

Remittances and the Economic Well-being of Sudanese- and Vietnamese-Canadian Refugees

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Much of the remittance literature emphasizes the situation of immigrants sending money and goods to family members, but little is known about refugees' experiences of sending remittances (e.g., Blue, 2004; Ghosh, 2006). Two groups of refugees were selected for this study: Vietnamese and Sudanese. Vietnamese refugees have a history of almost 30 years in Canada, and the Sudanese less than 10 years. Including both provides an opportunity to assess the effect of remittances on refugees from different parts of the world and with different lengths of time in Canada, but who have experienced resettlement under similar circumstances (e.g., Canada's refugee resettlement program, and no prior ethnic community available when they arrived). The views of leaders were sought because they may have knowledge about their community that goes beyond their own experiences, and because they have been involved in organizing ethnic community activities and in serving as a liaison with the agencies assisting in resettlement and integration. Settlement counselors who have worked with African and Southeast Asian refugees were also asked to provide their views about remittances and their effect on refugee well-being.

Methods

Focus group interviews were completed in Fall 2006 with Vietnamese leaders (2 men, 3 women), Sudanese leaders (5 men, 7 women), and government settlement counselors (8) who work with refugees from Southeast Asia and Africa. Focus groups were organized and conducted by a female settlement counselor who has extensive experience in working with newcomers, a social science master's degree, and experience in focus group methods. The interviews covered three broad areas: 1) remittance practices in the community, 2) effect of remittances on senders' well-being, and 3) impact of immigration policies on remittance practices. An honorarium (\$25) was given in respect for participants' time. The 1.5 to 2.5 hour sessions were recorded and transcribed verbatim.

Results

Vietnamese and Their Remittance Experiences

In the early years, the Vietnamese sent goods and medicines that were not available in Vietnam and which could be either used or sold by the family. Remitters felt an obligation to support family, and as a result, they did not have a break from work or time to go to school to improve their English or job skills. Once money was sent, it became expected and that created some dependency. Today, sending money is common if they still have family in Vietnam. Money is sent through banks, Western Union, or with family or friends visiting Vietnam. The remittances are for special holidays or events (Vietnamese New Year, anniversary of ancestor's death, weddings, and funerals) or for purchasing land to go home to retire. Some of the effects on those who are currently remitting money to family in Vietnam include conflict between spouses about sending money to his or to her family, and whether to send money to family in Vietnam or to spend that amount on family in Canada. The former refugees want to support family and community in Vietnam, but they do not want their financial help ever viewed as supporting the Vietnamese government. In the early days, people were also secretive about sending remittances as others in the community felt that doing so was providing support to the communists. Their advice to newcomers is to budget carefully so that they can meet their own needs in Canada and provide remittances to family in Vietnam.

Sudanese and Their Remittance Experiences

All agreed that sending remittances is a very common practice. A variety of methods are used with the main methods Western Union or relying on Somalis to get the money to where it is supposed to go (extensive fees for this). The female leaders said that they pooled their money with other women and rotated which person's family received money that month. When money is needed urgently, the men said they go to friends to borrow, and there has never been a problem of paying it back. Their savings accounts are bare and any credit card no longer has a good rating. Both said that there was not a hierarchy of which person received money, but that it was the "immediate or

urgent” need that was taken care of first – even a distant relative or a friend who was ill, not a close family member. They were also asked to send money for community development projects (water, health, schools).

Sudanese feel a pressure to remit to family and a sense of pride at meeting obligations as well as guilt when they cannot fulfill the expectations of their extended family overseas. “We have to send money because where we come from people are suffering so they need help from us . . . and also they have idea that people who come here they have money—if you are not helping them then it’s not good—they’re going to think like you just forgot about them so we have to and we know about the situation there where we come from.” They postpone education and upgrading of their skills and work several jobs that are not sufficient to meet both their own financial needs and the needs of family elsewhere. “Most of us with 8 or 9 dollars [hour] if we are lucky enough—so if you divide 8 or 9 dollars with your family here—and the rest at home—really it’s a risky business.”

Their advice to newcomers is to tell them the truth about how difficult it is to keep promises made about sending remittances. Also, they suggested sending only a small amount initially because whatever is sent will become the expected amount. Another recommendation was to send money to one family member one month and another the next month, but never to both at the same time.

Immigration Policy Issues Affecting Remittances

A major concern for both groups was that Canadian reunification policy used a narrow definition of family, when an extended family definition was needed. The Sudanese said that the financial guarantee was too high for sponsorship and that it would be easier to support elderly family abroad than to sponsor them. The Sudanese also want to sponsor brothers or nephews who could earn money to help support family back home. The Vietnamese thought creating jobs for overseas Vietnamese to work in Canada would ease the burden of remittances.

Summary and Implications

Refugees such as the Sudanese, who have a short history in Canada, provide evidence of the financial strain experienced in trying to meet their own needs while supporting family elsewhere. The experiences of the Vietnamese refugees who have been in Canada almost 30 years indicate that remittances continue even when economic vulnerability of family in Vietnam has decreased. Knowing that such financial support is of considerable help reinforces that this is an important ongoing obligation. Even when the political situation has improved, there are concerns that the remittances be viewed as supporting family, not the government of their former country. Both refugee groups had suggestions for ways to help ease the financial burden of remittances—strategies that currently are not available in Canada’s immigration policy.

References

- Blue, S. (2004). State policy, economic crisis, gender, and family ties: Determinants of family remittances to Cuba. *Economic Geography*, 80, 63-82.
- Ghosh, B. (2006). *Migrants’ Remittances and Development: Myths, Rhetoric and Realities*. Geneva: International Organization for Migration.

¹Endnotes

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