

PENNSYLVANIA:

Immigrant Entrepreneurs, Innovation, and Welcoming Initiatives in the Keystone State

In Pennsylvania, there is no doubt that immigrant entrepreneurs and innovators play an important role. Immigrant entrepreneurs bring in additional revenue, create jobs, and contribute significantly to the state's economy. Highly skilled immigrants are vital to the state's innovation industries, and to the metropolitan areas within the state, helping to boost local economies. Furthermore, local government, business, and non-profit leaders recognize the importance of immigrants in their communities and support immigration through local "welcoming" and integration initiatives.

Immigrant entrepreneurs contribute significantly to Pennsylvania's economy.

- From 2006 to 2010, there were 38,799 new immigrant business [owners](#) in Pennsylvania,¹ and in 2010, [9.1 percent](#) of all business owners in Pennsylvania were foreign-born.²
- In 2010, new immigrant business owners³ had a total net business [income](#) of \$2.2 billion, which is 7.6 percent of all net business income in the state.⁴
- Pennsylvania is home to many successful companies with at least one founder who was an immigrant or child of an immigrant, [including](#) Fortune 500 companies such as U.S. Steel, Comcast, Cigna Health, and PPG Industries.⁵ Those four companies together employ 243,000 people and bring in \$128 billion in revenue each year.
- Several Pennsylvania metro areas have relatively high levels of immigrant business ownership relative to the foreign-born share of their populations.
 - In 2010, of the Pennsylvania metro areas that are among the 25 largest U.S. metropolitan areas by total population, the foreign-born share of business owners was [14 percent](#) in Philadelphia, and 4 percent in Pittsburgh.⁶ In each case, the immigrant business ownership rate was higher than the particular metro area's foreign-born share of total population.

Highly skilled immigrants are vital to Pennsylvania's innovation industries, which in turn helps lead American innovation and creates jobs.

- Immigrants contribute to Pennsylvania's economic growth and competitiveness by earning degrees in science, technology, engineering, and mathematics (STEM) fields from the state's research universities. In 2009, almost [one-third](#) of STEM graduates from the state's research-intensive universities were temporary immigrants, and 61 percent of

graduates earning PhDs in engineering in Pennsylvania were foreign-born.⁷

- In 2011, the U.S. Department of Labor certified 11,624 H-1B labor certification [applications](#) in Pennsylvania, with an average annual wage of \$67,398,⁸ which is higher than Pennsylvania's median household [income](#) of \$51,651 or per capita income of \$27,824.⁹
- An [expansion](#) of the high-skilled visa program would create an estimated 17,500 new jobs in Pennsylvania by 2020.¹⁰ By 2045, this expansion would [add](#) around \$6.4 billion to Gross State Product and increase personal income by more than \$6.3 billion.¹¹ The following are [examples](#) of metropolitan area demand for high-skilled foreign-born workers.
 - The Allentown-Bethlehem-Easton metropolitan area had 639 H-1B high-skilled visa [requests](#) in 2010-2011, with 70.7 percent of H-1B visa-holders working in STEM occupations.¹² Major employers with a need for H-1B high-skilled workers include I & I Software and Larsen & Toubro Limited.
 - The Harrisburg-Carlisle metropolitan area had 733 H-1B visa [requests](#) in 2010-2011, with 77.4 percent of visa-holders working in STEM occupations.¹³ Major employers include Pennsylvania State University and Deloitte Consulting.
 - The Philadelphia-Camden-Wilmington metropolitan area had 8,875 H-1B visa [requests](#) in 2010-2011, with 73.3 percent of visa-holders working in STEM occupations.¹⁴ Major employers include the University of Pennsylvania, Deloitte Consulting, Virgo Inc., and Temple University.
 - The Pittsburgh metropolitan area had 2,370 H-1B visa [requests](#) in 2010-2011, with 72.6 percent of visa-holders working in STEM occupations.¹⁵ Major employers include the University of Pittsburgh, Carnegie Mellon University, Deloitte Consulting, and Fujitsu America Inc.

While the numbers are compelling, they don't tell the whole story.

- Immigrant entrepreneurs not only contribute to large innovative companies, but to small business formation in local communities. In cities across Pennsylvania, immigrant family-owned small businesses contribute to the vitality of their local communities. Although initially aimed at other immigrant customers, many businesses quickly see an expansion of their clientele to include a diverse array of immigrant and native-born customers alike.
- Kenneth Wolensky, president of the Pennsylvania Historical Association, states that nothing is new about newly arriving immigrants opening small businesses in local places. For example, "where you've seen newly arriving immigrants in Northeastern Pennsylvania, you have always seen a burst of entrepreneurial skill and talent."¹⁶

- “Italians arrived in places like Scranton, Pittston and Old Forge and they opened restaurants, clothing manufacturing and shoe repair...grocery stores and got into the funeral business and construction.”¹⁷
- “Greeks also opened grocery stores and restaurants. Many Irish went to mortuary school. Jewish immigrants went into the needle trades, owning or managing textile mills. Eastern Europeans tended to work in mining and some went on to open businesses.”¹⁸
- “If you look at the broad perspective of history, a new immigrant group opening grocery stores and restaurants is hardly new.” Today, for example, “we’ve seen many Asian immigrants in Harrisburg opening restaurants and laundries.”¹⁹
- In addition to starting restaurants, groceries, retail, and other service businesses in towns and cities across Pennsylvania, immigrants also start [businesses](#) in mid- to high-growth [industries](#), such as transportation, food-related industries, and building services.²⁰
 - According to the Immigrant Learning Center, “immigrant entrepreneurs look for niches in underserved markets. For example, vans and other alternatives to mass transit serve unmet transportation needs in urban areas.”²¹
 - “Food intended to be a taste of home for compatriots in local restaurants and grocery stores becomes popular and influences the eating habits of other Americans”²²
 - “Workers who enter businesses like landscaping or cleaning because they don’t require much English gain experience and see opportunities to start their own companies.”²³

Some localities have begun recognizing and supporting immigration through local “welcoming” and integration initiatives.

- In Philadelphia, the **Welcoming Center for New Pennsylvanians** [opened](#) in 2003 and aims to connect “newly arrived individuals from around the world with the economic opportunities that they need to succeed” in the region.²⁴
 - The Welcoming Center [notes](#) that “a steady influx of new customers, workers, and entrepreneurs can reinvigorate Pennsylvania’s aging population, renew its neighborhoods, and re-energize” the state’s economy. Furthermore, by making Pennsylvania attractive to immigrants it will become a “more vibrant, more creative, and more dynamic competitor in today’s global economy.”²⁵
 - Among their many [services](#), the Center helps aspiring small business owners and entrepreneurs during their formative stages of starting their businesses in Pennsylvania. In particular, they provide “training opportunities including English for Entrepreneurs, business development clinics, and one-on-one business advice”

as well as “support to communities working to integrate immigrant business owners into their commercial corridors.”²⁶

- o Regarding immigrant integration, the Center – through various research and [publications](#),²⁷ public policy seminars, and community meetings – [strives](#) to educate communities, policymakers, employers, and the business community about how the successful integration of immigrants into the economy will result in positive benefits for all.²⁸
- **Global Philadelphia**,²⁹ along with the City of Philadelphia **Mayor’s Office of Immigrant and Multicultural Affairs**,³⁰ broadly aim to strengthen the climate of immigrant welcoming and integration in southeast Pennsylvania.
 - o The Philadelphia Mayor’s [Office of Immigrant and Multicultural Affairs](#), a member of Welcoming America’s [Welcoming Cities and Counties Initiative](#),³¹ recognizes that “Philadelphia has begun to re-emerge as a regional center of cultural diversity, with an increasing population attributable in part to newcomers from around the world.” As such, the office provides language services and connects public and private community organizations and resources.
 - o [Global Philadelphia](#), an association of over 100 organizations, businesses, and internationally-minded individuals, seeks to assist and encourage interaction among “the many organizations and people who are engaged in one form or another of international activity within the Greater Philadelphia Region; to promote the development of an international consciousness within the Region; and to enhance the Region’s global profile.”³²
- **Global Pittsburgh** and **Vibrant Pittsburgh** are organizations within [Allegheny County](#), a member of Welcoming America’s [Welcoming Cities and Counties Initiative](#),³³ which are promoting an atmosphere of immigrant welcome, inclusion, and integration.
 - o [Global Pittsburgh](#) seeks to improve the area’s global competitiveness by “promoting the Greater Pittsburgh Region, attracting international leaders, influencers, and students, and engaging them with regional leaders, companies, educational institutions and organizations.”³⁴
 - o [Vibrant Pittsburgh](#) notes that “a diverse workforce is essential to the ongoing economic vitality of the Greater Pittsburgh region.” Their aim is to “attract, retain, elevate and educate people of all backgrounds, including New Americans, and create an environment that is inclusive and welcoming.”³⁵ The organization encourages inclusiveness as a key to economic growth and cultural vitality and addresses barriers to achieving those goals.³⁶

Endnotes

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- ¹ Robert W. Fairlie, [*Open for Business: How Immigrants are Driving Small Business Success in the United States*](#) (New York: Partnership for a New American Economy, 2012).
- ² David Dyssegaard Kallick, [*Immigrant Small Business Owners: A Significant and Growing Part of the Economy*](#) (Washington, DC: Fiscal Policy Institute, 2012).
- ³ The sample of new immigrant business owners during this time period includes individuals who do not own a business in the first survey month and report starting a business in the second survey month with 15 or more hours worked per week.
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- ⁵ Partnership for a New American Economy, [“Map the Impact of Immigrants Across America: Pennsylvania”](#) (New York: Partnership for a New American Economy, 2013).
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- ⁸ Office of Foreign Labor Certification, [Annual Report: October 1, 2010 – September 30, 2011](#) (Washington, DC: U.S. Department of Labor, 2012).
- ⁹ U.S. Census Bureau, [“State & County Quick Facts: Pennsylvania”](#) (Washington, DC: U.S. Department of Commerce, 2011).
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- ¹⁹ Ibid.
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- ²¹ Ibid.
- ²² Ibid.
- ²³ Ibid.
- ²⁴ Welcoming Center for New Pennsylvanians, [“Mission”](#) (Philadelphia, Pennsylvania: Welcoming Center for New Pennsylvanians, 2013).
- ²⁵ Ibid.
- ²⁶ Ibid.
- ²⁷ Ibid.
- ²⁸ Ibid.
- ²⁹ Global Philadelphia Association, [“Global Philadelphia”](#) (Philadelphia, Pennsylvania: Global Philadelphia Association, 2013).
- ³⁰ City of Philadelphia, [“Immigrant and Multicultural Affairs”](#) (Philadelphia, Pennsylvania: City of Philadelphia, 2013).
- ³¹ Welcoming America, [“Welcoming Cities and Counties”](#) (Decatur, Georgia: Welcoming America, 2013).
- ³² Global Philadelphia Association, [“About GPA”](#) (Philadelphia, Pennsylvania: Global Philadelphia Association, 2013).
- ³³ Welcoming America, [“Welcoming Cities and Counties”](#) (Decatur, Georgia: Welcoming America, 2013).

³⁴ Global Pittsburgh, “[About](#)” (Pittsburgh, Pennsylvania: Global Pittsburgh, 2013).

³⁵ Vibrant Pittsburgh, “[Vibrant Pittsburgh Statement of Values](#)” (Pittsburgh, Pennsylvania: Vibrant Pittsburgh, 2012).

³⁶ Vibrant Pittsburgh, “[A little more about Vibrant Pittsburgh](#)” (Pittsburgh, Pennsylvania: Vibrant Pittsburgh, 2012).

Immigrant Entrepreneurs in:

Pennsylvania

*In 2010, new immigrant
business owners generated*

**\$2.2
billion**

*in total net
business income*



37,899

*immigrants became new business
owners in Pennsylvania
between 2006-2010*

9.1%

*of business owners in
Pennsylvania are immigrants*

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