The Homeownership Hierarchies of Canada and the United States: the Housing Patterns of White and non-White Immigrants of the Past Thirty Years[1]

by Michael Haan

Abstract:
In this paper two gaps in North American immigrant homeownership research are addressed. The first concerns the lack of studies (especially in Canada) that identify changes in homeownership rates by skin colour over time, and the second relates to the shortage of comparative research between Canada and the United States on this topic. In this paper the homeownership levels and attainment rates of Black, Chinese, Filipino, White, and South Asian immigrants are compared in Canada and the United States for 1970/1-2000/1. For the most part, greater similarities than differences are found between the two countries. Both Canadian and U.S. Chinese and White immigrants have the highest adjusted homeownership rates of all groups, at times even exceeding comparably-positioned native-born households. Black immigrants, on the other hand, tend to have the lowest ownership rates of all groups, particularly in United States, with Filipinos and South Asians situated between these extremes. The major finding is that most of these differences stem from disparities that exist at or shortly after arrival, however, and not from differential advancement into homeownership.

Introduction

In 1971, 32% of recent Canadian immigrant households owned their homes,[2] compared to roughly half of all native-born households. By 1981, however, these immigrants had not only caught up to the Canadian-born, but had surpassed them by a sizeable margin, with homeownership rates of 71% versus 63%. Similarly, in the United States 1965-70 arrivals had homeownership rates of 20% in 1970, compared to 68% for the native-born. By 1980, although they were unable to eclipse the native-born as their Canadian

[1]Many thanks to Monica Boyd, Barry Edmonston, Eric Fong, Feng Hou, René Morissette, John Myles, and Yuri Ostrovsky for reading over earlier drafts of this paper.

[2] Where the highest earner arrived 2-6 years ago and was between the ages of 25 and 54. Throughout this paper, comparisons between Canada and the United States are made using immigrants that arrived in slightly different years. For Canada, immigrants arrived in 1965-69, 1975-79 or 1985-89, and comparable U.S. cohorts contain 1965-70, 1975-80, and 1985-90 arrivals. These differences no doubt bias results, although it is unlikely that they alter the overall conclusions.

counterparts had, they increased their ownership rates to 64%, compared to 77% for the native-born.

Since that time, new arrivals have not kept pace with their predecessors in either country. In the United States, the homeownership gap for new arrivals after 10-15 years grew from -13 points for 1965-70 arrivals after 10-15 years to -21 points for 1985-90 immigrants. In Canada, the slowdown in convergence has been even more pronounced; an 8 percentage point homeownership advantage for 1965-69 arrivals in 1981 became a 7 point *disadvantage* for the 1985-89 cohort in 2001.

Homeownership is a central component of a family's social and economic wellbeing (Rosenbaum 1996). It increases their personal satisfaction, enhances their access to good neighbourhoods, and boosts their wealth potential (see Rohe, McCarthy and Van Zandt (2001) for a review of some other benefits). For immigrants, there is yet another draw: it indicates that many of the problems encountered when navigating a new environment have subsided, and that a family can begin to invest in a new country and community (Alba and Logan 1992). Consequently, one of the cornerstones of an equitable social contract is ensuring that immigrants have equal opportunity as the native-born, and that homeownership prospects are not affected by physical differences, like race or skin colour.[3]

In the United States, this research has a rich heritage (some recent examples include Krivo and Kaufman (2004), Flippen (2004), Painter, Yang and Yu (2004)) but

[3] In this paper the usage of words like 'race', 'skin colour', 'minority' and 'visible minority' do not denote persons of a common cultural or biological origin. They are instead intended to reflect similarities in experiences that may occur based on physical characteristics when attempting to integrate into the host society. Since the distinctions are intended to be purely referential in this paper, the terms are used interchangeably, and for consistency the five groups studied here (Blacks, Chinese, Filipinos, South Asians, and Whites) are capitalized throughout the paper.

comparable Canadian studies lag far behind.[4] Furthermore, although comparative research abounds between Canada and the U.S. on a plurality of other topics, including such diverse areas as citizenship acquisition (Bloemraad 2002), educational expansion (Reitz 2003), employment success (Reitz 1998), residential segregation {Fong, 1996 #53}, status attainment (Boyd, Featherman, and Matras 1980), and occupational achievement (Frenette, Hildebrand, McDonald, and Worswick 2003), no studies have yet compared the homeownership attainment rates of immigrant racial groups in the two countries.

This omission is unfortunate, since the value of a Canada-U.S. comparison likely goes beyond identifying which country is more immigrant-friendly, or establishing a comparative racial rank-ordering of housing tenure rates. Instead, by comparing trends between countries, the plausibility of various country-specific explanations – which might include ideological (such as Canada's Trudeau-era policies of multiculturalism and inclusion), financial (like Fannie Mae's programs for new immigrant homeownership in the United States), or discriminatory components (like the involuntary assimilation into the predominantly-Black underclass by some U.S. groups) – can be partially assessed.

In short, cross-country comparisons allow for a determination of the importance of context, or the 'place of place', in explaining immigrant racial homeownership rates in both countries. Accordingly, this study addresses the Canadian research deficiency and the dearth of comparative Canada-U.S. studies by identifying and comparing the homeownership attainment rates of five immigrant racial groups in Canada and the

[4] Some exceptions include Balakrishnan and Wu (1992), Ray and Moore (1991), and Skaburskis (1996), though none of these studies describe 1990s trends.

United States. Using visible minority indicators[5] from the 1971-2001 census of Canada master files, and race indicators from the 1970-2000 IPUMS-USA census files, group-specific homeownership trajectories are identified among three cohorts (1965-69, 1975-79 and 1985-89 for Canada, 1965-70, 1975-80 and 1985-90 for the United States) of Canadian and U.S. Black, Chinese, Filipino, South Asian, and White immigrant arrivals in their critical first 10-15 years.[6] After describing the differences that exist in homeownership attainment rates between the groups in these countries, this study then identifies such these differences are contributing to the recent declines in immigrant homeownership rates found in both countries (Gyourko and Linneman 1996; Haan 2004).

Why are Relative Immigrant Homeownership Rates Falling?

Of all the explanations for immigrant homeownership declines, perhaps the most obvious is the well-known deterioration in immigrant economic fortunes. Labour market success has fallen dramatically for recent immigrants in both countries (Bloom, Grenier, and Gunderson 1995; Borjas 1995), and since homeownership requires stable earnings and solid employment, it follows that immigrant homeownership prospects have been dampened by these other misfortunes.

Both U.S. and Canadian research shows that although these factors matter a great deal, as do several other standard predictors (age, education, family composition, city choice, immigration characteristics, etc.), large unexplained differences between

[5] 'Visible Minority' is a term constructed by the Employment Equity Act of Canada to denote 'persons, other than Aboriginal peoples, who are non-Caucasian in race or non-white in colour". In 1981-1991, values were derived from religion, ethnicity, mother tongue and place of birth data (outlined in Statistics Canada (1995)). Since 1996 respondents have been asked to self-identify. For most groups, the differences between actual responses and imputed values are largely negligible, but there is a large discrepancy between measured and imputed values for Arab/West Asians. Consequently, this group is not separately studied here, and is instead placed in the residual category in both countries.

[6] To further facilitate cross-country comparability, for the U.S. samples the reference group contains only white non-Hispanic, non-African American native-born households.

immigrants and the native-born remain after controlling for these characteristics, implicating other factors in the immigrant decline (Balakrishnan and Wu 1992; Painter, Gabriel, and Myers 2001; Painter, Yang, and Yu 2003a). Some of these other factors, like wealth levels, have also fallen in both countries (Hao 2003; Zhang 2003), although this relationship is more difficult to assess given available data sources.

The main findings are that, for the most part, Canadian and U.S. Chinese and White immigrants have the highest adjusted homeownership rates of all groups, at times even exceeding comparably-positioned native-born households. Black immigrants, on the other hand, do not fare as well, and tend to have the lowest ownership rates of all groups, particularly in United States. Filipinos and South Asians are situated between these extremes. Comparing across countries, Filipinos and Chinese tend to do better in Canada in terms of homeownership than they do in the United States, whereas late-1980s Black immigrants converge less upon the native-born in Canada than they do in the United States. This is inconsistent with the argument that U.S Black immigrants perform poorly in the housing market primarily because they are pushed into the African-American 'underclass.' Other than this, however, immigrant racial groups move into homeownership at approximately the same rates in both countries. This rate is slowing over time relative to the native-born.

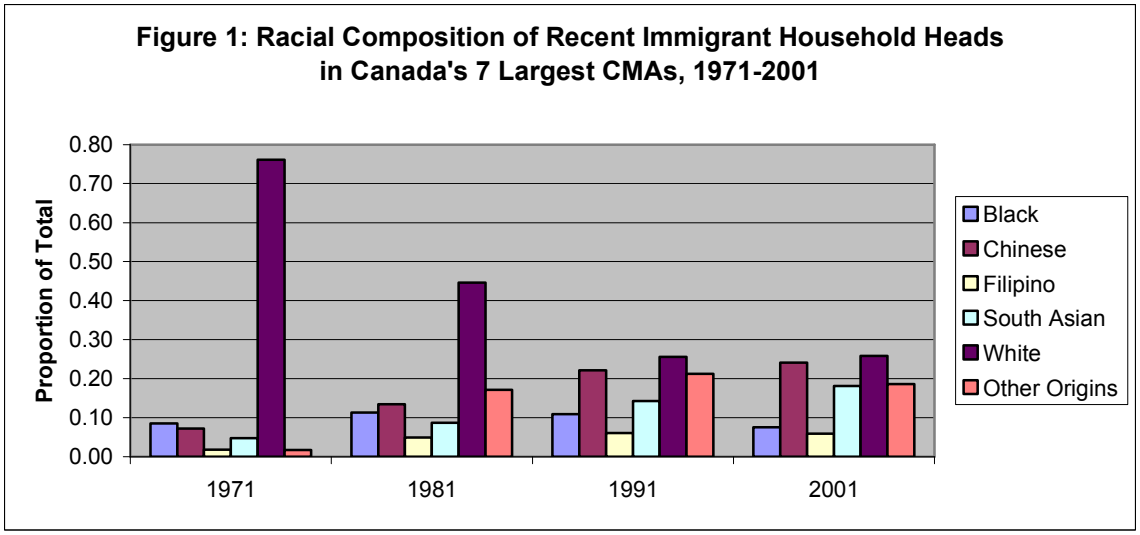
Between-race differences can be seen in both countries, but this paper shows that the change in the colour of immigration is *not* a major reason behind falling immigrant homeownership rates. The deterioration in relative immigrant homeownership rates would still have occurred if more recent cohorts were racially similar to earlier arrivals. To demonstrate this conclusion, the racial composition of late 1970s and 1980s arrivals

are re-weighted in the second part of this paper so that they resemble the primarily white 1960s cohort. This exercise shows how immigrant homeownership declines would still have occurred in both countries if racial composition had not changed since the late 1960s. A far greater contributory factor to the immigrant decline, it is then argued, is the deceleration in homeownership convergence rates for nearly all immigrant groups, White immigrants included.

To theoretically motivate the paper, insights from previous homeownership and immigrant assimilation studies are reviewed below and used to develop a series of expectations about the convergence patterns of the five groups in both countries. Then, the study samples and methodology are described, followed by a presentation and discussion of results.

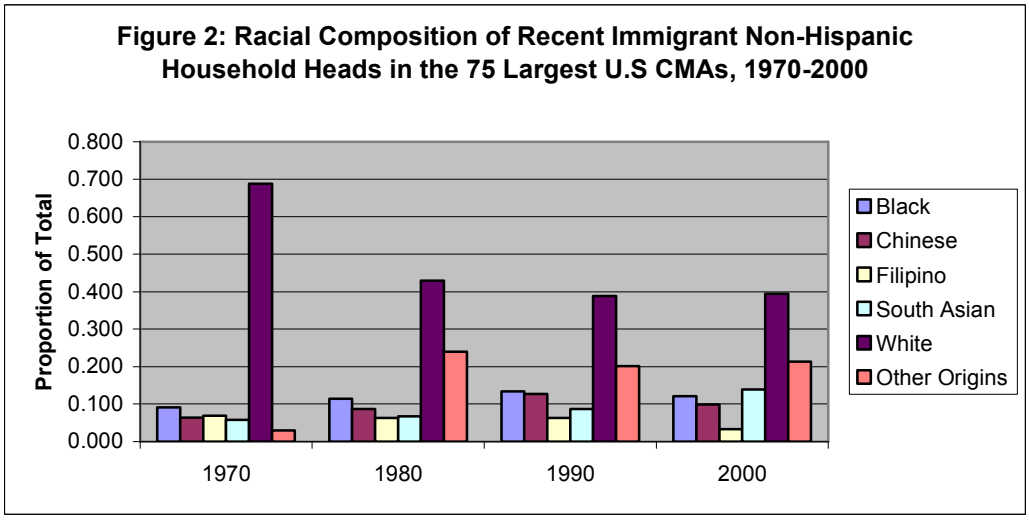
Changes in the Race/Visible Minority Status of Canadian and U.S. Immigrants, 1970/1-2000/1

Since the 1960s, both Canada and the United States have shifted away from country-specific immigrant-intake policies to ones based on merit and humanitarian concerns (see Rekai (2002) or Borjas (1991) for a review of these policies). One of the consequences of this shift has been a movement away from Europe to the rest of the world as the primary source for new immigrants. As a result of the shift, the proportion of non-white immigrants has risen dramatically in both Canada and the United States (Figure 1 for Canada, Figure 2 for the United States).



Source: 1971-2001 Census of Canada Household Files created by author.
Note: Refers only to families where highest earner (head) is age 25-54, and arrived 5 years ago or less. Visible minority status in 1971 was imputed by using similar methods to those used by Statistics Canada to impute 1981 status.

In 1971, approximately ¾ of all recent (≤ 5 yrs) Canadian immigrants were white. Over the next 20 years, however, this proportion declined steadily, so that by 1991 only about ¼ of 1985-89 arrivals were white, with large proportions of Blacks, Chinese, and South Asians making up the difference.



Source: 1970-2000 Census of Canada Household Files created by author.
Note: Refers only to families where highest earner (head) is age 25-64, and arrived 5 years ago or less.

Similar trends occurred in the United States (Figure 2). In 1970, nearly 70% of all recent non-Hispanic arrivals were White; by 1990, it was only 40%. As in Canada, Blacks, Chinese, and South Asians made up the majority of the remainder (excluding Hispanics who, for reasons discussed later, are not included in this study).

If there are differences in homeownership rates by immigrant group, for late 1960s arrivals it would only have affected aggregate rates slightly. Now, however, the impact will be much more noticeable, given the rise in non-white immigration, suggesting that the housing experiences of minority groups are becoming a more central component of the immigrant homeownership story.

Why Might Homeownership Rates Differ by Immigrant Group?

Several researchers (Alba and Nee 1997; Portes 1997; Zhou 1997), often studying outcomes other than homeownership, believe that the changes in the 'colour' of immigration necessitate a reconsideration of straight-line accounts of immigrant incorporation. Unlike the original formulations of the Chicago School, where the forces of change are expected to eradicate divisions based upon the criteria of language, culture and origin (Hirschman 1983), the racial diversity of new immigrants challenges traditional straight-line's orthodoxy by introducing the prospect of long-term structural/institutional barriers to the life chances of new arrivals (Boyd 2003).

Extending this research to homeownership, immigrants now conceivably face three possible pathways to residential incorporation: 1) straight-line assimilation, or a gradual progression towards the homeownership rates of the native-born, 2) assimilation into a marginalized underclass, with depressed homeownership rates over the longer term, or 3) the formation of a close and distinct 'ethnic community', presumably

minimizing the importance of linguistic and economic assimilation into the mainstream and reducing the duration-dependency of homeownership attainment. In each case, there should be distinct and identifiable patterns. Below each of these three 'incorporation pathways' is further described and used to make predictions about which of the three will best describe the patterns of each group.

Incorporation Pathway 1: Straight-Line Assimilation

The stylized account of straight-line assimilation is that all immigrants become more like the native-born population over time. Although this account is somewhat simplified, it is often interpreted as predicting 'colour-blind' immigrant residential mobility, which implies that differences between groups can be linked to their demographic and socioeconomic characteristics.[7] Consequently, we might expect all immigrants to converge upon the native-born at more or less the same rate, once differences in these other factors are removed.

Incorporation Pathway 2: Assimilation into the Racial Underclass

Several scholars challenge the notion of equal opportunity, arguing instead that, no matter how long the time frame, some groups will *never* fully converge upon the native-born (Lee and Bean 2004). The means by which housing markets are restricted could occur range widely, but may include higher mortgage cut-offs (Gyourko, Linneman, and Wachter 1999), inflated house prices (Henderson and Ioannides 1986; Ihlanfeldt 1981), or restricted housing markets (Galster 1990; Yinger 1986; 1998). Although the

[7] This is an admittedly stylized interpretation of traditional assimilation theory. As Warner and Srole (1945) note, assimilation might take longer for some groups than others. Most European groups, they argued, would achieve fairly rapid assimilation, whereas other non-white or non-European immigrants would take considerably longer. This interpretation brings straight-line assimilation much closer to place stratification theory than is generally acknowledged. The simplified version is used here because it seems to appear more frequently in social science literature.

mechanisms for limiting opportunity may vary widely, the outcomes are likely to be quite consistent: lower than expected average homeownership rates.

This outcome has been well-documented for African-Americans in the United States (Massey 1990; Wilson 1987), but it is less certain whether Black and other non-white immigrants will face similar hurdles (Gans 2004). In Miami, Portes and Zhou (1993) find that some groups, like the Haitians, appear to enter into a pre-existing race relations cycle, and find themselves being pressured into a racially-delineated underclass. Rather than follow a gradual and progressive journey into the mainstream, some immigrants find themselves encountering similar obstacles to those faced by African Americans (Alba, Logan, and Stults 2003; Lee and Bean 2004; Waters 1999). Consequently, straight-line assimilation is thwarted by enduring markers of distinction, creating a racial access hierarchy by channeling immigrants into different segments of the housing market based on their skin colour. Whites are typically regarded to be perched atop this hierarchy, with Blacks at the bottom and other groups scattered in between.

Incorporation Pathway 3: Homeownership Attainment through the Preservation of Ethnic Affiliation

The third mode of immigrant residential incorporation, flowing from the early work of Portes and his associates (Portes 1987; Portes and Grosfoguel 1994; Portes and Manning 1985), suggests that some non-white group members may also stray from straight-line assimilation, but that they do so voluntarily and with more positive consequences than those experienced by Black immigrant groups. By relying heavily on ethnic networks over the long term, some groups develop ‘ethnic economies’ that allow them to achieve subsistence outside the broader economy.

The consequences of ethnic affiliation and community formation for the homeownership rates of a particular group will naturally depend on the neighbourhoods where group members cluster. If a group is clustered in areas that are predominantly owner-occupied, then groups that form ethnic communities in owner-occupied neighbourhoods will presumably have higher homeownership rates, and ethnic communities that develop in areas with lower rates will presumably have the opposite effect (Skaburskis 1996). Miami's Cubans represent a classic example of this mode of incorporation (Portes 1987), although more recently the Chinese and, to a lesser extent, some South Asian groups seem to also exhibit the propensity to maintain stronger ethnic ties over time in both Canada (Fong and Ooka 2002; Myles and Hou 2004) and the United States (Logan, Alba, and Zhang 2002; Zhou 1992; Zhou and Logan 1991). By looking 'inward' for sustenance, some previously inhibitive factors, like knowledge of the charter language, become less restrictive, and immigrants who gain immediate access to a well-established ethnic community may both want to (Painter, Yang, and Yu 2004) and be able to (Painter, Yang, and Yu 2003b) buy homes earlier than members of other groups. Furthermore, they often have access to informal credit sources within their community (Logan, Alba, and Zhang 2002), reducing the reliance on formal financing and enabling earlier access to homeownership. The expectation is for higher initial homeownership rates, with the Chinese best exemplifying this pattern.

Expected Differences between Canada and the United States

Although Canada has a very different history of race relations than the United States, there is little prima facie reason to expect that there will be differential incorporation patterns. Aside from the large US Hispanic immigrant component, Canada and the United

States have attracted similar immigrants in recent history, most immigrants have probably entered into similar environments, and seem to have fairly similar experiences (Reitz and Breton 1994), suggesting greater similarities than differences between the two countries.

Even for Blacks, the group most likely to experience differential treatment in the two countries, significant hardship has been documented in Canada (Henry 1989; Hulchanski 1993), leading some researchers to ask whether Canadian Blacks are living in American-style 'ghettos' (Murdie 1994). Similarly, Laryea (1999) and Myles and Hou (2004) find that immigrants of African/Caribbean descent have the lowest adjusted homeownership rates of any immigrant group (see also Skaburskis (1996), Darden and Kamel (2000), and Fong and Wilkes (1999)), suggesting that even though the differences between Black immigrants in Canada and the United States should be quite large, in reality they may not be.

Consequently, this paper adopts the admittedly simplistic expectation that there will be no significant differences between the five groups in the two countries. The three possible incorporation pathways mentioned above, largely derived from U.S. research, are expected to apply equally in the Canadian context.

The Hypotheses

Several expectations about homeownership convergence patterns were developed in the discussion above for all the groups but Filipinos and South Asians. A relative lack of research on these groups in both Canada and the United States makes it difficult to anticipate their homeownership patterns beforehand. Consequently, no expectations will be posited for these two groups; for the remaining groups, the following three hypotheses will be tested:

1) All immigrant groups are expected to move towards the homeownership rates of the native-born at roughly the same rate, having low start-point rates and then rapidly increasing over time.

2) Black immigrants in both countries will have lowest initial homeownership rates, and will continue to experience the lowest convergence rates of all groups.

3) On average, Chinese immigrants will buy homes earlier than other groups, reflecting their access to ethnic resources and support, and minimizing the inhibitive effect of immigration factors like year since migration and knowledge of English (US) or English and/or French (Canada).

It is important to note that these hypotheses are made under the assumption of wealth equality between groups. This is likely inaccurate, but necessary given the use of census data here. Many of the differences found below could be purely the results of wealth inequalities.

Data

To test the above hypotheses, three distinct study samples are used for each country. For Canada (1971-1981, 1981-1991, 1991-2001) and the United States (1970-1980, 1980-1990, 1990-2000), contiguous censuses are concatenated to form quasi-panel data. Each sample contains the entire native-born population that is age 25-54 at the first observation point (35-64 at time 2), used as a reference group, and one similarly-aged 5-year arrival cohort of immigrant racial groups. Within each immigrant cohort (who arrived in 1965-69, 1975-79, or 1985-89 in Canada or 1965-70, 1975-80, 1985-90 in the United States), are families where the highest earner identifies as Black, Chinese, Filipino, South Asian, White or Other.

For both countries, the unit of analysis is the household, chosen because it can be similarly identified over time and across countries. A household can consist of a single person, a group of unrelated persons, or of a family living together in its primary place of

residence. Only permanent residents[8] who are not currently in institutions, collective dwellings or military quarters are included, and the highest earner is between age 25 and 54 at time 1 and 35 and 64 at time 2. Since households contain people of varying socio-demographic characteristics, the attributes of the highest earner represents the entire household.

For the Canadian samples, only observations from Edmonton, Calgary, Montreal, Ottawa/Hull, Toronto, Vancouver and Winnipeg are included, since these 7 cities[9] collectively contain about 85% of all Canadian newcomers. Immigrants are more numerous and spread out across cities in the United States, and the 75 largest cities are instead used to capture a comparable proportion. CMA-specific differences in both countries are removed with dummy variables. In the United States, New York-North-eastern New Jersey is used as a reference CMA, and Toronto is used for Canada. Income is stated in the currency of each respective country.

Adult-equivalent-adjusted income is used instead of total income because it provides a better indication of how much money a family actually has for shelter. The method entails dividing total household income by a weighted proportion of the number of people assumed to live off this income. The first person is given a weight of 1, and each additional adult (age 18 or older) has a weight of 0.4. Children are weighted at 0.3, unless the family is a lone parent family, in which case the first child is weighted at 0.4, and subsequent children are counted as 0.3 of a person. This tally is known as the adult

[8] Non-permanent residents could not be eliminated for Canada for 1971 or for the United States. Since Hispanics are excluded, however, a large share of illegal immigrants will no longer be in the samples.
[9] In 2001, 85% of all 1985-1999 immigrant households resided in these 7 cities. By focusing on Cities, the comparison of homeownership rates of the same group over time is complicated by the expansion of CMA boundaries. It is possible, for example, that the inclusion of several outlying areas in a particular census year will affect the homeownership rates of certain groups, even if there has been no residential assimilation.

equivalence factor, and the total economic family income is divided by this number to yield adult equivalent adjusted income. The difference between this figure and regular total income can be substantial, and to give an idea of the difference, a family with two adults and two children age 18 or under has an Adult Equivalent Adjusted income that is exactly half of their regular income. Since unattached individuals have no dependents, no adjustment is made to their income.

As is often the case in comparative research, differences between data sources complicate unqualified comparisons between countries. First of all, U.S. censuses are conducted a year before the Canadian enumerations, so U.S. immigrants are observed a year before their Canadian counterparts. This problem is accentuated by the necessity of deleting immigrants who come to Canada in the enumeration year or the year prior to enumeration from the analysis. Income variables are measured in the year before the census, and if a household arrives during the course of that year it can not be determined how many weeks their stated income refers to. Furthermore, immigrants who arrive in a census year will have no listed income at all. To avoid the error that including these households introduces, Canadian observations from households arriving in either year are omitted. The U.S. census includes income from previous country, so the just-arrived (those who came in the census year or the year before) may report earnings even if they haven't worked in the United States. Unlike the Canadian samples, these observations cannot be omitted, since year of immigration variables in the IPUMS samples are collapsed into 5-year intervals in the 5% Form 1 Metro (1970) and 5% State (1980-2000) samples, making it impossible to identify the just-arrived.

There are also some issues of comparability for skin colour indicators within each country over time. In Canada, for 1981-1991 visible minority indicators are derived from religion, ethnicity, mother tongue and place of birth data by methodologists at Statistics Canada (outlined in Statistics Canada (1995)). No information exists for 1971, but these techniques were replicated as accurately as possible by the author for this year. Since 1996, respondents have been asked to self-identify their visible minority status, and respondents could specify more than one response for this question, although the responses were often collapsed to include only one response (in the case of 'White' and some other response, for example, the 'other' response was always chosen). Despite the differences over the years, however, for most groups actual and imputed visible minority data are quite consistent (Renaud and Costa 1999). There is, however, a large discrepancy between measured and imputed values for Arab/West Asians. Consequently, this group is not separately studied here, and is instead placed in the 'other' category.

In the United States, race was asked in each enumeration, so imputation was not necessary.[10] Where they occurred, multiple responses were handled differently than in Canada. In 1970, when there was more than one response circled, the father's race was chosen, for 1980 and 1990 the mother's race was instead chosen, and for 2000 respondents were allowed to specify more than one race. This is an admitted source of error, and a limitation of the study, but one that presumably plagues all studies that compare racial differences over time. To achieve a modicum of consistency across time and countries, persons with dual responses in 2000 are dropped from the analysis.

Race indicators for the U.S. population also differ in one other important regard from visible minority variables of the Canadian censuses. First, Arabs and West Asians

[10] In 1970, South Asian immigrants could not be identified without using place of birth indicators.

are labelled as Whites in the U.S. census, whereas they are separately identified in Canada. Compared to Canada, however, the U.S. Arab population is quite small (de la Cruz and Brittingham 2003), so the effect of omitting Arabs and West Asians in Canada but not the United States are is likely to be minimal. Finally, to further facilitate cross-country comparability, for the U.S. samples the native-born reference group contains only white non-Hispanic, non-African American households.

Although there are several important differences between the Canadian and the U.S. samples, the similarities in the results shown below suggest that the many differences may be more important in principle than in reality.

Modeling Homeownership Attainment

Homeownership is often situated at the intersection of a household's needs, preferences, and fiscal constraints. These characteristics shift over time, reflecting changes in age, educational attainment, location, marital status, family size, earnings, and other life course characteristics. Given that these changes, and the likelihood of homeownership, progress in a patterned manner, it should be possible to link differences in homeownership propensities between any two groups to differences in their demographic, socioeconomic and household composition. For immigrants (under traditional assimilation theory), it is necessary to include a duration variable and an indicator to measure knowledge of the local language.

Typically these models are estimated on a single cross-section of data, which have the limitations of confounding duration, period and immigration cohort effects. With a 'quasi-panel' design (Myers and Lee 1998; Myers, Megbolugbe, and Lee 1998), longitudinal age cohorts can be created by placing people in the same age groups in times

1 and 2 by adding ten years to their age at time 2 (Myers, Megbolugbe, and Lee 1998). Changes in the effect of other characteristics on homeownership over time can be measured by interacting variables of interest with a year of observation indicator.

Expressed more formally, homeownership can be modeled as:

$$HO = age + cma + educ + empstat + famtype + income + marstat + race + year +$$

$$yr * age + yr * cma + yr * famtype + yr * marr + yr * race$$

Where:

HO = Homeownership (1=owner, 0=renter)
Age = Age/birth cohort, coded as 25-34 (ref.), 35-44, and 45-54 at time 1. At time 2, ten years are added to each group.
CMA = Dummy variables to control for CMA-specific homeownership propensities (Toronto=ref for Canada, New York=ref. for U.S.A).
Educ = Indicators to control for both attainment (<High school=Ref) and for current attendance.
Empstat = Household employment characteristics, expressed as the number of workers and the number of employed persons in a household.
Famtype = Indicators for family type, coded as adults with children (Ref), adults without children, unattached individuals, single parents and multiple family dwelling indicator.
Income = Consumer Price Index (2000 basket, Canada, All Items, (http://cansim2.statcan.ca))) and Adult-Equivalent-Adjusted Income (Statistics Canada 1999), logged.
Marstat = Marital status of highest earner in the household.
Race=Race/skin colour/visible minority status of highest earner.
Year = Census year

Since the outcome is binary, the above equation is estimated with probit regression techniques, chosen because of the ease with which marginal effects can be calculated. Furthermore, unlike odds ratios, the coefficients can be easily compared with group means (unadjusted homeownership rates).

Although these models do not allow for an assessment of a global immigrant effect, convergence of each group with the native-born can be defined as the difference

between the race coefficient main effects, which denote homeownership disparities with the native-born at time of arrival, and the race*yr term, which indicates the degree to which a particular racial group gains on the reference group native-born over the ten year period. This interaction term is analogous to a duration indicator in a standard assimilation model, except that it relaxes the assumption of equal assimilation rates across subgroups, and allows for race specific rates to be identified.

In the presentation of results below, great significance will be attached to differences in attainment rates (race*yr) versus differences in start point rates (race). This is done because it is difficult to assess the reasons behind differences in homeownership rates between groups immediately upon arrival, since many of the prime candidates (entry-level wealth, within-group lending, etc.) are unobserved. Furthermore, as an equity and policy issue, it is arguably more important to identify the changes in homeownership rates after arrival in the host country than it is to compare groups at arrival.

Since most assimilation theory was based on the experiences of White immigrants (Alba and Nee 1997), White immigrant groups are presented as the 'assimilation benchmark', relative the native-born, below. According to hypothesis one, White immigrants should face the least resistance to mobility in their host society. Homeownership attainment rates for nonwhite groups will therefore be assessed relative to those of White immigrants.

Descriptive Results

Homeownership rates for the native-born and the three arrival cohorts are presented in Table 1 below for both countries.

Table 1: Homeownership Rates for 3 Immigrant Cohorts and the Native-Born in Canada's 7 and the 75 Largest U.S. Cities

Canada				United States			
	Time 1 Age 25-54	Time 2 Age 35-64	Change		Time 1 Age 25-54	Time 2 Age 35-64	Change
1965-9 Groups	**1971**	**1981**		**1965-70 Groups**	**1970**	**1980**	
Blacks	14.5%	51.7%	37.2	Blacks	11.4%	44.2%	32.8
Chinese	32.1%	87.2%	55.1	Chinese	14.7%	65.7%	51.0
Filipinos	11.2%	68.4%	57.2	Filipinos	13.7%	74.1%	60.5
South Asians	27.3%	80.0%	52.7	South Asians	5.0%	77.7%	72.7
Whites	34.8%	72.5%	37.7	Whites	23.7%	68.0%	44.3
All Immigrants	**31.9%**	**71.0%**	39.1	**All Immigrants**	**19.6%**	**64.1%**	44.5
Native-Born	50.1%	62.6%	12.4	Native-Born	67.7%	77.4%	9.7
1975-9 Groups	**1981**	**1991**		**1975-80 Groups**	**1980**	**1990**	
Blacks	18.6%	49.4%	30.8	Blacks	17.2%	40.9%	23.7
Chinese	56.2%	84.6%	28.4	Chinese	31.5%	74.7%	43.1
Filipinos	37.9%	72.3%	34.5	Filipinos	31.9%	70.0%	38.2
South Asians	43.3%	75.9%	32.5	South Asians	23.5%	74.5%	51.0
Whites	47.9%	69.2%	21.2	Whites	29.0%	66.2%	37.3
All Immigrants	**40.6%**	**68.6%**	28.1	**All Immigrants**	**25.9%**	**64.3%**	38.4
Native-Born	53.6%	64.1%	10.5	Native-Born	67.1%	76.4%	9.3
1985-9 Groups	**1991**	**2001**		**1985-90 Groups**	**1990**	**2000**	
Blacks	17.4%	31.9%	14.5	Blacks	16.5%	44.2%	27.7
Chinese	72.9%	86.4%	13.6	Chinese	32.6%	71.6%	39.0
Filipinos	32.8%	59.9%	27.1	Filipinos	29.9%	64.3%	34.4
South Asians	42.8%	67.4%	24.7	South Asians	18.2%	61.4%	43.2
Whites	33.1%	65.3%	32.2	Whites	24.1%	61.3%	37.2
All Immigrants	**38.5%**	**61.9%**	23.4	**All Immigrants**	**22.0%**	**57.0%**	35.0
Native-Born	55.0%	68.4%	13.4	Native-Born	65.3%	78.2%	12.9

Source: 1971-2001 Census of Canada and 1970-2000 IPUMS-USA pooled household datasets.
Note: Change is expressed in percentage points.

As the results above show, both Canada and the United States have long had divergent homeownership rates between immigrant groups, but Table 1 shows that, for many, this can largely be traced back to differences at arrival. For late 1960s arrivals in Canada, all groups begin well behind the native-born in 1971, but by 1981 only Blacks remain in this position. A similar statement can be made for 1975-9 arrivals, except that Chinese and Whites had immediately higher homeownership rates. By 1991, however, they had not passed the native-born by as wide a margin as their 1965-69 predecessors had, pointing to a slower rate of change over time. For late 1980s arrivals, all groups but the Chinese once again entered Canada with homeownership rates behind those of the native-born, except

now all groups remained behind the Canadian-born at time 2 (2001). Only the Chinese do not follow this trend, having homeownership rates that were immediately higher than the native-born.

Like Canada, U.S. immigrant groups typically enter with lower homeownership rates than the native-born. In 1970, for example, only White immigrants had homeownership rates above 20%, compared to 68% for the native-born. Although all remained behind the native-born in 1980, most immigrants had moved into homeownership rapidly. Even Blacks, who are hypothesized to have the greatest difficulties in the housing market, increased their ownership rates by 33 percentage points. Late 1970s and 1980s arrivals show fairly similar patterns. Once again, most groups enter the United States with low homeownership rates, and quickly buy homes soon after arrival. As with 1960s arrivals, Blacks have the lowest ownership rates upon arrival and consistently experience the slowest increases over time.

From the descriptive results above, there seems to be little reason to suspect differential entry into homeownership for most groups. All 1965-9 and 1975-9 non-white Canadian arrival groups move into homeownership as quickly, or more quickly, than White immigrants. For 1985-9 arrivals, however, this reverses, with all groups now buying homes at a considerably slower pace than their Whites counterparts. For Chinese, this is no real cause for concern, given the already high entry-level homeownership rates, but this cannot be said for other groups. In the United States, most non-White groups move into homeownership at least as quickly as Whites over time, with the sole exception of Black immigrants. They move into homeownership much slower than either White or other non-White immigrants.

Multivariate Results

Table 1 is a useful description of homeownership trends over time between immigrant groups in Canada and United States, but it does not provide any indication of the reasons behind this differentiation. For example, although most cohorts of Blacks have moved into homeownership at a slower pace, it cannot be determined if the reason for this is differential access, or other reasons (i.e. if Blacks are younger on average than other groups, or they cluster in cities where homeownership is less common).

As an attempt to explain racial differences and to assess the ability of the hypotheses outlined earlier to account for observed patterns, marginal effects from regressions estimated on each of the 3 arrival cohorts from each country are presented in Tables 2 and 3 below. Due to the abundance of results, each country is discussed separately before being compared side-by-side. Furthermore, since only the race and race*yr interaction terms are of interest, only these coefficients will be presented.[11]

Canadian Results

As Table 2 below illustrates, after accounting for observed differences in demographic, socioeconomic and financial characteristics, many of the trends observed in the descriptive results remain. Immigrants who have been in Canada for 2-6 years continue to have homeownership rates that are significantly below those of the native-born, and for most groups these shortfalls are fairly consistent across cohorts. Blacks who entered in 1965-69, for example, have homeownership rates at time 1 that are 36 points below the native-born, and 20 years later their 1985-89 counterparts enter Canada with an almost identical 35 point disparity. Similarly, 1965-69 Whites, Filipinos and South Asians start with 18, 43 and 31 point disparities in 1971, fairly close to the 27, 35 and 22 point gaps

[11] Full results can be found in Appendices A and B.

seen for 1985-89 arrivals. The only clear exception to this trend is the Chinese, who, consistent with hypothesis 3, enter Canada in 1965-69 with a 26 point shortfall, followed by a much smaller 5 point gap for 1975-79 arrivals and well below the positive 13 point advantage exhibited by their 1985-89 counterparts.

Table 2: Convergence Rates of 5 Racial Groups into Homeownership in the 7 Largest Cities, 1971-2001

	1965-69 Arrivals			1975-79 Arrivals			1985-89 Arrivals		
	Disparity with NB		Relative	Disparity with NB		Relative	Disparity with NB		Relative
	Time 1	Time 2	Increase	Time 1	Time 2	Increase	Time 1	Time 2	Increase
Black	-0.36	-0.14	0.22	-0.37	-0.16	0.21	-0.35	-0.34	0.01
Chinese	-0.26	0.08	0.34	-0.05	0.14	0.20	0.13	0.19	0.06
Filipino	-0.43	-0.09	0.34	-0.36	-0.14	0.22	-0.35	-0.24	0.11
South Asian	-0.31	-0.01	0.30	-0.22	-0.02	0.20	-0.22	-0.10	0.11
White	-0.18	0.03	0.20	-0.11	-0.01	0.11	-0.27	-0.12	0.15
Other Non-White	-0.31	-0.07	0.24	-0.37	-0.13	0.24	-0.35	-0.23	0.12
All Immigrants	**-0.24**	**-0.01**	**0.23**	**-0.23**	**-0.05**	**0.18**	**-0.20**	**-0.12**	**0.08**

Source: 1971-2001 Census of Canada pooled household datasets created by author.
Note: Homeownership disparities above are taken from the regression results in Appendix A. At time 1, the ethnicity main effect is shown as a percentage point difference from the native-born; for time 2 the interaction marginal effect plus the period effect is added to this term. The column entitled 'Relative Increase' denotes the difference between the disparities at times 1 and 2. The results for all immigrants come from a regression that uses only an immigrant main effect and interaction term instead of race indicator.

Among 1965-69 arrivals, all groups move into homeownership quickly thereafter, and although adjusted homeownership rates place immigrants below the native-born, most groups are within 10 percentage points of them by 1981. A 36 percentage point gap for 1965-69 Blacks shrinks to only 14 points 10 years later, and Filipinos enter Canada with an even greater disadvantage, but buy homes at a more rapid pace than Blacks, and are only 9 percentage points behind the native-born in 1981. Chinese immigrants also increase their homeownership rates by a sizeable 34 points, and continue to surpass the native-born after adjusting for socioeconomic differences. Of all the groups, White immigrants move into homeownership at the *slowest* rate over time, but converge almost perfectly with the native-born, as do South Asians.

Start point disparities range at least as broadly for 1975-79 arrivals, from as little as -5 and -11 points for Chinese and Whites to -36 and -37 points for Filipinos and Blacks. As was the case for 1965-69 arrivals, these disparities diminish rapidly over time, and by 1991 the increase in homeownership rates is once again substantial for all groups. Now, the disparities between immigrants and the native-born at time 2 (1991) range from -16 (Blacks) to +14 (Chinese) points. As with 1965-69 arrivals, Whites and South Asians are virtually indistinguishable from the native-born after adjusting for other household characteristics, and the Chinese once again surpass the native-born, this time by 14 points. Blacks, Filipinos and other immigrants remain considerably below the native-born at 16, 14 and 13 point disparities. These lower rates can be linked to start point disparities however, as the real increase in homeownership rates in the 1970s is in all cases at least as high as it was for Whites.

Finally, most 1985-89 immigrants once again have low initial homeownership rates. One exception to this is the Chinese, who after being in Canada for 5 years or less are already 13 points above comparably-positioned native-born households.[12] By 2001, most groups – all except the Chinese, who only increase their advantage – close the homeownership gap, but the rate at which they are able to do so begins to fall behind the rate for Whites. For Blacks this deceleration is so severe that there is almost no convergence with the native-born at all in the 1990s.

Generalizing across time, two conclusions can be made from the Canadian results. First, after adjusting for differences in socioeconomic and demographic characteristics, most immigrants within a cohort move into homeownership at roughly equal rates over

[12] This may reflect the favourable wealth position of Chinese immigrants of the late 1980s, although this can not be assessed with census data.

time, providing little evidence for differential access across visible minority groups. This generalization requires some qualification for the most recent cohort, however; Chinese now enter Canada already with higher homeownership rates than the native-born, and Blacks barely increase their homeownership position, relative to the native-born, at all in the 1990s. In both cases, however, it is difficult to determine if these patterns support the hypotheses presented earlier. Although the patterns conform to the hypothesis, the high initial homeownership rates of the Chinese may simply reflect their favourable entry-level wealth position[13] and not their access to an ethnic community, and for Blacks, earlier cohorts seemed to move into homeownership at least as quickly as White immigrants. None of the three hypotheses is fully supported by Canadian data.

The second conclusion that can be made from Table 2 is that attainment rates have slowed for nearly all groups over time. For all immigrant groups but Whites, each successive cohort moves into homeownership at a slower rate than its predecessor did. For the high-homeownership Chinese, this is less of a concern, but for groups who enter Canada with low homeownership rates, like Blacks and Filipinos, the consequences are more severe. Furthermore, given that most groups buy homes at approximately the same rate, most of the disparities at time 2 reflect differences in entry-level homeownership rates, suggesting that cross-sectional racial differences in homeownership rates in Canada are largely entry-level differences.

There is little evidence to support the existence of a racially-structured hierarchy of homeownership attainment in Canada, except perhaps for the most recent cohort of Black immigrants.

[13] In the late 1980s, a large proportion of Chinese arrivals came from Taiwan and Hong Kong with considerable wealth (Murdie and Teixeira, 2001).

U.S Results

In one respect, the Canadian results shown above do not appear to be unlike those of several U.S. studies (Alba and Logan 1992; Megbolugbe and Cho 1996; Painter, Gabriel, and Myers 2001; Painter, Yang, and Yu 2004; Simmons 2001). These studies tend to show that Blacks have the lowest homeownership rates, with whites and Chinese in a better position, and other immigrant groups falling somewhere between. Many of these studies do not differentiate groups by immigrant status and year of arrival, however, making it difficult to compare attainment rates between the two countries. Furthermore, since Canada has neither a large Black nor Hispanic native-born population, comparability of the above results with those of other studies is an issue. To rectify this, Black and Hispanic native-born households are removed from the US samples in this study. The native-born population is now primarily composed of White residents. As with the Canadian samples, the minority groups are solely foreign-born.

Table 3: Convergence Rates of 5 U.S. Immigrant Racial Groups into Homeownership in the 75 Largest Cities, 1980-2000

	1965-70 Arrivals			1975-80 Arrivals			1985-90 Arrivals		
	Disparity with NB		Relative	Disparity with NB		Relative	Disparity with NB		Relative
	Time 1	Time 2	Increase	Time 1	Time 2	Increase	Time 1	Time 2	Increase
Black	-0.31	-0.15	0.16	-0.30	-0.22	0.08	-0.35	-0.26	0.08
Chinese	-0.47	-0.27	0.20	-0.30	-0.12	0.18	-0.24	-0.11	0.13
Filipino	-0.49	-0.27	0.22	-0.31	-0.17	0.14	-0.36	-0.22	0.13
South Asian	-0.42	-0.22	0.20	-0.46	-0.26	0.21	-0.49	-0.33	0.16
White	-0.34	-0.16	0.18	-0.33	-0.16	0.16	-0.37	-0.22	0.14
Other Non-White	-0.60	-0.36	0.23	-0.47	-0.28	0.19	-0.53	-0.37	0.16
All Immigrants	**-0.38**	**-0.16**	**0.22**	**-0.34**	**-0.16**	**0.18**	**-0.37**	**-0.22**	**0.14**

Source: 1970-2000 U.S Census pooled household datasets created by author.
Note: Homeownership disparities above are taken from the regression results in Appendix B. At time 1, the race main effect is shown as a percentage point difference from the native-born; for time 2 the interaction marginal effect is added to this term. The column entitled 'Relative Increase' denotes the difference between the disparities at times 1 and 2. The results for all immigrants come from a regression that uses only an immigrant main effect and interaction term instead of race indicator.

As in Canada, in the results above all 1965-70 arrivals entered the United States with homeownership rates that were well below those of the comparable native-born

population. By time 2, however, most groups converge rapidly, and at approximately equal rates. Filipinos and other non-whites have the greatest increases, although they followed closely behind by all other groups. This is also evident for 1975-80 arrivals, except that Blacks converge slower than other groups. Once again, however, the difference between South Asians, the group with the most rapid attainment rate (21 points) and Blacks (8 points) the group with the smallest relative increase, is relatively small. For the most part, this trend continues for 1985-90 arrivals. Blacks again have a smaller increase than do other groups, and South Asians and other nonwhites move into homeownership fastest. Considerable gaps between cohorts of all groups and the U.S. native-born are evident after 10-15 years.

The two master trends for Canada are also evident in the United States. First, all groups (except Blacks) move into homeownership at roughly the same rate as time spent in the United States increases. Furthermore, this seems to be fairly consistent across immigration cohorts, suggesting that cross-sectional racial homeownership differences can also be traced to start-point disparities in the United States. An exception to this might be made for Black immigrants, who consistently post the smallest increases over time.

The second trend shared between countries is that each successive cohort of new arrivals moves into homeownership at a slower rate, evident in the 'all immigrants' row, pointing to a deceleration in convergence with the native-born across North America.

How Have The Changes in Racial Composition Affected Immigrant Homeownership Rates?

In the sections above, we saw some scattered evidence for differential homeownership patterns by skin colour groups. For the most part, however, it was clear that the differences in attainment rates between groups were minimal, and strongly suggest that observed racial homeownership differences stem from start-point disparities. This only provides mixed evidence that the changing racial composition of U.S. and Canadian immigrants over the past 30 years affects aggregate immigrant homeownership rates.

To illustrate this more succinctly, however, in Table 6 below the racial composition of late 1970s and 1980s arrival cohorts are reweighted so that they resemble the composition of 1960s arrivals. This allows us to determine the effect that changes in skin color has had on aggregate immigrant attainment rates. By doing this, it is possible to estimate what homeownership rates would be for individual cohorts with a reduced proportion of non-white arrivals. It can be determined, for example, what cohort-specific homeownership rates would be if each cohort contained 77% (Canada) or 69% (United States) white immigrants, as it was in 1970/1 (Figures 1 + 2). These results are presented below as predicted probabilities.

Table 4: What Would Homeownership Rates Be if More Recent Immigrant Cohorts Had the Same Composition as Earlier Arrivals?

Canada			United States		
	Time 1	Time 2		Time 1	Time 2
Group	**1971**	**1981**	**Group**	**1970**	**1980**
1965-69 Arrivals	32.0%	71.0%	1965-70 Arrivals	20.4%	64.2%
1965-69 Comp	32.0%	71.0%	1965-69 Comp	20.4%	64.2%
Change	**0.0**	**0.0**	**Change**	**0.0**	**0.0**
Native-Born	50.3%	62.7%	Native-Born	67.7%	77.4%
	1981	**1991**		**1980**	**1990**
1975-79 Arrivals	40.8%	68.7%	1975-80 Arrivals	26.8%	64.4%
1965-69 Comp	45.1%	68.8%	1965-70 Comp	28.6%	65.1%
Change	**4.3**	**-0.2**	**Change**	**1.8**	**0.7**
Native-Born	53.6%	64.1%	Native-Born	67.3%	76.7%
	1991	**2001**		**1990**	**2000**
1985-89 Arrivals	38.9%	62.0%	1985-90 Arrivals	22.9%	57.3%
1965-69 Comp	34.9%	63.7%	1965-70 Comp	24.4%	60.1%
Change	**-4.0**	**1.7**	**Change**	**1.5**	**2.8**
Native-Born	55.0%	68.5%	Native-Born	65.8%	78.3%

Source: 1971-2001 Census of Canada and 1970-2000 IPUMS-USA pooled household datasets created by author.

Since 1965-69 Canadian and 1965-70 U.S. arrivals have the same composition under both scenarios, changes in homeownership rates can first be seen for 1975-79 and 1975-80 immigrants. Although start-point homeownership rates for 1975-79 arrivals in Canada would be improved by about four points under the hypothetical scenario, after 10 years these differences almost entirely disappear. Similarly, in the United States, shifting the racial composition of 1975-80 arrivals only alters predicted homeownership rates by 1.8 points at time 1 and 0.7 points at time 2, an equally minor change. For late 1980s Canadian arrivals, homeownership rates in the first five years in Canada would actually *decline* by four points by imposing the racial composition of 1965-69 immigrants, although by time 2 predicted homeownership rates would be about two points higher. In the United States, shifting the composition of 1985-90 arrivals boosts homeownership rates 1.5 points at time 1, and 2.8 points at time 2.

The relative lack of change in homeownership rates for each cohort of immigrants illustrates how little changes in racial composition affect immigrant homeownership rates. Furthermore, when these minor cohort-specific changes are extended to the entire immigrant population, so that the entire immigrant population was at its 1970/1 levels, instead of only a cohort of immigrants, these differences would no doubt shrink even further.

Discussion and Conclusion: Is Assimilation Progressive and Irreversible or Segmented and Selective?

Over the past 35-40 years, the composition of recent immigrants has changed substantially in Canada and the United States, resulting in an immigrant population that is much more racially diverse than it was in the past. This change has spurred several scholars to question the ability of traditional understandings of immigrant assimilation to account for the processes of immigrant integration into the mainstream of their new societies. The debate seems to center on whether more recent waves of Black, Chinese, Filipino, South Asian and other immigrants can mimic the patterns of the predominantly-white European arrivals of nearly a century ago.

Pluralists argue that the answer is clearly no (See Glazer (1997) or Alba and Nee (2003) for a critical review of this literature). The predominantly non-white recent immigrants today enter into a pre-existing and often impenetrable racial order, facing barriers to integration that were not encountered by European arrivals.[14] Given this change in the colour of immigration, it seems unreasonable to expect a 'progressive and irreversible' assimilation into homeownership. Not only must recent immigrants learn to

[14] That is not to say that immigrants of the past did not face problems due to their differences, but only that these differences were primarily cultural and lingual.

navigate the real estate and mortgage markets as their predecessors did, but they must also learn to deal with resistance from gatekeepers at various points in the purchase process.

Other scholars see no need to develop new theories for these new immigrants, and object to dismissing traditional assimilation theory out of hand. They argue that the focus on cultural pluralism and diversity overshadows the more subtle but clearly discernable trends in recent immigrant assimilation (Alba and Nee 2003; Jacoby 2004). Excepting African-Americans in the United States, most groups appear to be assimilating in a manner not unlike that of earlier European arrivals.

For most groups, fairly strong support emerges for the latter contention in this paper. In Canada, only two groups (Blacks and the Chinese) do not fit comfortably within the well-established assimilation paradigm. For Blacks, although it is possible (and unmeasured in the census) that discrimination explains the discrepancies, it is only in very recent history that Blacks have begun to show low attainment rates. This likely reflects changes in the source regions of Black immigrants in recent history. Earlier cohorts of Black immigrants do not appear to buy homes at a dramatically slower pace than other immigrants, although this is certainly the case for late 1980s arrivals; this points to more cohort-specific explanations than skin color for the homeownership behavior of recent Blacks

For the Chinese, although each cohort secures higher homeownership rates than its predecessor, supporting the predictions of the ethnic enclave hypothesis, this does not necessarily prove that the assimilation model does not fit for them. It appears to be true that the Chinese have an advantage in Canada and the United States because of their

strong community-based support, but at the same time each cohort also contains a growing proportion of wealthy entrepreneurial and business class immigrants, making it plausible that high initial homeownership rates could simply stem from unmeasured increases in wealth over time. This is a topic for future research with data that are better suited to control for wealth differences, not only for Chinese, but other groups as well.

In the United States, straight-line assimilation's broad storyline is more evident. By and large, at least four of the five racial groups move into homeownership at approximately the same rate over time. Although U.S. Chinese resemble their Canadian counterparts to some degree, their housing success is more likely to occur after arrival, whereas Canadian Chinese immigrants enjoy immediately high homeownership rates. This is particularly true for the two more recent arrival cohorts.

U.S. Black immigrants tend to have the lowest ownership rates of all groups. They both enter the United States with the lowest rates, and they converge upon the native-born at the slowest rate. Although it is difficult to be certain, the evidence suggests that Black immigrants in the United States may face additional hurdles as they attempt to move into homeownership. Evidence is mixed for a similar conclusion for Canada.

In short, this paper suggests that there is indeed a homeownership hierarchy in both countries, but only when homeownership attainment *levels* are considered. That is, when cross-sectional homeownership differences are the focus, there are large unexplained racial differences in homeownership propensities. This hierarchy mostly dissolves when attainment *rates* become the focus, suggesting that homeownership differences largely reflect entry-level differences that appear shortly at arrival (or at least

difference is that appear in the first few years after arrival). Further research should identify the causes behind this early differentiation.

There is one important caveat that has been made repeatedly in this study. Many of the observed differences in homeownership rates could be due to differences in wealth, for which the study has no data, which in turn may be due to a whole variety of factors other than discrimination based on race/visible minority status (e.g. differences in savings rates, differences in wages due to unobserved abilities, differences in the rates of return on one's assets due to differences in preferences towards investment risk, etc). The main goal of the paper has been to document and compare differences in homeownership rates between five groups of immigrants and the native-born in Canada and the United States, and to determine if this explains the immigrant homeownership decline. Consequently, the primary contribution of this study has been to illustrate that homeownership attainment rates are largely similar across groups in both countries, but slowing over time, and that the changing racial composition of immigrants is not the reason behind the immigrant homeownership decline in Canada and the United States.

This does not suggest that discrimination does not exist in Canada or the United States, or that it is not a significant problem for many minority group members. Given data limitations, this study could focus only on the transition into homeownership, and makes no statements about the comparative quality or location of accommodations, credit barriers, inflated housing prices, etc. (see Flippen (2004) for a discussion of some of these issues in the United States), or of the hurdles that a family must clear in order to buy their home. It is likely to be here that discrimination is more readily evident.

Appendix A: The Predictors of Homeownership in the Top 7 Canadian Immigrant-Intake Cities, 1981-2001

	1971-1981	1981-1991	1991-2001
Variable	***dy/dx***	***dy/dx***	***dy/dx***
Period	0.25 ***	0.14 ***	0.20 ***
Age 25-34 in Year One	Ref.	Ref.	Ref.
Age 35-44 in Year One	0.22 ***	0.17 ***	0.14 ***
Age 45-54 in Year One	0.28 ***	0.23 ***	0.22 ***
2 Adults, with kids	Ref.	Ref.	Ref.
2 Adults, no kids	-0.23 ***	-0.23 ***	-0.19 ***
Unattached Individual	-0.50 ***	-0.49 ***	-0.41 ***
Lone Parent	-0.29 ***	-0.34 ***	-0.34 ***
Multiple Family Dwelling	0.16 ***	0.10 ***	0.13 ***
Less than High School Diploma	Ref.	Ref.	Ref.
High School Diploma	0.08 ***	0.09 ***	0.09 ***
Post-Secondary, Non-University	0.11 ***	0.13 ***	0.12 ***
BA or Higher	0.17 ***	0.21 ***	0.18 ***
Income (logged, CPI- and AEA-adj	0.06 ***	0.08 ***	0.11 ***
Number employed in Economic Family	0.06 ***	0.07 ***	0.08 ***
Household Head is Unemployed	-0.11 ***	-0.11 ***	-0.09 ***
Toronto	Ref.	Ref.	Ref.
Edmonton	0.07 ***	0.08 ***	0.08 ***
Calgary	0.05 ***	0.08 ***	0.08 ***
Montreal	-0.16 ***	-0.06 ***	-0.04 ***
Ottawa/Hull	-0.03 ***	0.01	0.01 ***
Vancouver	0.10 ***	0.05 ***	-0.01 **
Winnipeg	0.10 ***	0.12 ***	0.12 ***
non-Immigrant	Ref.	Ref.	Ref.
Black	-0.36 ***	-0.37 ***	-0.35 ***
Chinese	-0.26 ***	-0.05 ***	0.13 ***
Filipino	-0.43 ***	-0.36 ***	-0.35 ***
South Asian	-0.31 ***	-0.22 ***	-0.22 ***
White	-0.18 ***	-0.11 ***	-0.27 ***
Other Non-White	-0.31 ***	-0.37 ***	-0.35 ***
Interaction Terms			
Yr*Age 25-34 (now 35-44)	Ref.	Ref.	Ref.
Yr*Age 35-44 (now 45-54)	-0.17 ***	-0.08 ***	-0.09 ***
Yr*Age 45-54 (now 55-64)	-0.18 ***	-0.04 ***	-0.07 ***
Yr*2 Adults, with kids	Ref.	Ref.	Ref.
Yr*2 Adults, no kids	0.05 ***	0.07 ***	0.03 ***
Yr*Unattached Individual	0.05 ***	0.07 ***	0.05 ***
Yr*Lone Parent	-0.07 ***	0.00	0.04 ***
Yr*Multiple Family Dwelling	-0.13 ***	-0.07 ***	-0.18 ***
Yr*Black	0.22 ***	0.21 ***	0.01
Yr*Chinese	0.34 ***	0.20 ***	0.06 ***
Yr*Filipino	0.34 ***	0.22 ***	0.11 ***
Yr*South Asian	0.30 ***	0.20 ***	0.11 ***
Yr*White	0.20 ***	0.11 ***	0.15 ***
Yr*Other Non-White	0.24 ***	0.24 ***	0.12 ***
Pseudo R2	**0.21**	**0.23**	**0.24**

Source: 1971-2001 Census of Canada pooled household datasets created by author.

Appendix B: The Predictors of Homeownership in the Top 75 U.S. Immigrant-Intake Cities, 1981-2001

	1970-1980	1980-1990	1990-2000
Variable	***dy/dx***	***dy/dx***	***dy/dx***
Period	0.23 ***	0.16 ***	0.11 ***
Age 25-34 in Year One	Ref.	Ref.	Ref.
Age 35-44 in Year One	0.17 ***	0.14 ***	0.14 ***
Age 45-54 in Year One	0.24 ***	0.21 ***	0.21 ***
2 Adults, with kids	Ref.	Ref.	Ref.
2 Adults, no kids	-0.12 ***	-0.05 ***	-0.09 ***
Unattached Individual	-0.44 ***	-0.36 ***	-0.34 ***
Lone Parent	-0.19 ***	-0.31 ***	-0.26 ***
Multiple Family Dwelling	-0.16 ***	-0.26 **	-0.22 ***
Less than High School Diploma	Ref.	Ref.	Ref.
High School Diploma	0.06 ***	0.08 ***	0.09 ***
Post-Secondary, Non-University	0.08 ***	0.10 ***	0.12 ***
BA or Higher	0.10 ***	0.16 ***	0.18 ***
Income (logged, CPI- and AEA-adj	0.01 ***	0.02 ***	0.03 ***
Number employed in Economic Fam	0.04 ***	0.04 ***	0.04 ***
Household Head is Unemployed	-0.08 ***	-0.06 ***	-0.05 ***
CMA Indicators are Available from Author Upon Request			
non-Immigrant	Ref.	Ref.	Ref.
Black	-0.31 ***	-0.30 ***	-0.35 ***
Chinese	-0.47 ***	-0.30 ***	-0.24 ***
Filipino	-0.49 ***	-0.31 ***	-0.36 ***
South Asian	-0.42 ***	-0.46 ***	-0.49 ***
White	-0.34 ***	-0.33 ***	-0.37 ***
Other Non-White	-0.60 ***	-0.47 ***	-0.53 ***
Interaction Terms			
Yr*Age 25-34 (now 35-44)	Ref.	Ref.	Ref.
Yr*Age 35-44 (now 45-54)	-0.12 ***	-0.07 ***	-0.07 ***
Yr*Age 45-54 (now 55-64)	-0.15 ***	-0.07 ***	-0.08 ***
Yr*2 Adults, with kids	Ref.	Ref.	Ref.
Yr*2 Adults, no kids	0.04 ***	-0.01 ***	0.07 ***
Yr*Unattached Individual	0.02 ***	0.02 ***	0.06 ***
Yr*Lone Parent	-0.11 ***	0.04 ***	-0.02 ***
Yr*Multiple Family Dwelling	-0.07 ***	0.05 ***	0.04 ***
Yr*Black	0.16 ***	0.08 ***	0.08 ***
Yr*Chinese	0.20 ***	0.18 ***	0.13 ***
Yr*Filipino	0.22 ***	0.14 ***	0.13 ***
Yr*South Asian	0.20 ***	0.21 ***	0.16 ***
Yr*White	0.18 ***	0.16 ***	0.14 ***
Yr*Other Non-White	0.23 ***	0.19 ***	0.16 ***
Pseudo R2	**0.19**	**0.20**	**0.19**

Source: 1970-2000 IPUMS-USA pooled household datasets created by author.

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