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From Challenges to Opportunities: The Newcomer Entrepreneurial Experience in Canada

February 2025

Research report sponsored by

Scotiabank®

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Report highlights

Newcomer entrepreneurs—those who have immigrated to Canada within the past 10 years and are starting, managing, or expanding a business—are vital to our economy. They bring diverse, innovative perspectives and are more likely to pursue entrepreneurship than individuals born in Canada. To better understand their experiences, CFIB conducted panel interviews with 14 newcomer entrepreneurs from various sectors, provinces, immigration pathways, and countries of origin offering valuable insights into their journey.

Key findings and challenges

Why newcomers choose Canada

Newcomer entrepreneurs choose Canada for various reasons, including its strategic location, market opportunities, and high quality of life and safety.

Challenges faced by newcomer entrepreneurs:

1. Financing

- Limited access to external capital, reliance on personal savings.
- Difficulties building a credit history and navigating grant systems.

2. Regulatory complexity

- Straightforward business registration overshadowed by complex tasks related to permits, licensing, labour laws, and taxation.

3. Credibility and networking

- Establishing trust within the Canadian business community can be slow.
- Lack of mentorship and connections limits growth opportunities.

4. Culture and communication

- Difficulty in adjusting to Canadian business norms and overcoming cultural differences.
- Perception of Canada's business environment as risk-averse and conservative.

5. Information gaps

- Resources for entrepreneurs are plentiful but lack centralized guidance tailored for newcomers.

To help newcomer entrepreneurs overcome challenges and unlock their full potential, **policymakers** should promote awareness of government programs and create a centralized platform to access resources. **Financial institutions** can support them by increasing awareness of various business structures, expanding mentorship programs, improving access to capital, and offering tailored financial guidance.

Key insights on immigrant entrepreneurship in Canada

Immigrants—people who have moved to Canada permanently or temporarily—are more likely to be entrepreneurs than individuals born in Canada. While immigrants make up 23% of the population, they own 28% of Canadian enterprises. Additionally, immigrant-owned businesses have similar longevity to those owned by Canadian-born entrepreneurs, with 80% lasting two years and 58% lasting seven years.

Canada's economy needs entrepreneurially driven individuals like newcomer entrepreneurs to boost stagnant levels of productivity.

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Immigrant entrepreneurs' impact on the Canadian economy

Entrepreneurship is a critical driver of economic growth and job creation in Canada. As the country seeks to enhance its global competitiveness, the role of newcomer entrepreneurs—those who have immigrated to Canada within the past 10 years and are starting, managing, or expanding a business—has become increasingly important.¹ They bring diverse perspectives and innovative ideas which enrich and contribute to the vibrancy of Canada's business landscape. For many, entrepreneurship is a conscious and empowering choice, allowing them to not only forge their own path to success in Canada, but to create jobs and contribute to local economies.

Immigrants—people who have moved to Canada permanently or temporarily—play a key role in sustaining Canada's business environment. This is highlighted by higher business ownership rates compared to the Canadian-born population.² As of 2021, immigrants owned 28% of all enterprises³ while only representing 23% of the population.⁴ Newcomers, who have been in Canada for less than a decade, owned 7% of Canadian enterprises, or over 410,000 enterprises (Figure 1). Considering most businesses in Canada are small,⁵ supporting newcomer entrepreneurs is crucial for driving growth and innovation in this sector. As Canada's productivity remains stagnant, and business openings are struggling to outpace closures, immigrant entrepreneurs play an essential and needed role in strengthening the Canadian business landscape.^{6,7}

¹ For the purpose of this report, newcomers are defined as individuals who have been in Canada for less than 10 years. The term "entrepreneur" is used synonymously with "business owner."

² Canadian Chamber of Commerce. (2024). *A portrait of small business in Canada: Adaption, agility, all at once*. Business Data Lab Research Publication. https://chamber.ca/wp-content/uploads/2024/01/StateOfSmallBusiness_EN_Final.pdf

³ An enterprise represents the highest level in the Business Register (BR) hierarchy, which may include multiple businesses or locations under common ownership or control.

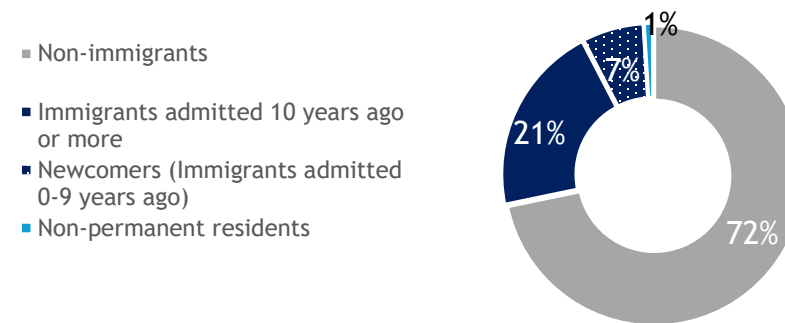
⁴ Statistics Canada. 2021 Census of Population. https://www12.statcan.gc.ca/census-recensement/2021/as-sa/fogs-spg/page_cfm?lang=En&topic=9&dguid=2021A000011124

⁵ 99% of employer businesses have 1-499 employees. See: Innovation, Science and Economic Development Canada. (2023). *Key small business statistics - 2023*. Government of Canada. <https://ised-isde.canada.ca/site/sme-research-statistics/en/key-small-business-statistics/key-small-business-statistics-2023#s1.1>. About 83% of all immigrant enterprises are non-employer enterprises,

Figure 1

More than 1 in 4 enterprises in Canada are owned by immigrants, with 7% owned by newcomers

Percentage of immigrant-owned enterprises (including newcomer-owned enterprises) in Canada, 2021



Source: Statistics Canada, Number of enterprises in Canada, by enterprise size and immigrant status of owner, Table 33-10-0850-01, 2021. <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3310085001>

Notes: Non-permanent residents were excluded from our tally of newcomer entrepreneurs due to the lack of data specifying their duration of stay in Canada. Totals may not add up to 100% due to rounding.

while 17% are SMEs. Among newcomers, 85% of enterprises are non-employer enterprises, and 15% are SMEs. See Statistics Canada, Table 33-10-0850-01, 2021.

⁶ In Q3 2024, Canada's productivity remained stagnant, with negative growth in 15 of the past 18 quarters. Statistics Canada. Table 36-10-0206-01 Indexes of business sector labour productivity, unit labour cost and related measures, seasonally adjusted. As of Q3, 2024. <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3610020601>

⁷ In May 2024, June 2024, and July 2024, business closures slightly outnumbered business openings. Statistics Canada, Table 33-10-0270-01, Experimental estimates for business openings and closures for Canada, provinces and territories, census metropolitan areas, seasonally adjusted. (July 2024).

<https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3310027001&pickMembers%5B0%5D=1.1&pickMembers%5B1%5D=2.1&cubeTimeFrame.startMonth=03&cubeTimeFrame.startYear=2024&cubeTimeFrame.endMonth=08&cubeTimeFrame.endYear=2024&referencePeriods=20240301%2C20240801>

Immigrant entrepreneurs play a vital role in Canada's economy, demonstrating perseverance and contributing to trade diversification. The survival rates of immigrant-owned businesses⁸ are comparable to those of businesses owned by Canadian-born entrepreneurs. After two years, on average, 78% of businesses owned by immigrants remained in operation, compared to 80% of those owned by Canadian-born entrepreneurs. After seven years, the survival rate was 56% for immigrant-owned businesses, closely mirroring the 57% for Canadian-born entrepreneurs.⁹

In addition to their resilience, immigrant entrepreneurs leverage their international background and knowledge to expand Canadian trade opportunities. As of 2017, about 31% of exporting SMEs were led by immigrant entrepreneurs, contributing to a more diversified trade landscape by engaging with regions like Europe, Asia, and Mexico.¹⁰

While immigrant and newcomer entrepreneurs collectively serve to enrich the economy, their path to business success is often fraught with obstacles. Some of these hurdles may be common to all new entrepreneurs, while others are specific to those starting businesses in a new environment. These include navigating unfamiliar financial systems, understanding the Canadian regulatory environment, and establishing networks within a new business culture, among others.

This report highlights the experiences of newcomer entrepreneurs, as collected by CFIB through panel interviews, to provide a deeper understanding of the challenges and opportunities they face in their entrepreneurial journey. These findings aim to

inform policymakers and financial institutions, and support organizations to foster strategies that harness the potential of newcomer entrepreneurs, contributing to Canada's innovation and economic growth.

⁸ Refers to businesses owned by immigrants who have been in Canada for 10 years or more. In contrast, recent immigrants—those residing in Canada for less than 10 years—experienced significantly shorter business ownership durations. Among this group, business class immigrants exhibited the highest exit rates and the shortest ownership tenures.

⁹ The study is limited to ownership of private incorporated firms. Ostrovsky, Y., and G. Picot. (2018). *The Exit and Survival Patterns of Immigrant Entrepreneurs: The Case of Private Incorporated Companies*. Analytical Studies Branch Research Paper

Series, no. 401. Statistics Canada Catalogue no. 11F0019M. Ottawa: Statistics Canada. <https://www150.statcan.gc.ca/n1/pub/11f0019m/11f0019m2018401-eng.htm>

¹⁰ Global Affairs Canada, Nancy Blanchet, Immigrant-led SME Exporters in Canada, (2021). https://www.international.gc.ca/trade-commerce/inclusive_trade-commerce_inclusif/sme-exporter-pme-exportatrice.aspx?lang=eng

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Inside the newcomer entrepreneur experience

This study aimed to capture the motivations, challenges, and personal stories shaping the business journeys of newcomer entrepreneurs in Canada. To achieve this, CFIB conducted interviews with 14 newcomer entrepreneurs across five key sectors—professional, scientific, and technical services; real estate, rental and leasing; manufacturing; finance and insurance; accommodation and food services—and three provinces— Ontario, Alberta, and British Columbia—representing various immigration pathways and countries of origin. It is important to note that participants' perceptions of Canada's business environment are influenced by comparisons to their countries of origin.

Additional insights from three professionals who support newcomer entrepreneurs further enriched the findings.



Motivations for newcomer entrepreneurs in Canada

Previous research has shown that newcomers exhibit the highest interest in entrepreneurship among all identity groups in Canada, with 63% expressing a desire to start a business compared to the national average of 41%.¹¹ This interest is shaped by a combination of external challenges, such as language barriers and unrecognized foreign credentials, and internal motivations, including the desire for community integration, autonomy, and financial success.^{12,13}

The interviews conducted for this study reveal that newcomer entrepreneurs are driven by a blend of these challenges, personal aspirations, professional goals, and strategic choices. These motivations generally fall into the following six categories.

1. Professional background and prior experience

Some respondents had previous entrepreneurial experience, bringing with them skills and knowledge. Others, inspired by the resources and opportunities they perceived in the Canadian market, went into business for the first time.

2. Timing of business launch

Some respondents launched businesses shortly after arriving in Canada, driven by a clear vision and readiness to contribute to the economy. Others took years to establish themselves, first gaining local experience, building networks, or securing financial stability before venturing into business.

3. Strategic location and market access

Proximity to the North American market was a significant driver, as Canada offers convenient access to one of the most dynamic economic regions globally.

4. Safety and quality of life for family

For many respondents, Canada's reputation as a safe, welcoming, and family-friendly country was a major motivator. Establishing a business here aligned with their desire to secure a stable and supportive environment for their families.

5. Education and knowledge application

Respondents who had studied in Canada were often motivated by a desire to apply the skills and knowledge they had gained during their studies in a real-world context, contributing to their motivation to start a business.

6. Positive experiences from previous visits

For some, prior visits to Canada had left a lasting positive impression, which influenced their decision to pursue business opportunities here. Their favourable experiences as visitors provided a strong foundation of confidence in Canada's market, lifestyle, and business environment.

¹¹ Cukier, W., Borova, B., & Saiphoo, A. *Starting a new business in Canada: Report 2024*. Future Skills Centre. (August 2024) https://fsc-ccf.ca/wp-content/uploads/2024/09/Starting-a-new-business-in-Canada-report_2024.pdf

¹² Picot, G., & Ostrovsky, Y. *Immigrant and second-generation entrepreneurs in Canada: An intergenerational comparison of business ownership*. Statistics Canada. (2021). <https://doi.org/10.25318/36280001202100900003-eng>

¹³ Toronto Metropolitan University. (n.d.). *Immigrant entrepreneurship: Barriers and facilitators to growth and sustainability*. Diversity Institute. https://www.torontomu.ca/diversity/reports/Immigrant_Entrepreneurship.pdf

Pathways to entrepreneurship

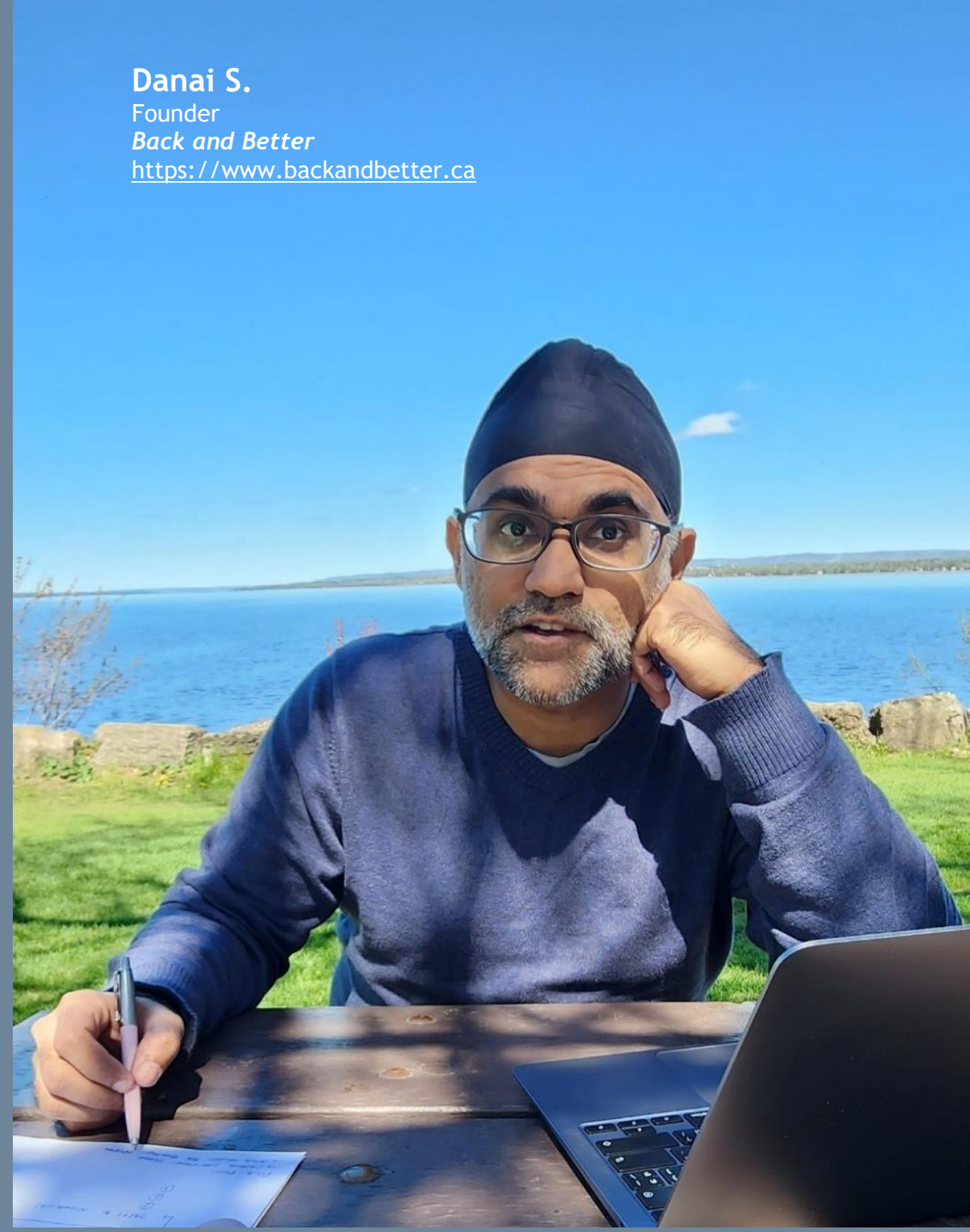
Canada offers a variety of immigration pathways for newcomers to pursue entrepreneurship, whether through permanent residency, business immigration programs, or temporary visas.

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Newcomers have various pathways to entrepreneurship, one of which is through permanent residency, as every permanent resident is eligible to start a business. Additionally, there are specific permanent residency streams targeted at newcomer entrepreneurs. For instance, Canada's *Start-up Visa Program* targets entrepreneurs with skills and potential to build businesses. Entrepreneurs must get support from a designated organization¹⁴ such as a venture capital fund, an angel investor group, a business incubator, or an organization in Canada's Tech Network. With an average processing time of 40 months, the government allows these entrepreneurs to get an open work permit and start building their business while waiting for their permanent residency.^{15,16}

A few *Provincial Nominee Programs* (PNP) are also designed to encourage entrepreneurship. For example, Alberta offers different streams like the Graduate Entrepreneur, the Foreign Graduate Entrepreneur, the Rural Entrepreneur, or the Farm streams, that allows entrepreneurs to live permanently in Canada while simultaneously starting a business.¹⁷

Finally, eligible temporary residents are allowed to pursue entrepreneurship under certain visas. For example, those with an open work permit (e.g., a spousal visa or a post-graduation work permit) can open a business. Those with a study permit may also start a business, provided they do not work more than 24 hours per week. However, individuals with an employer-specific work permit are not permitted to start a business in Canada as they are primarily in Canada to work for the employer identified in the work permit.¹⁸

¹⁴ Government of Canada, Immigrate with a start-up visa, List of designated organizations. (2024). <https://www.canada.ca/en/immigration-refugees-citizenship/services/immigrate-canada/start-visa/designated-organizations.html>

¹⁵ Government of Canada, Immigrate with a start-up visa. (October 2024). <https://www.canada.ca/en/immigration-refugees-citizenship/services/immigrate-canada/start-visa/about.html>

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¹⁶ Government of Canada, Immigrate with a start-up visa, After you apply. (2024). <https://www.canada.ca/en/immigration-refugees-citizenship/services/immigrate-canada/start-visa/after-apply-next-steps.html>

¹⁷ Government of Alberta, Alberta Advantage Immigration Program. (2025). <https://www.alberta.ca/alberta-advantage-immigration-program>

¹⁸ Government of Canada, Work permit: About the process. (2024). <https://www.canada.ca/en/immigration-refugees-citizenship/services/work-canada/permit/temporary/work-permit.html>

Top challenges faced by newcomer entrepreneurs

Newcomer entrepreneurs encounter a range of challenges that affect their ability to establish and grow their businesses in Canada. These challenges include securing financial resources, navigating regulatory requirements, building credibility and networks, addressing cultural and communication differences, overcoming information gaps, and adapting to Canada's business culture and risk preferences.

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“There’s immense potential to build a stronger foundation for newcomer entrepreneurs, and when that happens, the benefits will ripple down through the entire business ecosystem.”

— Insight from interviews with newcomer entrepreneurs

Newcomer entrepreneurs in Canada face distinct challenges that impact the growth of their business and their own integration into the broader business community. From building trust to accessing resources, understanding these hurdles is essential to creating a more supportive environment for entrepreneurial success. This section outlines the key challenges newcomers faced, grouped into six categories.

1. Securing financial resources and guidance

Newcomer entrepreneurs in Canada face several financial and structural hurdles that make it difficult to focus on business growth. While financial institutions have taken steps to improve the newcomer experience—for example, Scotiabank’s partnership with Nova Credit to enhance digital credit access¹⁹—opportunities remain to better support their unique needs. These challenges present key areas where financial institutions can innovate and tailor offerings, including the following.

¹⁹ Scotiabank Expands Partnership with Nova Credit to Enhance Digital Credit Access for Newcomers Across Canada. <https://www.novacredit.com/corporate-blog/scotiabank-expands-partnership-with-nova-credit-to-enhance-digital-credit>

Reliance on personal savings and bootstrapping

Many newcomers relied heavily on personal savings to fund their business, with limited access to external capital. Nearly all participants in the study reported self-financing their early business stages, reflecting broader trends across immigrant and Canadian-born entrepreneurs.²⁰

Credit and financing limitations

Building a credit history is essential for securing financing, but newcomers often faced difficulties due to their limited financial history in Canada. Traditional credit assessments in Canada, such as credit reports and scores, overlook the unique circumstances of newcomers as they do not take into consideration foreign financial history.

Newcomers encountered obstacles when seeking financial support, as eligibility often depends on their immigration status. Temporary residents, for instance, have limited funding options and are confronted with additional hurdles should their immigration status change. Participants also observed that financial institutions tend to offer credit rates and limits that fall short of meeting the needs of early-stage entrepreneurs.

Additionally, many newcomers found it challenging to access grants and financial assistance, pointing out that such programs typically favour established businesses. They also emphasized that immigration status can further restrict eligibility,

²⁰ Garnet Picot and Yuri Ostrovsky, “Immigrant Entrepreneurs in Canada: Highlights from Recent Studies” (Ottawa: Statistics Canada, September 22, 2021). <https://www150.statcan.gc.ca/n1/pub/36-28-0001/2021009/article/00001-eng.htm>

making it harder to qualify for support. Moreover, the process of identifying and applying for grants was described as time-consuming and difficult to navigate.

Limited digital options

Newcomers noted that accessing financial services often required in-person visits or phone calls due to restricted digital application and approval options. These traditional processes added complexity to managing finances and diverted resources.

Opportunities

The presence of programs like Scotiabank's StartRight,²¹ which offer tailored banking solutions such as credit cards without credit history requirements and flexible financing options, highlights progress in supporting newcomers. However, there are still opportunities to build on these efforts and further enhance support for newcomer entrepreneurs as they navigate financial and structural challenges while growing their businesses in Canada.

Several respondents suggested that financial institutions could offer more personalized and targeted services to help newcomer entrepreneurs navigate the complex landscape of financing, including grants and credit lines.

Mentorship programs,²² where experienced Canadian business owners could guide newcomers, were also seen as a potentially impactful initiative. Newcomer entrepreneurs also recommended that institutions could assign advisors from

²¹ Scotiabank StartRight Program. <https://startright.scotiabank.com/ca/en.html>

²² This is complemented by external data: When asked about the types of support they need to grow their businesses, 67% of entrepreneurs identified funding as their primary need. Mentorship was also a critical area, with 56% expressing a desire for more guidance on business operations. Furthermore, 48% of aspiring

immigrant communities to offer personalized advice and help connect them to local business networks.

Streamlining pre-arrival banking services could also smoothen the newcomer entrepreneur's journey. For instance, one participant shared that while they were able to submit their application a month before arriving, they still had to visit the branch in person to finish setting up their account.

These initiatives could provide meaningful solutions, helping newcomers save time, reduce costs, and foster growth in their entrepreneurial pursuits. The potential remains largely untapped, offering a chance for productive collaboration.

2. Navigating Canada's regulatory environment

Canada's regulatory landscape can be challenging to maneuver. While some aspects, like business registration, were seen as relatively straightforward, other areas, such as sector-specific permits and labour regulations, posed more significant hurdles. Key regulatory challenges identified included the following.

Business set-up and incorporation

Newcomers reported that administrative tasks involved in setting up their business such as obtaining a Canadian Revenue Agency business number, setting up tax accounts, and meeting banking requirements added layers of complexity. Additionally, they found it difficult to understand the implications of different business structures, such as incorporation, on their funding options. Incorporating

entrepreneurs highlighted the need for assistance with business planning, demonstrating the demand for structured support to navigate their entrepreneurial journey. In *Made in CA. Entrepreneurship in Canada: Statistics 2023*. (2023). <https://madeinca.ca/entrepreneur-canada-statistics/>

could offer advantages like better access to financial resources, but could also limit eligibility for certain funding. The complexity of this topic hindered entrepreneurs' ability to secure essential financial tools for growth.

Permitting

Canadian regulations were generally viewed as clearer and more structured than those in their country of origin. However, permits, licensing, and compliance requirements—especially those involving in-person visits to government offices—were seen as adding significant time and costs, particularly for those with scarce resources.

Labour

Labour laws and hiring practices, especially around employee benefits and salary structures, were challenging for newcomers. Planning for employee benefits, like extended health benefits and payroll, was difficult. Many sought expert advice to understand employer contributions and legal obligations, finding the process complex and often resource intensive.

Tax compliance

The lack of centralized information on tax and payroll for small businesses led newcomers to rely on trial and error, often switching accountants or consulting multiple professionals to clarify obligations. This complexity, coupled with the need for professional assistance, added time and financial pressures during early business stages.

3. Establishing credibility and building networks

Establishing credibility within the Canadian business community could be a slow process for newcomers, especially without established networks or local references. Breaking into established circles often depended heavily on personal referrals, making it challenging to build connections.

4. Overcoming cultural and communication differences

Adjusting to Canadian business norms was a gradual process for newcomer entrepreneurs, often complicated by language barriers and communication differences. Many turned to their cultural communities for support which provided stability but could also limit their engagement with the broader business environment.

5. Navigating information gaps and resource access

Canada's business landscape, while resource-rich, often lacked centralized guidance tailored for newcomers. Many newcomers were unaware of the support programs and resources available to help them navigate the business environment around topics such as business structure and taxation. Newcomers reported being left to figure things out on their own, leading to costly mistakes. This knowledge gap left many newcomer entrepreneurs feeling disadvantaged.

6. Adapting to Canada's business culture and risk appetite

Many newcomer entrepreneurs perceived Canada's business culture as risk-averse, characterized by slower decision-making and a more cautious approach. For those coming from more fast-paced or dynamic environments, this sense of conservatism posed challenges.

Passing the torch: Advice from newcomer entrepreneurs

Newcomer entrepreneurs in Canada share valuable insights for future business owners, emphasizing resilience, strategic financial planning, and building strong networks. By focusing on essential skills, conducting thorough research, and seeking mentorship, they believe newcomers can navigate challenges and find success in the Canadian business landscape.

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Newcomer entrepreneurs in Canada emphasized the importance of mindset, resilience, and resourcefulness when starting a business. Many shared inspiring stories of success and offered valuable advice to help others.

Empowerment through self-belief

Several entrepreneurs reflected on their own journeys, encouraging others to have confidence in their abilities and to embrace challenges. As one entrepreneur noted, **“Canada believed in me, and that empowered me to believe in myself.”** The overarching sentiment was that success is achievable, but the path requires courage and determination.

Foundations for long-term success: Essential business skills

The foundation for long-term success lay in focusing on essential business skills like managing finances, delivering good customer service, and ensuring the quality of your products. **“Providing good quality and taking care of your customers are key,”** shared one entrepreneur, highlighting the importance of maintaining strong customer relationships.

Strategic preparation and resource management

Entrepreneurs emphasized the importance of doing your research—about both Canada and the business itself. **“Take your time,”** one entrepreneur advised, highlighting that thorough preparation is key to making informed decisions. Understanding the local market, regulations, and business landscape can help newcomers avoid costly mistakes and set the stage for long-term success.

Being strategic with resources, such as leveraging peer knowledge, was important to avoid spending large sums on professionals unless necessary. **“Unless you have a lot of money to invest, it’s going to be expensive.”** Some stressed the importance of not rushing into costly services, especially during the early stages. However, others believed it was crucial to get things right from the start, opting to hire professionals immediately to ensure a solid foundation for their business.

Starting a business took time and required upfront investment. **“It’s a long-term, costly process,”** one entrepreneur noted, advising others to be prepared to invest significantly. Having enough savings to finance the first few years of business was essential to weather the initial challenges.

Leveraging local support networks for success

One recurring theme was that **“your network is your net worth.”** With strong networks, newcomer entrepreneurs could discover valuable opportunities and build a foundation for growth. Many entrepreneurs found success by seeking out local organizations and programs that helped newcomers get started. **“Go for it—find organizations near you that can help you push forward,”** said one entrepreneur.

Identifying events, online platforms, informal networks, and resources aligned with specific business needs allowed entrepreneurs to build relevant connections and leverage community support from the start. **“Canadian companies are highly network-based,”** noted one entrepreneur.

Support programs and education

Programs like accelerators and incubators provided valuable support, but they could be challenging to access due to high demand and limited spots. **“Navigating different business support networks can be overwhelming,”** one newcomer noted, expressing the need for a centralized support system to streamline access to relevant tools and reduce costs.

The role of local perspectives in business success

Newcomer entrepreneurs emphasized the importance of integrating local perspectives into their strategies. **“Hiring local employees, especially those familiar with Canadian business culture, can provide valuable insights that help businesses adapt and grow,”** said one entrepreneur, who planned to bring a fresh, local perspective to their team by hiring a Canadian Gen Z worker. In addition to hiring locally, some entrepreneurs found using resources from their home countries’ consulates and trade attachés in Canada provided valuable connections and insights.

The power of mentorship

Entrepreneurs highlighted the importance of discovering potential mentors, particularly those supported by banks or business organizations. Mentors provided newcomer entrepreneurs with insights into Canadian business practices, helping them navigate complex challenges and offering guidance tailored to the local market. **“There are a lot of great mentors ready to advise, but you have to find them,”** one participant said.

Embrace the journey - be patient and persistent

For newcomers looking to start a business, the journey could take time. Success did not happen overnight. However, by continuously building connections and learning from mistakes, newcomers could succeed. **“The room for forgiveness and error is small,”** one entrepreneur cautioned, emphasizing the need for careful planning and perseverance.

Newcomers advised embracing the journey as both a professional and personal growth opportunity. Building confidence, connecting with fellow entrepreneurs, and celebrating small wins could make the path to success feel rewarding. For instance, one entrepreneur proudly shared that their spouse received a job offer directly from a franchise after successfully managing their own business, illustrating how entrepreneurial experience can open unexpected doors. Others spoke of the confidence they gained through the process, noting the boost in self-esteem and the sense of community they found by networking with fellow entrepreneurs. As one entrepreneur put it, **“We’re all figuring it out along the way—there’s a sense of high-fives all around.”**

Conclusion and recommendations

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Conclusion and strategic recommendations for policymakers and financial institutions

Newcomer entrepreneurs bring immense potential to Canada's economy but face unique barriers that can impact their growth and integration. Strengthening support systems for newcomer entrepreneurs would empower them to thrive, unlocking their full potential and enriching Canada's business landscape. We recommend the following actions for policymakers and financial institutions.

Recommendations for policymakers

- **Promote existing government programs:** Newcomer entrepreneurs often lack awareness of Canadian grants and support programs that match their needs. A more widely publicized approach to government support programs could allow businesses to be better aware of the tools available to help them start or run a business.
- **Centralize resources:** Create an easily accessible and centralized platform that gathers all critical regulatory information for newcomer entrepreneurs, such as tax rules, labour laws, and licensing requirements. This would simplify the compliance process for newcomer entrepreneurs who are not familiar with Canadian regulations.
- **Simplify regulatory compliance and improve customer service:** Efforts should be made to reduce the complexity of compliance requirements by using approachable, plain language. Additionally, government should ensure that customer service systems meet the needs of newcomer entrepreneurs

by providing timely, accurate, and easily understandable support when navigating regulatory requirements.

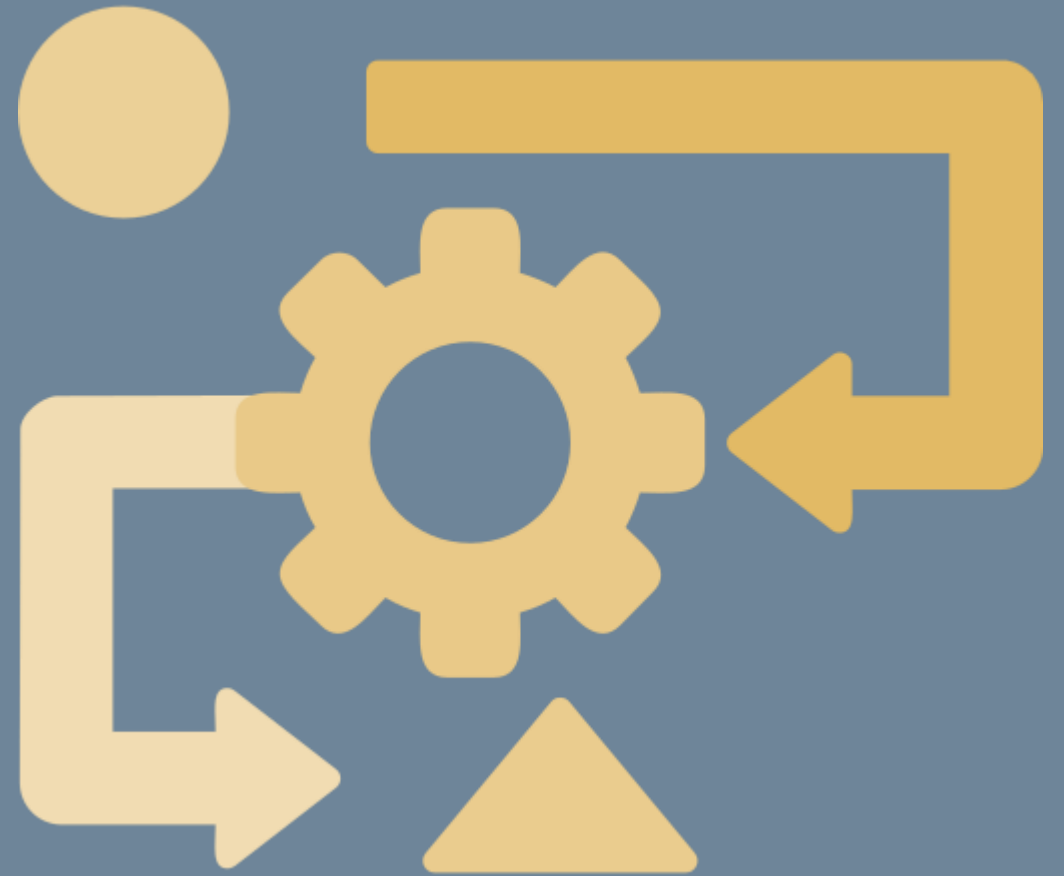
- **Expand immigration options for foreign entrepreneurs in Canada:** Newcomer entrepreneurs have few permanent residency options unless they come in under the *Start-up Visa Program* or a PNP entrepreneur stream, which have limited and specific eligibility criteria. Implementing a specific express entry economic stream targeted at newcomer entrepreneurs who create or take over a business in Canada could enhance their ability to live permanently in Canada as entrepreneurs.
- **Continue to support/promote newcomer organizations and settlement agencies:** Organizations like PORCH and the Calgary Catholic Immigration Society (CCIS) offer valuable resources and programs that help newcomers adapt to the Canadian business landscape. Policymakers should strive to support and direct newcomers to organizations that have proven to be effective in helping them integrate into the business environment.

Recommendations for financial institutions

- **Improve awareness of business structures:** Increase awareness and provide clearer guidance on the different business structures available to newcomer entrepreneurs, helping them choose the most suitable option for their needs.
- **Expand mentorship programs:** Develop and promote dedicated mentorship programs that could match newcomer entrepreneurs with existing or previous entrepreneurs in the financial institution's client base.

- **Streamline access to capital:** Develop strategies that make it easier for newcomer entrepreneurs to access other sources of capital (e.g., grants).
- **Tailor financial guidance:** Offer customized guidance tailored to the unique challenges newcomer entrepreneurs face. Offer advice or online tools to help them navigate the complexities of financial services.
- **Streamline banking setup processes:** Simplify pre-arrival banking services to support newcomer business establishment.

Appendix: Methodology



Methodology

This research is based on semi-structured interviews conducted with newcomer entrepreneurs, using a consistent questionnaire across participants.

Interview topics

The interviews focused on topics such as business challenges, business financing, interaction with government regulations, and business networking. Interviews were held from August 2024 to September 2024.

Interview population

Since newcomer entrepreneurs are a hard-to-access population, CFIB collaborated with entrepreneur organizations, including PORCH and the Calgary Catholic Immigration Society (CCIS), as well as CFIB members to help identify and recruit participants.

The interviews included **14 newcomer entrepreneurs** from **five key sectors**:

- Accommodation & food services
- Manufacturing
- Professional, scientific & technical services
- Finance & insurance
- Real estate and rental & leasing

Participants came from **various immigration streams**, and are located in **three** provinces (Ontario, Alberta, British Columbia). Additionally, insights were collected from **three professionals** with experience supporting newcomer entrepreneurs.

Table A: Sample population of study by number of years in Canada, industry, country of origin, city they are currently located in, and immigration stream

Years in Canada	Industry	Country of Origin	City	Immigration Stream	Source
1	Prof., scientific & tech. services	Russia	Toronto, ON	Start-up visa	PORCH
1	Prof., scientific & tech. services	Ukraine	Calgary, AB	Canada-Ukraine Authorization for Emergency Travel	Calgary Catholic Immigration Society
2	R/E, rental & leasing	Thailand	Ottawa, ON	Start-up visa	PORCH
2	Manufacturing	Ukraine	Calgary, AB	Canada-Ukraine Authorization for Emergency Travel	Calgary Catholic Immigration Society
2	Prof., scientific & tech. services	India	Toronto, ON	Visitor visa/spousal	PORCH
2	Prof., scientific & tech. services	Hungary	Toronto, ON	Open work permit	PORCH
2	Prof., scientific & tech. services	Colombia	Vancouver, BC	Study permit	PORCH
3	Prof., scientific & tech. services	India	Toronto, ON	Provincial Nominee Program	PORCH
7	Prof., scientific & tech. services	Philippines	Toronto, ON	Born in Canada,* resided in the Philippines	PORCH
7	Prof., scientific & tech. services	France	Toronto, ON	Spousal visa	CFIB contact
8	Finance & insurance	Brazil	Toronto, ON	Study permit/work permit	PORCH
8	Accommodation and food services	Mexico	Golden, BC then moved to Cochrane, AB	Provincial nominee Program	CFIB
8	Prof., scientific and tech. services	Philippines	Toronto, ON	Student visa	PORCH
13**	Prof., scientific and tech. services	Kenya	Toronto, ON	Work permit	PORCH

*Although born in Canada, their experience having grown up in the Philippines provides a perspective closely aligned with that of other newcomer entrepreneurs. **Although the respondent had been in Canada for 13 years, slightly exceeding our defined newcomer threshold of 10 years, we considered their experience relevant and valuable for the study.

Note on perceptions of the Canadian business environment

Newcomers' perceptions of Canada's business environment are often shaped by comparisons to their countries of origin, that is, the regulatory and business landscapes they were accustomed to. These perspectives can lead some to view Canada's business processes as more efficient, while others may encounter new challenges. Depending on where immigrants are in their entrepreneurial journey—whether they are just starting out, seeking to grow, or maintaining an established business—the barriers they face differ. Similarly, the level of support they receive can vary depending on the stream through which they entered Canada.

CFIB research resources

Questions or data requests?

- Marvin Cruz Director, Research
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Scotiabank's support programs for newcomers:

- [Scotiabank StartRight® Program](#) provides personalized support to newcomers, helping them gain access to a no-fee chequing account for one year, credit, savings accounts, no-fee international money transfers, and advice and solutions from Scotia Advisors.
- [Scotiabank's Advice+ Centre](#) helps newcomers navigate the Canadian banking landscape with trusted information about Canadian banking products, services, common banking topics, and a range of new options to seek financial advice.

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