



IMMIGR AFFAIRES

Guide for immigrants who want to start a business in Québec

2010 EDITION



SAJE

This guide was produced by SAJE

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The information in this guide should be considered a guideline. To determine whether any changes have been made to this information, we recommend that you contact the reference organizations directly.

The masculine form is used in this document for the sole purpose of simplifying the text.

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Michel Fortin
Executive Director
SAJE



Here in Québec, immigrant entrepreneurs are welcomed with open arms!

In recent years, more and more immigrants have been deciding to settle in Québec. The newcomers are mainly from Morocco, France, China, Algeria, Romania, Columbia, Mexico, India, Haiti and Lebanon. Many decide to leave their home country to improve their economic situation. Québec society has to be ready to welcome these immigrants and assist them in their social and professional adjustment process. Some of these newcomers will look for jobs, but others will decide to create their own businesses as entrepreneurs. These new arrivals have as much to offer the business world as people of Québec origin.

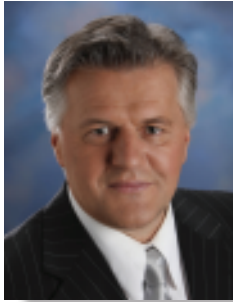
Our primary goal is to give them information and training. Then we will give them the tools to make the Québec business model work for them, so their business will be a success. We welcome all immigrants who want to set up a business in Montréal. Their expertise and cultural background can be significant factors in the creation of their own business. It is up to us to support them and direct them toward the appropriate resources.

SAJE is increasingly aware of the needs of our immigrant clients, and as such we have signed agreements with organizations that deal directly with newcomers. The various cultural communities are among the most effective incubators of entrepreneurship in Montréal, so it is particularly important to build a solid and united network of entrepreneurs.

Since our challenge is to open up to the new realities and emerging needs of our clients, it made a lot of sense for us to develop a reference guide. Today we are especially proud to unveil the *ImmigrAffaires* guide. *ImmigrAffaires* is a resource that provides a wealth of information to immigrants about the job market and the business world in Québec. We hope that all this information and these references will help a growing number of immigrants leverage their own expertise to create thriving businesses here in Québec.

I wish all the best to all our immigrants.

Michel Fortin
Executive Director
SAJE



Going into business is an adventure, one that requires proper preparation, especially if you are starting out in a place that is not your country of origin, where you must decode a different business culture and learn what to do.

This is what makes the *ImmigrAffaires* guide such an important tool. It assembles all kinds of information to give immigrants who want to start businesses in Québec valuable data and references. Using the guide will make it easier to set up and launch a planned business, as well as integrate it with the city's business community.

Every new arrival who comes to Québec has a cultural background, knowledge and experience that enrich our society. This is especially true of entrepreneurs, go-getters who have determination and vision. Their drive, creativity, innovative approach and original ideas propel the development of Québec's economy.

I wish every success to those who dare to take on the challenge.

A handwritten signature in black ink, appearing to read 'Laurent Lessard', written in a cursive style.

Laurent Lessard
Minister for Municipal Affairs, Regions and Land Occupancy

Québec 

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From Algeria to Québec

Having started two businesses in Algeria, I understand that achieving a goal can take some time. The task can be a challenge, and the road is all the harder when the entrepreneur is an immigrant. When I arrived in Montréal, my decision to start a business was not solely motivated by the desire to create wealth by bringing a business idea to life. I also viewed the project as an important factor in my own integration.

Whether or not they are immigrants, entrepreneurs all come bearing plans that exemplify the challenge of innovation. They venture outside their comfort zones and face down their fears. And it is not unusual for entrepreneurs to encounter resistance concerning the originality or viability of their projects. They need lots of willpower and patience to achieve their goals.

The face of Québec has changed profoundly in the last few decades. In anticipation of major economic and demographic challenges, Québec has begun to rely on the contributions of immigrants. I am convinced that the ideas of people from the four corners of the earth have helped establish and communicate the image of a creative and innovative Québec society.

According to small business financing surveys carried out by Industry Canada, the number of businesses belonging to visible minorities increased by 25% from 2004 to 2007. Those belonging to new arrivals doubled. Furthermore, visible minorities and new arrivals hold a majority stake in about 20% of businesses in the knowledge industry.

The entrepreneurs who direct these businesses demonstrate great creativity, in part due to their cultural background in a market where economic competition is fierce. And let's remember that for centuries, business has nurtured not only the economic integration of business owners but their social integration as well.

Encouraging integration through business creation relies on coaching, but the specific needs of every entrepreneur are very different. That's only to be expected, given the incredible diversity of entrepreneurial profiles: a retailer does not necessarily have the same needs as a small business owner, an entrepreneur in the start-up phase or someone practising one of the liberal professions.

In addition to coaching, what new entrepreneurs really need is a reliable source of information that clearly explains the ins and outs of the Québec business world. The *ImmigrAffaires* guide fulfils this very need by combining valuable information, a wealth of practical tips and guidelines, as well as the contact information for a variety of stakeholders, organizations, and financial institutions that can contribute to the success of the business venture.

Finally, we can improve our chances of success by developing a solid business network and accessing mentors who can share with us the most valuable fruit of their efforts: their knowledge.

Mehdi Benboubakeur
Co-founder and CEO
Magazine Réussir Ici



Everyone is presumed to know the law!

When you launch a start-up or acquire an existing business, you will no doubt encounter a whole variety of pitfalls, but you will achieve victories as well. One of the best ways to make sure this experience is a success is to surround yourself with the right people. It's true: one of the keys to business success is the team you work with. It's risky to suppose you can do it all by yourself.

In Québec, an accountant and a lawyer are indispensable partners in business start-up or acquisition. These professionals should be part of your team, because everyone is presumed to know the law. Whether they're born in Québec, have just arrived in Canada or have been here for 10 years, all Quebecers are subject to the same laws and are treated equally under the law. Don't imagine that since you've only been here six months you'll be exempted from any of the rules related to the signature of your commercial lease or the incorporation of your firm. Too often, in my job, I run into tricky situations that have a significant negative impact on entrepreneurs, their finances and their families – situations that could easily have been avoided if the entrepreneur had consulted a lawyer.

Unlike some other countries, North American business lawyers can be engaged to act as business consultants when there are no matters in dispute, thus providing preventive advice. For example, entrepreneurs should hire a lawyer even before they incorporate in order to avoid common errors and anticipate various aspects of the new company's growth.

Likewise, corporate bylaws and legal structure may differ enormously from one country to another. To some extent, laws reflect the choices and values of the society that creates them. Not surprisingly, issues and disputes are not organized and resolved in the same way all over the world. When it comes to contracts, business relations, incorporation and many other business-related issues, Québec is governed by its own legal rules. Even though we have a Civil Code and speak French, our legal practices are not identical to those of France or Belgium. So it is important to be well informed before doing anything you will later regret. The *ImmigrAffaires* guide includes chapters on legal matters.

The success or failure of your business project will depend on a host of social, cultural, human, accounting, legal, taxation, and marketing factors, etc. The purpose of the *ImmigrAffaires* guide is to put you in touch with resources that can help you understand and take charge of all these success factors. I hope that SAJE and the *ImmigrAffaires* guide will be an integral part of your team.

Frédéric Letendre
Lawyer and Trademark Agent
Lafortune Cadieux, s.e.n.c.r.l.
and
Chair of the Board of Directors of SAJE

Dear readers,

We hope you enjoy *ImmigrAffaires*, the guide for immigrants who want to start a business in Québec. This volume will guide you throughout the process of your business start-up.

Portrait of Québec businesses

“Small businesses” account for nearly 50% of all jobs in Québec. About three-quarters of Québec companies employ five or fewer people, and about 98% of them employ fewer than 100. The threshold of 100 employees or fewer is often used to define what we call “small” businesses.

According to a May 2008 study by the ministère du Développement économique, de l’Innovation et de l’Exportation du Québec, nearly 30,000 businesses are created every year in Québec, 92% of which have fewer than five employees. These new businesses exhibit keen resolve in developing new niches, using new technologies and marketing innovative goods and services. Companies that have been in business for just one year create about 20-25% of the new jobs in Québec.

Small businesses with fewer than 100 employees are the main driver of the economy. In 2002, small businesses contributed to the creation of nearly 90% of new jobs. And almost nothing has changed since then, because small businesses are still creating new jobs, even during the current economic slowdown.

As an immigrant, you have skills and professional experience that may set you apart from established Québec businesses. Entrepreneurship draws deeply on your knowledge and your personal background. All you have to do is transform your idea into a business opportunity that will be rewarding for you and for Québec.

This guide is a reference tool. To make your business project a success, you should – and we strongly recommend that you do – make contact with one of the business start-up assistance organizations described in this document. The information presented here provides the main guidelines for starting a business in Québec, but your efforts will only be complete if you seek the help of competent resources.

Before you get started...

Before you take the first steps toward creating your business, you need to ask yourself whether you are comfortably settled in Québec. Are your basic needs met (housing, food, clothing, etc.)? If not, please go to Appendix 1 to find the names of some organizations that can help you. It is important for you to be well settled before you go into business. That way you can dedicate yourself fully to your business project and devote your attention to achieving your business idea.