Indian, Sri Lankan and Japanese have much lower proportion of business starts-up than Australian-born. The Chinese, Malaysian, Singaporean and Lebanese have similar level of starts-up compares to Australian-born. They tend to conglomerate in the services industry in the first instance (e.g. South-Asians in Western Australia (Stromback & Malhotra 1994) or Italian in South Australia (Lampugnani & Holton 1991)). The other major industry focus for ethnic enterprises is wholesale and retail. Their employee recruitment strategy favours family members and co-ethnics (Collins 1996; 1997; 2000), resulting in a high rate of recruiting co-ethnic employees. Hence, the impact of ethnic small businesses on the reduction of unemployment rates of ethnic groups is very high. Through creating jobs for co-ethnic peoples, ethnic businesses reduce the unemployment rates among ethnic groups significantly. It is also predictable that, as the existing ethnic businesses grow and as new businesses are started up, the employment rate of ethnic groups by ethnic entrepreneurs will also increase.

Another important attribute of ethnic small business owners is the willingness to work longer hours than their non-immigrant counterparts. Collin’s Sydney survey revealed that the average opening hours per week for ethnic businessmen and businesswomen were, respectively, 3 and 10 hours more than their non-immigrant counterparts (Collins 2000). The longer working hours may be attributable to the use by ethnic small business owners of family members and relatives as employees. In fact, Collin’s
national survey showed that more than 40% of ethnic business owners and their employees migrated to Australia under a “Family reunion” category. The next migration category was “Independent”, which represented about 20% of ethnic business owners. These results also support the findings of Stromback and Malhotra’s study in Western Australia, who found that the common ownership structure of 49 ethnic businesses surveyed was family partnership arrangement (Stromback and Malhotra 1994). They believed that the family exercised an essential impact on those ethnic businesses and noted the importance of family labour, trustworthiness of family members and family financial supports. Some evidence in this regard comes from a research conducted in South Australia among 98 Italian/Australian business owners. Lampugnani and Holton (1991) considered several resources in their research, such as financial, employment, supplier resources and business advice. Categorizing resource providers for Italian business owners into three clusters, namely individual, family and ethnic community, Lampugnani and Holton (1991) concluded that, except for finance, family resources were more important to support their businesses, such as by providing the employee resource. The majority of those Italian business owners relied on banks to finance their businesses.

Another characteristic of ethnic enterprises was the surprisingly great rate of survival for ethnic business owners compared to their non-immigrant counterparts, as mentioned by Neals (in Collins 1993). This finding could be explained by the phenomenon that small immigrant and ethnic businesses have a ‘collective’ characteristic compared to the ‘individualism’ that characterises the non-immigrant small businesses (Collins 1993). Two features of the ‘collective’ pattern for immigrant ethnic businesses are the use of family/co-ethnic members and also their savings to help those businesses run successfully.

Social aspects

Collin’s “Sydney Survey” and “National Survey” showed that there was no big difference in upward social class mobility between ethnic entrepreneurs and non-immigrant business owners. Both groups mostly had working class background prior to running a business; however, most ethnic entrepreneurs came from the lower level working class compared to their non-immigrant counterparts (Collins 2000). Ethnic groups, mostly from NESB, faced more difficulties entering the primary labour market in Australia, a phenomenon known as “Blocked mobility”. Blocked mobility was thus the major motivation that pushed ethnic entrepreneurs to start a business whereas, in the case of non-immigrant entrepreneurs, “Independency” and “Wealth creation” comprised the two pull factors that motivated them.

In order to figure out the driving (motivational) factors that influenced ethnic business owners to start up a business, Chavan and Agrawal (2002) conducted a survey of 209 ethnic small businesses and identified three categories of motivational factors. Push factors (Chavan and Agrawal 2002) included unemployment, qualifications not recognized, discrimination, redundancy and economic necessity. Chavan and Agrawal (2002) related the cases of an Indian grocery and fast food store owner with Mechanical Engineering background who had failed to secure a job for three years due to not having any local experience in Australia and an Egyptian doctor who had failed to pass the medical examination to obtain a license to practise in Australia who ended up buying a garment factory with financial support from his father-in-law. He and his wife together ran the business successfully.

Pull factors, on the other hand, included parameters such as desiring to be independent, recognizing the opportunity, having technical skills, support from family and friends and job satisfaction (Chavan and Agrawal 2002). The role of pull factors was highlighted by another researcher, Peters (2002), who cited cases of Italian and Greek pioneers who arrived in Western Australia around the turn of the 20th century. She told the story of an Italian immigrant, Ezio Luisini who, after working in mines, bush and in timber mills (Strano in Peters 2002), made a decision to stay in WA and bought a wine saloon, followed by buying a vine farm in out of city and a clothing shop next to the wine saloon. Ezio grew his business and not only became the largest Italian clothing merchant and vigneron, but also the largest land owner in the district of Wanneroo. Peters (2002) also reviewed the biography of a Greek migrant, Athanasios Auguste, who arrived in WA in 1891 and later moved to South Australia and worked as a seaman and fisherman there. On his return to Perth, based on his experience in SA and pearl fields in Broome, he started up oyster beds in Fremantle and a fish and oyster saloon in the city. Auguste also sponsored ten relatives and friends of his to migrate to WA via the migration chain (Gilehrhist in Peters 2002). In fact, pull factor roles had been researched much earlier, with an instance
being Lampugnani and Holton (1991) who had found that among 98 Italian/Australian business owners, there was great emphasis on “independency” followed by “economic improvement”.

The third category, productive diversity (Chavan and Agrawal 2002), comprises items such as overseas capital, links to country of origin, existence of good ethnic networks, having owned a business in country of origin and cultural and language advantages. For instance, Collins et al. (1995) cited stories about the Karanges family, Greek migrants, who left their small village of Vlahokerasia in Greece, and came to Australia, after Angelo Burgess (Karanges) spent some time in the USA. In Australia, they started the Niagara Café and branched out into milk bars, cafés and fish shops. Their relatives and friends from the same village came to Australia and worked in Karanges’ businesses or ran separate businesses of their own. Now, after about 90 years, the fourth and fifth generations of the Karanges family can look back with pride at the entrepreneurial path set by their forebear, Angelo Burgess.

The three categories of driving (motivational) factors are reflected differently in different generations of ethnic immigrant entrepreneurs. The results of Chavan and Agrawal’s (2002) survey show that the first generation of ethnic business owners was affected by push factors and productive diversity factors, while the second and third generations were affected by pull factors and productive diversity factors. It was clear that all generations were affected by productive diversity factors. The reason proffered for this last finding was that “the ethnic business operators did make use of their culture, language, ethnic skills and ethnic resources to be in business right from the start” (Chavan and Agrawal 2002, p.179). In addition, the results for the first generation revealed that economic necessity and unemployment (push factors) were more important to encourage them to start a business than other factors. On the other hand, the second and third generation ethnic business owners claimed that opportunities (pull factor) and links to the country of origin (productive diversity factor) were more important in persuading them to establish a business in Australia. Besides those factors, the existence of ethnic networks was also a main factor for the third generation ethnic business owners embarking on their entrepreneurial path (Chavan and Agrawal 2002).

Another social aspect is class resources. Light and Gold (2000) believed that class resources were not only financial resources which people of high socio-economic status could provide, but also the “occupationally relevant and supportive value, attitudes, knowledge and skills transmitted in the course of socialisation from one generation to another” (Light and Gold 2000, p.84). Collins (2000) revealed that class resources have ample impacts on ethnic entrepreneurs in Australia. Though ethnic business owners came from different class backgrounds, they tried to apply their class advantages or resources to assist them to gain success in their entrepreneurial lives. Ethnic business owners developed networks, skills and knowledge to lift their social classes to higher level than they were prior to embarking on entrepreneurship.

Regarding socioeconomic impacts of immigrants in Australia, Haller (2004) compared the human capital and socioeconomic status of immigrants among ten advanced industrial societies, eight of which were located in Europe and the other two being Australia and USA. According to his cross-national study, Australia had a fairly good level of human capital among immigrants, which was indicated by the level of education of immigrant households compared to the native-born population. This is mainly because of special migration processes that allow the Australian government to select skilled migrants through the “points test” which was introduced in 1979 (Collins 2003b; Liebig 2007). The higher level of skills and education among immigrants gave them a greater potential to fill the gap in the Australian labour market. Despite some issues such as the accent ceiling and partial discrimination or racism in some areas, immigrants and ethnic groups participated fairly in the Australian labour market. Liebig (2007) showed that, among the OECD countries, the overall employment rate in Australia for male immigrants was 75.5%, surpassed only by America and Canada (80.2% and 77.7% respectively).

Some major economy and social features of immigrants and ethnic groups in Australia are revealed in above sections. Those features will lead people who are interested in ethnic entrepreneurship phenomenon in Australia to consider the relationships between several variables such as globalization, domestic and international economy circumstances, Australian policies particularly with respect to immigration in order to clarify the benefits and disadvantages of immigrants and ethnic groups’ contribution in Australian society. In the following section of this paper, the authors discuss major points that are consequences of interaction among various factors in Australia with respect to migration phenomenon.
DISCUSSION

Australia is a major immigrant settlement country. According to SOPEMI (2007), the number of permanent migrants who settled in Australia during 2005-2006 was the largest in over a decade. Two thirds of those immigrants were skilled migrants, a fact that reflects the multicultural policy statement updated and renewed by the Department of Immigration and Multicultural and Indigenous Affairs (DIMIA) in 2003. In that statement (DIMIA 2003a in Liebig 2007), multiculturalism was deemed to be not only about an individual cultural identity and equality of treatment and opportunity, but also about providing a platform to maintain and utilise effectively the skills and talents of all Australians, regardless of background. One consequence of this policy was the huge positive contribution of the multicultural population to the Australian economy (Liebig 2007). The growing diversity of the migration intake has prompted the Australian government to build upon and extend the supporting services for migrants, such as the Adult English Migrant Programme (AMEP) and Translating and Interpreting Services (TIS). At the same time, some Australian government departments such as the New Enterprise Incentive Scheme (NEIS) and AUSTRADE are focusing on developing small businesses run by both Australian-born and immigrants in Australia. The former organization provides training programs in management particularly for small businesses to assist them to reach the break-even point and help them to grow via a properly drawn-up business plan, as well as financing and marketing advice (Chavan and Agrawal 2002). AUSTRADE and NEIS help immigrants and ethnic business owners as well as Australian-born to gain success; however, due to ethnic businesses having a fair degree of contact with the country of origin, AUSTRADE and NEIS encourage the Australian ethnic business sector to further internationalize their businesses. The large number of countries of origin of Australian immigrants (see table 2) allows for a broader global connection of those Australian ethnic businesses. This wide range of commercial contacts all around the globe results in an upward growth rate of the Australian economy. This is because unexpected crises in particular regions of the globe tend to have less effect on the Australian economy. On the other side of coin, the various cultures, beliefs and life styles coming together in one society warrant having a harmonised society to cope with the diversity. Hence, Australian regulations regarding establishing business are applied evenly, regardless of the ethnicity of the business owner. However, this does not preclude obviate the fact that different nationalities do have different rates of business starts.

The outcomes of the researches conducted previously in Australia on ethnic businesses showed logical ethnic group intra-relationships, such as recruiting co-ethnic employees, family partnership structure and family resources. This bears out resource mobilization, a part of “Group Characteristics” in Interactive model defined and developed by Waldinger, Aldrich and colleagues (Waldinger et al. 1990, Aldrich and Waldinger 1990) as an explanation of the attributes of ethnic businesses. Another part of “Group Characteristics” known as predisposing factors, which are related to blocked mobility and aspiration level, also matches the attributes of ethnic business owners, especially for the first generation. Market condition, an aspect of “Opportunity structure” within the Interactive model, has been borne out by findings that the majority of ethnic business customers were from their own ethnic background (Agrawal and Chavan 1997). The above findings taken collectively indicate that the Interactive model can explain attributes of ethnic entrepreneurs in Australia. However, what it omits is how the interrelationships among the different ethnic groups can help them grow their businesses.

Although there was evidence to support both sides of the Interactive model in Australian research, Collins (2001; 2003a) strongly believed that the interactive model could not complete the whole gamut of Australian ethnic entrepreneurship. That model left some major aspects unaddressed, such as the influence on the entrepreneurial path of Ethnic Entrepreneurs of proficient human sources (e.g. with higher education or skills) and access to capital sources. Also, it is unclear how the Interactive model addresses either the diversity of entrepreneurship patterns of different ethnic groups or how different ethnic businesses cooperate. Collins (2001) argued that the social class and resources approach based on the Light and Gold (2000) conceptualization was more suitable to explain attributes of Australian ethnic businesses. In addition to Collins’ (2001) three surveys (see above), there is a need to study other variables that affect the ethnic entrepreneurial path. This includes the impact of the level of human capital of ethnic entrepreneurs on their tendency to participate in networks outside of their own communities in order to gain economic benefits or support, as well as reciprocate those.
Towards new research

The present authors conclude that generalizing a particular model or approach to study ethnic businesses in Australia is not wholly acceptable to explain this phenomenon. Depending upon geographical and economic circumstances as well as different ethnicities and backgrounds, totally different approaches could be taken to describe particular attributes and characteristics of Australian ethnic businesses owners. There is thus a need to clarify interaction among various variables regarding social class, human capital resources, social resources and networking advantages. There is also a need to contribute to knowledge of ethnic entrepreneurship in Australia and fill gaps in the field of business networking. Based on earlier comments above, research is defensible to address issues regarding business networking across different ethnic groups in Australia, with key objectives to:

- Explore the existing and potential benefits of ethnic networking (both co-ethnic and cross-ethnic) in Australia.
- Investigate the correlation of human capital of ethnic entrepreneurs and their tendencies to join networks outside their own communities.
- Find out the role of trust in ethnic entrepreneurs participating in networks outside their communities.

That study could cover business relationships both within and among different ethnic communities and Australian government and business associations. In terms of advantages of using intra-ethnic networks, six primary benefits from ethnic networks known as ethnic market, ethnic employees (ethnic labour support), ethnic suppliers, ethnic financial resources, informational sources and emotional support from ethnic networks or communities could be considered. Of course, those benefits could also be gained from networks other than the ethnic communities’ networks. In addition, several more benefits such as mentoring, business plan advice, providing business training workshops and seminars, protecting businesses from adverse government policy or social threats as potential usages of networks either inside or outside the ethnic community could also be profitably considered within the research.

CONCLUSION

Australian demographic patterns confirm that Australia is a major immigrant settlement country in the world. The Australian multicultural environment is the consequence of migration of different people from all around the world. This environment continues attracting many people hoping to better their lifestyle. Statistics and researches also reveal major economic and social contributions of immigrant and ethnic groups in Australian society. The Greek fish & chip shop, Italian confectionery, Thai restaurant, Vietnamese hot bread shop and Indian grocery are ubiquitous examples. The growth of ethnic businesses is continuing and it seems that Australian government and people, regardless of their background, enjoy the consequences of cultural diversity and economic expansion attributable to immigrant and ethnic businesses. To build upon this economic prosperity, Australia needs and should seek more highly skilled migrants, especially those who want to start up businesses outside their home countries. Although several researches have been conducted to highlight ethnic business attributes in Australia, there are other significant issues that need to be addressed which policy makers need to take into account.

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