Factors of Economic Resilience: Immigrant Families Capacity to Weather A Financial Storm

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Understanding poverty of immigrants

- Past methods to understand immigrants' poverty are overly simplistic

  - based mostly on income measure

- Assets may have a determining influence on the socioeconomic condition of individuals and families (Nam, Lee, McMahon, & Sherraden, 2016).

- There are mostly positive relationships between asset holding and economic well-being; child well-being; social well-being and civic engagement; and health and psychological well-being (Nam, 2020; Lerman & McKernan, 2008).

- Knowledge gap - intra-group differences across poverty measures

Data Sources

- Survey of Financial Security (SFS) 2012
  - Covered about 98% of the population.
  - The interview was conducted with the family member most knowledgeable of the family's financial situation.
  - Sample size: 2,303 immigrant households and 9,700 Canadian-born households
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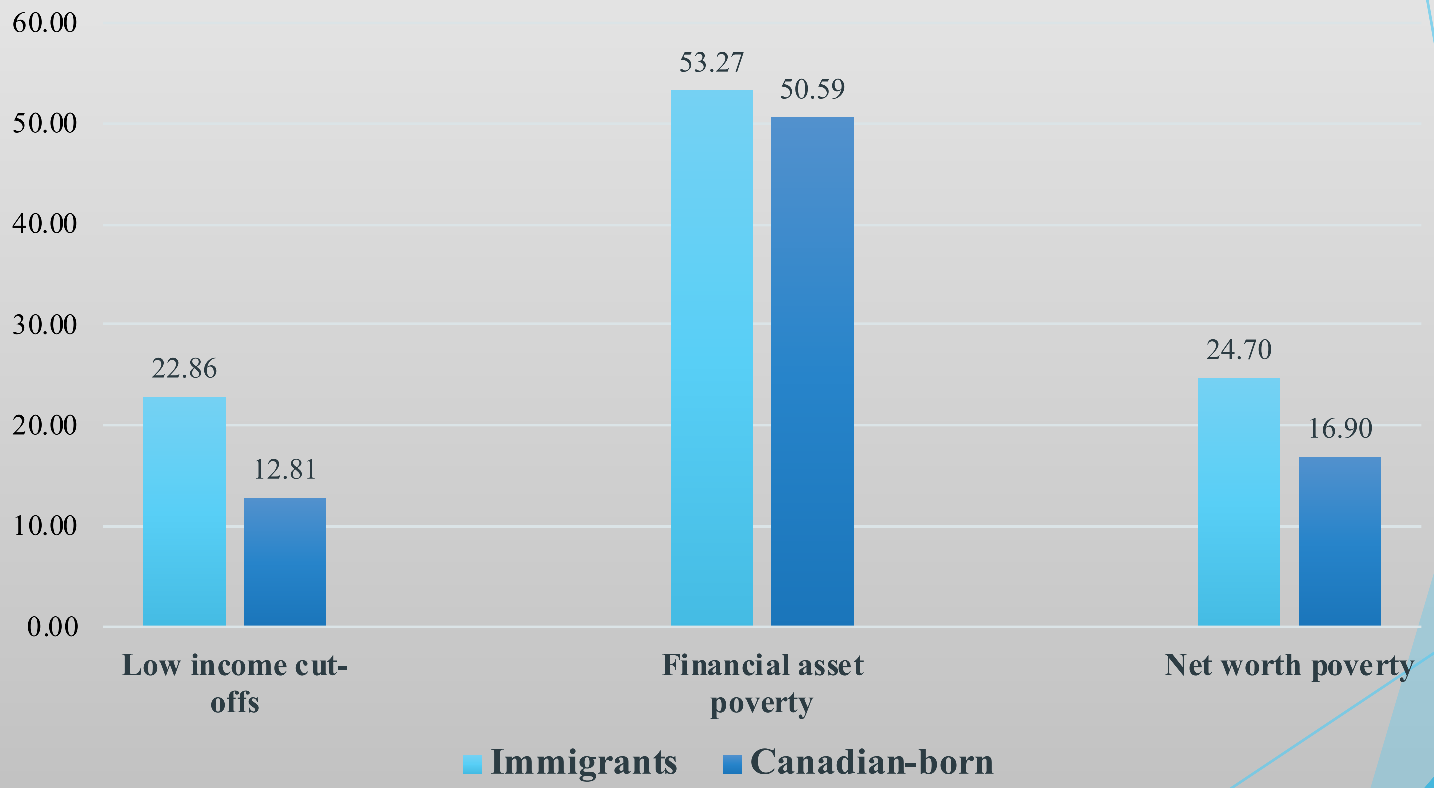
- Survey of Financial Security (SFS) 1999
  - Sample size: 2,766 immigrant households
- Longitudinal Survey of Immigrants to Canada (LSIC) 2007
  - Collected information on immigrants at three stages after arrival:
  - Six months (wave 1)
  - Two years (wave 2)
  - Four years (wave 3)
  - 7,443 immigrant households

Measurement

- Two asset poverty thresholds were created based on financial assets and net worth (Haveman & Wolff, 2004).
  - The financial asset poverty indicator included all financial assets.
  - The net worth poverty = (total financial assets + total non-financial assets + equity in business) - total debts.
- A household is ‘asset poor’ if it does not have sufficient assets to survive at the low-income cut-off for three months.
- The family size adjusted Low-Income Cut-off (LICO) was used for basic needs threshold.

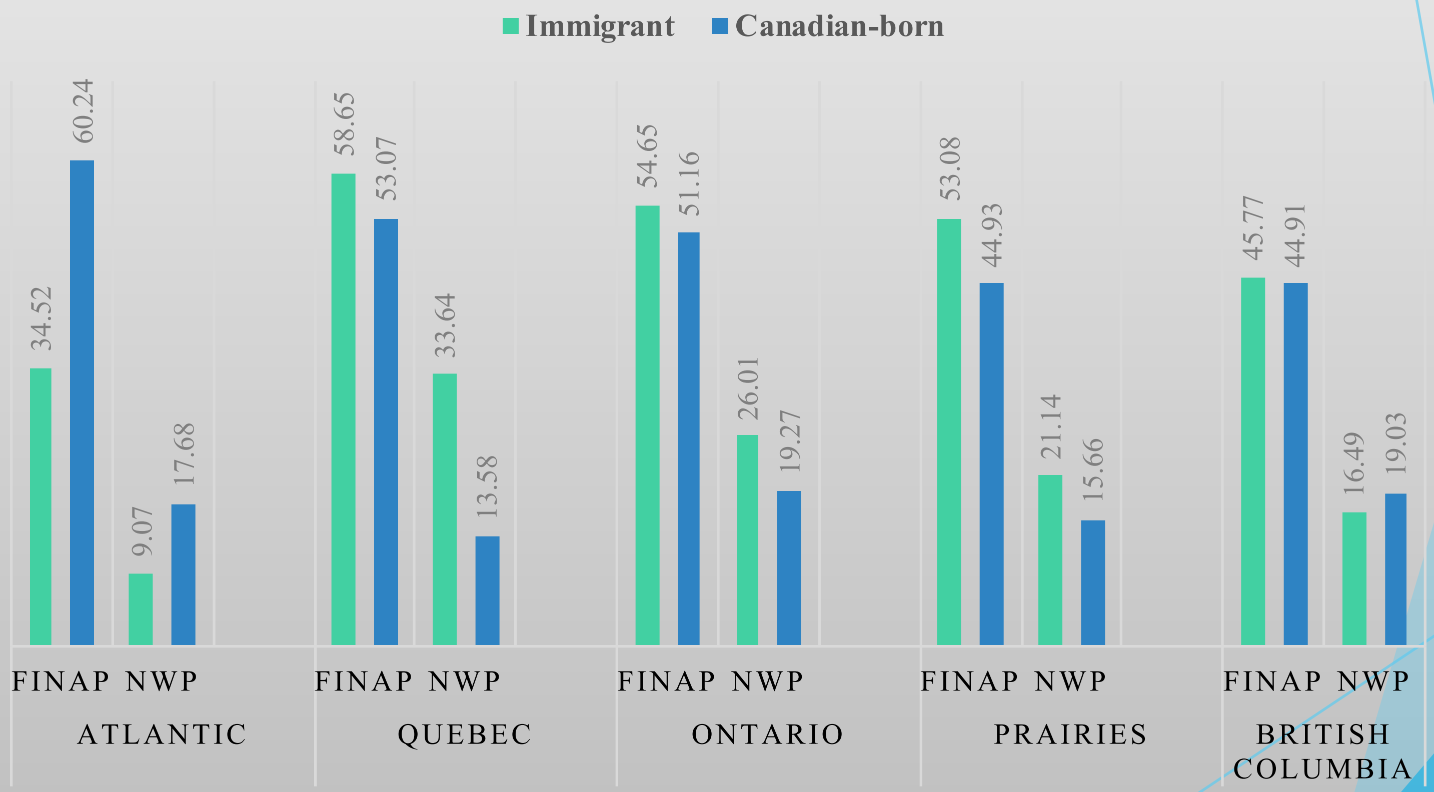
Results

Income and asset poverty rates of immigrants and Canadian-born, 2012

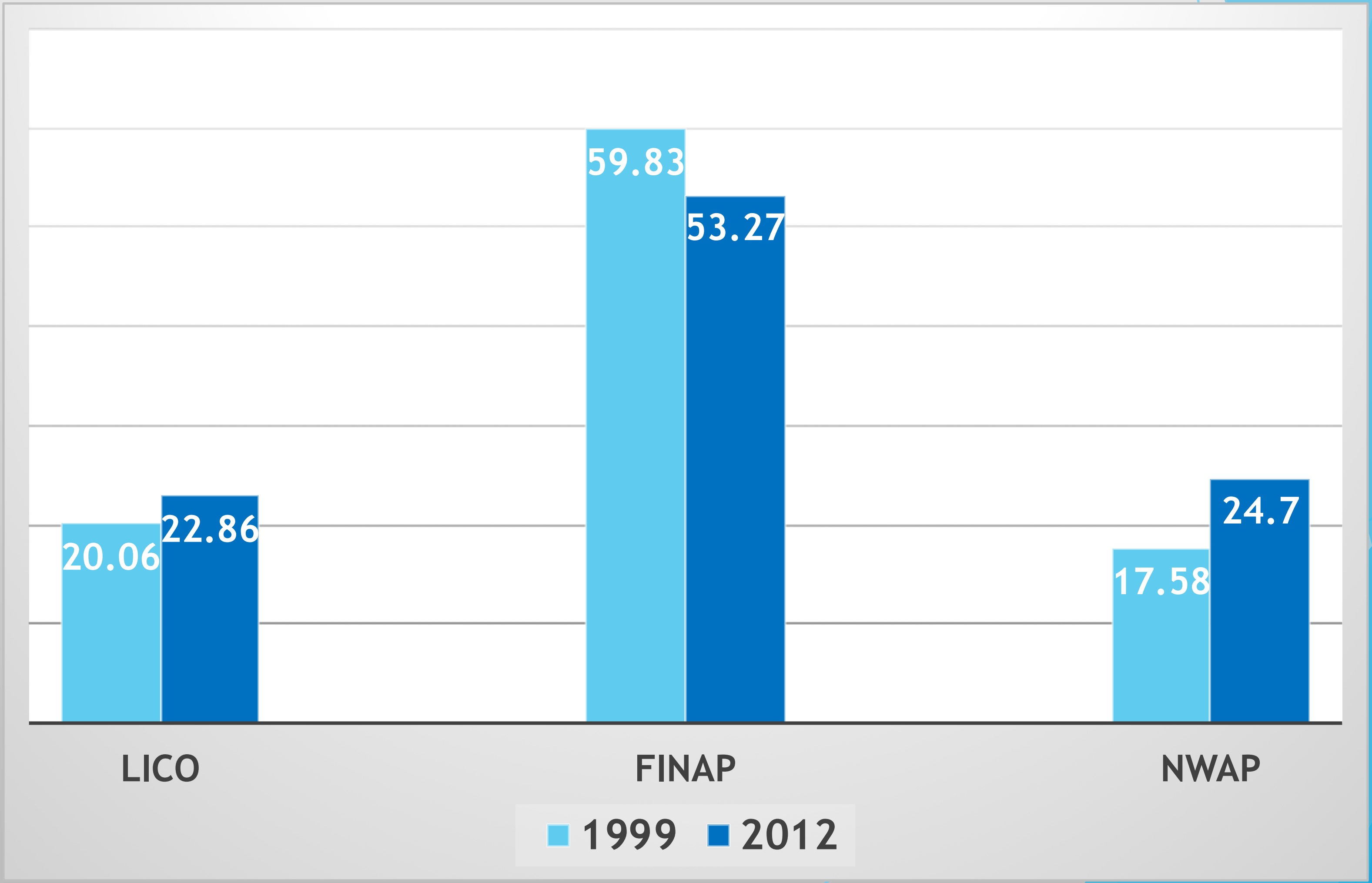


Results

Asset poverty of immigrant and Canadian-born by region



Low income and asset poverty rates of immigrant households 1999, 2012



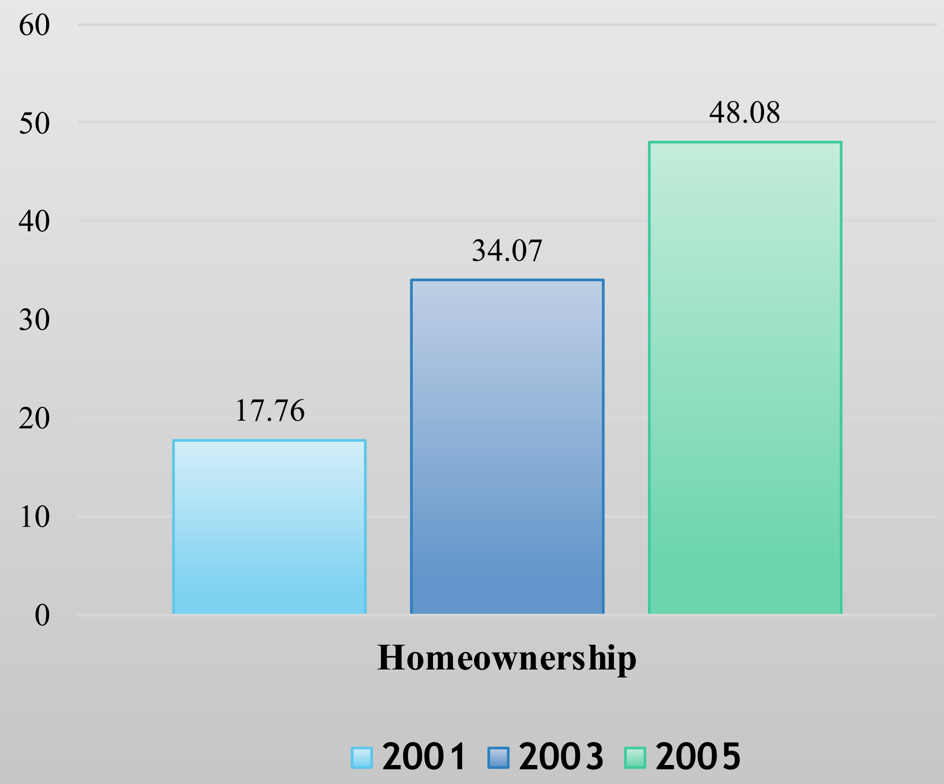
Results

- The most at risk of financial asset poverty
  - Immigrants from the Middle East & North Africa
  - Other groups are at risk: the South Asian, Sub-Saharan African, and Latin American & Caribbean immigrants

- The most at risk of net worth poverty
  - Immigrants from every regional category (except Europe & Central Asia)

- The number of children in the household
- Immigrants in the prime working age
- Length of residency
- Those who speak a language other than English or French at home
- Homeownership, living in a married family, and higher levels of education

Homeownership over time



Findings from longitudinal data

- There are disparities in homeownership among immigrant groups

- Country of origin
  - Africa and the Middle East have the lowest homeownership rates
  - North America and Oceania & Australia have the highest homeownership rates

- Immigration category
  - Family class immigrants have the advantages to homeownership.

- Results from logistic regression:
  - Income, employment, stable financial situation, and savings have positive relationship to homeownership
  - Households with Children

Discussion

- "One size fits all" interventions are not appropriate.

- Needs of these groups are different.

  - policymakers must consider the diversity of needs among low-income, low- assets groups

  - need for a richer and more in-depth assessment.

- Programs that help families accumulate assets can play an important role in fighting poverty and reducing economic vulnerability.

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Thank You