





CHAPTER 2.4

Meeting Immediate Material Needs: Income Support and Establishment Resources

GOALS FOR INTEGRATION (SEE CHAPTER 1.3)

-  **ONE** To restore security, control and social and economic independence by meeting basic needs, facilitating communication and fostering the understanding of the receiving society.
-  **TWO** To promote the capacity to rebuild a positive future in the receiving society.
-  **THREE** To promote family reunification and restore supportive relationships within families.
-  **FOUR** To promote connections with volunteers and professionals able to provide support.
-  **FIVE** To restore confidence in political systems and institutions and to reinforce the concept of human rights and the rule of law.
-  **SIX** To promote cultural and religious integrity and to restore attachments to, and promote participation in, community, social, cultural and economic systems by valuing diversity.
-  **SEVEN** To counter racism, discrimination and xenophobia and build welcoming and hospitable communities.
-  **EIGHT** To support the development of strong, cohesive refugee communities and credible refugee leadership.
-  **NINE** To foster conditions that support the integration potential of all resettled refugees taking into account the impact of age, gender, family status and past experience.

 The focus of this Chapter

 To keep in mind

Chapter 2.4

Meeting Immediate Material Needs: Income Support and Establishment Resources

This Chapter focuses on programs for resettled refugees to meet basic living costs prior to becoming self-sufficient. It also addresses income support issues of concern to resettled refugees outside of the labour market (e.g. refugees of retirement age, those with severe disabilities).

Assistance to meet health care costs is discussed in Chapter 2.10. Strategies for assisting resettled refugees with the cost of securing a housing tenancy are outlined in Chapter 2.8.

The term 'income support' means those payments made to resettled refugees to meet basic living costs. These payments may be described in various countries of resettlement by different terms such as cash assistance, welfare payments, pensions or benefits.

The term 'establishment resources' is used to describe assistance given to resettled refugees to establish life in a new country (e.g. household furniture, clothing). This assistance may be provided in the form of goods or a 'one-off' payment.

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CHECKLIST

Planning income support and establishment resource programs

When establishing a new resettlement program, give priority to:

- ✓ funding for income support payments;
- ✓ determining the length and amount of support required;
- ✓ arrangements for the payment of income support;
- ✓ defining expectations of economic self-sufficiency;
- ✓ establishing links between income support and job placement programs.

In the longer term, aim for:

- ✓ professional development and awareness raising activities with personnel responsible for administering income support programs to enhance their understanding of the refugee and resettlement experiences;
- ✓ strengthening links between income support and job placement programs;
- ✓ reviewing existing income support arrangements for those outside of the labour force to ensure that resettled refugees are eligible for programs provided to nationals (e.g. provisions for retirees, those with severe disabling conditions).

Income and establishment support as resources for rebuilding

Income support payments for resettled refugees before they become self-sufficient are a vital part of an integration program. Searching for employment or other income-generating activities inevitably takes some time. Moreover, in most countries of resettlement it is recognised that resettled refugees will require time to adjust to both their past experiences and new country; acquire basic language skills; and participate in formal orientation. This time may be particularly important for refugees suffering from trauma.

Few refugees will arrive with cash reserves large enough to obviate the need for income support. Owing to the circumstances surrounding their migration, most will have limited personal effects. They will face the expenses involved in establishing a life in a new country, including the costs of accommodation and food (if not covered under separate programs), clothing, household goods, furniture, transportation, educational expenses and other out-of-pocket expenses.

Factors affecting income support

The duration of income support required by resettled refugees will depend upon:

- the level of trauma experienced and stress associated with resettlement;
- their employment skills;
- their individual choices about their process of resettlement.

Also relevant are factors in receiving countries, including:

- whether the country has income support programs for nationals who are outside of the labour market and their nature and structure;
- the capacity of government to meet the cost of funding income support;
- expectations of economic self-sufficiency, for both resettled refugees and nationals;
- employment opportunities and the effectiveness of employment programs;
- how cultural orientation and language training are delivered.



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Issues to consider in planning income support and establishment resources

The level and duration of income support payments

The challenge facing countries of resettlement is to set income support payments at a level which allows resettled refugees to live in dignity and to meet their immediate material needs while at the same time discouraging long term economic dependency.

In countries of resettlement with established income safety net programs, resettled refugees are generally entitled either to the same benefit as nationals or to a benefit set at a comparable rate. In other countries, the national minimum wage is used as a benchmark with additional payments being made depending on family size. It is important that these payments enable resettled refugees to meet basic housing, food, transportation and educational expenses.

Ideally payments should be made available for long enough to allow resettled refugees to adjust to and orient themselves to their new country, attend to basic practical post arrival tasks, prepare for and search for employment or other income-



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generating activities and, if necessary, go some way toward recovering from traumatic experiences.

In the interests of ensuring that resettled refugees achieve economic self-sufficiency as soon as is practical, in most countries, there are close linkages between income support and vocational counselling and job placement programs (see Chapter 2.9). Commonly, this involves making continued income support contingent upon active job seeking or co-operation with a job placement program.



He (a resettled refugee) understands that being in Canada requires hard work and flexibility. Although optimistic, he is critical of an immigration system which is insensitive to the difficulties families face when they must attend classes, take care of children and work to make ends meet, all at one time.

Resettlement worker



Payment levels and eligibility criteria should also bear some relationship to income support policies pertaining to nationals. Resettled refugees do face additional costs in the early resettlement period (see above) and are engaged in other personal and practical tasks which affect their capacity to search for and participate in paid employment. While these need to be reflected in income support programs, if there are significant disparities between the benefits paid to nationals and resettled refugees, this may become a source of antipathy toward refugees and ultimately compromise broader acceptance of resettlement.

A factor to consider when using national income support programs as a benchmark, however, is whether these are adequate to meet the needs of resettled refugees. In countries with very high expectations of economic self-sufficiency among nationals, income support payments may have been kept intentionally low. In those with developing economies, these programs may not exist or may not be well established.

How should income support be administered?

Although integration is normally funded by national governments, it is commonly implemented at a more localised level. Further, in many countries, responsibility for administering income support payments lies with other tiers of government (for example the states in the USA). Reflecting this, in many countries funding for income support payments is made by national governments to other levels of governments, or to NGOs, who subsequently pass the money to the refugee. In emerging resettlement countries that do not have well established income support programs, payments may come from an external source such as the UNHCR and be administered by the coordinating NGO (see Chapter 1.5).

In many countries with established income support programs, resettled refugees are given money through the same



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Actually working here takes all my thinking...my wife is good because she has a better opportunity than me, because I have to work, I have two children. Now she is studying computer science. Here you and your wife cannot study at the same time. You have to let her or him finish, get a job and after that you can study.

Resettled refugee



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administrative processes as nationals who are outside of the labour market. As well as offering administrative efficiencies, this approach establishes at a very early stage that resettled refugees have the same privileges and responsibilities as nationals.

Nevertheless, special programs have been established in some countries to allow tailoring to the particular needs of resettled refugees (see box, p. 104). Special allowances may also be necessary where the basis or mode for payment differs from that available to nationals or where there are no established income support programs.

In countries where it may take some time for an application for income support to be processed, a special transitional benefit is given to resettled refugees while their application is pending.

While income support is commonly paid as one inclusive amount, some living costs may be covered through payments made direct to vendors on the refugee's behalf (e.g. for rent or utilities).

Initiatives for providing income support and establishment resources

Income support payments for those with additional barriers to economic self-sufficiency

Resettlement countries will need to ensure that appropriate income support provisions are available to those who have additional reasons for being either temporarily or permanently

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Unless you have a cheque in hand it's difficult to start looking for apartments, because many landlords want cash on the table.

Resettled refugee


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outside of the labour market, including:

- refugees of retirement age;
- unaccompanied minors;
- sole parents with responsibility for young children;
- those with severe disabilities;
- those with acute physical or psychological health problems.

In countries where income support is made available for those with disabilities and people of retirement age, there may be residency or prior employment requirements. These will need to be reviewed to ensure that resettled refugees are eligible for support on a similar basis to nationals

Awareness raising and professional development

As indicated above, in most countries income support payments will be administered through large government

INTEGRATION IN PRACTICE
Tailoring cash assistance in the USA and Sweden

<p>IN BOTH the USA and Sweden, resettled refugees are eligible for an allowance to meet their basic needs prior to securing employment. In the USA this allowance, called Refugee Cash Assistance, is commonly administered through state government departments of human services, while in Sweden income support is paid through existing municipal social assistance programs. In recent years, however, both countries have developed new programs tailored to the needs of resettled refugees.</p> <p>In the USA non-government organisations (NGOs) play a prominent role. Prior to</p>	<p>arrival, refugees are assigned to one of ten NGOs operating across the USA, for assistance with individual settlement support, housing, community orientation, and sometimes job placement assistance and language training.</p> <p>Several states in the USA have formed partnerships with resettlement NGOs, whereby the administration of Refugee Cash Assistance is transferred to the NGO, which in turn passes the money to its refugee clients. Refugee Cash Assistance is paid for up to eight months. Experience in the USA suggests that this arrangement has a number of advantages. First, NGOs</p>	<p>have greater flexibility than government departments to structure disbursement models. For example, in some instances, it may be appropriate to ‘front-load’ assistance and taper it toward the end of the qualifying period as resettled refugees approach self-sufficiency. In contrast, where it is apparent that resettled refugees are likely to face barriers to employment, payments can be spread over a longer period of time while these barriers are addressed. Second, it enables income support payments to be closely linked with other types of settlement support, most particularly employment placement.</p>
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welfare departments, many of which carry a diverse case load. Activities to sensitise personnel in these departments will be particularly important given that:

- some resettled refugees may have a distrust of authorities (see Chapter 1.3);
- in many countries the administration of income support is closely allied to job placement. Officers need to be aware of some of the barriers resettled refugees face to active job search (e.g. trauma and torture symptoms, language barriers, resettlement demands, lack of family support, and constraints on their access to transportation and child care);
- some resettled refugees may be unable to work for an extended period and hence may need to be assessed for alternative forms of income support (such as disability or sickness allowances). Those responsible for assessment will require some understanding of the physical and psychological consequences of the refugee experience.

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Third, it allows income support payments to be administered by resettlement staff with sensitivity to resettled refugees and expertise in supporting their resettlement. There is also a belief in the USA that if resettled refugees do not have contact with the mainstream welfare system early in their resettlement, they are less likely to become reliant on it in the longer term.

In **SWEDEN**, integration is implemented at the municipal level and facilitated through individual introduction plans (see p. 83). Existing social assistance programs

in Sweden are designed primarily for people who are unable to work. Recent legislation now gives the municipalities the option of paying resettled refugees through a new program introduced in the belief that, given initial support, refugees will readily achieve self-sufficiency.

The new program enables the payment of support to be more closely linked with, and made contingent upon, participation in language and vocational training and job seeking activities outlined in individual introduction plans. As payments can be made for up to two-and-a-half years resettled refugees are able to participate in language

and vocational training to prepare them for work if necessary. Additional payments are also available to meet the costs of dental care, medicines and some travel expenses.

As is the case with the program in the USA, the level of payment can be tailored according to the needs of resettled refugees at different stages of their introduction. In Sweden, resettled refugees may also continue to receive payments, though at a reduced rate, for a short time after employment has been obtained. As well as ensuring continuity in their income, this serves as a further incentive to job seeking.


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Establishment costs

Some countries provide ‘one-off’ cash or material assistance to resettled refugees to meet the costs of establishing themselves in a new country, in particular, household costs. Cash payments enable resettled refugees to exercise choice over the goods purchased. On the other hand, pre-purchasing goods enables resettled refugees to avoid the organisational effort which would otherwise be involved in shopping for major household items in an unfamiliar environment. In Sweden this assistance is made available in the form of a loan.

INTEGRATION IN PRACTICE

Moving in

IN AUSTRALIA , a Household Formation Support worker assesses the refugee’s needs for household items and delivers them to the accommodation before they move in.	Before refugees arrive in ICELAND , Red Cross volunteers collect furniture, kitchen utensils and clothes and prepare the apartments rented to resettled refugees by local authorities.	depending on their level of need. During this time they are provided with accommodation, meals, clothes, shoes, medicines and transportation and a small grant for ‘out-of-pocket’ expenses. Upon leaving the reception centre, they receive a benefit for renting a flat and a food allowance.
In BENIN , resettled refugees receive assistance from a non-government organisation, to find an apartment and receive a grant to purchase essential household items.	In SPAIN , resettled refugees are accommodated in reception centres (established for both refugees and asylum seekers) where they can stay for up to six months,	



“
...right away you are
thinking, you have to start
looking for work to try to
pay back your (travel) loan,
So you have to think about
the place to find work.”

Resettled refugee



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INTEGRATION IN PRACTICE

Setting up a house in Sweden

REFUGEES resettling in Sweden are entitled to a special loan for home furnishing and equipment. The amount is set according to family composition, with larger loans being available to families with children. The loans are interest free for two years, after which	time interest is charged at a fixed annual rate. The loan scheme enables refugees to establish a household without entering into costly private lending contracts. As a generous window period for repayment of the loan is allowed, it can be repaid at	a time when refugees are more likely to be self-sufficient. As it is a repayable loan, resettled refugees can be offered larger amounts of money than would be the case if assistance was made available in the form of a grant.



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PROGRAMS PROVIDING INCOME SUPPORT AND ESTABLISHMENT RESOURCES

OVERALL A SOUND INTEGRATION PROGRAM WOULD:

- provide income support for a period following arrival which is long enough for refugees to adjust to their refugee and resettlement experiences, acquire basic language skills and receive adequate orientation;
- provide income support during this period at a rate that is sufficient to meet basic living costs (housing, food, transportation, educational expenses, etc.);
- provide some form of 'one off' cash or material assistance to meet household and personal establishment costs;
- foster formal linkages between income support and job placement services;
- ensure that refugee elders have access to government provided retirement income;
- ensure that appropriate income support arrangements are made for resettled refugees who have physical or psychological difficulties that impede their participation in paid work, sole parents and unaccompanied minors.

INCOME SUPPORT PROGRAMS WOULD:

- be provided by personnel who have received appropriate training on the needs and circumstances of resettled refugees;
- have processes for assessing entitlement to income support payments which are sensitive to the past experiences and current stresses of resettled refugees;
- communicate with resettled refugees in their own language.