



INTEGRATION  
OF IMMIGRANTS  
PROGRAMME

2007 – 2012

# Bamboo Networks:

Chinese Businesses, Enclave Economics  
and the Transformation of Auckland

**Paul Spoonley** and **Carina Meares**

# Integration of Immigrants Programme 2007-2012

## Objective 2 (Paul Spoonley)

- What are the experiences of immigrant families and households in relation to labour market participation and business activity?
- What strategies do they adopt in relation to paid/unpaid work, entrepreneurship, saving behaviour, investment?
- How significant/important are ethnic sub-economies/networks/precincts or transnational linkages?
- What is the nature/size of ethnic economic networks/enclaves and what are the spill-over effects?

(Team: P. Spoonley, R. Bedford, E. Ho, R. Peace, C. Meares)

- 2001-2006 Census
- Surveys
- LisNZ data
- Case studies

# Settlement and Economic Outcomes

- Skill selection vs skill utilisation
- Convergence of economic outcomes with host population
- Immigrants – a special case in terms of policy?

## **Mixed embeddedness:**

- Key factors include market conditions and access to ownership

## **Social networks:**

- Networks instrumental in acquiring knowledge, recruiting labour and capital

J. Rath, *Unravelling the Rag Trade*

# Social Embeddedness

Immigrant entrepreneurs participate in ethnic networks that contribute to business operations

- Reduce transaction costs
- Gain privileged access to certain resources
- Less governed by external incentives/practices/regulation

J. Rath, 2007



# Chinese Businesses

<b>Industries</b>	<b>Number of Participants' Businesses</b>
<b>Professional, Scientific and Technical</b>	11
<b>Retail Trade</b>	17
<b>Agriculture, Forestry and Fishing</b>	3
<b>Accommodation and Food Services</b>	20
<b>Wholesale Trade</b>	3
<b>Rental, Hiring and Real Estate</b>	3
<b>Construction</b>	1

# Employees, Suppliers and Customers

- Significant reliance on Chinese employees, suppliers and customers
- Employees
  - Language
- Suppliers
  - Products
- Customers
  - Services and products



# Contacts and Networks



- Chinese networks important
  - In New Zealand
    - Email, phone, personal visits
  - Overseas
    - Email, phone, personal visits
- Local networks also critical

# Ethnic Precincts

- The location of small and medium Chinese businesses in particular locations
  - Small inner-city pockets
  - Strip developments
    - Dominion Road
  - Malls
  - Suburban
    - Purpose built: Meadowlands
    - Conversion: Northcote





# Developing Ethnic Precincts

- Level site near Chinese residential areas
- Shops built facing each other
- Shops of different sizes
- Mixture of shops
- 'Kiwi' businesses



# Research and Policy Questions

## Ethnic Precincts

- Are they evidence of parallel communities that might inhibit social integration?
- Are they evidence of low quality outcomes and poor economic incorporation?





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**Migration  
Research Group**  
The University of Waikato

**Population  
Studies  
Centre**



**MASSEY UNIVERSITY**  
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AND SOCIAL SCIENCES  
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