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COMPARING THE GERMAN AND CANADIAN EXPERIENCES OF RESETTLING REFUGEES

A 21st Century Response

COMPARER LES EXPÉRIENCES ALLEMANDES ET CANADIENNES QUANT À LA RÉINSTALLATION DES RÉFUGIÉS

Une stratégie pour le 21^{ème} siècle

PRIVATE AND GOVERNMENT SPONSORSHIPS: OCCUPATIONAL AND EARNINGS OUTCOMES FOR VIETNAMESE, LAOTIAN AND CAMBODIAN REFUGEES¹

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This paper adds to the field of refugee settlement by examining the current labour market outcomes of Canada's 'Boat People' entering as privately sponsored refugees (PSR) versus government assisted refugees (GAR). We use IRCC admission data merged with 2016 census of population records to study the entry cohort of adults arriving between 1980-1990 who were born in Vietnam, Cambodia and Laos. Examinations of occupational location, percent in high skill occupations and 2015 earnings find no support for the argument that those entering as PSRs have more advantageous economic outcomes than those entering as GARs. We suggest that such findings reflect the mass migration characteristics associated with the Boat People and the related use of the Designated Group category. Since then, rules and regulations increasingly governed admissions of Privately Sponsored and Government Sponsored refugees; these may underlie differences between the two entry classes that are observed in contemporary scholarship.

Cet article contribue au domaine de l'établissement des réfugiés en examinant les résultats actuels sur le marché du travail des « Boat People » du Canada qui sont entrés au pays en tant que réfugiés parrainés par le secteur privé (RPS) par rapport aux réfugiés assistés par le gouvernement (RPG). Nous utilisons les données d'admission de l'IRCC fusionnées avec les données du recensement de la population de 2016 pour étudier la cohorte des adultes arrivés entre 1980 et 1990 qui sont nés au Vietnam, au Cambodge et au Laos. L'examen de la localisation des professions, du pourcentage de personnes exerçant des professions hautement qualifiées et des revenus de 2015 ne permet pas de soutenir l'argument selon lequel les personnes arrivant en tant que RPS ont des résultats économiques plus avantageux que celles arrivant en tant que RPG. Nous proposons que ces résultats reflètent les caractéristiques de migration de masse associées aux Boat People et l'utilisation connexe de la catégorie des groupes désignés. Depuis lors, les règles et règlements ont de plus en plus régi les admissions de réfugiés parrainés par le secteur privé et par le gouvernement ; ces règles et règlements peuvent être à l'origine des différences entre les deux catégories d'entrée observées dans les études contemporaines.

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INTRODUCTION

Canada's recent and on-going resettlement of Syrian refugees directs attention to the unique sponsorship framework first used in the Indochinese admissions in the late 1970s and 1980s. Then, as now, refugees entered Canada either under federal government assistance (called government assisted refugees or GARs) or under the sponsorship of private groups consisting of citizens, church groups and other civil society groups (privately sponsored refugees or PSRs)². Recent studies find these entry distinctions are important for subsequent refugee economic integration. Compared to government assisted refugees, privately sponsored refugees have faster English language learning, higher employment rates, and higher earnings (Kaida, Hou and Stick, 2019; Picot, Zhang and Hou 2019; Treviranus and Casasola 2003; Wilkinson and Garcia 2017). However, these conclusions derive from two distinctive approaches to research: 1) studies on specific origin groups that frequently interview limited numbers of respondents; and 2) studies that rely on data from large surveys, including Canada's censuses of population. These latter large studies cover many distinctive origin groups; a common response to such detail is to combine all refugee groups regardless of period of entry and source country. At best, distinctions often exist only by region of origin (for exceptions see Houle 2019; Picot, Zhang and Hou 2019).

This paper bridges the two main approaches to understanding refugee settlement: current labour market outcomes by type of sponsorship (private versus government assisted). We take advantage of the innovative merging of Immigration, Refugee and Citizenship Canada (IRCC) entry data to 2016 census of population records to select the entry cohort of adults arriving between 1980-1990 who were born in Vietnam, Cambodia and Laos. Our research finds no support for the argument that those entering as PSRs have more advantageous outcomes than those entering under the government assistance programs. In the conclusion, we return to possible explanations for our findings.

THE BACKSTORY: THE INDOCHINESE CRISIS AND CANADIAN RESPONSES

Resettlement of Indochinese refugees in Canada represents the coming together of a complex history in Vietnam, Laos and Cambodia fanned by events during the 19th and 20th century. There was colonial dominance by France, followed by increasing military intervention of the United States in the south of Vietnam and Russia in the north, the resulting Vietnam War with the fall of Saigon to northern commun-

ist forces in 1975, and the ongoing chaos that continued in Indochina. Long and detailed accounts of each country's history underlying refugee flight are not possible here (for an abbreviated review see Kula and Paik 2016). Canadian sources (Molloy 2015; Canadian Council on Refugees no date) list the following factors as pushing Indochinese peoples from their homes and countries by the mid to late 1970s: the Cambodian genocide; the targeting and cleansing of large Chinese minorities; singling out those who worked or were previously affiliated with the U.S. forces; oppression of "class" enemies; executions; putting people into re-education camps; forcible relocation of people to New Economic zones; forced labour; large scale violation of human rights; and violence and wars between neighboring countries, particularly Vietnam against China and Cambodia. These conditions caused large-scale movements between southeastern countries and by sea from the mid-1970s onwards. The volume of the latter "boat people" and the harsh conditions of their flight captured public attention worldwide, and especially in Canada (Molloy 2015; Molloy et. al 2017).

Refugee resettlement rules and practices that accompanied Canada's new Immigration Act 1975 (effective June 1978) also are central to subsequent Indochinese refugee admissions. Resettlement of displaced persons to Canada occurred in the aftermath of World War II; however, the Immigration Act 1976 enshrined humanitarian principles in admissibility criteria alongside those of family reunification and economic contributions. Additionally, the Immigration Act was important in two respects. First, it allowed the government to establish "Designated Classes" for persons whose collective situation might place them in a *de facto* refugee situation. Created on December 7, 1978, the Indochinese Designated Class included citizens of Cambodia, Laos, and Vietnam leaving after April 30, 1975. Canada's first annual refugee plan on December 20, 1978 stipulated the admission of 5,000 Indochinese. However, boat arrivals in South East Asia continued to escalate. In late June 1979 the Association of Southeast Asian Nations (ASEAN) governments announced they would not accept new boat arrivals, followed by the then Secretary of State for External Affairs, Flora MacDonald announcing at a June 20-21 United Nations Conference that Canada would accept up to 50,000 Indochinese refugees for resettlement. A new Minister of Immigration, Lloyd Axworthy, increased the numbers by 10,000 in April 2, 1980 (Employment and Immigration Canada no date; Malloy and Simeon 2016).

The creation of the Indochinese Designated Group permitted streamlining admissions of these refugees. Central to admissions, however, was a second feature of the Immigration Act 1976, notably the Private Sponsorship of Refugees

2 Today the sponsorship arrangements are somewhat more complex, with the addition during the 1990s of the Blended Visa Office-Referred (BVOR) and the Joint Assistance Sponsorship (JAS) programs. Additionally, from time to time, municipalities also have played facilitating roles, as shown in Mayor Marion Dewar's (Ottawa) Project 4000.

(PSR) program. Informal sponsorship after World War I and II existed, but with the announcement of a plan to draft a new immigration act, religious groups lobbied for including a provision permitting individuals and groups to sponsor refugees (Labman and Pearlman 2016). As part of the evolution of Canadian refugee policy (Lanphier 1981) the Immigration Act 1976 included such provisions; thereafter individuals and families in both Convention and in Designated classes could be sponsored by groups of five or more persons who “[...] committed themselves to maintain the refugees for one year or until they were self-sufficient, whichever was first. Sponsors agreed to provide furnished lodgings and household effects, food, clothing and incidental expenses; arrange for provincial medical and hospital insurance premiums and other health care costs, and provide reception, orientation, counselling, transportation and employment help” (Employment and Immigration Canada 1982: 14). National organizations could sign “master agreements” with the federal government that enabled their constituent groups to undertake sponsorship. Religious organizations were highly prominent in the PSR program; the Mennonite Central Committee was the first to sign the master agreement (SAH) followed by 40 churches and organizations in March 1979 (Molloy and Simeon 2016).

The federal government envisioned privately sponsored refugees as supplementing the larger admission of government assisted refugees, designating 21,000 admissions for PSRs out of the 50,000 admissions announced in June 1979. But the response of approximately 7,000 sponsorship groups quickly reshaped expectations and private sponsorship became foundational for increasing Canada’s Indochinese refugee intake. In total, out of slightly more than 60,000 admissions occurring by December 1980, 54 percent were privately sponsored, 43 percent were government assisted and 3 percent were relative sponsored (calculated from Malloy and Simeon 2016). Smaller numbers continued to arrive during the 1980s, in part reflecting family reunification as well as travel and processing delays.

Contemporary research suggests that privately sponsored refugees economically exceed government assisted refugees in the labour force participation rates and in earnings. However, Molloy and Simeon (2016) ask if this indeed characterized Indochinese refugees. Noting the general neglect of this topic, they refer to anecdotal observations that sponsored refugees envied the monthly allowances provided to GARs by the government and the independence it brought compared to their own situations. Two additional reasons motivate returning to the question of whether or not privately sponsored Indochinese refugees did better economically than government assisted refugees. First, in the decades after the Indochinese resettlement in Canada, conditions articulated in the United Nations Convention on Refugees became standard criteria to be met and the federal government narrowed definitions of group membership (Batarseh 2017, Chapter 2; Labman and Pearlman 2018: 441). In contrast, the settlement of the Indochinese in the late 1970s and early 1980s occurred under the auspices

of the Indochinese designated group category. This enhanced processing but the numbers and easier processing rules created conditions of mass migration rather than admission of well-defined groups using specific criteria. Relatives quickly also became part of the flows. Lamphier (2003) states that between 1979-1980 more than half of the refugees sponsored under the master agreements were nominated either by their relatives or by the direct request of relatively already sponsored. In short, numbers were high, and the refugees selected for resettlement not only feared death and torture, and loss of economic livelihood and but also wanted to facilitate the migration of relatives (Dorais 2003). Under these circumstances, those entering as either PSRs or GARs may have been highly similar.

Additionally, the procedure used to match private sponsoring groups to Indochinese refugees is best understood as a “sponsorship of strangers” rather than a pattern prevalent today in which sponsors can opt to “name” those they wish to sponsor (Labman and Pearlman 2018: 441). Accounts of matching Indochinese refugees to sponsors suggest that matching occurred late in the process, often shortly before refugees were flown to Canada and that government generated matches were presented to sponsors for approval rather than sponsor-generated selection occurring well in advance of processing (Employment and Immigration Canada 1982; Molloy et. al 2017). At least in the early stages in 1979 and 1980, those who entered Canada as government assisted refugees often seemed to be residual (see Malloy et. al 2017), consisting of unmatched individual or families. Today’s practice of GARs selection rests on recommendations made by the United National High Commission on Refugees following definitions of persecution found in the 1951 convention on refugees.

In short, scholarship indicates significant ways in which the PSR and the GAR programs changed over the years. Recent findings of differences in economic integration between the PSRs and the GARs may not hold for earlier arrivals, particularly for the Indochinese refugees (Batarseh 2017; Labman and Pearlman 2018). We examine 2016 census data to answer the question of whether or not privately sponsored Indochinese refugees born in Vietnam, Cambodia and Laos have economic advantages over their counterparts who entered Canada as government assisted refugees.

INDOCHINESE REFUGEES IN 2016

Studies in the 1980s suggest that Indochinese refugees upon arrival had trouble with economic integration. Many had not completed high school, and many had previously worked in jobs that held no correspondence to those in Canada (Lanphier 1981) Although those from Laos were more likely to know French, most Indochinese refugees were unfamiliar with English and/or French. In total, “human capital” skills of education,

job experience and English/French language proficiency that influence occupational locations and earnings were low. Many also arrived shortly before or during the 1981-1982 depression characterized by high inflation, high interest rates and rising unemployment rates. In fact, the 1982 unemployment rate of 12.8 percent was the highest rate since 1934 during the “Great Depression” (CBC 1983).

Despite these difficulties faced by Indochinese refugees, early studies of economic integration did not directly contrast economic outcomes for those entering as PSRs versus those arriving as GARs and at least one reviewer is critical of the alluded benefits of private sponsorship (Lanphier 2003). However direct comparisons now are possible given two recent developments: 1) the recent combination of IRCC immigration entry records with Canada Revenue Service tax records; and 2) the matching of IRCC immigration entry records to 2016 census of population data. Both datasets are for immigrants entering as permanent residents starting in 1980 when IRCC admission records were digitalized. We use the census data because it offers occupational information in addition to earnings and because it includes information on all Indochinese entering during 1980-1990 rather than those filing taxes from 1982 on. The Indochinese refugee flow primarily occurred in 1979-1980; we are able to pick up the second year of heavy in-migration as well as including those continuing

to arrive before 1991. Adult refugees are those who arrived at age 20 or older, and in the literature they often are described as the “first generation.” By 2016, the first generation in this analysis was aged 45-70. We distinguish between those born in Vietnam, Laos, and Cambodia, and we compare the occupational locations and earnings of PSRs to GARs. Because of the high concentration of the Indochinese refugees in Canada’s large cities, we study only those living in cities of 100,000 or more (Census Metropolitan Areas, or CMAs) in Canada’s 10 provinces.

For Indochinese adults arriving between 1980 and 1990 and residing in Canadian CMAs in 2016, the Vietnamese-born are the most numerous at nearly 38,000 followed by Cambodians (7,120) and Laotians (3,720). Most entered in the refugee class although approximately 30 percent of the Vietnamese entering Canada between 1980-1990 also came in the economic class or were family sponsored (Table 1). Out of those entering Canada in the refugee and humanitarian class, approximately 4 out of 10 born in either Vietnam or Cambodia were privately sponsored refugees compared to seven out of ten of the Laotian born. These statistics indicate that the trends observed in 1979 and 1980 of PSRs outnumbering GARs did not characterize the Vietnamese and Laotian born arriving later in the decade (also see Jedwab 2018, Table 3).

TABLE 1: NUMBERS OF ENTRY CLASS FOR PERSONS BORN IN VIETNAM, CAMBODIA, AND LAOS, AGE 20-PLUS AT ARRIVAL, ENTERING CANADA BETWEEN 1980-1990 AND LIVING IN CMAS

	Country of Birth		
	Vietnam	Cambodia	Laos
Total	37,740	7,120	3,720
Immigration Entry Category	100.0	100.0	100.0
Economic	16.3	5.4	3.2
Family Sponsored	14.9	5.1	4.2
Privately Sponsored Refugee	28.3	39.3	64.5
Government Assisted Refugee	40.5	50.1	28.1

Source: Statistics Canada, Census of Canada 2016

What about economic differences between the privately sponsored and the government assisted groups? Are privately sponsored Indochinese refugees born in each country advantaged in terms of occupational locations and earnings compared to government sponsored refugees? The answers rest on the following indicators: occupational scores associated with the 500 occupational titles in the 2016 census, the

percent in high skilled occupations and 2015 weekly earnings. The occupational scores represent the location of specific occupations in a ranking of all occupational titles found in the 2016 census. These scores indicate where, on average, the various Indochinese groups are located in this hierarchy of occupations.³ We next ask if the observed differences are substantial enough to consider important by using statistical tests

3 The 2016 median education and 2015 median earnings of all workers (not just those from Indochina) for each specific occupational title are transformed into percentile distributions and combined. Average occupational scores for each of are then calculated for the possible six categories defined by three birthplace and two entry status (PSR vs GAR) groups (see Boyd 2008 for further details on the scores).

of significance. We repeat this approach with another occupational indicator, the percentage in high skilled occupations, using a classification developed for the census occupational classification (NOCSKILL=A) plus selected occupations with executive management titles. The same approach is applied to positive earnings (greater than zero) for all those working one week or more in 2015. Throughout, the strategy is to compare values for the PS and GAR refugees specific to each birthplace group (Vietnam, Cambodia and Laos).

Table 2 (column 1, panel 1) shows the average occupational scores, specific for PSRs and GARs for those born in Vietnam, Cambodia and Laos and entering in 1980-1990. Results correspond to early studies documenting concentration in blue

collar and manual occupations. On average, Indochinese refugees hold occupations that are not highly ranked in terms of the median education or earnings of all incumbents. For example, Cambodian refugees who were privately sponsored on average have an occupational score of 29. This means that on average Cambodian PSRs hold jobs that rank 29 percent above those of the entire Canadian labour force. Stated differently, Cambodian PSRs on average are in the bottom 30 percent of occupations ranked by education and earnings. Vietnamese refugees have higher scores as do Laotian born, but not by much. Succinctly put, in general these three Indochinese groups are in the bottom one-third of all occupations enumerated by the 2016 census.

TABLE 2: MEAN OCCUPATIONAL SCORES, PERCENT IN HIGH-SKILLED OCCUPATIONS AND MEAN 2015 WEEKLY WAGES FOR PRIVATELY SPONSORED AND GOVERNMENT ASSISTED REFUGEES BORN IN VIETNAM, CAMBODIA AND LAOS, AGE 20-PLUS AT ARRIVAL, ENTERING CANADA BETWEEN 1980-1990, AND LIVING IN CMAS

Birthplace and Entry Status	Mean Occupational Score	Percent in High-Skill Occupations	Mean 2015 Weekly Wage
Vietnam – Private Sponsored Refugee	35	4.8	1,009
Vietnam – Government Assisted Refugee	37	5.7	1,027
Cambodia – Private Sponsored Refugee	29	2.4	888
Cambodia – Government Assisted Refugee	32	2.3	1,031
Laos – Private Sponsored Refugee	35	1.8	1,139
Laos – Government Assisted Refugee	35	3.6	908

ARE DIFFERENCES STATISTICALLY SIGNIFICANT?

Vietnam – Private Sponsored Refugee	(rg)	(rg)	(rg)
Vietnam – Government Assisted Refugee	YES	NO	NO
Cambodia – Private Sponsored Refugee	(rg)	(rg)	(rg)
Cambodia – Government Assisted Refugee	YES	NO	NO
Laos – Private Sponsored Refugee	(rg)	(rg)	(rg)
Laos – Government Assisted Refugee	NO	NO	NO

(rg) = Reference group
Source: Statistics Canada, Census of Canada 2016

To be sure, variations exist within birthplace groups, but how important are they? The second panel of Table 2 applies statistical tests (using OLS regressions) to determine if private sponsored refugees significantly differ from the government sponsored groups. The first indicates if the Vietnamese PSR differ substantially from the Vietnamese GARs; the second comparison indicates if the Cambodian-born PSR differ from the GARs born in Cambodian and the third compares values for the Laotian-born. The conclusion is that average occupational scores for GARs born in Vietnam and in Cambodia represent important differences from the slightly lower scores of those of the Vietnamese and Cambodian PSRs. No differences exist among Laotian refugees by entry status. Unpublished

research shows that the GARs in all three countries have higher educational attainments than the PSRs and this helps explain why the actual occupational scores are higher for the Vietnam and Cambodian born GAR groups compared to the PSRs born in the same countries.

Table 2 (panel 1, columns 2 and 3) also shows the percentages holding high skill occupations and average weekly earnings by entry status (PSRs vs GARs) for those born in Vietnam, Cambodia and Laos. Differences in percentages and in average wages do exist, both between birthplace groups and within birthplace groups by entry status. Nevertheless, the variation that exists between the values for the PSRs and the GARs

within each birthplace group are not enough to be considered statistically significant, given the within group variations and the size of the birthplace populations.

CONCLUDING INSIGHTS

Data from the 2016 census of Canada shows that GARs born in Vietnam and in Cambodia have higher occupational scores than privately sponsored refugees also born in these countries. However, this finding largely reflects underlying educational variations; differences in the percentages holding high skilled occupations and in average earnings are not substantial (that is, large enough to be statistically significant).

In sum, our findings (Table 2) do not support the contemporary narrative that private sponsored refugees have economic advantages over government assisted refugees. In fact, where outcomes differ, the GARs are at an advantage. For Indochinese refugees arriving in the 1980s, either government sponsored refugees have higher occupational status or differences are not large enough to be considered meaningful or accurate (i.e. statistically significant).

Why this contradiction of our findings to those from Syrian refugees or from general analyses of administrative data attached to tax files or to census data? Two explanations are offered. First, the private-government sponsorship was formally adopted in the *Immigration and Refugee Protection Act 1976* (effective 1978) and it was first used on a large-scale basis with the boat people flows. This refugee stream was in urgent need of attention by Employment and Immigration policy makers and field officers (see: Molloy et al. 2017). Government sponsorship was one mechanism but a second mechanism was the private sponsorship of refugees. However, both may have been used with less codification or institutional guidance than is currently the case. As private sponsorship was used more and more over time, it became institutionalized, governed by a growing body of practices and rules on how to regulate and implement private sponsorships. Sponsors today also are more involved. As such, private sponsorship now is a selective mechanism, used to facilitate the entry of some refugees. The government sponsorship program also is selective, resting on the UNHCR criteria of who is a refugee. Such selectivity may not have existed in the Indochinese boat people flows, particularly within the context of mass migration under the Designated Group category.

Second, time in a destination country matters. Analyses of the IRCC Longitudinal Immigration Database for all refugee origin groups show that the employment and earnings advantages associated with private sponsorship entry can persist for up to 15 years. Nevertheless, difference start to narrow after three years (Kaida, Hou and Stick 2019). In contrast, this paper focuses on specific birthplace groups from Vietnam,

Cambodia and Laos who arrived in 1980-1990. By 2016, most would have lived in Canada for a quarter century or more, a span that is more than sufficient to erode any entry status differences that initially might have advantaged the PSRs. Of course, it also is possible that for the Indochinese refugees arriving in the 1980s, the GARs were more likely the PSRs to hold better jobs or have higher earnings, but that researchers unduly focused on privately sponsored refugees. Our findings cannot address this possibility other than to note that for those born in Vietnam, the GARs had higher percentages with college degrees compared with the PSRs, and higher education is associated with better jobs and higher earnings.

Perhaps in the dawn of resettling the boat people, the private sponsorship program compared to government sponsorship did offer advantages, but those were linked to mass rescue and relocation rather than economic advantage relative to GARs. Two additional insights suggested by our study are: invariant titles for refugee programs do not always mean invariant immigrant selection practices or similar economic outcomes over time; and documenting what specific groups experience in the migration process and in the labour market are useful additions to general conclusions.