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Campaign to Repeal Refugee Transportation Loan Requirement

Canada needs to act to eliminate child poverty. It has been almost 20 years since an all-party resolution of the House of Commons committed to achieving this goal, a deadline obviously missed.

We know that one in two children in recent immigrant families are poor.

One step in reducing poverty and its attendant harms among immigrant families, and in particular among refugees, can be easily taken: eliminate the indebtedness imposed by government transportation loans.

Current Canadian policy requires refugees who are sponsored by the government or by private sponsors (e.g. church groups) to repay the costs of their travel to come to this country for resettlement. The average transportation loan debt charged to refugee arrivals is between \$3,000 to \$5,000. For families, especially those with several children, the cost easily reaches the maximum of \$10,000. Refugees are expected to pay these loans off within 6 years.

The one-time cost to forgive all outstanding refugee transportation loans is estimated at approximately \$38 million. The annual cost of transportation for new refugee arrivals ranges from \$13 to \$15 million.

Burdening newly arrived individuals and families who have experienced displacement and trauma with thousands of dollars in debt is bad public policy for two reasons:

- 1) It diminishes our compassionate intentions to assist people in need of sanctuary and a new home.** A wealthy country like Canada can well afford to welcome refugees without asking them to pay us back for the cost of bringing them here.
- 2) It represents a false savings for government and society.** Resettled refugees are mostly living on below-poverty-level federal assistance payments for their first year in Canada. (The rate of this assistance is tied to provincial income assistance rates and has not increased in a decade or more.) The requirement for them to allocate money from this meager income for debt repayment means less money available for food, rent, clothing and other basic needs. This debt burden further marginalizes and impoverishes these families, diminishing their capacity to integrate. For example, youth in refugee families are missing out on a crucial time to concentrate on their education when they feel an obligation to go to work to help their parents make loan

payments. The long-term costs in health care, education, income assistance and other areas as a consequence of increasing these families' poverty are predictably greater than the cost of government absorbing the original transportation expenses. In this respect, the transportation loan repayment policy is counterproductive and inefficient.

We are calling upon the Government of Canada to immediately cancel all outstanding refugee transportation loan debt and to cease seeking repayment of transportation costs for new refugees coming to Canada.

We are joined in this call by immigrant serving agencies in British Columbia and across Canada.

Please join the campaign to end refugee transportation loans by **sending a signed letter to Citizen, Immigration and Multiculturalism Minister Jason Kenney**, with a copy to your Member of Parliament. Attached is a sample letter to sign and send, or to adapt to your individual voice or to your organization's message.

Date:

The Honourable Jason Kenney
Minister of Citizenship, Immigration and Multiculturalism
House of Commons
Ottawa, Ontario K1A 0A6

Dear Minister Kenney,

I am writing to make you aware of a growing feeling of injustice which I share in relation to Government's policy of making refugees who come to Canada repay transportation loans. Burdening newly arrived individuals and families who have experienced displacement and trauma with thousands of dollars in debt is bad public policy for two reasons.

It diminishes our compassionate intentions to assist people in need of sanctuary and a new home. A wealthy country like Canada can well afford to welcome refugees without asking them to pay us back for the cost of bringing them here.

It represents a false savings for government and society. Resettled refugee families with children are already over-represented in Canada's poverty statistics. When they allocate money from their meager incomes for debt repayment, they have less money available for food, rent, clothing and other basic needs. This debt burden further marginalizes and impoverishes these families, diminishing their capacity to integrate. For example, youth in refugee families are missing out on a crucial time to concentrate on their education when they feel obliged to go to work to help their parents make loan payments.

The additional long-term costs in health care, education, income assistance and other areas as a consequence of increasing these families' poverty are predictably much greater than the cost of government absorbing the original transportation expenses. In this respect, the transportation loan repayment policy is counterproductive and inefficient.

I am calling upon the Government of Canada to immediately cancel all outstanding refugee transportation loan debt and to cease seeking repayment of transportation costs from new refugees coming to Canada.

Thank you for your consideration of this request. I look forward to your reply.

Sincerely,

Copy: