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## **Protection with a Price Tag: The Head Tax for Refugees and Their Families Must Go**

Ottawa recently airlifted more than 5,000 ethnic Albanian Kosovar refugees from camps in Macedonia and Albania to military bases in Canada. The plight of these refugees has been thoroughly covered by the media. The daily news shows the bombed-out towns and long convoys of refugees in flight with nothing but the shirts on their backs.

The federal government's intent in bringing these refugees to Canada is to relieve the pressure on the overflowing camps in Macedonia and Albania. The goal of this humanitarian relief is to provide temporary asylum until the refugees can return safely to Kosovo.

*The refugee and immigrant series was launched by the Caledon Institute of Social Policy in partnership with The Maytree Foundation's Refugee and Immigrant Program. The purpose of the series is to highlight the problems and policy issues that affect refugees and immigrants to Canada and to propose practical solutions to these problems.*

Ottawa has made it clear that the Kosovars coming to Canada may apply for permanent residence, known as 'landing.' A number of Kosovar refugees already have been quoted in the media as saying that they are amazed by Canada's generosity, and are considering staying.

The Kosovar families that do decide to stay, however, will discover a very different side of Canada's refugee and immigration system. The humanitarianism and generosity which have characterized their experience in Canada thus far will be replaced by some cold, hard facts of contemporary Canadian immigration policy: landing fees.

As of 1995, the federal government charges every adult refugee and immigrant a \$975 fee for the 'right of landing' in Canada, otherwise known as the 'head tax.'<sup>1</sup> A refugee family consisting of two adults and children has to pay \$1,950 in landing fees. Had the family made its way to Canada on its own, it would have to pay an additional nonrefundable 'processing fee' of \$500 per adult and \$100 per child.

Having come to Canada without a penny to their name, the amount is a veritable fortune for refugees.

Considering the tremendous public sympathy for the Kosovar refugees, it is possible that many of them will have their landing fees paid by sponsors or charitable sources. If only refugees from all countries were so lucky.

For those refugees who are not beneficiaries of the ‘CNN factor’ – think of the ‘invisible’ suffering of the desperate refugees from Sri Lanka, Congo, Sierra Leone and other parts of the world being ripped apart by violence – the failure of the media to focus their cameras on them means a lack of public understanding of their plight. For many of these refugees, Canada’s landing and processing fees pose a barrier to the peace and security of permanent resident status.

It is true that most refugees find a way to overcome this barrier and pay the fees. Many refugees are eligible for an interest-bearing government loan. Those deemed not eligible because they do not meet the various ‘ability to repay’ criteria may resort to more desperate measures, such as paying the fee out of social assistance money designated for basic necessities, or borrowing from friends or even corrupt lenders.

Most of these options, of course, take some time to organize. Until refugees are able to come up with the money to pay the landing fee, they are denied some fundamental rights and privileges enjoyed by landed immigrants and citizens.<sup>2</sup>

Perhaps the most painful and damaging impact of delayed landing is prolonged family separation. Family reunification is the main con-

cern of most refugees. According to federal Immigration Minister Lucienne Robillard, family reunification is “the cornerstone of Canadian immigration policy.” Yet refugees cannot be reunited with family members until the fees – both their own and those of family members – have been paid.

Nor may refugees travel overseas to visit their families, as refugees generally are denied the right to travel until they have been landed.

Access to postsecondary education is also restricted. In some provinces, refugees must pay foreign student fees, at upwards of twice the domestic rate. In addition, refugees do not qualify for public and most private loans, scholarships and bursaries. At least they are eligible for temporary medicare.

Without landed status, it is often hard to find a job. Lack of permanent resident status also restricts access to bank loans, thereby limiting self-employment or entrepreneurship.

Canada has acquired the dubious distinction of being the only country in the world that charges fees to refugees seeking permanent protection. This practice also places Canada in violation of the spirit, if not the letter, of Article 34 of the 1951 United Nations Convention Relating to the Status of Refugees, which Canada ratified in 1969. The Convention commits countries to reduce, as far as possible, the charges and costs imposed on refugees.

Because the right of landing fee is a ‘flat tax’ (i.e., it is not adjusted according to ability to pay), it represents a much more significant obstacle to landing for the poor and those from poor countries in Africa and Asia, than it does for middle-class or wealthy newcomers from Europe or the US.

The federal government sought to redress this problem through its loan program. While the government reports a high rate of acceptance (and repayment), some who need loans are denied them. A 1997 report found that women have a higher rate of rejection because they have more difficulty meeting the criteria regarding ‘ability to repay.’

For those who qualify, the loan program appears to work quite well (though it leaves new Canadians with a debt load). The loan program does not, however, address the larger question of whether it is fair or just to charge fees to refugees.

Negative reaction to the right of landing fee has been widespread. Groups and individuals, ranging from the United Nations High Commissioner for Refugees and the Canadian Human Rights Commissioner to Canadian faith leaders, labour and community groups, have spoken out against the fee. All five federal political parties in Parliament – including the Liberal caucus itself – oppose the fee.

The outcry has resulted in some changes to the way the landing fee is collected. For instance, the time limit within which refugees can apply (and pay) for landing after being determined to be a Convention refugee by the Immigration and Refugee Board, was extended from 60 days to 180 days. Further, the payment schedule was adjusted, allowing refugees to pay the \$975 fee once landing has been approved. (Previously, both the \$500 fee and the \$975 had to be paid up front.)

But the right of landing fee ought never to have been imposed in the first place.

By the time they reach Canada, refugees already have experienced persecution and often

horrific violence. They have faced countless obstacles and hardships. The landing fees are clearly another obstacle – minor for some, major for others. Can a nation that prides itself on its humanitarianism and compassion impose, in good conscience, landing fees on persecuted people?

Moreover, the anti-deficit pressures that led Ottawa to introduce landing fees in 1995 are now so completely different that the government has no viable excuse to maintain them.

The Finance Minister announced a Budget surplus this year of \$9 billion, of which \$3 billion has not yet been allocated. Some commentators are calling for that amount to be returned to taxpayers through income tax cuts.

At the same time, Ottawa forecasts nearly \$120 million in revenues from the right of landing fee. Of this total, \$13.3 million will be paid by refugees seeking their own landing. And if each adult refugee, once landed, were to sponsor one adult dependent from overseas, the total annual revenues from right of landing fees would be an estimated \$26.6 million.

The cost of ending this four-year injustice is thus less than one percent of the unallocated Budget surplus of the federal government.

Call it correcting an injustice. Call it a tax reduction for the most vulnerable. Call it what you will. The landing fee for refugees and their families must go.

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## Endnotes

1. Outside of the federal government, the \$975 right of landing fee is usually referred to as the 'head tax,' in reference to the now-infamous fee charged Chinese immigrants at the turn of the century. From 1885 to 1923, Canada charged a special fee, known as the Chinese Head Tax, to all immigrants of Chinese origin seeking to come to Canada. The fee started at \$50 in 1885, and was raised to \$100 in 1900 and then to \$500 in 1903. It was an overt

attempt to prevent Chinese people from coming to Canada. The current fee is not, of course, racially targeted in itself: All newcomers pay the same amount, no matter where they come from or why they came. However, the inequitable impact of the fee on poorer newcomers, most of whom are people of colour from less developed countries, makes the comparison appropriate.

2. The issue of the head tax and other problems faced by refugees are described in detail in Andrew Brouwer. (1999). *What's In A Name?: Identity Documents and Convention Refugees*. Ottawa: Caledon Institute of Social Policy, March.

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