

NO: R146

COUNCIL DATE: June 25, 2018

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## REGULAR COUNCIL

**TO: Mayor & Council** **DATE: June 20, 2018**

**FROM: General Manager, Planning & Development** **FILE: 5080-01**

**SUBJECT: Proposed UBCM Resolution – Termination of the Refugee Transportation Loan Program for Government Assisted Refugees**

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## RECOMMENDATION

The Planning & Development Department recommends that Council:

1. Receive this report for information;
2. Instruct staff to forward the resolution that is attached as Appendix "I" to the Union of BC Municipalities (UBCM), calling on the Government of Canada to cancel all outstanding refugee transportation loan debt and to cease seeking repayment of the transportation costs for new Government Assisted Refugees (GARs) coming to Canada, with a request that it be included for consideration at the 2018 UBCM Convention; and;
3. Instruct the City Clerk to forward a copy of this report and related Council resolution to the Minister of Immigration, Refugees and Citizenship Canada (IRCC), the Surrey Members of Parliament (MPs), the Surrey Members of the Legislative Assembly (MLAs), and the Federation of Canadian Municipalities (FCM).

## INTENT

The intent of this report is to bring forward a proposed UBCM resolution that requests that the Government of Canada eliminate the Transportation Loan Program for GARs.

## BACKGROUND

On June 29, 2009, Council approved a "Termination of the Transportation Loan Program for Refugees" resolution be forwarded to the UBCM and FCM, and Surrey's MPs and MLAs (RES. R09-1106; 2009).

On May 28, 2018, Council directed staff to prepare a resolution for submission to the UBCM calling on the UBCM to urge the Government of Canada to cancel all outstanding refugee transportation loan debt and to cease seeking repayment of the transportation costs for GARs coming to Canada (RES. R18-1085; 2018). This action item was in response to a recommendation from the May 2, 2018, Social Policy Advisory Committee meeting.

## **DISCUSSION**

Canada's refugee program is our country's contribution to international humanitarian efforts, with GARs representing only about 1-2% of all new immigrants arriving in Canada each year. Coming from war-torn areas of the world and/or facing persecution in their homeland, these refugees, many of whom are children and youth, generally face considerable challenges in resettling.

Ironically, while the Federal government makes significant investments in the settlement and integration of GARs, the requirement to repay transportation loans negatively impacts this process. Refugee families and individuals, generally already living on extremely low incomes, are forced to make monthly loan payments to the Federal government. This further impoverishes vulnerable refugee families as they struggle to build a new life in Canada.

As a primary destination for refugees arriving in BC, Canada's refugee policies and programs impact Surrey. With income assistance rates and minimum wages not keeping pace with rising housing and other living costs in the Metro Vancouver region, the transportation loan program serves to increase the depth of poverty among GARs settling Surrey.

### **Canada's Refugee Program**

Refugees are persons who have been forced to leave their country in order to escape war, persecution or natural disaster. GARs are a specific class of refugees that are identified overseas by the United Nations Refugee Agency (UNHCR) and sponsored by the Federal government for resettlement in Canada. Upon arrival, GARs receive financial and other supports from IRCC, for up to one year.

Canada's Immigration and Refugee Protection Act (IRPA) came into effect in 2002. The IRPA included a change, from Canada selecting refugees based on their "ability to establish", to "need for protection". This change has resulted in significant variations to the profile of GARs settling in Canada. Those arriving since 2003, when the first post-IRPA GARs arrived, are more likely to have:

- low literacy levels;
- significant physical and mental health issues;
- larger than Canadian-average households;
- increased numbers of single-parent headed households; and/or
- increased numbers of children and youth who were born and raised in refugee camps.

Based on these significant vulnerabilities, GARs are less likely to obtain employment and more likely to rely on income assistance in their early years in Canada, as compared to other categories of immigrants.

### ***Refugee Transportation Loan Program***

Upon arrival in Canada, GARs sign a government transportation loan document. The loan covers the costs associated with transportation to Canada and a service fee. The maximum loan amount for a family is \$10,000. Children over 18 are assessed for their own loans.

The Resettlement Assistance Program National Network has been tracking the results of the transportation loan program for over a decade. Across the country, they report observing higher at-risk homelessness, increased use of food banks, family breakdown due to income instability and youth dropping out from high school to assist their parents in improving household income. These are all outcomes that impact local communities.

In the past year, the Government of Canada made some changes that have somewhat reduced the burden of the loan. In April 2017, the Interim Federal Health Program was expanded to:

- provide certain pre-departure medical services to refugees who have been identified for resettlement to Canada, including coverage for the Immigration Medical Examinations and medical support during travel to Canada (previously the transportation loan included pre-entry medical costs).

In February 2018, the Federal government amended the loan program to:

- extend the repayment start date to one year after arrival in Canada (previously the repayment start date was 30 days after arrival);
- charge no interest on new loans and no further accumulation of interest on existing loans (previously the loans were interest-bearing); and
- extend the repayment period by two years to reduce the size of monthly payment amounts (repayment periods now range from three to eight years depending on the size of the loan).

## **Refugees in Surrey**

Surrey has emerged as a primary destination for refugees arriving in Metro Vancouver. Over the past five years, approximately 380 newly arrived GARs settled in Surrey annually, representing 36% of all GARs arriving in BC. In 2016, over half of all the Syrian GARs that arrived in Metro Vancouver were settled in Surrey; 60% of these Syrian GARs settling in Surrey were under 19 years old.

### ***Impact of the Transportation Loan on Poverty Among Refugees in Surrey***

A 2009 Surrey-led study of the housing experiences of refugees, called “At Home in Surrey”, revealed low income levels and significant housing affordability issues. Similarly, a 2016 SFU Surrey refugee research project, entitled “Our Community Our Voice”, found that families forgo basic necessities in order to repay transportation loans.

While the recent changes to the loan program are steps in a positive direction, they still require vulnerable refugee households, generally living on extremely low incomes, to repay loans. With rental rates in Surrey increasing, combined with high transportation costs, poverty is a significant issue for refugee families and individuals in Surrey.

### ***Surrey’s Advocacy to Eliminate the Refugee Transportation Loan***

The City, working in partnership with the Surrey Poverty Reduction Coalition and Surrey Local Immigration Partnership (“Surrey LIP”), has been actively advocating for the elimination of the refugee transportation loan.

In October 2009, the City put forward a resolution to the UBCM's 2009 Annual Convention, calling for the termination of the refugee transportation loan program. The resolution was endorsed by all BC municipalities.

In September 2010, the resolution was adopted by the FCM's National Board of Directors; however, the Federal government declined to amend the program.

In 2013, the Surrey Poverty Reduction Coalition launched a petition calling on the Federal government to eliminate the refugee loan program. Over 1,000 community members signed the petition which was presented in the House of Commons by Surrey Centre MP Randeep Sarai on June 8, 2016.

The Surrey LIP was established in 2014, bringing together over 30 local organizations working together to improve newcomer integration. In 2017, the Surrey LIP released its *Surrey Refugee Integration Strategy 2017-2020: Surrey Our New Home Plan*. Under the strategic direction of "supporting economic self-sufficiency and inclusion", the plan includes a recommendation to "work with other Surrey, BC and national stakeholders to promote the elimination of Canada's refugee transportation loan repayment requirements".

## **SUSTAINABILITY CONSIDERATIONS**

The Corporate Report supports the following Desired Outcomes (DO) and Strategic Directions (SD) identified in the Sustainability Charter 2.0.

### **Inclusion**

- DO5:** New immigrants and refugees are supported to settle, integrate and become thriving members of the community.
- DO8:** No individuals or families in Surrey live in poverty.
- DO10:** Everyone has access to an adequate income, and income gaps are minimized.
- SD1:** Support the social and economic integration of newcomers through the Local Immigration Partnership, and the development and implementation of immigrant and refugee strategic plans.
- SD8:** Support the Surrey Poverty Coalition's efforts to implement the Surrey Poverty reduction Plan.

## **CONCLUSION**

Based on the above discussion, it is recommended that Council:

- Receive this report for information;
- Instruct staff to forward the resolution that is attached as Appendix "I" to the Union of BC Municipalities (UBCM), calling on the Government of Canada to cancel all outstanding refugee transportation loan debt and to cease seeking repayment of the transportation costs for new Government Assisted Refugees (GARs) coming to Canada, with a request that it be included for consideration at the 2018 UBCM Convention; and;
- Instruct the City Clerk to forward a copy of this report and related Council resolution to the Minister of Immigration, Refugees and Citizenship Canada (IRCC), the Surrey

Members of Parliament (MPs), the Surrey Members of the Legislative Assembly (MLAs), and the Federation of Canadian Municipalities (FCM).

*Original signed by*  
Jean Lamontagne  
General Manager, Planning & Development

Appendix "I" Proposed UBCM Resolution - Termination of the Refugee Transportation Loan Program for Government Assisted Refugees

Proposed UBCM Resolution - Termination of the Refugee Transportation Loan Program  
for Government Assisted Refugees

**TERMINATION OF THE REFUGEE TRANSPORTATION LOAN PROGRAM FOR  
GOVERNMENT ASSISTED REFUGEES**

WHEREAS Canada, as part of its national humanitarian program for Government Assisted Refugees (GARs), issues loans to refugees to cover their transportation costs to resettle to Canada;

AND WHEREAS the burden of the transportation loans is having a detrimental impact on thousands of refugees and on Canadian society, undermining refugees’ ability to integrate and to contribute to their full potential in their new homes;

THEREFORE BE IT RESOLVED that the Union of BC Municipalities urges the Government of Canada to immediately cancel all outstanding refugee transportation loan debt and to cease seeking repayment of the transportation costs for new GARs coming to Canada.