

February 2014

VERMONT:

Immigrant Entrepreneurs, Innovation, and Welcoming Initiatives in the Green Mountain State

In Vermont, 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 to Vermont's economy.

- From 2006 to 2010, there were 1,700 new immigrant business <u>owners</u> in Vermont, and in 2010, <u>3.7 percent</u> of all business owners in Vermont were foreign-born.
- In 2010, new immigrant business owners³ had a total net business <u>income</u> of \$84 million, which is 3.8 percent of all net business income in the state.⁴

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

- Immigrants contribute to Vermont'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 <u>26.4 percent</u> of STEM graduates from the state's research-intensive universities were foreign-born, and 28 percent of graduates earning PhDs in engineering in Vermont were not born in the U.S.⁵
- In 2011, the U.S. Department of Labor certified 256 H-1B labor certification <u>applications</u> in Vermont, with an average annual wage of \$64,519,⁶ which is higher than both Vermont's median household <u>income</u> of \$54,168 and its per capita income of \$28,846.⁷
- An <u>expansion</u> of the high-skilled visa program would create an estimated 750 new jobs in Vermont by 2020. By 2045, this expansion would <u>add</u> around \$284 million to Gross State Product and increase personal income by more than \$257 million.

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

- Immigrant investors are helping <u>finance</u> the successful Jay Peak resort, in northern Vermont, west of Newport. Through the EB-5 immigrant investor visa program, the resort has been able to garner significant funding for expansion to be a year-round destination. The resort's owners estimate that the \$865 million expansion project could create 10,000 direct and indirect jobs over several years.¹⁰
- Immigrant entrepreneurs not only contribute to large innovative companies, but to small business formation in local communities. In cities across Vermont, 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.
 - o In Burlington, immigrant- and refugee-owned ethnic groceries and <u>markets</u> cater to the culinary tastes of different countries of origin represented among the foreign-born population in northwest Vermont. Several <u>establishments</u> along and near North Street and Winooski Avenue include Africa Market, Thai Phat Oriental Foods, Global Market, a couple of Asian markets, Himalayan Food Market, among others. Description of the couple of Asian markets and the couple of Market, among others.
 - Andy Thai, the Vietnamese owner of Thai Phat, notes the broad cross section of residents the markets cater to. As he <u>stated</u>, "I see every one of them. I see Bosnia, I see Quebec, I see China, Laos, Cambodia. I see most everyone. All 'round the world." 13
 - The Old North End <u>neighborhood</u> of Burlington was "once filled with Irish, Italian and Quebecois families," the *New York Times* notes. The area today has "been transformed anew, this time with markets like the Somali-owned Community Halal grocery, a store that has made it possible to buy frozen Australian camel meat in Vermont."¹⁴
- Immigrants and refugees have also brought their food preparation and <u>agricultural skills</u> with them to Vermont. A number of foreign-born farmers have marketed their unique products, becoming entrepreneurs themselves.¹⁵
 - O Additionally, <u>according</u> to the *New York Times*, "the Intervale Center, a nonprofit that helps the farmers sell some of the produce to restaurants like American Flatbread in Burlington, Community Supported Agriculture subscribers and food co-ops, also encourages refugees to experiment" with a variety of food crops. ¹⁶

In Vermont, some localities have begun recognizing and supporting immigration through local "welcoming" and integration initiatives.

• The Association of Africans Living in Vermont (AALV), based in Burlington, is an <u>organization</u> that "helps new Americans from all parts of the world gain independence in

their new communities through a range of integration services, including bridging case management, workforce development, behavioral health awareness, and interpreter services programming."¹⁷

- o Founded as a small African <u>community organization</u>, AALV decided in 2009 to provide services to all refugees in Vermont, including Bhutanese, Burmese, Iraqis, and others.¹⁸
- O New Farms for New Americans (NFNA) is one <u>component</u> of AALV's Workforce Development Program. NFNA works with newcomers to foster "access to community gardens and gardening resources, education about farming for a profit in the U.S. and participation in social enterprise sales and launching an independent farm business."

Endnotes

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 Ibid.

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.

⁴ 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).

⁵ Partnership for a New American Economy, "<u>Map the Impact of Immigrants Across America: Vermont</u>" (New York: Partnership for a New American Economy, 2013).

⁶ Office of Foreign Labor Certification, <u>Annual Report: October 1, 2010 – September 30, 2011</u> (Washington, DC: U.S. Department of Labor, 2012).

⁷ U.S. Census Bureau, "State & County Quick Facts: Vermont" (Washington, DC: U.S. Department of Commerce, 2011).

⁸ Frederick R. Treyz, Corey Stottlemyer, and Rod Motamedi, "<u>Key Components of Immigration Reform</u>: An Analysis of the Economic Effects of Creating a Pathway to Legal Status, Expanding High-Skilled Visas, and Reforming Lesser-Skilled Visas" (Amherst, MA: Regional Economic Models, Inc., 2013).

⁹ Ibid

¹⁰ Katharine Q. Seelye, "<u>Lure of green cards brings big investments for remote resort in Vermont</u>" (New York City: *The New York Times*, December 30, 2012).

¹¹ Ken Picard, "Word on the street: The changing voices of the Old North End" (Burlington, VT: Seven Days, July 27, 2005).

¹² Virginia Lindauer Simmon, "Ethnic Markets" (Williston, VT: Business People-Vermont, 2006).

¹³ Ken Picard, "Word on the street: The changing voices of the Old North End" (Burlington, VT: Seven Days, July 27, 2005).

¹⁴ Patricia Leigh Brown, "<u>Refugee farmers find solace in a floodplain</u>" (New York City: *The New York Times*, May 18, 2012).

¹⁵ Ibid.

¹⁶ Ibid.

¹⁷ AALV, "About Us" (Burlington, VT: AALV, Inc., 2013).

¹⁸ Ibid.

¹⁹ AALV, "New Farms for New Americans" (Burlington, VT: AALV, Inc., 2013).

Immigrant Entrepreneurs in:

Vermont

In 2010, new immigrant business owners generated

\$84 million

> in total net business income



3.7%

of business owners in Vermont are immigrants 1,700

immigrants became new business owners in Vermont between 2006-2010

Read more at ImmigrationPolicy.org

