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THE INDIAN BUSINESS COMMUNITY IN MONTREAL
FROM 1967 TO 1991.

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INTRODUCTION

In a span of twenty four years Indian immigrants have established themselves as a viable ethnic group in Montreal and other parts of Canada. Changes introduced in the immigration laws at the federal level opened new doors for Indian migrants interested in exploring available job opportunities in the far west. Today, they are actively participating in the social, cultural, political and economic activities of Quebec. In the following study, I have tried to focus and analyze on the evolution of the Indian community in Montreal from 1967 to 1991.

In tracing the growth of Indians, my main objective is to study the role played by Indian businessmen in social and cultural integration of Indians in the host society. Immigration laws of the host society greatly influenced the Indian migratory flow. Massive exodus from India began with the relaxation of Canadian immigration policies and adoption of a non-discriminatory policy of selection. The criteria of selecting immigrants was based on education, professional skills, age, personal formation, knowledge of French or English, and pre-arranged employment.

The new system permitted many educated and skilled professionals to enter Canada and join the Canadian labour force. The majority of the new comers were absorbed in the managerial and professional sectors while others joined the clerical, manufacturing, transportation, and agricultural services. Gradually, the community expanded and a demand for cultural goods arose.

In response to the rising demands, since the mid-1970s, an increasing number of immigrants have started or invested in small businesses. The growth of self-employment in any cultural community is linked to the expansion of the group and their cultural needs. In
other terms, initially the ethnic entrepreneurs thrive on the support and clientele of coethnics. A simpler definition states that an ethnic economy is "a sector of entrepreneurial activity characterized by family firms operating at the margins in terms of profitability".1

Generally, the businesses that developed first were Indian grocery stores, clothing boutiques, electrical appliance stores (for appliances with 220 volt to be taken to India), and the like. Gradually investments were made in restaurants, travel agencies, insurance, real estate businesses and law firms. Today these businessmen render various other services which go beyond their defined boundaries. Most of these businesses rely on Indian social networks for their clientele except for restaurants and travel agencies that serve non-Indians too.

Research has been done on some of the Asian immigrant communities and their economic activities like Chinese, Japanese, Vietnamese and Koreans, but there is virtually nothing on the entrepreneurs of Indian origin. A few books exist which deal with the Sikhs (a community from north of India) - pioneers of Indian immigration in western Canada or Indians settled in Toronto and Vancouver. Yet, a substantial work on the Indian community and its economic activities is missing. Therefore, it is required to underline the contributions made by Asian Indians2 to the multiculturalism of Quebec and Canada.

With this purpose in mind, I have undertaken this study to emphasize on the economic activities of Indian immigrants in Montreal. In my first chapter I will trace the evolution of immigration rules and regulations which greatly influenced the growth of

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2 The term “Asian Indians” refers to Indians who migrated directly from India to Canada.
Indian immigrants in Quebec. Until 1967, the government policies were one of the determining factors for restraining the influx of Asian Indians. From 1967 onwards, major reforms were introduced to the immigration policies by the Federal Government of Canada. The changes were welcomed by many Indians aspiring to immigrate. These policies will be discussed explicitly in the first half of the first chapter.

The second half of the first chapter elaborates on existing theories of immigration by various sociologists, economists, anthropologists, historians and academicians. The literature review illustrates ethnicity and the role played by multiculturalism in the host society. Various images have been attributed to the term "ethnic population" and its spatial behaviour. Each researcher has perceived this segment of the population as an active participant in the development of the host society. With the help of the existing literature on immigrants, I will seek to provide information on and understanding of the Asian Indians as Montreal's newly arrived ethnocultural group.

The proliferation of Indian immigrants in Montreal has undergone considerable changes. The second chapter will study the variations in the percentage of Indian population in Montreal from 1967 to 1991. I have selected the period from 1967 because of two reasons: First, important reforms were introduced, by the federal government, to the Immigration Policy of Canada; Secondly, the new policies had a significant impact on the composition of immigrant population from India.

Since the inflow was controlled by the government policies, the population could be classified into three main classes - the Independent class, Family class, and the Nominated class (relatives sponsored by Canadian citizens or landed immigrants but subject to assessment under the selection factors applicable for independent immigrants). In the early
years, the majority of the immigrants came as Independent class - followed by the family class and nominated class.

Later, the nominated class merged with the family class and a new class of Designated Refugees was formed. To trace the characteristics of the Indian population, I have incorporated statistics detailing the composition. In the second chapter, I will also discuss the division of population according to the category of selection and type of employment.

In the past three and a half years, the Indian economy has undergone radical reforms. These reforms are instrumental in the growth of the Indian market and opening of new ventures from the developed nations. The liberalization has granted new rights to NRI’s (Non Resident Indians) and they are being invited to invest in India or establish trade links with businesses in their country. For this reason, NRI’s are finding themselves in a new economic environment. These changes are indirectly influencing the economic ties between the country of origin and the host country.

The issues to be studied in the second chapter: Do these economic reforms offer an opportunity to the NRI’s for better investments? What role do/can NRI's play in strengthening economic ties between India and Canada? Therefore, the second chapter will give a profile of India's economic structure to highlight some of the developments that have taken place due to the recently enacted reforms.

Within the second chapter I will also discuss the kinds of economic activities pursued by majority of the Indian entrepreneurs. The pattern of ethnic market is homogeneous, as discovered in studies undertaken by many economists and sociologists.
They have further determined that in the same surroundings where one cultural community survives, other ethnic groups also see an opportunity for their growth.

The third chapter discusses how majority of the cultural communities have found small and medium enterprises conducive for their economic growth. To examine this fact, in the summer of 1994, I interviewed eleven Indian businessmen in the census metropolitan region of Montreal. I contacted several Indians, involved in various small scale business activities, of which only eleven agreed to be interviewed. Their answers gave an insight to the different factors that influenced the process of immigration from India and why some of them indulge in self-employment.

In chapter three, I will give a brief profile of these eleven businessmen and define small and medium sized enterprises and kind of activities included in this sector and why. In the same chapter, I will trace the development and various strategies adopted by Indian businessmen to establish themselves. Lastly, I will emphasize on the contributions made by Indian business community towards economic and cultural integration. This chapter will be prepared with the help of the recorded interviews.

The methodology adopted to prepare this research was two fold, qualitative and quantitative. For the quantitative analysis I studied the government publications like Canada Census, Immigration Statistics, and Annual Reports which discussed the immigration program in detail. Further, I reviewed the literature available in English and French to understand the various concepts related to immigration and ethnicity.

To further support my study, I collected a number of statistics from government publications prepared by the federal and Quebec immigration ministry. These tables have
been included in Chapter two. I have also prepared a map showing distribution of Indian population within the island of Montreal and its suburbs.

Qualitative data was collected with the help of interviews conducted last summer. The interviews in finding answers to many of our hypothesis and queries. The answers contributed in clarifying many of our hypothesis about the Indian businessmen of Montreal and in other parts of Canada.
CHAPTER 1: IMMIGRATION AND ETHNICITY

The objective of this chapter is to highlight some of the Canadian Immigration Regulations which determine the arrival of immigrants from different nations and influence their capacity to absorb the culture. Until 1967, the Canadian government's policies were discriminatory with regards to the Asian immigrants or nonwhite migrants because of their race. It was strongly believed that white migrants were more likely to adjust to Canadian society than people from other nationalities.

In retrospect, the first section of this chapter will trace, first, the evolution of immigration laws related to Asian population, and secondly, the new policies which emphasize on the amelioration of the Canadian economy like the "Immigrant Business Program". The business program supports applicants with financial resources that can be invested and will contribute in creating new jobs for Canadians.

The second section will discuss the available literature on ethnic entrepreneurs in the western context. Over the years, the capitalist markets of the west have been infiltrated by ethnic businessmen who cater to the needs of the ethnic and non-ethnic clients. Immigrant entrepreneurship has been observed as a means by which certain immigrant groups establish themselves in the host nation's economy and move up within it. A professor of sociology and ethnic studies, Edna Bonacich, says groups that have succeeded in establishing ethnic businesses set examples for others to emulate and demonstrate to
everyone that, "America is a land of opportunity and anyone with initiative who is willing to work hard and take chances can make their fortune here"\textsuperscript{1}.

Study of the government policies contained in the following section will illustrate the influence of acts and laws on the growth of immigration from India. The literature review contained in the second section will highlight some of the characteristics of an ethnic enterprise and how they have made progress over the years.

I. THE EVOLUTION OF CANADA'S IMMIGRATION POLICY

The purpose of this section is to analyze the role of the state, its governmental policies and its official ideologies related to immigration. It has been observed that state policies contribute towards the formation and/or decline of ethnic identities in multicultural societies. In the case of Canada "the development of Canadian immigration policy since Confederation has been evolutionary unmarked by radical shifts in posture, yet characterized by constant change"\textsuperscript{2}.

According to a report prepared by the Canadian Immigration and Population Studies, the Federal Government policies have an "underlying sentiment favouring population growth in the interest of Canada's sovereignty and development. There has been no grand public vision of a specific purpose for immigration"\textsuperscript{3}. This reflects on the nature of Canadian immigration

\textsuperscript{2} Information Canada. 2 The Immigration Program, 1974, p. 1.
history which can be studied as a series of legal reactions to several short-term economic interests and pressures. The immigration program was further influenced by the emergence of Canada's concept of multiculturalism in the early seventies.

The promulgated policies are defined as regulations because regulations can be changed relatively easily and quickly. The minimal delay involved in implementing regulations contributed to the steady flow of immigrants over the years. On the contrary, Acts or rules are much more difficult and time consuming to change and convey a greater sense of permanence. They have therefore been found unsatisfactory as legislative expressions of policy that is subject to frequent adjustment. The Immigration Acts have not been so much concerned with the admission of immigrants and even to a lesser extent with the interest of immigrants before and after their arrival in Canada.

Instead, the acts laid emphasis on the control of Non-Canadians entry to Canada. Moreover the infrequency of changes to the acts very often reflects the greater uniformity and permanence of governments views on these subjects. Two important Immigration Acts were promulgated by Canadian authorities after the Second World War: The Immigration Act of 1952 and The Immigration Act of 1976. These two Acts, have been supplemented by several regulations to meet the changing political and economic situation of Canada.

Restrictions on Asians were imposed on racial grounds directly related to the presence of the belief that "these newcomers are socially and culturally inferior and as such are fit for no
more than an inferior role and status in the society⁴. The British and French continued to migrate into Canada in large numbers and dominate the migration movements of the eighteenth and nineteenth centuries along with other white migrants from different nations.

Before 1960, specific regulations were followed to select the immigrants. The Act of March 21, 1931, PC 695 spelled out the classes of admissible persons. These were:

1) British subjects from the United Kingdom, Ireland, New Zealand, Newfoundland, Australia, or the Union of South Africa, who possessed sufficient means to maintain themselves until employment was secured.

2) United States citizens who possessed means of maintenance.

3) Wives, unmarried children under 18, or fiancée of men resident in Canada.

4) Agriculturists with sufficient means to farm in Canada⁵.

This Act had major implications on the composition of the Canadian population. It was designed to give preference to the British subjects and impose restrictions on Asian immigrants. From 1946 to 1965, British immigrants outnumbered any other single category.

The Act of 1931 was further reinforced in the Parliament during the post Second World War period. In 1947, the Prime Minister of the time, W. L. MacKenzie King in a statement announced that

"the policy of the government is to foster the growth of the population of Canada by the careful selection and permanent

settlement of such numbers of immigrants as can be advantageously absorbed in our national economy. The people of Canada do not wish, as a result of mass immigration, to make a fundamental alteration in the character of our population.\textsuperscript{6}

Changes occurring on the international scene had their repercussions on the immigration policies of Canada. In the assembly of United Nations, many Asian and African countries expressed their aversion towards Canada as racist in its approach of immigrant selection. To ameliorate its international image, Canada signed an agreement in 1951 with the governments of India, Pakistan and Sri Lanka. The agreement paved entry for 150 nationals of India, 100 of Pakistan, and 50 of Sri Lanka to Canada annually. Furthermore, a codicil was annexed to the agreement by which admissibility for the close relatives of Asians was “limited to the wife, husband, or the unmarried children under 21 years of age, for any Canadian citizen who was in a position to receive and care for his dependents.”\textsuperscript{7} The quota agreed upon in 1951, went up in 1958, when entry from India, Pakistan and Sri Lanka was increased to 300, 100 and 50 respectively. However, in comparison to white immigrants the number of Asian immigrants was still small.

In 1960, serious discussions were held to end the discriminatory features of immigration policy because the Canadian Department of Immigration and Citizenship was charged with condemnation of human rights by the international bodies. A first step towards non-discrimination came through in January 1962, when new reforms were proposed for the

\textsuperscript{6} Ibid., p. 59.
Immigration Act of 1952. The policy emphasized on the possession of education and special skills as the main conditions of admissibility regardless of the country of origin of the applicant.

The new regulation also extended the categories of immediate dependents and close relatives that could be sponsored. The government took several steps to encourage a greater flow of immigrants to Canada during these years when it became apparent that "a combination of rapid post-war economic development and a scarcity of labor resulting from the low birth rates of the 1930s would produce a rising demand for more workers". Yet, in 1964 "of the thirty-two immigration offices located in twenty-one countries, only four were in nonwhite countries".

Now issues related to the manpower were becoming increasingly important aspects of economic policy. The expanding economy of the country was running short of skilled labour and unemployment remained disturbingly high. At such a time amendments came along with the split of the Department of Citizenship and Immigration. In 1966, the citizenship branch merged with the Secretary of State's Department, and the immigration section expanded to form a new department "Manpower and Immigration". In the same year (1966), a comprehensive White Paper on immigration was issued by the department of "Manpower and Immigration" and this document once more denounced the existing racial discrimination.

Expansionist in its philosophy, the White Paper recommended the future outlines of immigration policy. The criteria of selecting unsponsored applicants remained the same as

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8 Ibid., p. 23.
9 RAMCHARAN, op. cit., p. 15.
proposed in 1962 but recommendations were made to restrict the sponsored class. According to the proposed modification, Canadian residents could sponsor only immediate relatives - such as wife, children and parents. The other members of the family who were most likely to take up a job in Canada could be sponsored only by a Canadian citizen.

Based on the proceedings of the White Paper, the special Parliamentary committee introduced new elements to immigration law called - The 1967 Regulations\(^{10}\). For the first time, non-discriminatory laws were adopted formally and the criteria for selecting unsponsored immigrants\(^{11}\) was modified. Unsponsored immigrants were renamed independent applicants and the selection procedure was set out in detail in the regulations as "The Canadian Point System". This was a nine point assessment system which emphasized on education, professional training, demand for his\(^{12}\) occupation, individual's personal characteristics, knowledge of French or English, age and the existence of pre-arranged job.

A basic procedure was followed for the assessment of the applications which helped in eliminating delays. Majority of the applications were assessed and assigned points for personal factors and employment related factors. If an applicant received a minimum of 50 points, he

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\(^{10}\) Information Canada, *op.cit.*, p.35.

\(^{11}\) By the 1967 Immigration Regulations, independent class included spouse and unmarried children under 21, retirees, entrepreneurs, investors, self-employed persons, and other independent immigrants who expect to become self-supporting on their own initiative. Immigrants in this class were assessed against the factors laid in the selection criteria. Later they were called independent immigrants.(See Appendix 1 for the latest modifications introduced.)

\(^{12}\) In this text I have used the masculine gender with the objective of making the text simple.
was called for an interview by the responsible area post. (Today, the minimum required points are 70 from any independent candidate.)

Under the Sponsored class, only the dependent relatives were admissible with a few exceptional cases. Family class applicants were not and are not assessed under the point system, unlike the category of independents; but they had to meet the basic standards of good health and character. It was the sponsor’s responsibility to provide for lodging and maintenance of the applicant and dependents for up to 10 years.

A new class of, "nominated relatives", was created which rested midway between Sponsored dependents and Independent applicant class. Nominated relatives were also assessed - but, on a reduced point system of 25 to 30 points. Admission was easier if the nominator was a Canadian citizen. Provisions were made for visitors to Canada to apply for the landed immigrant status if he met with the requirements for an independent, sponsored or nominated class but preference was given if he applied from outside Canada.

Thus, the new regulations enforced on October 1, 1967, were universal, non-discriminatory, selective and particularly directed to meet Canada’s manpower needs. Within a period of five years beginning from 1967 to 1973, the proportion of Asian immigrants in Canada which was less than 4 percent before 1961 rose to 13.6 percent\(^\text{13}\). During the same period, many Indians began to immigrate to Canada from all walks of life to explore the available economic opportunities - of which majority of them were qualified Indian people.

In the meantime, Refugee class\textsuperscript{14} policy was developing and was officially adopted in 1971 as defined in the 1951 "United Nations Convention Relating to the Refugee Status". The definition permitted flexibility to the department in its refugee resettlement program and to deal with the changing pattern of the world refugee problems. For example, some of the usual immigrant assessment criteria was waived off for refugees who were considered able to establish themselves successfully in Canada.

Regulation 34 accelerated the entry of visitors to Canada whose main goal was to avoid the normal processing of the immigration application. For this reason, in 1972 Regulation 34 was annulled and the right of non-immigrants to apply for landed immigrant status from within Canada was curbed. With the help of discussions on various immigration documents, year 1973 began with the preparation of the Green Paper on Immigration.

In addition, to control the unceasing growth of immigrants a set of new regulations were promulgated. The changes tied immigration more closely to the labour market conditions of Canada, because crisis of unemployment were increasing among Canadian citizens and landed immigrants. To prevent the access inflow of skilled labour, measures were taken to restrict their inflow.

\textsuperscript{14} Refugees are those persons who meet the definition of United Nations Convention Relating to the Status of Refugees. According to which, a person benefits from more generous admission standards and transportation and establishment assistance than ordinary immigrants. (See Appendix 1 for a detailed definition.)
entry. Now, Family class\(^{15}\) dominated the program and the Independent class reduced in number.

Official release of the Green Paper took place in 1975 and in February a Special Joint Committee of the Senate and House of Commons was appointed to study a new Immigration Bill. In the same year (1975) measures were adopted to distinguish between a person other than Canadian citizen or landed immigrant. Non-immigrants were issued distinctive Social Insurance Numbers (S.I.N.) starting with the number "9". The Immigration Bill was submitted to the Committee on November 26, 1976 and it received Royal Assent from the Governor General on August 5, 1977. Proclaimed in early April 1978, the new Immigration Bill became the "1976, Immigration Act" replacing the Immigration Act of 1952.

The new legislation for the first time defined the basic objectives of Canadian immigration policies, such as - making efforts to achieve the fixed demographic quota for each year, promoting the bilingual character of Canada and strengthening the cultural and social framework, and supporting the humanitarian objectives of the immigration policy through reconciliation of immigrant families and giving shelter to refugees. In addition, Section 6 of the

\(^{15}\) Canadian citizens and permanent residents, aged 18 and over and living in Canada, have the right to sponsor the applications of certain close relatives who wish to immigrate to Canada. All persons being sponsored, together with their dependents must meet the requirements of the Immigration Act and Regulations. Relatives eligible for sponsorship in the family class include the sponsor's: spouse, fiancé, unmarried child of less than 21 years of age (including a child adopted before the age of 18), parents or grandparents 60 years of age or more. (See Appendix 1 for more information.)
Act provided for three well defined classes: *Family class, Convention Refugees and Independent class.*

In 1979, the Independent class suffered another setback when the selection process became more severe and cuts were made in the annual quota to meet the challenges of Canada's downward economy. Restrictions were to remain in force till 1981 but were extended for another three years. To stimulate economic growth and create new jobs - for Canadian citizens and permanent residents -, immigration authorities encouraged the recruitment of entrepreneurs, investors and self-employed persons.

On a closer scrutiny of the selection criteria, it is recognized that a discrepancy exists between the people coming to invest and those who enter the regular labor force. The resources a businessman can bring in are an asset for the Canadian economy because the government does not have to provide them with jobs. On the contrary, they create jobs and provide an upward mobility to the existing economy. Therefore, a business applicant is awarded 25 units of assessment by Canadian law "if he has the capital and know-how to become established in a business in Canada"\(^{16}\).

To control the inflow of non-genuine visitors from India and check the permeation of refugee applicants whose claims were based on economic factors rather than the fear of getting persecuted, the visa requirement was put into effect on October 15, 1981. Throughout these modifications the only classes to escape the rough cuts were sponsored families and designated refugees.

\(^{16}\) Information Canada, *op. cit.* , p.73.
From 1985 onwards, efforts were being made to improve the falling percentage of immigrants and enhance the growth of Canadian economy. For this purpose, a policy for moderate growth was outlined and new initiatives were given to the interested business immigrants because the financial resources had the potential to create new jobs in Canada.

Economic migrants were misusing the privileges granted to the persons claiming refugee status. Viewing this increasing corruption, in 1987 the government presented two pieces of legislation, Bill C-55 and Bill C-84, and the bills received Royal Assent in 1988. Bill C-55 introduced a new streamlined system for refugee determination. The new system accelerated the processing of an application which earlier took years. Enforcement of the Bill C-84 was to prevent the inflow of illegal refugee claimants.

In 1991, the retired persons category was eliminated from the class of independent applicants. In the same year, an important accord was signed to divide responsibilities between the governments of Canada and Quebec. The latter section discusses this accord in detail.

The number of entrepreneurs wishing to immigrate to Canada has increased in recent years and efforts are being made to enable foreign investors to make a positive contribution to Canada's economy. Amongst the list of entrepreneurs, Indian businessmen are also climbing up the ladder and are actively participating in Canada's most comprehensive "Business Immigration Program".
A) **Business Immigration Program**

Since the objective of this study is to review the role of Indian businessmen vis-à-vis other immigrant entrepreneurs, I will attempt to sketch an outline of the basic features of Canada's business immigration program. A guide prepared by the Department of Employment and Immigration, recognizes that immigration is the shared responsibility of the federal and provincial governments. It also takes into consideration, the expertise of provincial authorities in administering provincial business and security laws.

To ensure a fair assessment of the prospective business immigrants the federal government follows a set of guidelines. It governs the admissions of all business immigrants under the terms of the Immigration Act 1976. National standards of application have been established to ensure equal treatment to all its candidates participating in the business program. General information is given through visa officers to the applicants. The business proposals are studied and referred to the provincial governments. Potential business immigrants are encouraged to visit Canada.

The provincial government works on similar guidelines except for a few variations. It targets those sectors in the province which would benefit most from the business program. The concerned federal officials are advised on proposed business plans which might suit the needs of, or be accepted by the province. Information is about the legislation system of the province is given during the exploratory tour of the prospective businessmen. The program ensures that the

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activities of the business immigrants are creating or maintaining jobs and providing benefits to
the province\(^\text{18}\).

To qualify for the program, candidates should have business experience, marketing skills, business contacts and where appropriate funds to invest in Canada. The business proposals should convince the visa officers, that a new Canadian business is going to grow in a particular sector.

However, the province of Quebec enjoys discretionary powers over its legislation's, that is, immigrants investing in Quebec have to meet a certain selection criteria because of its official French language. Since 1971, federal and provincial government of Quebec have negotiated and concluded four accords to ensure independent exercising of Quebec's discretionary powers.

The most recent, the 1991 Canada-Quebec Accord has divided the responsibilities of Quebec immigration between the governments of Canada and Quebec. The Canadian government continues to determine national standards and objectives and to have responsibility for the Family class and Refugees. The Quebec government is responsible for linguistic, cultural and economic integration services for permanent residents and has exclusive responsibility for the selection of Independent immigrants\(^\text{19}\).

The immigration system of Quebec can be further studied as an independent subject and the following pages give a brief description of the same.


\(^{19}\) Immigration Canada, *Canada's Immigration Law*, Cat.# MP23-65/1993(rev.).
B) Immigration in Quebec

Until late 1960s, the two linguistic communities within Quebec-English and French, did not exercise influence proportional to their importance on the immigrants, such that "les anglophones ne représentent que 11.9% de la population québécoise autochtone, la langue anglaise jouit traditionnellement auprès des immigrants d'un pouvoir d'attraction beaucoup plus fort que la langue française"\(^{20}\).

Therefore, in 1968 as a solution to the above problem the Ministry of Immigration for Quebec (M.I.Q) was created. The principal duty assigned to M.I.Q was to distinguish between such candidates who possessed the qualifications to integrate with the majority culture. This meant, having the capacity to adjust in the new cultural milieu and have an understanding of the French language. However, 1971 Statistics Canada reported that 36.2% of the new Quebecers (born outside Canada) used English, 22.6% spoke French and the rest used their own mother tongue at home.

Subsequently, the Quebec government negotiated agreements with the federal government that allowed it to gradually broaden the real bases for its activities. The Cloutier-Lang Agreement (1971) assigned the informatory role to Quebec officers functioning from centers abroad. Their duty was to make the immigration applicants aware of the distinct reality

of Quebec within Canada. In 1975, the Bienvenue-Andras Agreement transformed this role to that of advisor to the federal authority for applicants wishing to come to Quebec.

In 1978, the Couture-Cullen Agreement confirmed Quebec's dominant control over the selection of immigrants wishing to settle in its territory. "L'Accord Cullen-Couture conclu le 20 février 1978 et renouvelé en 1983 et en 1991 est un arrangement administratif qui porte sur la selection de certains ressortissants étrangers désireux de s'établir au Québec." 

The objective behind renewing the Cullen-Couture Agreement in 1991 was to agree on definitions for selecting immigrants in the investors sub-category and to specify selection procedures for these applicants.

Moreover, the accord of 1978 recognized the role of Quebec's immigration services jointly with the Canadian Immigration Office. The immigration of temporary residents, comprising principally of workers and students, came under Quebec's control who issued "Certificats d'Acceptation du Québec" to set its own objectives on volume and components of the immigration movement destined for its territory while respecting the Canada Immigration Act. In 1991, Quebec Immigration Authorities registered 11,914 temporary workers and 19,854 foreign students. Quebec authorities select their portion of immigrants in accordance with the Canadian Immigration Act.

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Furthermore, the provincial government of Quebec opened reception centers for the new comers. This step was taken, to give concrete shape to the fundamental orientation of integrating immigrants with the French speaking community. Of these six were in Montreal and four in other regions. The centers were popularly known as "Les centres d'orientation et de formation des immigrants" (COFI- Immigrant orientation and training centers) and "Classes d'accueil" (full time French as a second language for immigrant students). These centers offered language courses of 30 weeks duration “qui furent d'abord donnés en français et en anglais, et ensuite seulement en français lors de la prise du pouvoir par le Parti québécois en 1976.”

In 1980s, the growth of immigrant population from different cultural communities became an emerging reality for Quebec. To reinforce the role of these cultural communities, Quebec government broadened the mandate of the "ministère de l'immigration" (Ministry of Immigration). The new department was called "Ministry of Cultural Communities and Immigration" and was to be responsible for the planning, coordination and implementation of government policies with respect to the development of cultural communities and their full participation in Quebec society.

In 1984, the government created a Council of Cultural Communities and of Immigration. The objective was to promote a better understanding between the ethnic groups and the host society. In 1986, the National Assembly issued a "Declaration on ethnic and race

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relations' emphasizing the importance of equality and the participation of all the citizens of Quebec in its development.

Lately, several new policies have been implemented which reflect government’s keen interest in assimilating immigrants more closely with the development objectives of Quebec society. For instance, introduced in 1986, "Le programme des investisseurs en valeurs mobilières" (stock investors program), is helping to strengthen the economic contribution of immigrants. In 1987, the first Quebec funded francization program was initiated to support integration with the French speaking majority. Implementation of the contractual obligation in 1988 and of the Public Service Affirmative Action Program in 1990, encourage the full participation of all Quebecers in the employment arena.

In retrospect of the discussed immigration policies, post-1967 reached new dimensions with regards to Asian immigration. The integration problems for Indians were different and complex. Selection on the basis of French language was not an easy task for Indian immigrants. The massive exodus of Indians to Montreal began after 1967, when the federal authorities reformed their discriminatory immigration policies. The Quebec immigration ministry opened reception centers for teaching French. Numbering only 603 in 1968, Indian immigrant population reached 9,705 in 1991, while there are 17,460 persons of Indian ethnic origin in the province of Quebec according to Statistics Canada24. Whereas, according to the various Indian

Associations in Montreal, Indians residing within whole of Quebec range approximately between 30,000 to 35,000\textsuperscript{25}.

All the Indians presently in Canada did not come directly from India. In the early seventies many came as "refugees from the economic and political persecution in Uganda, Tanzania and Kenya. Besides the arrivals from East Africa, some came from the United Kingdom and the West Indies\textsuperscript{26}. The ethnic Indian population therefore includes immigrants who came from other parts of the world.

Indians profited from the introduced reforms and have succeeded in a span of twenty four years to establish themselves as a viable ethnic group. Drawn from a wide range of cultural, social, and economic backgrounds, these Indians experienced the challenges of making Canada their new home. Today, they prosper in the economic sectors as self-employed people and contribute towards the establishment of strong ethnic networks.

Before we pass on to the study of "ethnic networks" it is essential to discuss the concepts of immigration, ethnicity, migration, and multiculturalism, for a better understanding of Canada's and Quebec's immigration policies. There are several theories which are linked to these concepts, and thereby, influence policy making. The following section analyzes some of these theories and existing literature on immigration and ethnicity.

\textsuperscript{25} Reliability of the figures given by Indian associations is questionable since they calculate their figures on the basis of number of membership cards irrespective of the immigrant status of its members. As a result, no scientific method is employed to make a proper study of the actual number.

\textsuperscript{26} CHANDRASEKHAR, S. "A History of Canadian Legislation with respect to Immigration from India", \textit{From India to Canada}, 1986, p. 27.
II. IMMIGRATION AND IMMIGRANT ENTREPRENEURS: LITERATURE REVIEW

What do we understand from "migration"? Migration has been defined as the,

"physical transition of an individual or a group from one society to another. This transition usually involves abandoning one social setting and entering another and different one."²⁷

Three basic stages have been perceived behind the process of migration. First, the motivation to migrate, that is, the need or disposition that makes for the actual migratory process; second, the social structure of the migratory process, including the physical movement to the new society; and third, the integration of the migrants into the social and cultural institutions of the new society. In the course of absorption into the new society, the immigrant will have to acquire new roles and must accept the possibility that his aspirations may have to be modified to fit those that the society ascribes him. Under the circumstances, migration theory developed when mass exodus of immigrants thronged the western capitalist market for new economic opportunities.

The economic factor has been well explained by the "push" and "pull" theory. In the twentieth century, overpopulation, unemployment, low wage levels, and little opportunity in their homeland pushed many Asian natives to migrate to Canada. The pulling factor was the stable and developed economy of Canada which had better employment opportunities for these job hunting immigrants²⁸.

²⁸ RAMCHARAN, S. *op.cit.*, p. 62.
Initially, the post Second World war situation seemed to offer a favourable job market for the immigrants. The majority of first generation immigrants earned their livelihood mainly through simple jobs for which the natives were not available, like farmers, labourers, fishermen, petty traders and shopkeepers. Their descendents pursued the same path or sought upward mobility through educational skills.

According to latest immigration literature, in the theoretical context "entrepreneurship has emerged as a neglected but potent influence upon the economic and social integration of immigrants". All ethnic groups don't share equality in self-employment nor have they all been successful in their endeavours. Yet, their active participation in the financial affairs make their cultural communities more vital and viable.

Extensive research has been undertaken to study the features of immigrant enterprises which contribute a new element to ethnicity. In order to understand the process of immigration and ethnic economy of Montreal with particular reference to Asian Indian entrepreneurs various theories propounded by the social scientists will be reviewed.

In her book titled "La formation d'un groupe ethnique: Les chinois de Montréal au tournant du siècle", Denise Helly discusses the formation of the ethnic Chinese community of Montreal. The book highlights the evolution of the Chinese in Montreal from 1900 to 1960, and the issues and challenges faced by them in establishing themselves as a strong ethnic group in

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30 HELLY, Denise. La formation d'un groupe ethnique: Les chinois de Montréal au tournant du siècle, IQRC, Québec, 1992.
Montreal. Methods adopted by the leaders and individuals of the community highlight the complexities involved in integration and gradually assimilation of any ethnic group with a different culture.

The Vietnamese community of Quebec city has been studied by L. J. Dorais and Lise Pilon. The writers have studied the refugee Vietnamese class in their book "Exil en terre froide: la communauté vietnamienne de Québec." The book discusses that, areas where refugees were given shelter developed into ethnic enclaves over a period of time. Gradually, ethnic economic activities developed in these enclaves where new Vietnamese immigrants found refuge.

"L'immigration: phénomène souhaitable et inévitable" prepared by Pierre Vincent reviews the recent trends in immigration like the objectives of Quebec's immigration policies and inflow of family class immigrants, refugees and entrepreneurs to seek the best available opportunities.

Roger Waldinger, Howard Aldrich, Robin Ward and associates have published a book "Ethnic Entrepreneurs: Immigrant Business in Industrial Societies" which discusses in length the universal characteristics of ethnic entrepreneurship. They have done a comparative study by giving examples of ethnic economy enclaves in some of the major cities of North America and Europe. In reference to the above book, John H. Stanfield II, editor of the series writes that

31 DORAIS, L.J. and Lise Pilon. Exil en terre froide: la communauté vietnamienne de Québec, Université Laval, Québec, 1986.
"Ethnic Entrepreneurs promise to provoke much-needed discussion about how similar and different cultural, political, and economic characteristics of immigrants and of the industrial societies in which they settle influence the development and transformation of immigrant small businesses."

New evidence has been mobilized by Ivan Light and Parminder Bhachu who have edited a book "Immigration and Entrepreneurship" in which they recognize the role played by immigrants in the entrepreneurial economy of California. The book has been compiled with the help of contributions made by immigration researchers from United States and other foreign countries. The book gives a new perspective to the existing literature on immigrant entrepreneurship which often "overlooked the manner in which migrant networks contribute to immigrant entrepreneurship as well as the manner in which immigrant entrepreneurship influences the volume of immigration."

The earlier reports, prepared by Ivan Light, Bonacich, Modell and Baron et al., prove that small businesses played an important role in the economic progress of several earlier immigrant groups in United States: Chinese, Jewish, Japanese, Italians, Greeks and many others. This factor differentiates the native population from the ethnic since the latter is constantly involved in entrepreneurial activities for their survival. The economic behaviour of

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the US immigrants was emulated by the immigrants of Canada who sought entrepreneurial ventures in the absence of well paying jobs.

Eran Razin, a lecturer in the department of geography at the University of Jerusalem, offers a comparative analysis of immigrant entrepreneurship in Israel, Canada and California. His research demonstrates that entrepreneurship is an important part of economic absorption in all three countries. Furthermore, he focuses on how "the entrepreneurial performance of immigrant group depends upon the reception contexts". The concept of "reception contexts" is linked to the opportunity structure which consists of market conditions that may favor products or services oriented towards co-ethnics and situations in which a wider, nonethnic market may be served.

The infrastructure of each market may vary, in which case the main objective of the immigrants is to opt for smaller enterprises which can serve non-ethnic populations too. This type of market creates more job opportunities both for the ethnic and non-ethnic population. Basically, the opportunity structure and group characteristics are two independent dimensions which interact with regard to influence the ethnic entrepreneurial strategies. This interaction has been most represented by Roger Waldinger and associates, in their book "Ethnic Entrepreneurs".

In this scenario of western ethnic market, a new discovery has been made. Researchers have found that within the boundaries of an ethnic market, there are evidences of disparity

between progress of ethnic groups. White immigrants have succeeded in establishing their own business networks while blacks have been forced to rely on "white proprietors who virtually monopolize local retail trade"36. According to social scientists, the comparison of blacks and white immigrants is often misleading because the latter experienced milder discrimination than did Afro-Americans who had the enormous disadvantage of a coloured skin37.

Along with the blacks, several other ethnic minorities experienced discrimination and poverty such as the Chinese, Japanese, and Asian Indians. The inequality stimulated the growth of business proprietorship amongst these disadvantaged immigrants. Special consumer needs created enormous and anomalous differences between the business development of the immigrant groups. R.H. Kinzer and E. Sagarin offer an explanation for these uprising discrepancies in their book "The Negro in American Business".

A closer scrutiny of the existing literature on immigrants and their activities reveal that large scale studies have been done on the Jewish, Chinese, Ukrainians, Africans, Arabs and other ethnic groups. Asian Indians have been studied less in this context due to two reasons. First, this community is very new compared to other ethnic groups. Majority of them were college-educated Indians who came to Canada or United States during the Post Second World War period as independents to find salaried white collar jobs. Second, the number of Asian Indians is negligible in comparison to other communities.

Montreal is one of the major destinations for many immigrants coming from India because its cosmopolitan nature offers more employment opportunities and helps to establish contacts with other Indians in other parts of Canada. Indians pursue a broad range of occupations and many are proprietors of small scale businesses. The new social attitude in favour of small and medium sized business, supported and encouraged by Quebec has contributed to this regard. The "Business Immigration Program" further makes the self-employment approach more stimulating.

This chapter has attempted to give an overview of the objective, problems and pressures that have conditioned the development of immigration laws and policies in Quebec and Canada, through the years. Immigration policy has never been static as several important changes have been incorporated to the existing laws by the concerned ministry.

Historically, immigration priorities and objectives have shifted with changes in the perception of nation requirements. At times, immigration policy makers, have accorded special emphasis to population growth, or to the important economic imperatives of the concerned period. At other times humanitarian and social considerations, such as international refugee crisis or the call to unite families, have taken precedence. The immigration selection system of 1967 contributed in settling the course of Quebec's immigration policy, which enhanced the economic and demographic benefits for the Quebecers. A discussion on the benefits will be expanded upon in the chapters to follow.
CHAPTER 2: DEVELOPMENT OF INDIAN IMMIGRANTS AND LIBERALIZATION OF THE INDIAN ECONOMY

Since the late 1960s the Indian community of Canada has benefitted from a shift in the immigration policy and has made progress. While strong ties of kinship continue to guarantee the possibilities of sponsorship of family members, another substantial portion makes its way on the basis of their education merits and qualification skills. Today, there are a number of Indians with a wide variety of cultural backgrounds residing all over Canada. They all maintain viable contacts with the various Indian communities throughout the country.

Spread over a period of three decades, the Indian immigration procedure, can be categorized into three phases: 1967-1974, 1975-1985, and 1986-1991. During the first phase the major goal of the Department of Manpower and Immigration was to select immigrants with professional skills and education, in order to stimulate the economic growth and the cultural and social development of Canada. Points were assigned to each qualifying factor to make the selection process non-discriminatory in nature.

Phase two, marked a fall in demand of independent immigrants for the white collar jobs because the number of graduating Canadians ready to join the labour force was increasing. In the fiscal year of 1975 some 75,423 immigrants joined the labour force as compared with 102,385 in 1974\(^1\). The mainstay of the program was family class and designated class of

\(^{1}\) Annual Report, Employment and Immigration Canada, Cat.# MP1, 1974-1975, p. 16.
refugees. The nature of the third phase was inclined more towards humanitarian objectives which were to unite the families and give refuge to victims of political persecution. In the same period, business and agriculture programs became two other major categories of selecting immigrants.

It is essential to study these phases in order to trace the evolution of Indian immigrants in Canada and Quebec. The progress of Indians reflect the influence of various immigration policies on their migratory flow. It will also highlight the contributions of the Indian population towards the economy of Canada and Quebec.

Indian-Canadian relations have a long history and over the years several treaties have been signed to strengthen the economic ties between the two nations. In the last three and a half years, economy of India has undergone reforms which have influenced the business market. Large investments are being made by foreign investors, of which Canada is one. The old relationship based on Canadian aid, however, is declining; the level of trade is small; and there seems to be resistance to further expansion on both sides. In such a situation what role do Non Resident Indians (NRIs) settled in Montreal play? This is an important question and an answer to which can likely help in examining the potential of Indians in exploring economic opportunities in Quebec and India thereby indirectly influencing the socio-economic relations between the two governments.
Social scientists have observed that most of the ethnic groups, after a couple of years of stay in the new country, establish their own viable economic networks. Initially these immigrants work in different professional jobs as skilled and semi-skilled labourers. Gradually, the job opportunities become severe and scarce while the immigrant population kept increasing. To overcome economic stagnation and the increase in ethnic population's cultural demands, retail enterprises have found a niche in the ethnic enclaves.

The following chapter will discuss in detail the expansion of Indian population through a span of twenty four years revolving around the changing immigration laws and economic situation of Quebec and Canada. The following sections will also discuss the kinds of businesses that are operated by the majority of Indian tradesmen in Quebec and Canada; as well as, the Indo-Canadian economic ties and how the economic reforms can help in improving the existing relations. It will finally examine the rights granted to NRIs by the Indian government since July 1991's economic liberalization. This study will bring into prospective how NRIs can put their rights into practice for building economic and cultural bridges between the two nations.

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I. GROWTH OF INDIAN IMMIGRANTS FROM 1967 TO 1991

In the year 1991, population of Indian immigrants in Quebec was 9,705 up from 2,035 as polled before 1971\(^3\). The steady rise in the immigrant population\(^4\) of people of Indian origin was due to the reforms introduced in the immigration policies\(^5\). The Canadian government made "socio-economic immigrant selection criteria more rigorous and eliminated all racial, national and ethnic restrictions"\(^6\). Further, the Quebec government designed its own immigration regulations which coordinated with the federal laws selection criteria. All this resulted in an exponential increase in immigration from India throughout Canada (TABLE I, p. 38).

In a decade's time from 1962-1972 the Indian population multiplied twelve times in comparison to the previous decades. An evaluation of 1961 census reported a small population of Indian origin concentrated in the province of British Columbia. But in 1971 census the

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\(^4\) Immigrant population is the term used for people who take the status of permanent residents through lawful permission of the host country. While "Ethnic Population" comprises of persons whose parents come from different cultural backgrounds.(See Appendix 1 for more information).

\(^5\) See Chapter 1.

geographical distribution changed when more Indians were recorded in Quebec compared to the 1961 census of British Columbia, while Ontario reported a multiplication of twenty-seven times (TABLE II, p.39)\(^7\).

The immigration reforms of 1967 increased the ethnocultural and occupational diversity of Indian immigrants. The traditional preponderance of Sikhs\(^8\) was changed by the inflow of various other linguistic, ethnic, national and religious groups from all over India. Apart from this, up until 1974, majority of the Indians belonged to the independent category (independents came in through their skills and qualifications)\(^9\) which included professionals, managers, and skilled white-collar workers. They migrated to Canada because their professional skills were underutilized in a limited job market of India. In search of better job opportunities, they headed towards major metropolitan cities such as Toronto, Vancouver, Montreal, Calgary and Edmonton\(^10\).

The "occupational distribution" of Indians was determined by the immigration policies and the economic situation of Canada. Occupational distribution refers to the intended


\(^8\) People from a province in North of India, Punjab, "land of five rivers", See Figure 2, p.

\(^9\) For more details see *Chapter 1*.

TABLE I

POPULATION FIGURES FOR PEOPLE OF EAST INDIAN ORIGIN IN CANADA

20% Sample Data

<table>
<thead>
<tr>
<th>Year</th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
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</thead>
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<td>1941</td>
<td>1059</td>
<td>406</td>
<td>1465</td>
</tr>
<tr>
<td>1951</td>
<td>1427</td>
<td>721</td>
<td>2148</td>
</tr>
<tr>
<td>1961</td>
<td>4122</td>
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<td>109655</td>
</tr>
<tr>
<td>1991</td>
<td>88905</td>
<td>84765</td>
<td>173670</td>
</tr>
</tbody>
</table>

Source: Canada Census, 1941-1991
### TABLE II

**DISTRIBUTION OF PEOPLE OF EAST INDIAN ORIGIN IN CANADA BY PROVINCES AND TERRITORIES**

<table>
<thead>
<tr>
<th>Year</th>
<th>Atlantic Province</th>
<th>Quebec</th>
<th>Ontario</th>
<th>Prairies</th>
<th>British Columbia</th>
<th>Northern Territories</th>
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<td>1941</td>
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<td>29</td>
<td>21</td>
<td>57</td>
<td>1343</td>
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<tr>
<td>1951</td>
<td>56</td>
<td>61</td>
<td>86</td>
<td>47</td>
<td>1937</td>
<td>1</td>
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<tr>
<td>1961</td>
<td>86</td>
<td>483</td>
<td>1155</td>
<td>521</td>
<td>4526</td>
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</tr>
<tr>
<td>1971</td>
<td>2405</td>
<td>6510</td>
<td>30920</td>
<td>9530</td>
<td>18526</td>
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<tr>
<td>1981</td>
<td>1935</td>
<td>8215</td>
<td>50860</td>
<td>13485</td>
<td>35095</td>
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<tr>
<td>1991</td>
<td>2020</td>
<td>9705</td>
<td>88450</td>
<td>20700</td>
<td>52680</td>
<td>115</td>
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</table>

Source: Canada Census, 1941-1991
occupation of immigrants planning to join the labour force\textsuperscript{11}. It is not necessary that jobs were found by the immigrants in the intended field of occupation.

In the initial years of immigration reforms (1967-1974), one third of all immigrants both from India and other parts of the world came with the intention of joining the Managerial and Professional category. Statistics Canada reports that 1973 was the peak year for skilled immigration from India (TABLE III, p. 41). Of all the professionals coming into Canada from all over the world that year, India alone contributed 8.6 per cent\textsuperscript{12}. The inflow was in accordance with the prevailing immigration policy that emphasized on skill and education. Indians who immigrated during the period 1967-1974 had an educational background of 13 to 16 years and some were even more highly qualified. TABLE IV - on page 42, demonstrates this fact with the statistical figures for Quebec.

Severe recession and high unemployment rates, however, brought down the number and in a period of two years (1976-1978), skilled immigration from India diminished by close to 70

\textsuperscript{11} From 1968 to 1972 the Department of Employment and immigration of Canada (formerly called the Department of Manpower and Immigration) followed a classification with thirteen occupational categories. In 1973 a new system of job classification was adopted with a more detailed and up-to-date system comprising of 23 major occupational categories. The new name given was Canadian Classification and Dictionary of Occupations (C.C.D.O.), formerly called the Statistics Canada Occupational Classification (S.C.O.C.).

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<td>2</td>
<td>6</td>
<td>19</td>
<td>91</td>
<td>38</td>
<td>40</td>
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<td>c. Teaching</td>
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<td>d. Medicine</td>
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<td>22</td>
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<td>e. Performing Arts</td>
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Country of former residence refers to the country where the applicant has resided on a permanent basis for one year or more. In our case, country of former residence refers to "India".
TABLE IV

DISTRIBUTION OF INDIAN IMMIGRANTS (LABOUR FORCE)
ADMITTED TO QUEBEC BY
COUNTRY OF BIRTH \(^2\) AND YEARS OF EDUCATION

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</table>

Source: Statistics Bulletin of MAIICC

(*) Figures not available for 1976

\(^2\) Country of birth means country a person is born in. In our case, country of birth refers to "India". In other charts also "country of birth" means the same.
per cent in whole of Canada. In late 1974, new Immigration Regulations were enforced to prevent the entry of independent immigrants whose skills were in short demand in Canada. As a result immigrants were more closely tied to the labour market conditions and received no credit for an arranged employment unless Canadian citizens or landed immigrants were not available to fill the position. This measure was adopted to reduce the incidence of unemployment among new immigrants and to facilitate efforts to become self-dependent as soon as possible.

Enforcement of the new regulation changed the nature of Indians destined to the labour force of Canada. New immigrants dispersed in various other occupational fields like Clerical, Services, Sales, Commerce, Transport and Manufacturing. Thus, from 1975 onwards, immigrants from India provided manpower for industries.

In 1975, while the immigration authorities of Canada restructured their independent class, other classes remained unaffected. Importance was given to reconciliation of families and resettlement of refugees. The family class included the immediate family members of the permanent resident (spouse, unmarried children, parents, unmarried brothers and sisters, and close relatives).

From 1978 onwards, under the Independent class, the only immigrants who made an easy passage to Canada were entrepreneurs and self-employed persons. Selection of business
immigrants was promoted to enhance the Canadian economy through increased human and financial inflow. Business proposals were to create more jobs for the natives and the immigrants, while skilled labour was required to leverage economic growth. However, very few Indians landed as entrepreneurs because they did not have enough capital for investments. In TABLE III - on page 43, we see the number of Indian immigrants who came for entrepreneurship to Canada.

Canadian immigration policy since 1976 has been inclined towards its humanitarian goals and business immigration. Thus, reforms were introduced to meet with the ever changing economic, social and cultural needs of Canada. The year 1980 also witnessed an increase in the agriculture category when the Commission responsible for employment, insurance and immigration programs sought to improve the agricultural labour requirements.

Many Indians came in as foreign students to pursue higher studies or as temporary workers with employment visas, to get experience of work and life in Canada. These Indians were admitted as non-immigrants because they were obliged to quit the country once their student or work permit expired. If the non-immigrants were interested in converting their temporary status for permanent residence, laws were implemented to process their papers.

The restriction on the independent class remained in force until 1985. The Annual Report of October 1985, on Future Immigration levels outlined a policy for moderate growth to reflect the upturn in the Canadian economy and to offset the decline in Canada's population. In
addition, discussions were held to control federal-provincial immigration mechanisms because the provincial immigration laws were implemented in accordance with the federal laws.

Immigration scene of Quebec was linked to the changing federal immigration policies. For this study statistics have been prepared which demonstrate changes in pattern of Indian immigrants occupational distribution. An important observation that can be made from the population figures of Quebec (by country of birth) is the number of Indians destined for the labour force of the total population. Nearly one-third belonged to the division of active population from 1968-1974 and the proportion has generally been on a downward trend since 1975. The reasons were economic recession and enforcement of laws to restrict the influx of qualified workers and to promote their humanitarian objectives (TABLE V, p. 46 ). The numerical relationship between immigrants intending to join the labour force and overall total population involved substantial fluctuations.
TABLE V

NUMBER OF INDIAN IMMIGRANTS
ADMITTED TO THE LABOUR FORCE OF QUEBEC BY
COUNTRY OF BIRTH

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<tr>
<td>1969</td>
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<td>1973</td>
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<td>1974</td>
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<td>660</td>
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<tr>
<td>1975</td>
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<td>447</td>
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</tbody>
</table>

Source: Statistics Bulletin of MAIICC
Study of Indian immigration to Quebec (by country of birth), reflects an incessant growth of Family class immigrants and refugees (TABLE VI, p. 48). The growth was in accordance with the federal immigration regulations. The distribution of population destined to the labour force by country of birth, however, was dominated by the Independent class that included professionals, businessmen and investors (TABLE VII, p. 49). An overall evaluation of Quebec's migratory flow shows that the percentage of independent class went up from "less than 35 per cent in 1985 to 58 per cent in 1989".\(^\text{14}\)

The growth of sponsored relatives promoted family networks that offered new opportunities to the Indians - in establishing their family business, in finding jobs and in providing a cultural niche to the new arrivals. Though these immigrants lacked formal business training their technical know-how assisted them in the evolving job and entrepreneurial market of Quebec. Viable networks of Indian entrepreneurs were growing in Montreal because of the city's cosmopolitan nature. The figures in TABLE VIII - on page 50, illustrate the number of Indian immigrants coming to Quebec who have settled in Montreal.\(^\text{15}\)


\(^\text{15}\) Montreal was selected as the final destination by the majority of Indian immigrants because of its cosmopolitan environment. During the seventies, a far greater number of skilled workers came from urban areas, therefore, they chose Montreal for its rapidly expanding population, industrialization, and more diversity in job opportunities.
### TABLE VI

**DIVISION OF INDIAN IMMIGRANTS ADMITTED TO THE LABOUR FORCE OF QUEBEC BY COUNTRY OF BIRTH**

<table>
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<tr>
<th>Year</th>
<th>Independent</th>
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<th>Others/ Refugee</th>
<th>TOTAL</th>
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Source: Statistics Bulletin of MCCI
TABLE VII
DIVISION OF INDIAN IMMIGRANTS DESTINED TO THE LABOUR FORCE OF QUEBEC BY COUNTRY OF BIRTH AND CATEGORY OF SELECTION

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Source: Statistics Bulletin of MCCI
(*) Figures not available for 1976
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<td>1680</td>
</tr>
<tr>
<td>1981-1985</td>
<td>1060</td>
<td>1035</td>
</tr>
<tr>
<td>1986-1991</td>
<td>2545</td>
<td>2470</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>9695</strong></td>
<td><strong>9300</strong></td>
</tr>
</tbody>
</table>

Source: Census 1991, compiled by MCCCI
Over the years, the processing of an application for persons interested to immigrate from India or any South Asian country has become difficult, expensive and the probability of its success is low. Adversely affected are, the Independent class applicants because immigration laws admit a very selected number. Many applicants try to seek relatives in Canada to get sponsorship papers or they move temporarily to European countries to enter Canada. Few other interested applicants convert all their assets into cash and try entering Canada as businessmen or investors since these are the categories which give easy access to any independent immigrant.\(^{16}\)

A) **Cultural and Professional Profile of Indian Immigrants**

A noticeable change that came in with the 1960s Immigration laws was the expansion of Indo-Canadian population’s cultural background. Since 1967, there has been a steady growth of culturally diverse Indian population. Resulting in a multi-dimensional community, Indians can be found in every part of Canada. These Indians reflect the regional and cultural diversity of India, unlike the Sikhs, pioneers of Indian immigration.

One of the largest groups to have migrated from India after the Sikhs are, the Hindi and Punjabi speaking people, who come chiefly from New Delhi, Uttar Pradesh and adjoining provinces.\(^{17}\) They arrived as professionals from a wide range of social situations and urban areas in the mid-1960’s. Belonging to the lower middle and middle classes of India they entered

\(^{16}\) BUCHIGNANI, N. *op.cit.*, p. 118.

\(^{17}\) See Figure 2, on page
Canada as independent immigrants, and were the most qualified South Asians who arrived during that period.

In the past, most Indo-Canadians who worked in western Canada found jobs in the lumber industry. The present Indian population is employed in a variety of occupations and in many other sectors of the Canadian economy. During the heavy influx period of early 1970s, a high proportion of Indians came as members of professional families, and today they are well distributed throughout the country. Through their contributions, Indo-Canadians have created a place for themselves in the Canadian society and "they offer India the possibility of direct and personal access to Canadian society at many levels".18

B) Non-Residents of India and Ethnic Businesses

The gradual rise of Indian population in the Census Metropolitan Region of Montreal has created a special consumer demand. Indians have their own ethnic culture which caused an increasing demand for stores which could supply exotic food products and other services. This special demand found a niche in small and medium sized enterprises which initially ventured into retail and wholesale services. The growth of ethnic restaurants, groceries and the like is an inevitable feature of any ethnic community. Roger Waldinger describes this activity as a direct involvement of the immigrant entrepreneur with the immigrant consumer because "the

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immigrant community has a special set of needs and preferences that are best served, and
sometimes can only be served, by those who share those needs and know them intimately,
namely the members of the immigrant community itself\textsuperscript{19}.

In a span of twenty four years the number of Indian immigrants and Indian businessmen
has multiplied. Majority of the new tradesmen serving the Indian community are first
generation immigrants who have earned their livelihood mainly as professionals or wage
labourers before starting up their own business. The same pattern is being adopted by their
descendants and the new arrivals to seek upward economic mobility. Education also contributed
towards their economic integration because Indian families believe in higher education as a key
to economic success. The fact that majority of the Indian immigrants arrived as professionals or
wage labourers is not fortuitous because Indians are classified as voluntary immigrants who
came in search of better economic opportunities.

Indian stores flourish mainly in the areas inhabited by members of several other cultural
communities including Indians. The initial market is found in these enclaves because there is a
direct contact between the suppliers and the consumers. Gradually they move into several
central business locations and today they have proliferated in the suburbs too. There has been a
diversification of their businesses as they are now prominent in other areas of retailing (chemist

shops, electronics, travel agencies, clothing, furniture, driving schools, etc.) and law firms, real estate agents, accountants and financial consultants.

Linked to the factors of resource mobilization and market conditions, Indian entrepreneurs are widespread in Montreal even though they belong to a minority group. The growth of Indian businesses in Montreal and the strategies adopted to establish themselves have been traced in *Chapter 3*. The interviews will highlight some of the features of Indian enterprises which are also common to other ethnic groups.

However, before analysing the Indian enterprises of Montreal, a study of the present Indian economic market will be undertaken. Contemporary foreign trade policy of India was conservative in nature. Developments have taken place since mid 1991 which have influenced the economic ties between India and Canada. The changes have ameliorated the facilities available for non residents of India and they are now planning to explore various investment programs. A detailed study of this subject is required to understand what role can NRI's play in strengthening economic ties between India and Quebec.

II. INDIAN ECONOMY

This section deals with the present economic situation of the Indian market and participation of NRI's in the business relations.
A) **Problems Faced by Foreign Investors**

The poor infrastructure of the Indian bureaucratic system poses restrictions for foreign investors. To begin with the processing of their investment application, the investors have to put up with dozens of bureaucratic hurdles to get clearance. Red tapeism delays the approval for land acquisition, electricity and water connections, telephones and no-objection certificates from local councils. Corporate tax rate of 45-50% is very high, as are personal tax rates. India's individual property rights suffer due to weak protection regime which has inhibited some hi-tech investments. The banking rules and working system needs to be restructured for moving the application faster.

In light of these problems, Indian economy must resolve several challenges and issues in order to establish itself as a potential field for overseas investments. In the space of just three years, however, "the country has turned resolutely away from socialism and isolationism, scrapped harsh projectionist trade laws, witnessed the rise of a new middle class (200 million strong) and created its own Silicon Valley in Bangalore, the site of a thriving computer software industry".

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B) **Economic Reforms in India**

"As recently as 1991, India was still derisively known as a lumbering elephant among the economic tigers. But this year, it ranks high among the world's hottest new emerging markets"\(^{22}\). This change in the economy came from July 1991 onwards under the leadership of Prime Minister P.V. Narsimha Rao and his then cabinet members Manmohan Singh (Finance), P. Chidambaram (Commerce), and P. Kumarmangalam (Law, which covers corporate regulation).

Recent efforts made by the new Indian leadership to liberalize foreign trade indicated a turn in their approach towards international economic policy making. The reforms embarked upon a course of import liberalization and economic growth, by reducing quantitative restrictions and very high tariffs on the importation of merchandise. Relaxation of Indian trade laws, was promoted to maximize exports, accelerate economic growth and boost economic efficiency of the Indian economy. The changes opened doors for direct foreign investments at a larger scale.

Further, the new policy removed much of the industrial licensing, foreign exchange and anti-monopoly regimes that previously applied to domestic and foreign business alike. To speed

up the capital inflow, automatic approval was promised for foreign equity stakes of 51% in comparison to the previous 40%; this was provided with certain conditions attached\textsuperscript{23}.

The responsibility to manage the automatic approval process was granted to the Reserve Bank of India (RBI, the central bank of Indian Government). Indian government approved of proposals worth US $29.4 million within a period of three months which preceded November 1991. By the beginning of November 1991, RBI approved of "3 joint ventures, 51 technical collaboration deals and 16 mix technical-financial ventures"\textsuperscript{24}. The proposed deals had a total value of US $ 35 million of which the three ventures were of maximum value. A major deal was agreed upon between US computer giant "International Business Machines Corp.(IBM)" and the Bombay based "Tata Group", India's biggest industrial conglomerate, to manufacture high-end personal computers. However, US cereal corporate "Kellogg's" was the first foreign investor in India. Various other sectors where foreign investors envisage a substantial market are pharmaceuticals, telecommunications, aerospace technology, automobiles and software industry.

To make the rupee fully convertible on the trade account, the Indian Government proposed to repeal all import licensing on most capital goods and raw materials within five years. The new trade system suggested a revenue of the high tariff structure and matching shifts

\textsuperscript{23} McDonald, H. "Outside the door: India's reforms meet sceptical response overseas", \textit{op. cit.}, p. 58.

\textsuperscript{24} \textit{Ibid.}, p. 58.
in industrial policy which were a barrier to foreign trade and industrial efficiency. To cover the loss of tariffs which brought in 50% of revenues, excise duties were levied to be shared with the provincial governments.

Within a period of six months, the new industrial policy of the Indian Government made major strides, such that, it became Asia’s new center for investments. The measures taken were intended to have repercussions in the next three to five years. During this time India invited a host procession of industrial missions from Germany, Japan, and Korea and the proposed visits were due in early 1992\(^{25}\). In late 1991, there already existed 200 pending applications which included proposals by Coca-Cola, General Motors and Matsushita. Within three years, Indian officials hoped to raise the inflow to around US $3 billion a year.

In light of these economic developments an important issue to be studied is the impact liberalization could have on the trade ties between India and Quebec in addition to India and Canada - this is contained in the next section.

C) **India-Canada Economic Ties**

India and Canada are active members of the Commonwealth and since 1951, have shared cordial economic relations. Canadian investment in India began in 1930s with Alcan which collaborated with Calcutta’s Indian Aluminum Company Limited. The second venture was signed with Bata Canada which established a large independent manufacturing unit known

as Bata India. These kinds of collaboration brought in "Canadian equity as well as Canadian know-how both in production and marketing and enhanced the acceptability of Canadian technology in India".\(^{26}\)

Studying in statistical terms, the total number of joint ventures approved with the foreign investors by the Indian government were 13,001\(^{27}\). Of these, 6,232 were approved between 1957 and 1980, the rest 6,769 were signed in the period of 1981-1989. Up to 1989, from the total figure of joint ventures (13,001) with foreign investors, only 113 were signed with Canada. This was a very small figure and according to 1994 business statistics the number has gone up to 199 of which only 16 are Quebec based companies\(^{28}\).

Apart from Alcan and Bata Canada, few of the other Canadian companies which opted for joint ventures in India are as follows: 1) Howe Group, which specializes in port management services and engineering expertise. It is in a joint venture with a Bombay based company Nava Sheva Port development, Visakhapatnam Port Trust, Calcutta Port, and Food Corporation of India; and 2) Hydro-Quebec International in Montreal has signed an agreement

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\(^{27}\) Source: *India Investment Centre*, New Delhi.

\(^{28}\) *Canada-India Business Council*, Ottawa.
with the National Thermal Power Corporation of India, for building 500 MW and 1000 MW power transmission projects.

Canadian investors have found a niche in hydraulic mining, shore drilling, ocean engineering consultancy services, too. These investments account for 2 per cent of the total foreign investment in India. Amongst the other foreign investors, however, Canada ranks quite low.

In the past, two important links were established in the private sector. One was between the Canadian Chamber of Commerce (CCC) and the Federation of India Chambers of Commerce and Industry (FICCI). The other deal was drawn by the Canadian Manufacturer's Association (CMA) and the Confederation of Engineering Industries of India. These agreements were concluded by the formation of the Canada-India Business Council. Further, Air Canada opened its service in India to promote business traffic between the two countries.

To keep pace with these developments, in 1986 a five year treaty was signed to avoid double taxation. In 1987, the two governments made the initiative of signing a memorandum of understanding on industrial co-operation. A couple of conferences were organized, in 1988, to strengthen the Canada-India relationship. Of these conferences one held in Montreal, discussed the Financial Market of India. The objective was to identify ways of encouraging trade and investment between India and Canada.
In recent years, more of small and medium enterprises of Canada and India have come together in joint collaborations. The liberalization policy of India, since mid 1991, has definitely given new incentives to Canadian investors to take a chance and share in the risks and rewards of investing in India. A stockbroker with Midland Walvyn Capital Inc. in Edmonton, Jitendra Shah, rated India as an exceptionally good opportunity for investors who want to diversify into emerging economies. Though, buying or investing in India's funds should be a long term project because short term investments are unpredictable.29

Another Canada based investor Trimark Investment Management Inc. of Toronto introduced a new "Indo-Pacific Fund" in October 1994. The advisor to the New Trimark Fund, Michael Lee, proposed to invest 15 per cent in India's emerging market.30 On the same line 20/20 Group Financial Inc. of Toronto launched their first "India Fund" in November 1994. Seeking opportunities in the booming Indian markets, this fund was created and dedicated to the Indian subcontinent.

While India is establishing strong ties with the Canadian Government, some formal deals have been concluded between India and Quebec based, private and public enterprises. The sectors where Quebecers have invested are telecommunications, agriculture, hydro-electricity,


road construction, banking, software industry and several others. In general, the deals are negotiated by the federal government officials.

Several companies of India and Quebec and from the rest of Canada are signing agreements to promote economic ties between the two countries. At the same time immigrants of Indian origin in Montreal are making their contributions to reinforce the same ties.

D) **Non-Resident Indians (NRI's)**

In strengthening the relations between the two nations, the Indian community of Canada plays an important role. The steady growth of this group in the past thirty years has contributed towards their integration and understanding of the North American culture. This helps them in acting as mediators for developing business ties between the two countries.

In a further bid to attract foreign investment, the Indian government proposed changes which would attract the NRIs to invest in India. Reforms were proposed in citizenship laws that would allow non-resident Indians to hold dual nationality. The objective was to allow more of the "millions of Indian migrants overseas to qualify for various investment incentive programs which were introduced in the 1980s"\(^{31}\).

Moreover, NRIs were to be allowed to invest freely in property, but not repatriate earnings or capital. They were invited to subscribe to a plan of five years tax free US dollar bonds called "India Development Bonds". They are issued by the State Bank of India carrying a 9.5% coupon with full tax immunity. In addition, NRIs are given the right to remit free of tax foreign exchange to anyone in India without revealing the resource.

The liberalization of the economy and the reforms made were welcomed by Indian expatriates all over the world. They perceived new economic opportunities back in India. Recently, many NRIs from all over the world have established links with their country of origin for developing business opportunities. Moreover, some of these NRIs are acting as intermediaries between India and their host country to strengthen the economic ties.

An Indian businessman settled in Edmonton, Gurcharan Singh Bhatia, came to Canada thirty years ago. Planning to return back home with money to invest, he recently founded an East West Insurance and Financial Services Limited, with nine other investors, specifically to exploit business opportunities in India. Similar desires were expressed by the Indian businessmen in Montreal. Their views will be discussed in the next chapter with the help of the interviews conducted last summer.

In summary, more than twenty years ago Indian migrants came to Canada to explore available economic opportunities, and thereby, improve their standard of living. Today, many

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of these migrants have integrated well with the Canadian society and are freely exercising their rights and duties. A large proportion is involved in professional jobs, and another considerable segment is self-employed.

The self-employed group has created a strong network of ethnic enterprises with the help of its community members. Their activities create more job opportunities for their own community members and the natives. Thus, the process of Indian immigrants evolution has made significant contributions to the Canadian economy.

Four and a half decades after its independence, the Government of India is liberalizing its economic policies and inviting foreign investors to explore the Indian potential. NRIs in Canada now have the opportunity of rediscovering the upstart economy of the country they bade farewell to many years ago.
CHAPTER 3: GROWTH OF INDIAN BUSINESSES IN MONTREAL

In 1967, the adoption of Universal Selection Policy and Point System by Canada, for determining the flow of migrants opened doors for Indians interested in exploring the economic opportunities available in distant lands. Initially the professional qualifications of Indian immigrants appeared to be congruent with the requirements of the job market. Large numbers of Indians who landed in Canada as "worker immigrants" came with high school or university level education which helped them to find jobs easily in professional, technical or manufacturing sectors.

Over time, however, the job conditions became more severe and the Government Policy (Immigration Act, 1976 and Immigration Regulations, 1978) favoured the inflow of "Family class" and "semi-skilled manpower". Thus, many Indians affected by the changing market conditions opted for self-employment to earn their livelihood. Sociologist Roger Waldinger has defined the growth of ethnic small business as an "alternative and possibly more viable route to upward economic mobility" chosen by the new cultural immigrant communities.

The multiplication of Indian population and their ethnic needs further supported the movement of Indians towards self-employment. To trace the growth of these Indian boutiques I interviewed eleven businessmen, proprietors of various enterprises in the census metropolitan region of Montreal. The duration of each interview was thirty to forty-

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five minutes. These interviews were held in English, a language commonly spoken and understood by majority of the Indians who immigrate.

By reconstructing the history of the ethnic enterprises and their proprietors this study will focus on the establishment and maintenance of Indian businesses in Montreal. Attempt will also be made to understand the influence of ethnic businesses on cultural integration and volume of immigration. It has been perceived that immigrant entrepreneurship plays an influential role in establishing ties of kinship.

Thus the following chapter will be divided in three parts-

a) Profile of the respondents: This section will highlight the cultural background of the respondents and their growth in Montreal.

b) Small and Medium Sized Enterprises: Indians have generally invested in small scale industries because they require less initial capital. Also, the special ethnic consumer demand limits the range of customers and market supply. Therefore, this section will define small scale enterprises.

c) Development and spatial dimensions of Indian businesses: In this section, I will discuss the evolution, branching, strategies employed to get financial assistance, and the relationship between Indian tradesmen and Indian consumers.

I. PROFILE OF THE RESPONDENTS

In summer of 1994, I conducted eleven interviews for my research work and the respondents were selected through various methods. For the ethnic owners of Indian
restaurants, the Yellow Pages of Montreal were scrutinized. Other businessmen were contacted through an active member of the Indian community. All in total, I communicated with 25 Indian businessmen of which only 11 agreed to be interviewed. All the respondents are from Delhi or Punjab (two states in the north of India) and their mother tongue is Hindi or Punjabi, except one entrepreneur who comes from Kerala (a state in south of India) and his mother tongue is Malayalam. These businessmen belong to the age group between 25 to 50 years and are involved in various small scale businesses like restaurants (4), travel agencies (2), wholesale grocery stores (2), clothing (1), photo lab (1), and printing (1) (TABLE IX, p. 68).

Almost all of them came in late 1960s to mid-1970s but one respondent came in 1985. These immigrants when they left India for Canada, belonged to the age group between 20 to 25, except one person who immigrated with his family when he was one year old. Eight individuals came directly from India of which seven arrived at the port of Montreal, and one businessman went to study at the University of Windsor. Two came from United States of which one studied Hotel Management at a university in California and the second studied cosmetology in New York. One respondent came from Kuwait with the intention of working as an accountant in Canada.

All the respondents were admitted to Canada under different selection categories. Some came as independent applicants with arranged employment, few came under the family reunification program, while non-immigrants came for higher education, visiting purposes or as temporary workers.
<table>
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<th><strong>TABLE IX</strong></th>
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<tr>
<td><strong>PROFILE OF THE RESPONDENTS</strong></td>
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<tr>
<td><strong>(11 PERSONS)</strong></td>
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<tr>
<td><strong>Sex</strong></td>
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<td><strong>Age</strong></td>
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<tr>
<td><strong>Age on Arrival</strong></td>
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<td><strong>Place of Birth in India</strong></td>
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<td><strong>Languages</strong></td>
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<td><strong>Category of Immigrant</strong></td>
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<td><strong>Education</strong></td>
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<td><strong>Occupation on arrival in Quebec</strong></td>
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<td><strong>Present Profession</strong></td>
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Most of the respondents belong to educated urban middle class families of India. They came to work in various managerial, professional and manufacturing sectors. Only one respondent, on arrival, entered the business world. All the other (10) people did not have any business experience but with their skill and family support succeeded in establishing their own businesses.

In most of the cases Indian businesses are family-run enterprises where immediate family members play key managerial role and also do the labour work. In the category of immediate family, wives occupy an important position in running the business. Besides running the businesses, note that some of the wives are also in professional jobs or are housewives. I interviewed (10) male proprietors and only (1) female because the spouses of other owners were not available on the day of the interview.

The growth and development of self-employment amongst Indians will be traced with the help of these 11 interviews. The replies of the participants in the interview will be quoted to support the research. However, the identity of the respondents will remain confidential.

II. SMALL AND MEDIUM Sized ENTERPRISES

The role of small and medium-sized enterprises has increased over the years. They exist in various sectors and majority of them are in manufacturing, wholesale and retail and services.

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2 When I refer to the business people I group them together in one gender "businessmen" though one woman is also involved. This generalization has been done with the objective of making the text simple.
Important economic contributions have been made by these businesses in changing economic situations all around the world.

Over the years the small businesses have survived besides the big enterprises and they are growing as an everyday reality. They are a structured entity with an owner and customers. As long as people want to involve themselves in economic activities new forms of transactions keep appearing. Generally they begin within a limited area and are small but have lot of potential to serve society.

In our everyday life we have plenty of requirements which vary from food to repairing a broken shoe. For these services we do not require to deal with big firms where production takes place in large scale. Our job can be attended to by an individual who specializes in the repairs or, from another small retail store from where we can buy food for our daily consumption. These requirements have given rise to the growth of small and medium sized enterprises.

To serve the people, small businesses operate in local or regional markets. They are usually managed by people who live in the same sector and are often assisted by family members. These firms are independent establishments and perform a myriad of functions. The ownership of small and medium sized enterprise normally belongs to common people who could be living in the neighbourhood or could be our friends. Basically they are people who can be identified as "lower middle-class people".
Many small scale enterprises stay small while others undertake expansion. Some enterprises remain small because the potential to grow is absent or sometimes the proprietors find managing of small firms easy. Over the years small firms have grown to become an integral part of society.

According to Canada’s Small Business Secretariat the term "small business" can be reserved for organizations employing less than 100 people in manufacturing sectors and less than 50 people in other sectors and their annual sales are less than $2 million. Whereas the "medium business" can be classified as an organization employing labor between 50 to 500 persons and their annual turnover ranges from $2 million to $20 million.

Yet, to make a definite distinction between small and medium enterprises is not an easy task because, the annual turnover can be more or less inspite of the number of persons employed. Therefore, the main characteristics of these enterprises can be identified as ownership feature, limited production and sphere of economic activities. The small and medium sized enterprises in the Canadian context have been practically defined as,

"managers have decision-making independence; subsidiaries and franchises are excluded; the firm has an annual sales figure of less than $20 million and employs less than 500 people; it does not dominate its economic sector of activities; its turnover is less than that of market leaders."  

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With similar objectives in mind we see the upsurgence of ethnic entrepreneurs who grow in the ethnic enclaves. Immigrants study the market and locate the sectors where people of their own country need service. The popular industries have been clothing, restaurants, grocery stores, taxi driving, travel agencies, real estate agents, immigration consultants and so on. Entrepreneurial activity has flourished in these areas and all together a new market has evolved which has found its niche in the expanding immigrant community.

Self-employment among Indians in Montreal also flourished with the objective of serving their compatriots who have immigrated to this city. The overall structure of Indian businesses resemble other small firms because they have followed the same pattern of building themselves up. The only difference lies in their customers who are generally Indians. The next pages review some of the strategies adopted by Indians for economic growth.

III. DEVELOPMENT AND SPATIAL BEHAVIOUR OF INDIAN ENTREPRENEURS

This section discusses the factors which prompted many Indians to quit their native country as immigrants and settle in North America. It also details the measures used by Indian businessmen to establish themselves in their new risk taking ventures of self-employment.

A) Factors Responsible for Immigration

Indians went through different cycles of economic activities which were begun by the Sikh immigrants in Vancouver. Involved in lumbering, construction and other manual activities these Indians maintained a low profile. In late 1960s began the massive exodus of educated and skilled professionals who availed of the opportunities for upward economic mobility.
In 1974 a survey was undertaken by the "Canadian Immigration and Population Study" to study the principal reasons to emigrate for many people. The conclusions drawn from the answers of 4,414 respondents report that for more than one-half of the respondents the prospects of improving "economic position was the main reason for coming to Canada". Various other answers were given of which one was a better future for their children.

For many Indians the decision to emigrate originates on the basis of their economic situation in India. Difficulties were encountered in the job market because the opportunities were limited and rate of unemployment was high. Many Indians belonged to the stratum of lower middle class and to achieve "certain valued ends (e.g., material comforts, career mobility, or children's education) at the country of origin" was hard.

A general notion about North America being a land of opportunity where it is easy to make money is deep rooted in the minds of several Indians. It was strongly believed that North America is. For example, Mr. Bali said,

"My brother came as a visitor in 1969 with his friend because we had heard that there is lot of money in America(...). He left with $60 to $70 in his pocket and came to Toronto. He did not know anyone here so he left for Vancouver and arrived at a non-valid address. So he reached a Gurudwara and after 3-4 weeks of transition settled (and) applied for immigration and got it in one year."

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4 Manpower and Immigration, Three Years in Canada, 1974, p. 125.

5 MANGALAM,J.J. "Post-Immigration adjustment of India's Immigrants in Canada: A Case Study", From India to Canada, op.cit., p. 98.

6 All the Indian names assigned to the respondents who participated in this research are fictitious.

7 "Gurudwara" is a religious shrine for the people who practice Sikhism.
After establishing himself in Canada Mr. Bali was sponsored by his older brother. He arrived after finishing three years of University and did not possess any special skill. He worked as a labourer for a couple of years before finding a permanent job. The Bali family is representative of lower middle class Hindu family from Punjab in India (Mr. Bali, Age 45-50 years, came to Canada in 1972).

The same struggle was not faced by Mr. Jain although he also immigrated for making money. He belonged to an upper socio-economic, Hindu-Punjabi family of India. In most of the cases persons who came from this section of the Indian society immigrated with a good foundation in professional skills, to pursue higher education or to join an employment arranged in advance. Mr. Jain recounted,

"I came here to do my doctorate, I was in Physics (...). I came as an immigrant directly to Montreal and I was in the age group of 20-30, I was 21(...). (I came here for) no jobs, just to make money.(...)"(Mr. Jain, Age 43 years, came to Canada in 1971).

Another category under which many Indians came was the pre-arranged employment. This factor earned 10 points to qualify as an independent candidate. A worker from outside Canada was hired directly by a company to fill up the vacant position. The requirements from the job were that it should "offer reasonable prospects for continuing employment, and working conditions and wages consistent with the situation prevailing in the occupation and place where the job is available". Under this category Mr. Khosla Sr. immigrated in 1969 with his family. His son Mr. Khosla Jr. told me,

'When I came originally, 1 was landed immigrant at the time and I came in 1969 so I was 1 year old. I was born in New Delhi and (Mother Tongue) is Hindi. (Family Background) It was basically service class my father was in customs at Palam Airport for about 20 years. (He emigrated) He got a business opportunity. He was working here for a company, he joined a company here so he had this job already lined up. With people he had already met so, he was, he came basically for employment in 1969". (Mr. Khosla Jr., Age 26 years, came to Canada in 1969.)

Mr. Khosla Sr. immigrated directly to Montreal because the company that hired him was based here. Before qualifying for the job or getting selected according to the immigration rules the company required certification from the Department of Manpower and Immigration. The department had to verify if any qualified Canadian citizen or permanent resident is available to occupy the position. Only in the event that no Canadian resident was eligible would the company be able to hire workers from elsewhere.

Many other Indians who entered as non-immigrants continued to stay back and applied for the status of landed immigrant. Invariably they found jobs through their family members and later they applied independently for immigration. One example was Mr. Vasu who replied,

"I came in (19)72 and just to visit my brother and then I applied for immigration and I got my immigration. Well I applied, he asked me (the immigration officer) few questions-what kind of business I was doing or what I was doing back home? and I was doing photography and I was employed by Government of India, and it was Education Ministry and I was there as a photographer and that's about it". (Mr. Vasu, Age 49 years, came to Canada in 1972).
Mr. Vasu comes from an ordinary service class, Hindu family of Delhi who decided to immigrate because he felt that Canada was "10 years advanced and there were few things you could do in India, and my future was better here, so I stayed back".

Often immigrants mention that they enter Canada with very little money. Gradually with their hardwork they save enough to support themselves and their families financially (e.g., Mr. Bali's brother who left with $60 to $70). Another person, Mr. Jain came to do his doctorate from India with $7 in his pocket.

However, this statement about their financial assets must be analyzed. Immigrants from India have extended families residing in Canada from whom economic assistance is sought in the initial stages. Belonging to upper middle class families of India, many of these immigrants benefit from their close family ties of kinship. Thus the need to transfer huge sums of money is not required. Mr. Jain who was sponsored by his brother did not therefore require any large amount to support when he landed in Montreal.

Temporary workers included in the non-immigrant class came to Canada for a limited time. Before 1973, temporary workers did not have difficulty in applying for permanent residence. However, from 1973 onwards, applications for the status of landed immigrant were accepted by the Department of Manpower and Immigration.

The federal immigration authorities accepted the demand only if no other Canadian citizen or landed immigrant qualified for the job. The selection was made on the basis of the occupation specified by the applicant on the form. Many got selected of which majority of them
stayed back because they perceived the Canadian job market more challenging. In 1967, Mr. Srinivas came as a temporary worker and he recounted how he became a landed immigrant,

"I came with temporary worker permit for Expo '67 and then I applied for immigration and I stayed on. And those days it wasn't difficult to apply for immigration and simply walk in an immigration office and ask for immigration and that's what I did. (...) (My) purpose behind (applying for immigration) was to stay here and there were more opportunities here than they were in India". (Mr. Srinivas, Age 40-50 years, came to Canada in 1967).

At a later stage the government welcomed people qualified for opening a business in Canada and creating jobs for the Canadians and landed immigrants. Entrepreneurs received encouragement when immigration policies were beginning to cut down the quota for independent class and skilled labour. From India very few immigrated with the intention of running a business because they did not have capital to invest. Yet, some arrived directly from India as entrepreneurs but for this research I did not meet any. However one respondent Mr. Chowdhry mentioned that he came to join his brother's hotel business in Montreal. Before that, he had studied hotel management in California. He narrated,

"I came as a landed immigrant (...). I came as a entrepreneur, I was studying in California that time (early 1970's) and I just finished my studies basically. I was very young, hardly 19. My brother was here so I came to help him out (...). Actually I came to study and because my brother was here so I came to join him. (Mr. Chowdhry, Age 35-40 years, came to Canada in 1976.)
Mr. Chowdhry immigrated from India but his older brother migrated from East Africa where he was already in hotel business. Advised by his older brother, Mr. Chowdhry studied hotel management and later joined the same business.

These were some of the case studies which describe the reasons for which many Indians immigrated and how they immigrated. Besides these individuals, some landed in Montreal to acquire the status of permanent resident - such as Mr. Patel. Mr. Patel immigrated from Kuwait because "inspite of having stayed or worked in Kuwait for many years, I remained an alien". Another businessman, Mr. Khanna escaped to Quebec because of the political turmoil in Punjab in mid 1980s.

Economic reason was the principal factor that influenced several Indians to emigrate from India. This conclusion has been drawn by analyzing the replies given by majority of the respondents who participated in the research. Opportunities in the expanding job market attracted many employment seeking Indians. Arriving with various professional skills these immigrants paved their way to economic adjustment.

B) Occupational background of Indian Businessmen

Slowly the immigrants began to settle in the new environment and their respective occupations. On the other hand the number of new immigrants from India kept increasing. Every year many immigrants arrived under the various immigration programs which created special need for ethnic consumer goods.
It is difficult to determine why and when did the Indians move into self employment. The general belief is that the growth of Indian community and rise in the consumer demand saw the emergence of an Indian business class. The trend among Indians of Montreal to move into self-employment is extremely new in comparison to other cultural communities (like Chinese, Koreans or Arabs). Therefore, this tendency remains unexplained and according to two social scientists, K.B.Leonard and C.S. Tibrewal, "this new trend could be explained by the folk wisdom that overseas Indians engaged in business are simply extending their business acumen and kinship networks from India". Secondly, these Indians were willing to take risks when they began with their own enterprises.

If we study the cultural background of various Indians they all come largely from agricultural or service classes. In continuation to their family backgrounds, the respondents also began their career in Canada as professionals. For a couple of years they worked in private companies to earn their livelihood before venturing into business. The same fact was reflected in the interviews recorded. For example, Mr. Patel told me,

"I belong to an upper middle class family (...) large family of eleven sisters and only one brother and I was sixth and six at the bottom like a sandwich. My father had business and mother was taking care of us (...).Agriculture was the predominant and my father had other businesses". (Mr. Patel, Age 40-50 years, came to Canada in 1975.)
Like Mr. Patel, some of the other respondents described their family's principal business to be agriculture. However, from this information it cannot be concluded that farm proprietors in India are peasants. In India owning a farm along with other businesses is considered to be a profitable investment.

Few other participants came from professional families and their parents had government jobs. This fact was best highlighted by Mr. Tandon who elaborated on his family background,

"My father was a banker I was a banker myself, also. Uh, Basically all my family was working for the government or for the private banks. No businessman at all". (Mr. Khosla, Age 45-50 years, came to Canada in 1973).

From salaried jobs money was saved for future investments like buying a house or property or investing it in some profitable deal. For some of them, the profitable deal was small scale business which catered to the needs of the growing Indian community. Besides gaining economic independence some of the respondents started with their own business because they struck some promising opportunities. These businessmen did not elaborate on the kind of opportunities but Mr. Khosla Jr. explained,

"(...) I did, I did go for some experience, I did work somewhere else before just opening my own business but I took, I guess what you know a couple of chances. I did do it very fast but circumstances were such where I got the right opportunity and I just took it. But if I had a choice or the circumstances were different maybe I would have, you

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10 In India the title of a “businessman” is usually assigned to a person who is a patron of any individual enterprise.
know, done something else. You know, I just had the right opportunity to go on my own at that point. Maybe, if I didn't have that opportunity I would be doing something totally different at this point”.

Thus, from the interviews it is inferred that immigrants from India arrived with skills that were relatively less pertinent to the business market. Yet, the desire to achieve upward economic mobility pushed Indians into self-employment. Another important information collected from the interviews was duration of residence in Canada. In late 1960s, Indians were more assertive in their economic activities because they emigrated with the objective of settling in the host country. These two factors contributed to the economic progress of Indians inspite of their lack in business skills.

C) Information

To start any business, information is required about the market needs in matters of supplies, prices and legal procedures. Initially, the work place acts as a meeting center and building contacts with people in various professions. Information about the kind of businesses which will be successful, or availability of the premises, or about laws is gathered through informal contacts. Once general information is gathered the potential entrepreneurs locate reliable specialists to get assistance in matters of finance, labour, laws and functioning of the enterprise.

For many Indians visits to religious centers or association meetings also provide help in gathering information and building their networks. Thus large networks "with a range of assorted links are an essential part of the assets of successful entrepreneurs, who spend
considerable time building their networks, testing them, and, especially, servicing them"\textsuperscript{11}. This observation is confirmed by Mr. Garg’s statement,

"Uh, as far as I say, (economic growth) has been fast (...). Well whenever you realize I started it from there. Well where I was working I was buying manager and had connections (with) well all companies and then I started my own company. (For financial help) well my wife had a pretty good job". (Mr. Garg, Age 40-45 years, came to Canada in 1976.)

Information given by the respondents disclosed an important strategy adopted by Indians to enter into independent business. These entrepreneurs work for a couple of years to gain experience and then utilize their knowledge in the business ventures they undertake. Sometimes, the success of their employers inspires them to proceed on their own as self-employed persons\textsuperscript{12}. Like Mr. Khosla Jr.,

"I had worked in a (travel) agency about 7 years back, (or) 6 years back and it interested me and I worked on it one year and then I opened one up after about one year".

From the interviews it can be determined that, information on how to start a business was gathered from different sources. Employment is sought in other enterprises to acquire the expertise before initiating their own business. Meanwhile contacts are made with other businessmen dealing in the same trade.


\textsuperscript{12} The trend to start a business, however, after working with another company is a common activity in India. Many people get involved in small scale business to gain independence.
D) **Inclination towards Business**

Immigrants perception about jobs and success vary from the natives. The reason can be the social origin of immigrants who do not hesitate to take up low paying jobs. A professor of sociology at the University of California, I. Light, remarked about the attitude of natives towards employment. Immigrants are satisfied with their low income made from small jobs and businesses because "of wage differences between their country of origin and destination countries". And any opportunity immigrants get to start a business is taken as a positive alternative.

In the initial stages immigrants look for economic mobility rather than social status. Therefore, in the beginning they take up odd jobs to support themselves. Eventually immigrants prefer to be independent rather than working for someone else. The analysis of the interviews gave similar results that are understood to have prompted the Indians to start a business. Take for example the case of Mr. Jain,

"(...) no matter where we work, we work for somebody, we cannot become the President of the company, no matter for how long you work. You work for your own you can do something. This country is great for that purpose, if you really wanna work hard, then this country is very good. You can do very well".

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14 There is a general tendency in India to decide in favour of "Independent entrepreneurship". It is regarded with more respect than salaried jobs. However, the assurance of job security makes professional jobs more popular against risk taking business.
The objective behind starting a business for Mr. Jain was to be independent and have discretionary powers over his decision making. He was an ambitious individual who arrived as a Ph.D student of Physics and took up the job of teaching assistant at the university of Concordia. In 1974-1975, he pursued management studies at McGill and in 1976, he joined the world of clothing business because, "without any knowledge of business this country is great for doing business. You work hard, hard from the head not physically hard" he said.

The desire to be independent was expressed by another respondent Mr. Khanna who told me that he always wanted to start his own business "It was in my mind from the beginning. I never wanted to work for somebody".

The reason behind the emergence of Mr. Jain or Mr. Khanna as a businessman can be analyzed as an alternative chosen over the limited range of jobs and income-generating activities. Very often, natives do not invest in acquiring certain professional skills where the investments would be larger in comparison to the returns. They remain satisfied in the same work place and continue to earn their livelihood through the same limited means. Whereas, the immigrants opt for education to acquire the skills because they "lack access to better remunerated jobs".

Conversely, Mrs. Verma got interested in restaurant business when she started it as a past time,

"I started in (19)87. (The force behind it was) me,(laughs,) Uh, as my, like as a hobby I started it. I did not (know) anything about

\[15\] WALDINGER,R. *op. cit.*, p. 32.
restaurants, but it was just like I enjoy cooking so I started like very small place like 25 seats in there and gradually we grew up in that place and experienced you know and then I got experience and you know like experience from other people, advising and then we got a nice review eventually and then I could (...) hire and in the beginning you know I could not hire really anyone. So eventually I have two years experience, but it is not easy".(Mrs. Verma, Age 40-50 years, came to Canada in 1970.)

Before starting a restaurant Mrs. Verma had her own beauty parlour which she initiated after working as a hair dresser for a couple of years. Later, she gave up the parlour to bring up her kids and re-entered the job market as a business woman. She started with a small grocery store soon followed by a restaurant.

In early 1980s the Canadian economy started falling down and many companies laid off their workers to meet with the economic strains. With no possibility of finding a well paying job in those difficult economic conditions many were motivated to start up their own business. The best example amongst my informants is Mr. Bali who set his hands to a business when,

"I got laid off in 1984 and in December 1984 we started our own business me and my brother. We spent our own money to buy equipment. It took us two years to take out money and in the meantime we called half a million output by the company. But now no growth for there is not enough money".

The information collected from these interviews reveal that majority of the Indians prefer independent business over employment in private sectors. Low paying jobs are unacceptable to Indian immigrants who aspire to achieve the same positions as the natives. Limitations linked to the status of immigrant workers prevent their upward economic mobility
and consequently they lean towards self-employment. These factors played an important role in spurring the progress of self-employment among Indians.

E) Financial Assistance

Several explanations have been put forward by economists, management scientists, psychologists and sociologists to study the reasons behind immigrants success and failure in the business market. Economists support the theory of start-up capital that is required to operate any business. The managerial science emphasizes on managerial skills and training which are required to run a business successfully. Most of the immigrants and their descendants very often lack the required funds and business skills that overrule the chances of starting a business.

But many Indians like other Asians (e.g., Chinese and Japanese) seek the required funding through partnerships or by saving money from their salaried jobs. They rely on their own family networks for assistance and this is done to escape the high interest rates levied by the financial institutions. The entrepreneurs who participated in the research disclosed that in the initial stages of business money was not borrowed from banks or other financial institution.

Similar evidence has been presented by the research team of Jeremy Boissevain and associates. They conducted a study in seven groups of minority entrepreneurs in Britain, France, the United States, West Germany and the Netherlands. The groups studied were Gypsies, Koreans, Chinese, North Africans, Pakistanis, Turks, Indians and Afro-Caribbean.

According to this research done on these various groups the team learnt from their informants that most of them had,
acquired the bulk of their capital through their own savings, a universal finding in studies of small business founding. Some had arranged loans within the ethnic community and a few had acquired bank loans, usually to expand the business. Very few had brought capital with them when they immigrated. 

The investments play a crucial role in the growth of any business venture. Some of the Indian entrepreneurs like many other immigrants worked for long hours at various places as wage labourers to raise the money for starting an enterprise. Money was not spent on buying luxury items but on essential goods required like food and shelter. Mr. Khanna, a travel agency owner provides an example of this type,

"I worked one year in a factory, 7 to 7 in the morning, 5 hours, 7 days a week. I worked one year like that and got my immigration. Then I joined my French school (for) 2 months and after that I joined a travel agency."

Another alternative taken up by Indian entrepreneurs to get financial assistance was business partnerships. Immigrants concluded partnerships with their relatives or non-relatives when they lacked sufficient funds. Sometimes two partners made different contributions, one provided the funds and the other invested his skills and technical know how. Among my respondents few had signed partnerships with their relatives or friends and one such example was Mrs. Verma who believes that partnerships can be at times dangerous,

"(referring to partnerships) that's a touchy subject. Uh, which I did and Uh, and it was the worst experience of my life and I will advise anyone not to do that (laughs). You always get into

17 The respondent made an error in calculating the total number of hours he worked.
problems, you know, in partnerships unless you are very lucky. When you have somebody, you know, who is ready to sacrifice their lives like you will. If not, you know, they don't work and you are working day and night and their demands are more and then, you know, they are, they want more out of the business and that's when you run in trouble and that's where I (...) really, you know, the businesses starts falling down and that's the reason why I had to sell my other business also (becomes sad). (Contact with this person) personal, everything, it was right out in the restaurant’’.

The other businessmen did not elaborate their experiences with partners or their ethnic networks through which they borrowed the money. However, on analyzing the replies of persons interviewed some general conclusions were inferred. They stressed on the importance of their own savings that were invested for taking the initial step. All were satisfied with the growth of their enterprises and were optimistic about making more progress. These respondents are now considering the idea of taking loans from the bank to expand their business.

F) Family Ties or Immigrant Networks

The theory of strong family ties among immigrants is well supported by Indian immigrants too. Most of the new arrivals frequent the community centers or religious institutions to establish contacts. The settled immigrants are approached by new comers for guidance, jobs and sometimes financial assistance. The new immigrants rely on community members because of familiarity and the belief that your own country people can relate to your difficulties rather than the natives.

Information, guidance and assistance in seeking jobs is frequently provided by the settled immigrants to the new comers. Most of the immigrants secure jobs where other workers are also from their community. Slowly the fresh arrivals make an arrangement of sharing an
apartment to cut down on their cost of living. In a period of one to two years these immigrants sponsor their families and move out to live on their own. For example, Mr. Khanna who described his initial experiences,

"I use to go to Hindu Temple and where (I made contacts with other Indians.) No connections like (no relatives), Uh, one of my friends was here in the (business) and I just contacted him as he has a big company upstairs (called) "Cream Soda". (...) I worked for them also for 3 months and beginning 3 months I worked for them and at the factory. That's how I slowly made my connections. I just stayed in an apartment. No, I stayed 15 days with three Pakistani guys and after 15 days I got my apartment. I left alone, I lived one year alone and then I was sharing with somebody".

The ties between coethnics help in becoming familiar with the new environment and decrease the harshness of new challenges. Identification with their country people reinforces the identity of being ethnic.

Another important feature highlighted by the interviews is that, Indian enterprises are embedded in family or ethnic networks for financial assistance, information, business skills and labour. Kinship ties are an important link in the success of small scale businesses. They provide from financial to moral support. The established links in turn help them to survive the different vicissitudes of the business world.

Business deals require a certain percentage of trust and sincerity. Therefore, close ties help in transferring the ownership of the business to another community member. Proprietor of a particular business is very often able to locate a buyer within his informal network of contacts.
Information on a person from the same ethnic group can be gathered from the community leaders or other members. For the same reason buying or selling is ascribed to the same group members. One of the respondent Mr. Srinivas with the same objective in mind sold his business to another Indian entrepreneur. He did not, however, elaborate on this topic much due to some personal reasons.

G) Labour Recruitment

Immigrants require to use all the available resources with which they are familiar like their skills, capital to invest, and business contacts to mobilize the business. After putting into force their acquired resources the question of labour remains.

The feature of labour recruitment largely depends on the nature of business pursued. Indians who operate their own family business have their immediate or expanded family members working. People in restaurant business largely depend on the community members for the supply of labour and mainly for the skilled cooks. However, over the years restaurant owners have started hiring the natives for some of the jobs which require precision like bartenders or waiters. There are some traditional restaurants which depend solely on their family members for labour.

Ethnic enterprises dealing with clothing or travel do not have any such labour specifications because these economic activities do not have any cultural traits. However, when cheap labour is required then they hire ethnic labour which is ready to work for long and odd hours for little pay. Spouses and children of the business owners work for no pay at all.
All the participants except two depend on ethnic labour to operate their businesses. The number of workers in each enterprise varies because labour is employed according to the requirements of the work. For example, of the four restaurants only one hires more than ten employees. Whereas in the other three the number ranged between three to seven workers. The same number (less than 10) was reported by the wholesale grocery dealers, printing store and the photo lab owners. For example at the warehouse of Mr. Tandon,

"It's, right now there are not too many employees, it's all Indians. I do, I did have often part time non-Indian employees. Yes."

Family businesses rely more on immediate family members like spouse and children; and at times uncles, aunts and cousins who participate in the production and do not take wages. Some businessmen open up branches of the same business for their younger brothers and cousins.

The concept of ethnic employees is popular not just because cheap labour is provided by the immigrants. But also due to their familiarity with the culinary products and other goods imported from India. They can serve the clients better and increase the sales for their employers. Like Mr. Chowdhry explained,

"We have, what, I would say 60 to 40. 60 Indians and 40 local. Initially we had more I would say about 90% Canadians and in long run we kept them only Canadians. But now that (...) is over we have more Indians now. (To have Indian employees) It does help because they are more responsible, they know your product, they know so it is much easier to explain to them what the spices wise. Basically the waiters are Indians, the barmaids or bartenders they would be Canadians,(also) kitchen helpers,
dishwashers for which we can use them (Canadians). But specialty when comes in its more special of Indians).

An ethnic employer and ethnic labourer build up their relationship on cooperation where loyalty is secured through cultural allegiance in place of harsh discipline. The efforts of the immigrant workers are paid off by the employees by creating jobs for the new relatives of the labourers and giving financial assistance when required.

From the interviews, I understand that operating ethnic enterprises with the help of ethnic labour provides viability and durability to the trade. Thereby, a cooperative environment created by the employees and labourers helps the company to rely on its workers in times of seasonal high demand periods and utilize the available resources to the full extent. Lastly the acceptance of low pays and readiness to work long hours help both the employer and the workers to successfully cope up with the recession times.

H) Ethnic Clients

The percentage of ethnic customers also depends on the nature of business. It is expected that ethnic firms will cater more to the needs of immigrants. But the diversification in the types of businesses operated has changed the clientele. Today more and more ethnic firms are evolving and serving the host society and the immigrants.

Small businesses cannot survive if they remain prescribed in the ethnic market. To increase production and sales it is necessary for these entrepreneurs to disperse in other parts of the city. Expansion helps to attract new clients because customers from the same community
tend to limit the economic activities. Secondly, more variety of products is required to serve the needs of the coethnic group and other nonethnic customers. For this reason most of the grocery stores and clothing boutiques keep a variety of goods. As a result they have a mixed percentage of customers.

The location of Indian businesses is well distributed in the metropolitan region of Montreal. These stores are scattered in the Downtown Area, East of Montreal (Chabanel, Jean Talon, Cremazie and St. Laurent), Lasalle, Pierrefonds, Dollard-des-Ormeaux, Brossard and Cote-des-Neiges. To a certain extent Indian stores are spread out in areas where majority of the Indians reside.

Yet, these tradesmen do not depend entirely on Indian customers for business. To expand their transaction territories, Indian businesses cater to the needs and tastes of other nationalities. For some entrepreneurs the percentage of Indian clients is 50 percent while for many other it is less than 50 percent or between 0.0 to 5 percent. The difference in the percentage of Indian customers is subjected to the nature of the trade.

For example, Mrs. Verma who is established in the downtown area of Montreal replied that most of her clients are non Indians. She disclosed that it is hard to survive if we rely on Indian customers for business because they provide a very limited clientele and added,

"My clients are 95 point or 99 percent are Canadians. Indian clients are not that many. (Started with Indian clients) No, No. 100 percent were Canadians (clients)".

18 The respondents reference to "Canadians" implies non Indians.
While Mr. Garg who deals with Indian groceries replied, "(clients) I have 60 percent Indians and 40 percent Canadians. (All the clients are in Quebec) No, all over Canada and in States also".

Some of the responses given by these Indian businessmen interviewed, helped to understand and conclude two important characteristics of the ethnic enterprises. Most of them ventured into self-employment with the objective of promoting their culture and serve their countrymen. Over the years, however, their economic activities have changed and they draw customers from various ethnic and nonethnic groups.

I) Spatial Behaviour

In Montreal there is no such area by the name of "Indian Ghetto". This fact is linked to the nature of Asian Indians who do not concentrate in one region or in ethnic enclaves. Secondly, their businesses are also widely spread out. Prof. A. W. Helwig described that Indians have a tendency to live in suburbs because "privacy is a valuable commodity to Indians in Canada". On reviewing the living habits of Indians in Toronto he concluded that they prefer maintaining reasonable distances from their group members to distance themselves from social ridicule and judgment. In times of help they reach out to their group members through telephonic communication. The modern means of transportation also make it possible to have privacy and interaction.

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19 HELWIG, A.H. "India's Immigrant Professionals in Toronto, Canada: The study of social network (1)", From India to Canada, op. cit., p. 76.
The study done by Prof. Helwig has overlooked an important aspect of the Indian community. The selection of residential space is linked to the needs of an individual person. In the initial period immigrants reside in the heartland of the city. This decision is taken because various necessary services (like shopping malls, schools, hospitals and transport) are easily available in the area.

Gradually, most of them move into suburbs because their requirements change over a period of years. Along with economic growth, expansion of families takes place. Therefore, there are various factors which influence an immigrant's decision to settle in the suburbs. It is wrong to believe that privacy motivates Indians to change their residential space.

The businessmen who were interviewed declined any affinity to ethnic Indian enclaves. A majority of them replied that their decision to select their residential place was entirely influenced by their requirements. Some of the immigrants chose to live near their workplace and some moved to suburbs after spending some years in the downtown area of Montreal. Like Mr. Srinivas,

"(I lived on) Fort and Maisonneuve and (then) Drummond above Sherbrooke. (because) Mainly town, central, walk down to any places. I was working for Sheraton before opening this. I have never been in an Indian ghetto. Never. Never. Now I am living in Greenfield Park. There are not many Indians also. Basically all the Indians population is in West Island or Brossard. In South Shore everyone is in Brossard or West Island".
In case of Montreal another factor which plays an important role in determining the residential space of the Indian immigrants is "language". English is commonly spoken and used in the daily life or for business transactions by the Indians. As a result, they select areas with anglophone communities like Pierrefonds, Dollard-des-Ormeaux, Brossard, Lasalle, and Central Montreal. One participant, Mr. Khanna said, "I bought a house in Pierrefonds because it is English speaking".

Thus, the general answers of all the respondents reveal that the decision of choosing their residential habitat is an individual choice. Selection is made more on the grounds of family requirements, capacity to pay the mortgage, accessibility to the workplace and language.

1) Professional and Personal Integration

Indian immigrants did not face any major problems in professional or personal integration. The business people interviewed narrated their individual experiences and successful integration in the host society. Some of the immigrants had language problems in the initial stages but gradually they surpassed these temporary barriers. One respondent Mr. Khanna said,

"French is there, it doesn't matter. The people does understand English also. The only problem I face is I would like to go to school because I did have some Indian accent of English also, I want to improve it. Whenever I get a chance, definitely I'll go to school. Definitely".

Although, Mr. Khanna's business is not effected by the French language, yet he feels uncomfortable about his English accent. It is possible that discrimination was sensed by him
because of Indian touch in the articulation of words. Besides Mr. Khanna many other Indians also feel uncomfortable because of their accent. This factor remains subliminal in producing any strong feelings of discomfort for the Indians.

However, some respondents mentioned that recently language and issues of Quebec separation have created problems in personal integration. In the initial years things were moving smoothly and French was not a problem at all. Like Mr. Chowdhry replied,

"Well, when I came that was in 1976. That time we didn't have much French problem that time. But in the last couple of years it is getting difficult I think. (Besides language problems) as an immigrant no, not in Quebec".

Many others arrived from urban towns and were exposed to the western living and the education system "based on the British Model"\(^\text{20}\). These factors contributed to their faster adaptation of Canadian environment.

Very few Indian immigrants felt that they were discriminated on the grounds of their race. In general, the respondents were very comfortable in the new environment chosen. Many also felt that, Montreal was more tolerant of its multicultural feature in comparison to other cities. Mr. Tandon narrated his experience,

"(job opportunity) No, it didn't come easy. I did get a job offer uh but uh, I wasn't allowed to join when they finally saw my face. Though it was out of town, in Calgary. I flew down there and I was supposed to have joined the largest C.A. firm in Canada at that time. But when they saw that I was having\(^\text{20}\)"

Indian face they did not let me join. So after that I had a very difficult time and finally I moved down to Montreal where I applied for, with some C.A. firms and I started working as a aiding clerk what they call as a C.A. student”.

Later, in his professional life Mr. Tandon did have some problems because of his ethnic background but they were very rare occasions. Similar view was expressed by Mrs. Verma as she discussed her experiences of personal and professional integration. She said,

"As a matter of fact (...) there was no discrimination at that time. And I very frankly feel, that I found, that with French people there is no discrimination at all. They never did give you that feeling as long as you were qualified for it (for the job). It's O.K.".

Some of the entrepreneurs received encouragement from other ethnic businessmen like Mr. Bali said, "English, French, Jewish integrate while not the Asians. Local people were helpful and they gave lot of work in the initial stages to help". This information reveals that discrimination took place among coethnics. Though this discrimination can be termed more as competitive disposition of tradesmen.

Therefore, from the interviews it is determined that, in Montreal these Indian immigrants did not become victims of any notable discrimination. There were few instances which did not create any uproar. Acquisition of license or any other government assistance was not a difficult task because the government policies were same for both, the natives and the immigrant businessman.
K) **Non Resident Indians (NRI's) and Economic Reforms in India**

Liberalization of the Indian economy and new acts promulgated to invite NRI's to invest in India has created new dimensions to be achieved. In response to the introduced changes, majority of the self-employed Indians are optimistic about making investments and availing the new opportunities.

Recently, many NRI's residing in Montreal visited India to explore the market and find ways and means to promote trade between India and Quebec. It is believed that the reforms will have a strong impact on the economic activities of the NRI's like Mr. Chowdhry said,

"People (NRI's) had very bitter experience before. Now, since it (Indian business market) has opened people are more confident, people will be concentrating more on India".

Some of the Indian businessmen interviewed, expressed their desire to return back to their home country. Their decision to return home has received more boost from the recent economic changes introduced. Best example was Mr. Srinivas who told me,

"I am thinking of going back. I was there in January (1994) for six weeks. My wife, now is recently visiting India there. And I am going back again at the end of this month (August, 1994). No particular field (in which to invest) in mind. I am very optimistic about these reforms".

On one side, investments have already been made by many NRI's from Montreal and they are putting in efforts to expand it further. On the other side, some of the businessmen are exploring opportunities. For example Mr. Garg who said,
"I already invested (in India). I was there in the beginning of this month (August, 1994) and I bought a land to grow spices and pulses. I started in 1989 the procedure. My heart is there".

The economic reforms can indirectly influence the sales of some of the businesses - such as Mr. Khosla Jr., a travel agent remarked,

"I don't think it will have any real effect on the way I do business. The only thing it could have an effect is on other people who have origins in India that could increase their travel which could increase the amount of business I do. Because they are travelling more and so I'm selling more tickets. But that's the only immediate effect I could see".

Most of the businessmen consider the economic reforms in India favourable for the trade and commerce. Yet, some look at liberalization negatively like Mr. Bali who said, "I'm not interested to invest in India because of corruption, pollution and overpopulation".

From the various replies gathered, in general it can be inferred that the enforced economic changes have been welcomed by most of the NRI's. Measures have been adopted to seek opportunities and expand their business in various parts of India. It is believed that the new economic developments will help indirectly to build economic, political and cultural bridges between India and Quebec.

To sum up, this chapter highlights some of the main characteristics of the Indian entrepreneurs of Montreal, and how have they grown commercially. They have adopted several strategies to progress in their individual fields and are diligently working their way to success. However, this group of eleven respondents does not represent the whole community. The
process of integration adopted by them cannot be generalized for the whole community because each individual undergoes a different challenge.

Coethnic resources have been utilized in the initial stages and later, diversification in their activities has taken place. Best examples are ethnic ties, labour and clients which help to locate the niche of an ethnic enterprise.

Though these businessmen seek help from their countrymen yet they maintain residential distance to serve their needs. This behaviour can be perceived as a strategy adopted to hasten the process of integration in the new environment.

The growth of Indian businessmen corresponds to other disparate groups in diverse settings and our results converge at the same point. They follow similar strategies like working in the factories, taking up low paying jobs, working for enterprises where other countrymen work and saving money to achieve economic security. Once these businessmen accumulate enough capital, they set up a small-scale business. Moreover, the reasons to get into self employment for most of the ethnic groups are alike as those for other Indians.

Often, the methods pursued by Indians in business are influenced by the cultural traits they inherit in India. Inspite of belonging to different social groups back in India these immigrants have established themselves as a viable group in the growing economy of Montreal. With their perseverance they have gained economic mobility. Instances of discrimination did not prevent them from achieving their goals.
Thus, survival of ethnic entrepreneurs is associated to their social, cultural and economic resources. These small businesses help to serve the needs of their respective communities and at the same time they promote their culture. Importation of goods from their homeland introduces the native population to their food, clothing and other cultural habits.
CONCLUSION

The preceding study prepared with the help of eleven interviews has permitted to trace the growth of Indian population in Montreal. However, these businessmen do not represent the whole Indian community. Individualistic in nature these Indians profess to promote Indian culture through their endeavours. Yet, their testimonies have contributed in understanding what measures are adopted by Indians to integrate in the culture of the host society. To grow as a viable ethnic group Indian community of Montreal has promoted the emergence of Indian businessmen, Indian cultural institutions and social associations.

The nature of Indian immigrants is analogous to many other Asian or European immigrants. When the trend of immigration began, many people left their respective countries with the hope of returning back one day. In the beginning, Indians also arrived with the same objective in their minds, that was to find jobs, save their earnings and to return to India. Since the post Second World War era majority of the immigrants from India and other countries came to settle down and make their future here. Yet, they carried their cultural values and ethics with them. These cultural norms assisted them to set up their own network of support.

The proliferation of Indian community has been largely controlled by the immigration laws. The enforced laws were discriminatory in nature and immigration from India was restricted. This resulted in the substantial fluctuations in the proportion of the population. The initial years of immigration from India allowed the inflow of a very limited number. From 1951
to 1958, a contingent system was established which allowed the entry of 150 to 300 immigrants annually.

Only from early 1960s, the number increased and was dominated by independent professional workers. Gradually, the changes in the economic demands of the Canadian society influenced the nature of Indian migrants. Family class immigrants and refugees arrived in large numbers closely followed by people interested to invest in Canada. Though not many Indians immigrated for starting a business because they did not have large sums of money required to invest.

These people (family class, refugees and independent class) entered Canada in as landed immigrants. While some proceeded with a non-immigrant visa for studies and temporary work purposes. Temporary status was maintained by them for a couple of years and eventually majority of them applied for permanent residence. All these categories of immigrants have made their individual contributions in strengthening the Indian community.

The Indian community has been gradually expanding in number, and in a span of less than thirty years they have made several accomplishments. The cultural institutions offer an opportunity to practice their religion and festivals as an individual group. Social associations provide a common platform for the community members to discuss their problems and give social assistance to the new immigrants. The self employed members of the community provide financial help to strengthen the community. New arrivals find jobs with these entrepreneurs that
benefits, both the employers and the labourers to prosper. There is an overall upliftment in the rate of self-employment and jobs available.

Success of any cultural group depends on the social, cultural and economic resources it brings in with it. Also, the nature of ties with their coethnics and formation of their social networks affect the growth. Indians are embedded in strong social networks and have carried with them their cultural beliefs, which help them to hasten the process of adaptation and integration.

Immigrants from India envisage economic security as a primary step towards cultural integration. They strongly support the idea of hard work to earn their livelihood, rather than to live on unemployment or welfare. With the same objective in mind, they are prepared to take all kinds of odd jobs to make themselves economically independent. In majority of the families both husband and wife are found working. In the initial years, the families put in long hours and follow a strict financial plan to cut down on their expenses. The savings are then invariably invested in buying a house, or a property, or starting a business.

Over the years the first generation Indians of Montreal have made investments in various small scale enterprises. The predominant sectors are restaurants, grocery stores, electronic goods, real estate agents, consultancy, travel agencies, video stores and driving schools. Few have their own dance and music schools which promote Indian culture, at the same time are sources of earning their livelihood.
The concept of entrepreneurship attracts many Indians but not all succeed in establishing themselves. This activity involves several hardships and challenges that prevents the survival of the businesses. Very often, these businesses are struck by bankruptcy or there is a change in management. The principal reason is that they do not make enough sales. Therefore, the sight of the previous business is replaced by a new enterprise.

Another feature linked to Indians or other ethnic tradesmen is, ownership of two to three businesses. Some of the entrepreneurs make investments in different fields that accentuate their economic progress. Though, it is not necessary that all the businesses are operated in the long run. In a couple of years most of the businessmen concentrate on one business which brings in more profits.

On the whole, business investments have created more job opportunities for the community members and enhanced their economic growth. This expansion also contributes in establishing links with Indians in other parts of the country. Entrepreneurship has indirectly helped to strengthen ties between India and Quebec. Participation of NRI's in the economic ventures of Quebec and India have built a cohesive network of mutual understanding.

Contrary to integration and progress, is the factor of discrimination. The testimonies of the respondents highlight an ambiguous picture of their experiences. The people interviewed, answering for themselves did not refer to any problems in integration. Yet, instances like selection of residential space in an anglophone sector or desire to improve the english accent
underline the existing pressures faced by this cultural group. The cultural differences exist which create a gap between the host society and the immigrant community of Indians. Problems of acculturation are more prominent amongst the first generation immigrants from India. The reason can be their cultural beliefs that are strongly embedded in their mind.

The disparity which exists because of language and other cultural factors prevents the Indian community to fully incorporate with the host society. A general distance is maintained by them from the mainstream society that hinders the process of integration. Irrespective of these differences Indian immigrants have made significant progress in integrating with the host society.

All these activities have resulted in the development of Indians as a structured cultural group. Financial independence has enhanced the process of integration. It is also hoped that by the twenty first century Indian immigrants will integrate better, since the second generation is more accustomed to the present lifestyle. However, this is not a complete study of the Indian community because there are many more dimensions attached which need to be studied individually. But I believe that, this attempt will help to understand the challenges and predicaments faced by Indian immigrants to integrate themselves in the new culture.
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APPENDIX I: GLOSSARY OF LEGAL TERMS USED

Country of birth: Country a person is born in.

Country of citizenship: Country of which the person is a citizen or national and which has issued the person’s passport.

Country of last permanent residence: Country where the applicant has resided on a permanent (or de facto permanent) basis for one year or more. “De facto permanent” applies to residence in a country which never confers permanent residence, or only after a long period.

**Defined in the Immigration Act 1976:**

Admission - entry or landing.
Immigrant - a person who seeks landing.
Landing - lawful permission to come into Canada to establish permanent residence.
Permanent Resident - a person who has been granted landing, has not become a Canadian citizen or has not lost his permanent residence status.
Worker Immigrant - an immigrant who intends to enter the labor market soon after getting the permanent resident status.
Intended Occupation - in the case of permanent residents, is based on a statement of intention only and there is no guarantee that the intention was realized.

**Classes of Immigrants**

The Family Class and Assisted Relative Class were established under the Immigration Act, 1976 and the Immigration Regulations, 1978. These classes replaced the “Sponsored” and “Nominated” categories, respectively, which were a part of the Immigration Act of 1952. Yet the new classes correspond to the former Act to a substantial degree. The principal difference being that the family class now embraces parents and grandparents of any age. Previously, parents and grandparents were included in the nominated rather than sponsored category if they were under 60 years of age.

The nominated category was established in 1967. It does not appear separately in the statistics until 1968.

Section 6 of the Immigration Act 1976 identifies three basic classes of immigrants - the family class, convention refugees, and independent immigrants which include all immigrants who apply on their own initiative.

All persons being sponsored or selected together with their dependents must meet the requirements of the Immigration Act and Regulations.
Family Class

Canadian citizens and permanent residents, aged 18 and over and living in Canada, have the right to sponsor the application of certain close relatives who wish to immigrate to Canada.

These sponsored relatives may include their dependents on their application, which includes a sponsored relative's spouse and their never married children. In most cases when an applicant is refused, both the sponsor and the applicant have the right to know why.

The family class underwent some changes in 1992 which redefined the age group of the sponsors and sponsored relatives.

Before 1992:
- spouse and spouse's accompanying unmarried children under age 21.
- unmarried children under age 21.
- parents or grandparents who are 60 years of age or over, plus any accompanying dependents (Canadian citizens over age 18 may sponsor parents of any age).
- parents or grandparents under 60 years of age who are widowed or incapable of working, plus any accompanying dependents.
- unmarried, orphaned brothers, sisters, nephews, nieces, or grandchildren under 18 years of age; and
- fiancé(e) and accompanying unmarried children under age 21.

Others who are also eligible for sponsorship under the family class include:
- any child under 13 years of age whom the sponsor intends to adopt who is an orphan, abandoned child, or child placed with a child welfare authority; or
- any one relative regardless of age or relationship to the sponsor, plus accompanying dependents. However, the sponsor must have no immediate relatives living in Canada and cannot otherwise sponsor anyone.

Since 1992:
- wife/husband.
- fiancé(e).
- dependent son/dependent daughter (see below for detailed description).
- parents, grandparents.
- brothers, sisters, nephews, nieces, grandchildren, who are orphans, unmarried and under 19.
- children under 19 the sponsor plans to adopt.

In 1992, the age was increased to 19 and over.
• any other relative, if the sponsor does not have any of the above or any family in Canada.

**Dependent son or dependent daughter:**

There are three ways sons or daughters can be "dependent" on their parents:

1. Under age 19 and unmarried.
   • must be unmarried when they apply for a visa and still unmarried when the visa is issued.

2. Full time students.
   • must be studying at a college, university, or other educational institution; and
   • must be studying or training when they apply for their visa and when the visa is issued; and
   • must have been supported financially by their parents from age 19 or from the date of their marriage.

3. Children with a physical or mental disability being supported by their parents.

**Convention Refugee**

The refugees are accepted who meet the following United Nations definitions: any person who

a) by reason of a well-founded fear of persecution for reasons of race, religion, nationality, membership in a particular social group or political opinion,
   • is outside the country of his nationality and is unable or, by reason of that fear, is unwilling to avail himself of the protection of that country or

   • not having a country of nationality, is outside the country of his former habitual residence and is unable or, by reason of that fear, is unwilling to return to that country; and

b) has not ceased to be a convention refugee by such reasons as voluntary repatriation.

A group of at least five Canadian citizens or permanent residents 19 years of age or older, or local organizations which are legally incorporated may sponsor Convention refugees, members of designated class and their families. Undertaking a sponsorship agreement means agreeing to provide settlement assistance for the refugee(s) for a period of one year. However, the refugee class has been amended from time to time to make the selection criteria more efficient. The changes will be discussed later.
Independent Immigrants

The third class of immigrants includes assisted relatives, skilled workers, entrepreneurs, investors, and self-employed persons, all applying on their own initiative. Earlier, it included the retired class too, which was canceled in 1991. The persons coming under this category immigrate with the economic factor in mind. Immigrants in the independent class are assessed against the factors in the selection criteria.

In Quebec, there is an agreement which provides for Canada and Quebec to divide responsibility for selection. The Government of Quebec has exclusive responsibility for the selection of independent immigrants to that province.

a) Assisted Relatives: Relatives other than members of the family class, who are unable to qualify for selection in their own right but who have a kin in Canada willing to help them to establish here. Relatives eligible to apply under this category include the Canadian residents brothers and sisters, parents and grandparents, children and grandchildren, aunts and uncles, nieces and nephews, and any dependents accompanying these relatives to Canada.

b) Entrepreneur: An immigrant who intends and has the ability to establish, purchase or make a substantial investment in a business or commercial venture in Canada that will: make a significant contribution to the economy; and create or continue employment opportunities in Canada for one or more Canadian citizens or permanent residents, other than then entrepreneur and his/her dependents. (And who intends and has the ability to provide active and on-going participation in the management of the business or commercial venture.)

c) Investor: A person with a proven track record in business who has an accumulated net worth of at least $500,000 and who makes an investment as required in a project which has been assessed by the province as being significant. Benefit to its economy and which will contribute to the creation or continuation of employment opportunities for Canadian citizens or permanent residents.

d) Self-employed person: An immigrant who intends and has the ability to establish or purchase a business in Canada that will create employment opportunity for that person, and will make a significant contribution to the economy or the cultural or artistic life of Canada.

These three categories (entrepreneurs, self-employed persons, and investors) make up Canada’s Business Immigration Program. Applicants may obtain information on this program from visa officials at Canadian missions abroad.
APPENDIX II: EVOLUTION OF THE IMMIGRATION ACT

1960: Proposals to end the discriminatory features of immigration policy.

1962: Adoption of a universally applicable policy which also safeguarded perceived economic interests. With the admission of 100 Chinese refugee families from Hong Kong, Canada took a first step towards a non-discrimination policy.

1963: Canada extended special provisions for adoption of orphans of the non-white children.

1964: Rising demand of manpower and visitors seeking to become immigrants had a substantial influence on the Canadian immigration policies and programs.

1966: The establishment of a new Department of Manpower and Immigration, an amalgamation of the National Employment Service elements of the Department of Labor, and the Immigration Service.

Formulation of the White Paper which was expansionist in philosophy but was not finalized by the Parliamentary Committee although its proceedings had a formative influence on the regulations that ultimately evolved.

1967: Introduction of four new elements:
   a) Discrimination on the basis of race or nationality was eliminated for all classes of immigrants;

   b) "unsponsored immigrants" were renamed "independent immigrants". They were to be selected on the basis of nine factors which included, besides skill and education, personal characteristics, demand for his occupation in Canada, age, knowledge of French or English, and the existence of pre-arranged employment;

   c) Creation of "sponsored" and "nominated" relatives. Category of nominated relatives rested midway between sponsored class and independent class.

   d) Specific provisions were made for visitors to apply for landing in Canada.


1974: The 1974 Regulation changes tied immigration more likely to labor market conditions in Canada. Family Class became the mainstay of the program as the independent category became proportionally smaller.
1975: Release of the Green Paper and appointment of a Special Joint Committee of the Senate and House of Commons in February.

1976: Submission of the Immigration Bill, on November 26th, formulated by the appointed committee of 1975.

1977: The Bill received Royal Assent from the Governor General on August 5th.


1979: In July the Canadian Foundation for Refugees was established.

1981: To control the inflow of non-genuine visitors from India and to stem the tide of refugee applicants whose claims were based on economic factors rather than on the fear of persecution, the visa requirement was put into effect on October 15, 1981.

1987: There was an increasing abuse of Canada's refugee determination system by economic migrants who were claiming refugee status. This obliged the government to submit two pieces of legislation, Bill C-55 and Bill C-84.

1988: The two bills C-55 and C-84 received Royal Assent. A new streamlined refugee determination system was introduced by Bill C-55. The new system replaced a complicated eight-stage process that once took years to complete by a simplified three-stage procedure.

Bill C-84 was enacted to combat unscrupulous individuals who profited by transporting people to Canada under false pretenses.

1991: The Canada-Quebec Accord signed, in February, by which the two governments agreed to divide responsibilities for immigration to Quebec.

The Government of Canada continues to determine national standards and objectives, and to have responsibility for the family class and refugees. Quebec government is responsible for linguistic, cultural and economic integration services for permanent residents, and has exclusive responsibility for the selection of independent immigrants.

In August cancellation of retired people's category from the "independent class".

1992: Age of the sponsorers and sponsored relatives was increased from 18 to 19 and over.

A new legislation Bill C-86 was brought in by the government to respond to the economic and technological changes to provide modern management tools needed to maintain a fair, balanced and effective immigration program.
1993: Revisions to the Immigration Act 1976, together with the first set of regulatory changes came into effect on February 1st.

In June creation of two new departments with Immigration responsibilities:
- Human Resources and Labor responsible for setting immigration levels, selection criteria, federal provincial immigration agreements and settlement;
- Public Security responsible for all immigration operations in Canada and abroad, as well as business immigrants and refugees.

Throughout, the main objectives of Canada's Immigration Program have remained the same - to reunite families, protect genuine refugees and promote Canada's development.

SOURCE:
APPENDIX III: QUESTIONNAIRE GIVEN TO THE RESPONDENTS IN JULY 1994.

1) When you came to Canada what was your status:
   - independent immigrant;
   - sponsored by a family member;
   - student;
   - refugee;
   - visitor;
   - other.

2) Which state of India do you come from?

3) What is your personal status:
   - age;
   - name;
   - place of birth;
   - year of arrival;
   - mother tongue;
   - religion;
   - civil status;
   - education;
   - other.

4) What was your family background?

5) Reasons for you or your family to immigrate:
   - economic;
   - political;
   - business;
   - education;
   - travel/leisure;
   - other.

6) Did you immigrate to Quebec:
   - straight from India, or,
   - elsewhere from North-America;
   - other.
7) What were you qualified to do at the time of immigration?

8) What kind of jobs did you intend to pursue in Canada?

9) What did you find:
   - suiting your qualifications;
   - Interests;
   - compromised with the situation.

10) What kind of difficulties did you have in personal integration:
   - cultural;
   - race;
   - linguistic;
   - other.

11) What kind of difficulties did you have in professional integration:
   - qualifications;
   - credit/loans from banks;
   - other.

12) How does the federal/provincial government respond at the level of economic assistance for starting a business?

13) Do you feel government policies vary substantially in the level of economic assistance to the natives and immigrants?

14) What kind of businesses did you start with:
   - restaurants;
   - grocery stores;
   - clothing stores;
   - convenience stores (depanneurs);
   - gift shops;
   - property owners;
   - motels;
   - other.

15) Did you remain in the same business or invested in some new domains?
16) Do you think the pace of your economic growth was normal, faster or slower compared to the natives?

17) Where did you seek economic assistance from:

- partnerships;
- government loans, or,
- transfer of money from India;
- other.

18) Have you made any investments in Quebec, Canada, States, India or elsewhere in the world?

19) Does your business depend on importation from India?

20) What percentage of your total buying is from India?

21) What is the percentage of Indian and non-Indian employees and clients?

22) Has the liberalization of the Indian economy had any impact on your business in Quebec?

23) Are you optimistic, pessimistic or neutral about the changes?
Figure 1
POPULATION OF INDIAN IMMIGRANTS IN CENSUS METROPOLITAN REGION OF MONTREAL, 1991-20% Sample Data

MUNICIPALITÉS DE LA RÉGION MÉTROPOLITaine, 1986
ET ARRONDISSEMENTS DE LA VILLE DE MONTRÉAL

LESss THAN 250
250 TO 499
500 TO 749
750 TO 1000
1000 AND MORE

Réalisée pour le ministère des Communautés culturelles et de l'Immigration par le Service de cartographie de l'INRS-Urbanisation, 1990.