

Refugee children’s earnings in adulthood

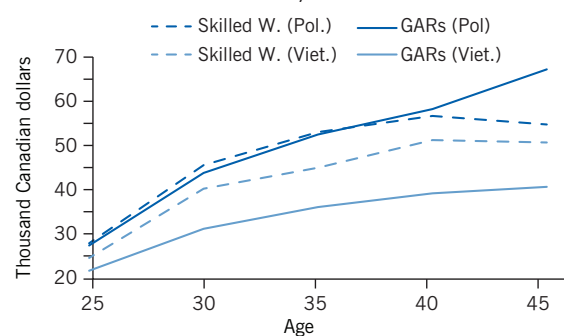
Refugee status and country of origin shape the economic outcomes of newcomer children later in life

Keywords: refugees, immigrants, children, earning trajectories, race, ethnicity

ELEVATOR PITCH

The number of refugees has increased worldwide, and about half of them are children and youth. These refugee children arrive in resettlement countries with a unique set of challenges caused by, for instance, extreme stress and trauma that call for specific policies to address their needs. Yet, the long-term effect of refugee status on newcomer children’s economic trajectories varies by country of origin, signaling the need for effective resettlement support and initiatives to tackle broader systemic barriers for newcomer children, beyond refugees. Such findings challenge the commonly held notion of refugees as a distinctive, relatively homogeneous group with similar trajectories.

Earnings trajectory of Vietnamese and Polish newcomer children in Canada, 1980–1994 arrivals



Note: Skilled W. = skilled workers; GAR = government assisted refugees. Source: Based on Figure 2.

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KEY FINDINGS

Pros

- ⊕ Refugees often share similar experiences such as forced migration, violence, and trauma across national contexts.
- ⊕ Even when economic trajectories are similar among refugee and non-refugee children, their experiences and needs may differ.
- ⊕ Different paths to similar economic outcomes should be recognized in provisions of support for resettlement services.

Cons

- ⊖ Refugees are not a homogeneous group, and they likely have much in common with other migrants leaving their country of origin.
- ⊖ The long-term effects of refugee status on children’s economic outcomes are shaped by contextual factors in both their country of origin and resettlement country.
- ⊖ Similar earnings between refugee and non-refugee immigrant children show that the effects of refugee status are transient rather than fixed.

AUTHOR’S MAIN MESSAGE

Despite negative experiences encountered during different phases of migration, refugees have a high degree of resilience, and, with the necessary support, their economic trajectories may be similar to those of other migrant children. These insights challenge misconceived notions that refugees contribute little to the resettlement country’s economy. With provisions of assistance in the initial resettlement process of refugees such as psychological counselling and language training and broader policies to remove systemic barriers, refugee children may achieve earning trajectories similar to non-refugee children in the long term.

MOTIVATION

Half of the world's refugees are children and youth. After settling in a new country, these children will spend most of their lives there, and many will start families. The degree to which refugee children and youth can thrive and integrate into their new environment is, therefore, a matter of great importance, not only for refugees but also for their resettlement countries. However, much of the research on refugees' economic outcomes focuses on adult populations. Less is known about the long-term economic outcomes of refugee children and youth once they enter adulthood.

Research on immigrants' economic outcomes often highlights how the experiences and outcomes of refugees may differ from those of other immigrants due to forced migration, exposure to violence, and traumatic experiences, which may have long-term effects on well-being and result in economic disadvantages. But the pre- and post-migration experiences of immigrant and refugee children and youth vary greatly depending on many complex, interrelated factors. Entry status may only be one small part of the larger story.

By understanding how particular contexts lead to differential outcomes over time, it is possible to come to a more nuanced understanding of refugee children's experiences, as well as what those experiences mean for children's lives and economic futures post-resettlement. This article considers the uniqueness of the refugee experience and its long-term impacts on economic outcomes, as well as the importance of societal conditions and policy interventions that would affect their trajectories.

DISCUSSION OF PROS AND CONS

How unique are refugees' experiences?

Refugees' experiences may differ from those of other immigrants in several important ways. Unlike economic and family class immigrants, refugees across national contexts are forced to flee their country of origin due to hardships, wars, or persecution. Thus, the pre-migration experiences of many refugee children and youth are characterized by extreme stress and trauma. Moreover, even after escaping conflict in their country of origin, they face further trauma and suffering in transit, especially in refugee camps. For example, 79% of Syrian refugee children surveyed at a Turkish refugee camp had experienced the loss of at least one family member; 30% had been physically harmed, while 60% had witnessed others being physically harmed [1]. Mental health problems are common among refugee children and youth, especially post-traumatic stress disorder (PTSD) and depression. Of Syrian refugee children surveyed in a Turkish refugee camp, 45% experienced symptoms of PTSD—a rate ten times higher than other children around the world [1]. Research from Canada finds that traumas experienced before, during, and after migration (e.g. discrimination) lead to greater emotional problems and struggles with emotional regulation, including aggressive behavior. The experience of forced migration and the heightened risk of exposure to violence, loss, and trauma distinguishes the experiences of refugee children and youth from those of other migrants.

Other aspects of the settlement experience can be very similar for refugees and other immigrants. After arriving in the resettlement country, for example, all immigrant children and youth may contend with challenges adjusting to a new culture, lifestyle, and education system, and many must learn a new language. Even then, refugee youth often differ from

other immigrant youth in significant ways. For instance, resettled refugee youth are more likely to have experienced disruptions in their schooling and to have limited proficiency in the language of the resettlement country [1], [2]. Refugee youth can also face severe barriers to social integration, aggravated by traumatic pre-migration experiences, limited language proficiency, and other acculturative stressors. Many also experience bullying, hostility, and discrimination in the education system of the resettlement country [1].

Despite these challenges, however, studies have shown positive outcomes in the educational attainment of child and youth refugees. Evidence from a study conducted in Alberta, Canada, shows that many enroll in classes that prepare them for post-secondary education [3]. In adulthood, research based on Canadian administrative data shows they have higher university completion rates than many other categories of childhood immigrants, although they lag behind the children of immigrants in the skilled worker class [4]. These findings showcase the possibility for resilience in refugee children and youth, given their experiences of conflict and disruption both pre- and post-migration.

Meanwhile, there is evidence that refugee youth struggle as they transition from school to work compared to native-born youth and other foreign-born youth. Based on data from the Survey on Labour and Income Dynamics and the Resettlement of Refugees to Alberta Study, it has been found that refugee youth tend to have lower rates of employment than their Canadian-born and immigrant youth peers [2]. Among young men, only 65.7% of refugees were employed at the time of the survey (Summer of 1998) compared to 79.5% of non-refugee immigrants and 72.4% of the Canadian-born. A similar pattern was found for young women; 45.9% of refugees were employed, compared to 87.7% of non-refugee immigrants and 77.2% of the Canadian-born.

It is important to acknowledge the unique challenges refugee children and youth face, but also to recognize their capacity for resilience and overcoming hardships to thrive in the resettlement country. Social and economic support for resettlement of refugees is integral to their successful integration. The challenges refugee children experience in the school system and labor market, as well as their vulnerability to mental health problems, especially at the initial period of arrival, suggest that many of them require such support and assistance. This underscores the importance of cross-sector interventions that address the specific learning, social, and health needs of refugee children, some of which may not be present for other immigrant children and youth.

How does country of origin affect integration of newcomers?

While refugee status has meaningful consequences for the integration of newcomers and their children, these outcomes are also affected to a great extent by the circumstances that necessitated their emigration, their socioeconomic backgrounds, and the level of receptivity of the resettlement country. An important study conceptualizes these factors as follows: (i) conditions of exit, which refer to differences in the specific conditions under which refugees and non-refugees, primarily economic immigrants, leave their country of origin; (ii) class origins, which have consequences for migrants' skillsets, human capital characteristics, and other assets that could affect their ability to succeed in the resettlement country; and (iii) context of reception, including the support and acceptance of the resettlement country, as well as its broader economic and social conditions [5].

Although the refugee process is one of the key elements that shape the course of integration in the resettlement country, there is a great deal of variation among refugees. For example, refugees fleeing political persecution may include successful entrepreneurs, political elites, and high-level bureaucrats [5]; though they face many struggles associated with refugee status, their class status can be an advantage to them and their children as they adapt to conditions in the resettlement country. On the other hand, refugees fleeing warfare include poor and vulnerable populations, who are often subjected to violence and displacement. Thus, both the pre-migration experiences and characteristics of refugees have an impact on their resettlement processes.

It is, however, important to consider how the conditions that create refugees in the country of origin also affect the lives and trajectories of other migrants leaving the same country or conditions, even if they are not granted refugee status. Sharp distinctions between refugees and other migrants in terms of their exit experiences and their motivations for leaving their country of origin are not always warranted, especially when the country is facing a period of pervasive danger, poverty, and instability [6]. It is said that, while refugees migrate to escape violence or persecution, labor migrants leave to find better opportunities. But motivations for migration can often be mixed in practice, as unstable conditions drive many people to leave the country in search of both greater safety and a better quality of life for themselves or their children. Some of these migrants will be recognized as refugees, but many are not.

These processes are also dependent on the receptivity and conditions of the resettlement country. Stereotypes and prejudices, for instance, toward people of certain ethnic origins directly affect employment prospects, while the presence or absence of ethnic diaspora/communities also affects the receptivity of newcomers. Segmented assimilation theory suggests that integration of newcomers into the resettlement country is often aided through ethnic communities present in the country [7]. Where ethnic communities are marginalized due to racialization prevalent in the resettlement country, newcomers face blocked mobility. On the other hand, economically and politically established ethnic communities can not only offer valuable emotional, informational, and material resources to facilitate newcomers' integration, but also lobby the government and other organizations to provide legal and financial assistance to co-ethnic newcomers. Thus, characteristics attributable to the country of origin, other than refugee status, tend to have a substantial impact on the way settlement and integration processes unfold in the resettlement country.

These insights suggest that refugee-specific interventions may not be enough to address the settlement challenges of immigrant and refugee children and youth. Although it is important to consider refugee youth as a group with unique needs, their experiences are subject to many other factors in the broader social context, and, as such, their opportunities may be influenced by structural conditions which non-refugee newcomers also face.

Differences in country of origin

The Canadian example of Vietnamese and Polish refugees

Vietnam and Poland were major source countries for immigrants and refugees coming to Canada throughout the 1980s and early 1990s, but there are crucial differences in the political and economic contexts that resulted in emigration from the two countries.

These contextual differences can produce very different groups of emigrants, including refugees, in terms of their education, wealth, and experiences prior to leaving their country of origin. They also produce different exit experiences.

Vietnamese refugees in this period were part of later waves of emigrants following the Vietnam War, including members of the ethnic Chinese minority group who faced persecution by the Vietnamese government. While many had previously been middle-class or even wealthy, their assets were seized by the government, and open conflict resulted, leaving many dead. Refugees faced extraordinarily stressful exit experiences, including treacherous journeys, long stays in refugee camps, and family separations [6], [8]. The circumstances of their flight from Vietnam are considered an immense collective trauma, with many long-term, serious consequences for refugees' mental health.

Polish refugees faced some similar trials, including lengthy stays in refugee camps before arriving in Canada [9]. However, unlike Vietnam, Poland had not recently been ravaged by war. Rather, waves of emigration from Poland in the 1980s and 1990s were driven by political repression and dissatisfaction with economic conditions under the country's communist regime [9]. Political refugees were typically highly educated professionals, leaders of the strong, popular Solidarity Movement against the government [9]. Many in Canada were sympathetic to this cause, and Polish immigrants, including refugees, received a high degree of support from the existing Polish-Canadian organizations and Polish communities [10]. Indeed, strong lobbying efforts by Polish-Canadian organizations led to the establishment of East European Self-Exiled Persons as a special admission class. Under the communist bloc, those who left Eastern Europe would face persecution upon their return. Migrants in this class were granted political refugee status without needing to produce any evidence of persecution [10]. This is an example of how the political construction of official refugee status is malleable and not fixed, and the line between refugee and non-refugee immigrants is not always clear in practice.

While Polish-Canadian communities had been established prior to the arrival of Polish refugees in the 1980s, this was not the case with the Vietnamese. Until 1968, immigration policies in Canada selected immigrants based on national origin quotas, where immigrants from non-European countries were highly restricted [10]. Therefore, systemic exclusion of Asian immigrants until the 1970s meant that the context of reception was not quite the same for Vietnamese refugees. Canadian society accepted large numbers of refugees from Vietnam and nearby regions in Southeast Asia, but they did not yet have established co-ethnic communities.

As educated, relatively affluent Europeans with strong social support, Polish refugees were well-situated to integrate into the Canadian labor market. Many Vietnamese immigrants and refugees were also of relatively high social and economic class in their country of origin, but, overall, they experienced significant downward social mobility after arriving in North America. There are several factors that can account for this: in addition to the physical and mental toll of trauma, racialized immigrants face "deskilling," wherein myriad institutional processes and policies effectively channel them from professional occupations into more precarious forms of employment and menial labor. Thus, on top of many other contextual factors, racialization processes in the resettlement country are highly likely to affect the economic outcomes of immigrants and refugees, regardless of their admission category. These processes create more barriers for children of newcomers from Vietnam than those from Poland.

Earning trajectories of newcomer children in Canada

Although labor market outcomes and earning trajectories for immigrants are well studied, relatively few studies have examined the earnings of refugees [11] and even fewer have focused on the long-term economic outcomes and trajectories of refugee youth, primarily due to lack of available data. However, the recent development of the administrative record linkage projects in Canada has drastically improved the data environment for examining such long-term economic outcomes. The Longitudinal Immigration Database (IMDB), which links the Immigrant Landing File (ILF) with tax records, contains all permanent residents' detailed information at landing and reported economic activities thereafter. This data set has been used to examine the economic outcomes of adult refugees and other immigrants, but it has also generated findings on the economic outcomes of child and youth newcomers in adulthood.

Using the IMDB and the National Household Survey (2011), one study examines childhood immigrants and refugees (17 years old or younger) who arrived in Canada between 1980 and 2000 and were between 25 and 44 years old in 2011 [4]. The findings indicate that there is substantial variation in education attainments across children of refugees, family immigrants, and economic immigrants. The study reports that 28.7% of children of government assisted refugees (GARs) and 31.7% of children of privately sponsored refugees (PSRs) completed university. These figures are lower than the rates of children of two economic classes of immigrants, skilled worker and business class (49.7% and 58.9%, respectively), but higher than the rate of family class children (21.3%) and children of third-generation Canadians (24.4%). These differences in educational attainment are reflected in the differences in earnings in adulthood. The mean earnings for the GAR and PSR groups were \$41,100(CAD) and \$43,900(CAD), respectively. Again, these are lower than the estimates for skilled worker and business class groups (\$46,400(CAD) and \$46,700(CAD), respectively) but higher than the family class group (\$39,200)(CAD). The differences across refugee groups and economic immigrants' children are attributed to the differences in educational attainment and knowledge of official languages of their parents.

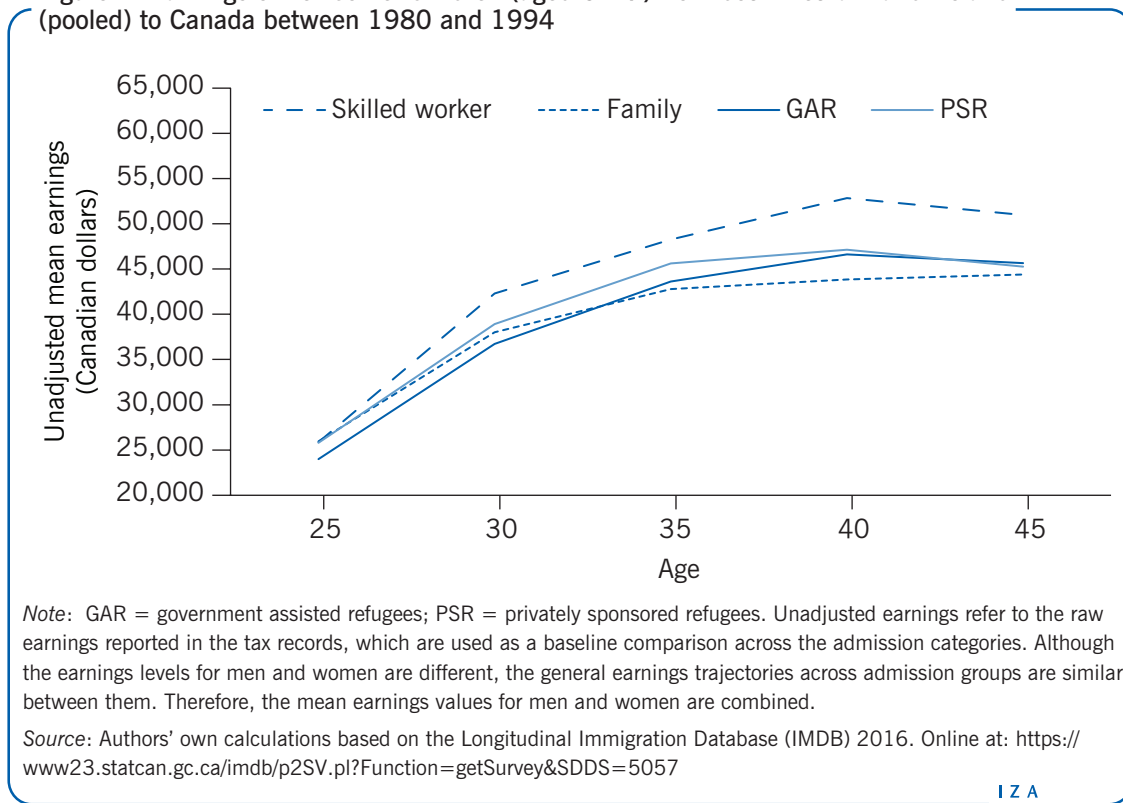
Nevertheless, as discussed above, refugees are a highly heterogeneous group, and their outcomes can vary significantly depending on the context of their departure, class origins, and status, and their reception in the resettlement country. Thus, treating refugees as one group versus looking at country-specific groups of refugees separately gives a completely different picture.

Based on the IMDB data, Figure 1 compares the earnings trajectories of refugee and non-refugee immigrant children who arrived in Canada between 1980 and 1994. Here Vietnamese and Polish refugees are presented as one group despite their varying characteristics.

Considering the results for newcomer children from both countries together, the earnings of both GARs and PSRs are comparable to those of family class immigrants, but lower than the earnings of children who accompanied skilled worker immigrant parents. These results echo the findings discussed above. They also indicate that the gap between the skilled worker group and refugee groups widens over time, likely reflecting differences in the occupational choices and opportunities between refugee children and the children of skilled worker immigrants [4].

However, when earnings are estimated separately for the different countries of origin, the disadvantage of refugee children compared to children of skilled worker immigrants no

Figure 1. Earnings of newcomer children (aged 0–17) from both Vietnam and Poland (pooled) to Canada between 1980 and 1994



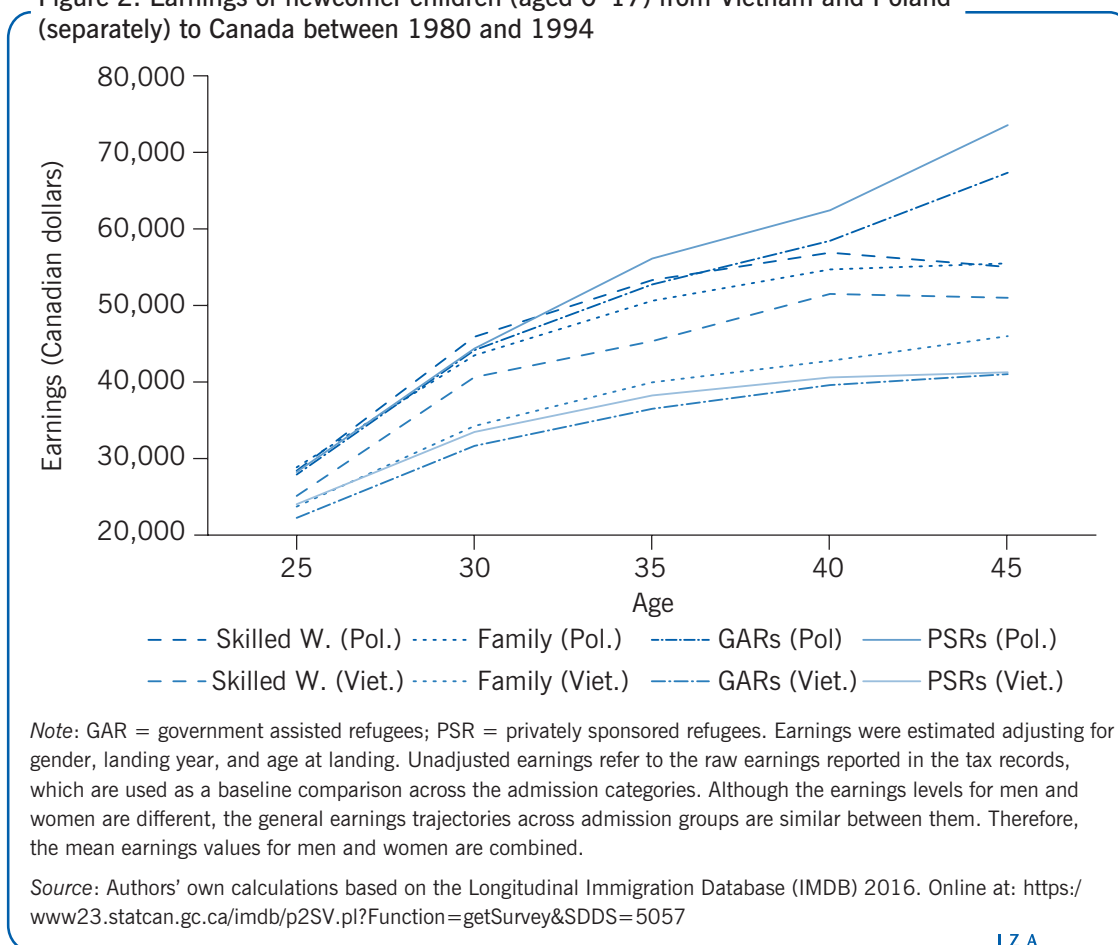
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longer holds. Figure 2 shows predicted earnings, adjusted for gender, landing cohort, and age at landing. This provides a clearer picture of the differences in earnings that can be explained by country of origin and admission category.

The predicted earnings for all categories of newcomer children are similar at age 25, yet the differences across refugees and other immigrant groups appear by age 30. For Polish origin groups, by age 35, the mean employment income of the PSR children exceeds that of the children of skilled worker immigrants. By age 40, the mean earnings of the GAR children are also higher than those of the children of skilled worker immigrants. These trends are quite different from previous observations. On the other hand, for Vietnamese origin groups, earnings of refugee children are lower than that of skilled worker immigrant children. Thus, while the effect of refugee status on Vietnamese immigrants aligns with trends found in previous research, it is clear from the results of the Polish origin groups that factors associated with country of origin matter a great deal. Furthermore, the adjusted earnings are remarkably stratified by country of origin. All groups of Polish origin generate higher earnings than any group of Vietnamese origin, including the children of skilled worker immigrants.

These results point to the importance of factors relating to the different countries of origin in employment earnings trajectories throughout adulthood. These factors may include families' socioeconomic status, migration experiences, or immigrants' reception, racialization, and the amount of support received upon arrival in the resettlement country. While admission category makes a difference in the specific needs of newcomers during the initial period of resettlement, it is not always those admitted with refugee status

Figure 2. Earnings of newcomer children (aged 0–17) from Vietnam and Poland (separately) to Canada between 1980 and 1994



who face the most precarious conditions. The effects of admission category, especially refugee status, on employment outcomes are highly variable and subjected to other more structural factors. They are shaped to a large degree by factors relating to child and youth immigrants' country of origin.

LIMITATIONS AND GAPS

There are some limitations associated with this research. The differences in economic outcomes between refugees from Vietnam and Poland could be explained by differences in the socioeconomic backgrounds of refugee families between the two countries, the context of their departure and immigration experiences, as well as the existence and support of ethnic communities in the country. Further examination is warranted to explain these differences and to shed light on the factors that promote resilience among refugee children. A more detailed examination of the impact of refugee children's socioeconomic background (e.g. parents' occupation and household income) and educational achievements would also be insightful. The IMDB offers a unique opportunity to examine the economic outcomes of newcomer children in Canada. While the literature would benefit from future studies that examine newcomer children from other source countries using this data set, studies from other resettlement countries would also be highly beneficial.

SUMMARY AND POLICY ADVICE

To enhance the well-being of refugee children and families as they adapt to life in the resettlement society, their specific needs must be met. These needs may be unique compared to those of other migrants who move for the purpose of economic advancement or family reunification. In addition to financial assistance, such needs may include psychological counselling, language training, as well as increased awareness of the challenges refugees face in their resettlement communities and the local organizations with which they interact (e.g. schools, teachers, settlement services). Supportive, well-resourced communities contributed to the success of Polish refugees in Canada. More funding for services, training, and community building can help ensure that all refugees, regardless of their country of origin, are welcomed into communities that can meet their specific needs.

In addition to providing more refugee-specific support initiatives, a set of policies to address systemic barriers are needed for the long-term economic well-being of immigrant and refugee children. Given the myriad factors, besides refugee status and admission category, which shape migrants' actual experiences—in particular, factors pertaining to their experiences in the country of origin and their reception in the resettlement country—it is also necessary for policymakers to look beyond refugee status in assessing newcomers' needs. Children who arrive as refugees will spend many years in the resettlement country, and their experiences will be shaped by other structural attributes, not least of which by their class and ethno-racial backgrounds. Thus, as refugees come from diverse parts of the world, their successful integration will depend on the implementation of policies that meet their needs and challenges as refugees, as well as those that promote equity and inclusion for the economic benefit of all immigrants, especially racialized immigrants.

Further, the more nuanced understanding that refugees' integration patterns are subjected to these broader societal contexts contributes to the notion of refugees as a transient category, rather than fixed, over time. For a country like Canada, where refugees are accepted with permanent residency, it is important to acknowledge that their lives take off not just as “refugees” but also as individuals who eventually become contributing members of society.

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Competing interests

The IZA World of Labor project is committed to the IZA Code of Conduct. The authors declare to have observed the principles outlined in the code.

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