



## Immigrant Small Business Owners in Colorado

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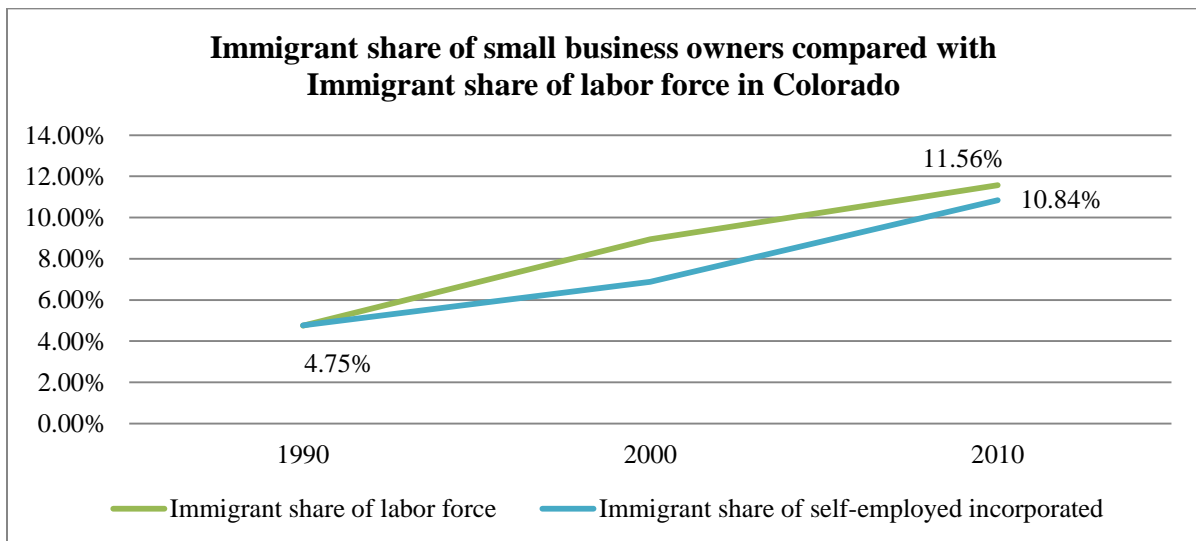
Today, the New York Fiscal Policy Institute's Immigration Research Initiative released a study examining the number and characteristics of immigrant small business owners across the country. The report, *Immigrant Small Business Owners: A Significant and Growing Part of the Economy*, provides a detailed profile of immigrant small business owners and the effect they have on the national and local economies. Key findings from the data for Colorado:

### Immigrant Owned Small Businesses in Colorado

- There are 13,177 immigrant-owned small businesses in Colorado, according to a 2010 estimate. That's roughly 11 percent of the total number of small businesses in Colorado.
- The total earnings of immigrant small business owners in Colorado is \$684 million or 7 percent of the total earnings of small business owners in the state, according to a five-year average from the American Community Survey.

### Immigrant Business Ownership Closely Linked with Immigrant Labor in Colorado

- As the immigrant share of the labor force has increased over time, so too has the immigrant share of small business owners in Colorado.
- This trend exists at the national level as well, see FPI report page 14.



- Immigrants make up a slightly larger share of business owners than their share of the labor force and of the population.
- Immigrant owned small businesses have mushroomed from 2,499 in 1990 to 13,177 in 2010. At the same time, all other small businesses grown from 49,983 to 108,345.
- Denver Metro Area data mimics the national pattern.

	Foreign-Born Share of Population	Foreign-Born share of labor force	Foreign-born share of business owners
Denver Metro Area	12%	14%	16%
United States	13%	16%	18%

### Top Five Industries for Immigrant Business Owners in Colorado

- In Colorado the top two industries for both US- and Foreign-Born small business owners are the same – professional, scientific, management, administrative and waste management services and construction.

US-Born SEI in Colorado by Industry	# of Individuals	US- Born Rank
Professional, Scientific, Management, Administrative, and Waste Management	28148	1
Construction	21767	2
Finance, Insurance, Real Estate, and Rental and Leasing	14843	3
Educational, Health and Social Services	9629	4
Other Services (Except Public Administration)	6753	5

Foreign-Born SEI in Colorado by Industry	# of Individuals	Foreign-Born Rank
Professional, Scientific, Management, Administrative, and Waste Management	2166	1
Construction	1858	2
Arts, Entertainment, Recreation, Accommodations, and Food Services	1466	3
Other Services (Except Public Administration)	1263	4
Educational, Health and Social Services	985	5

### Ratio of Foreign-born Business Ownership to U.S.-born Business Ownership

- In the Denver Metro Area immigrants are 10 percent more likely to own a small business than their U.S.-born counterparts, matching the national ratio.
- State-wide, immigrants are 20% less likely to own a small business compared to their U.S.-born counterparts.

	Business owners as a share of U.S.-born labor force	Business owners as a share of foreign-born labor force	Ratio of Foreign-born share to U.S.-born share
Denver	4.2%	4.7%	1.1
Colorado	4.9%	3.8%	0.8
United States	3.3%	3.5%	1.1

## Education Amongst Small Business Owners and the Labor Force

- Like their U.S.-born counterparts, the majority of Colorado immigrant small business owners do not have a college degree.
- In Colorado, immigrant small business owners lag behind US-born small business owners by 12% in regard to completing a Bachelor’s degree or more. A slightly larger gap of 13% exists in the wider labor force.

<b>Colorado</b>	US-born	Foreign-born
% SEI Bachelor's Degree or more	49.43%	37.42%
% LF Bachelor's Degree or more	36.68%	23.16%

- Across the United States as a whole, immigrant small business owners lag behind US-born small business owners by less than 2% in regard to completing a Bachelor’s degree or more. A similar gap exists amongst the wider labor force.

<b>United States</b>	US-Born	Foreign-born
% SEI Bachelor's Degree or more	43.84%	42.38%
% LF Bachelor's Degree or more	29.18%	27.96%

### Conclusions

Immigrant small business owners play a significant role in Colorado’s economy, a role that has grown as the number of immigrant workers in the state’s labor force increases. In many respects, immigrant small business owners in Colorado are similar to their U.S.-born counterparts in educational attainment and other characteristics. Most importantly, immigrants share the American entrepreneurial spirit and, as this data shows, want to share in the American dream.

**Source:** The Fiscal Policy Institute’s Immigration Research Initiative, *Immigrant Small Business Owners: A Significant and Growing Part of the Economy*. 14 June 2012. [www.fiscalpolicy.org](http://www.fiscalpolicy.org).