



# Refugee Council of Australia

## **2017-18 FEDERAL BUDGET: WHAT IT MEANS FOR REFUGEES AND PEOPLE SEEKING HUMANITARIAN PROTECTION**

### **KEY POINTS:**

- *The 2017-18 Refugee and Humanitarian Program will provide 16,250 places. The program will increase again in 2018-19 to 18,750 places.*
- *1,000 places within the Refugee and Humanitarian Program will be set aside for privately sponsored refugees through the Community Support Program. This measure will save the Government \$28.9 million over four years.*
- *The Government has announced changes to the Australian citizenship process, with an additional \$3 million budgeted to implement these changes. However, it anticipates savings of \$9.65 million over the following three years.*
- *Manus Island detention centre will be closed, with funding for Nauru detention centre to continue. Offshore processing will cost the Government a total of \$714 million in 2017-18.*
- *The cost of detaining people seeking asylum in Australia and supporting those in the community while they wait for an outcome on their application continues to be over \$1 billion each year.*
- *Funding for settlement services will reduce from \$257 million in 2016-17 to \$178 million in 2017-18, but will increase again to \$199 million for 2018-19 when the Refugee and Humanitarian Program reaches 18,750.*

### **REFUGEE AND HUMANITARIAN PROGRAM**

The Refugee and Humanitarian Program will be expanded by 2,500 places in 2017-18 to 16,250 places. It will increase again in 2018-19 to 18,750 places. However, the number of refugees being resettled to Australia will be lower in 2017-18 than in 2016-17, now that the Government has met its open-ended commitment in 2014 to resettle 12,000 Syrian and Iraqi refugees additional to the annual program.

### **COMMUNITY SUPPORT PROGRAM**

The Government will allocate up to 1,000 places from the Humanitarian Program to a new Community Support Program (CSP) from 1 July 2017, following on from the Community Proposal Pilot of 500 places. The CSP will enable individuals, groups and businesses to sponsor humanitarian entrants to Australia. In return, sponsors will be required to support humanitarian entrants during their first year in Australia, including by funding their visa application, airfares and settlement services, and refunding any working age payments made to the humanitarian entrant. Like all permanent humanitarian visa holders, CSP entrants will continue to have access to Medicare, English language tuition and employment services (if they meet the eligible requirements).

The Department of Immigration and Border Protection (DIBP) is anticipating receiving \$6 million in 2017-18 and each of the following three years in income from the CSP, bringing in a total of \$26.9 million over four years. \$367,000 in 2017-18 and \$1.26 million over four years will be spent by DIBP for the establishment of the CSP. Other expected savings include \$13.2 million in settlement services which otherwise would have been funded by the Department of Social Services, as proposers will be expected to provide settlement support for new arrivals.

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## **PEOPLE SEEKING ASYLUM IN AUSTRALIA**

Funding for onshore detention and compliance will cost the Australian Government \$1.28 billion in 2017-18, with costs expected to be over \$1 billion for each of the following three years.

- The Government expects to achieve savings of \$46.8 million over five years from 2016-17 by resolving the status of people who entered Australia by boat to seek asylum. The Government will continue to provide access to translation and interpreter services to people seeking asylum and support those assessed as vulnerable with torture and trauma counselling, job readiness and language training. While making substantial savings in expenditure within DIBP, this measure includes additional funding to the Administrative Appeals Tribunal of \$28.2 million over four years, including \$8.7 million in 2017-18.
- The allocation for supporting people seeking asylum in the Department of Human Services budget has been reduced from estimated expenditure of \$245.8 million in 2016-17 to \$191.1 million in 2017-18.

## **OFFSHORE PROCESSING**

DIBP has reaffirmed its commitment to close the Manus Island detention centre, while continuing the funding of the Nauru detention centre. To continue funding offshore processing, DIBP has allocated additional funding for \$21.42 million in 2017-18, including \$19.02 million in external expenses. A total of \$714 million has been set aside for offshore processing in 2017-18, with over \$400 million allocated for each following year.

## **REGIONAL COOPERATION**

The Government will provide \$52.65 million in 2017-18 to continue funding the Regional Cooperation Arrangement in Indonesia, a multilateral agreement designed to “manage asylum seeker populations” involving the International Organization for Migration. This is part of a total allocation of \$103.4 million for all regional cooperation activities which also include:

- supporting the Bali Process by co-managing and contributing to the Regional Support Office which implements a range of practical initiatives to combat people smuggling, human trafficking and transnational crime
- working collaboratively with the international community to enhance the migration, identity, immigration intelligence and border management capabilities of partner governments
- facilitating international exchanges on approaches to trade and revenue techniques and best practice, and
- enhancing international systems, information sharing and analytical capabilities to support better threat and risk assessments in the flow of people and goods.

## **CITIZENSHIP**

The Government will implement changes to the Australian citizenship requirements by:

- introducing a new general residence requirement for an applicant to demonstrate a minimum of four years’ permanent residence prior to their application for citizenship;
- strengthening citizenship application requirements
- introducing a new Australian citizenship test
- introducing a revised Pledge of Commitment, and
- introducing a revised Australian Values Statement.

DIBP has allocated \$3.0 million in 2017-18 towards costs for these changes, including \$1.6 million in capital costs. However, it anticipates savings in expenditure of \$9.65 million over the following three years. It also anticipates additional revenue of \$6.55 million over four years, including \$2.08 million in 2017-18.

## **SETTLEMENT SERVICES**

Funding for settlement services will reduce from \$257 million in 2016-17 to \$178 million in 2017-18, a reduction of 30 per cent. This is likely to be due to the decrease in the number of humanitarian arrivals with the finalisation of the Syrian and Iraqi additional quota. Settlement services funding is

expected to rise again to \$199 million in 2018-19 when the Refugee and Humanitarian Program reaches 18,750.

### **ADDITIONAL FUNDING OF LONGITUDINAL STUDIES**

“Building a New Life in Australia”, the longitudinal study of humanitarian migrants, will be one of four major longitudinal studies to be supported by additional funding to the Department of Social Services of \$40.9 million over four years. The other longitudinal studies focus on indigenous children, Australian children and household, income and labour dynamics in Australia.

### **ENGLISH LANGUAGE LEARNING**

The Department of Employment has increased funding for the Adult Migrant English Program (AMEP) by \$20.4 million to \$300.1 million. However, funding for the Workplace English Language and Literacy program will cease in June 2017. The Department expects that 63,671 migrants and refugees will participate in AMEP in 2017-18, while 17,250 will undertake the Skills for Education and Employment (SEE) Program. The SEE Program has been cut by \$21.8 million to \$103.8 million.

### **IMMUNISATION**

Free catch-up vaccinations will be made available to children and young adults aged 10 to 19 who missed childhood vaccinations and to newly arrived refugees and humanitarian entrants as part of an expansion of the national immunisation program. The expansion of the program will cost \$14.1 million over four years.

### **INDEXING OF VISA APPLICATION CHARGES**

From 1 July 2017, the Government will increase visa application charges in line with the forecast consumer price index (CPI) published annually in the Budget. This measure is expected to increase revenue by \$410 million over four years.

### **MIGRATION PROGRAM**

Australia’s permanent migration program (the skill, family and special eligibility streams) will remain at 190,000 places in 2017-18. The Refugee and Humanitarian Program (16,250 places), the migration of New Zealand citizens (uncapped) and child visas are in addition to this program.

Treasury is predicting growth in net migration from 194,058 in 2016 to 209,018 in 2017 and basing its budget estimates for coming years on net migration of 216,447 in 2018, 226,184 in 2019 and 235,379 in 2020.

### **OVERSEAS AID**

The Australian Council for International Development’s analysis of Department of Foreign Affairs and Trade allocations shows that aid spending will increase by \$84 million in 2017-18 to \$3.9 billion and then to \$4.0 billion in 2018-19. However, the Government’s decision to pause its commitment to increase the program in line with the consumer price index will result in cuts of \$303.3 million in 2019-20 and 2020-21. Australia’s aid as a contribution of Gross National Income will be 0.22% in 2017-18, its lowest level ever.

The aid program in 2017-18 includes some increases in Australian Humanitarian Program funding, including a \$20 million increase in the Emergency Fund (to \$150 million) and \$4.9 million more for protracted crises and strengthening humanitarian action (to \$78.4 million). However, disaster risk reduction and response will decline by \$5.5 million to \$39.0 million.

Funding for global humanitarian partnerships will remain at \$132.3 million, the same level as 2016-17 (a cut in real terms). These funds will be allocated to the World Food Program (\$40.0 million), International Committee of the Red Cross (\$27.5 million), United Nations High Commissioner for Refugees (\$25.0 million), UN Relief and Works Agency for Palestine Refugees (\$20.0 million), UN Central Emergency Response Fund (\$11.0 million) and UN Office for the Coordination of Humanitarian Affairs (\$8.8 million).

## **IMMIGRATION DEPARTMENT SPENDING**

In 2017-18, the Department of Immigration and Border Protection will allocate \$4.468 billion for expenditure across its three main outcome areas. This represents a 13.3% cut on forecast expenditure for 2016-17. The largest cuts are for offshore processing arrangements for people seeking asylum (cut by 34.1%), onshore compliance and detention (18.4%), refugee and humanitarian assistance (17.3%) and citizenship (15.4%).

Department staffing levels will decline by 1.8% from 14,000 to 13,755 staff. However, these cuts will not be across all sections of the Department. Staffing for border enforcement programs will increase by 0.6% from 8,350 to 8,400.

# SPENDING IN 2017-18 BUDGET

## DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION

<b>1. BORDER ENFORCEMENT</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
DIBP staffing level for Border Enforcement	8,350	8,400			
<b>1.1 Border Enforcement</b>	\$'000	\$'000	\$'000	\$'000	\$'000
Departmental expenses	1,059,141	1,053,089	1,024,009	1,019,082	997,234
<b>Total</b>	<b>1,059,141</b>	<b>1,053,089</b>	<b>1,024,009</b>	<b>1,019,082</b>	<b>997,234</b>
<b>1.2 Border Management</b>					
External expenses	8	8	8	8	8
Departmental expenses	242,036	228,099	218,247	221,180	202,142
<b>Total</b>	<b>242,044</b>	<b>228,107</b>	<b>218,255</b>	<b>221,188</b>	<b>202,150</b>
<b>1.3 Onshore Compliance and Detention</b>					
External expenses	1,078,680	848,091	752,190	698,293	638,417
Departmental expenses	489,959	431,864	388,715	381,221	371,170
<b>Total</b>	<b>1,568,639</b>	<b>1,279,955</b>	<b>1,140,905</b>	<b>1,079,514</b>	<b>1,009,587</b>
<b>1.4 IMA Offshore Management</b>					
External expenses	1,017,890	678,609	406,595	394,900	403,554
Departmental expenses	65,004	35,032	32,160	31,899	31,767
<b>Total</b>	<b>1,082,894</b>	<b>713,641</b>	<b>438,755</b>	<b>426,799</b>	<b>435,321</b>
<b>1.5 Regional Cooperation</b>					
External expenses	87,761	79,710	27,823	28,491	29,261
Departmental expenses	21,275	23,721	18,998	17,504	17,475
<b>Total</b>	<b>109,036</b>	<b>103,431</b>	<b>46,821</b>	<b>45,995</b>	<b>46,736</b>
<b>1. Total for Border Enforcement</b>					
Total External expenses	2,184,339	1,606,418	1,186,616	1,121,692	1,071,240
Total Departmental expenses	1,877,415	1,771,805	1,682,129	1,670,886	1,619,788
<b>Total</b>	<b>4,061,754</b>	<b>3,378,223</b>	<b>2,868,745</b>	<b>2,792,578</b>	<b>2,691,028</b>

<b>2. CITIZENSHIP, MIGRATION, VISAS, HUMANITARIAN</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
Staffing for Citizenship, Migration, Visas, Humanitarian Assist	5,090	4,840			
<b>2.1 Citizenship</b>	\$'000	\$'000	\$'000	\$'000	\$'000
Departmental expenses	76,198	64,443	60,495	60,930	61,409
<b>Total</b>	<b>76,198</b>	<b>64,443</b>	<b>60,495</b>	<b>60,930</b>	<b>61,409</b>
<b>2.2 Migration</b>	\$'000	\$'000	\$'000	\$'000	\$'000
Departmental expenses	284,140	345,951	325,300	304,493	280,673
<b>Total</b>	<b>284,140</b>	<b>345,951</b>	<b>325,300</b>	<b>304,493</b>	<b>280,673</b>
<b>2.3 Visas</b>	\$'000	\$'000	\$'000	\$'000	\$'000
Departmental expenses	419,366	393,570	361,197	338,855	301,177
<b>Total</b>	<b>419,366</b>	<b>393,570</b>	<b>361,197</b>	<b>338,855</b>	<b>301,177</b>
<b>2.4 Refugee and Humanitarian Assistance</b>	\$'000	\$'000	\$'000	\$'000	\$'000
External expenses	51,550	32,769	32,681	33,394	34,094
Departmental expenses	122,473	111,227	106,721	103,715	104,476
<b>Total</b>	<b>174,023</b>	<b>143,996</b>	<b>139,402</b>	<b>137,109</b>	<b>138,570</b>
<b>2. Total for Citizenship, Migration, Visas and Refugee and Humanitarian Assistance</b>					
External expenses	51,550	32,769	32,681	33,394	34,094
Departmental expenses	902,177	915,191	853,713	807,993	747,735
<b>Total</b>	<b>953,727</b>	<b>947,960</b>	<b>886,394</b>	<b>841,387</b>	<b>781,829</b>
<b>3. REVENUE COLLECTION AND TRADE FACILITATION</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
Staffing for Border Revenue Collection & Trade Facilitation	560	515			
<b>3.1 Border Revenue Collection</b>	\$'000	\$'000	\$'000	\$'000	\$'000
External expenses	13,500	13,500	13,500	13,500	13,500
Departmental expenses	71,726	68,358	67,509	64,288	63,775
<b>Total</b>	<b>85,226</b>	<b>81,858</b>	<b>81,009</b>	<b>77,788</b>	<b>77,275</b>
<b>3.2 Trade Facilitation and Industry Engagement</b>	\$'000	\$'000	\$'000	\$'000	\$'000
Departmental expenses	54,995	59,869	59,772	57,652	54,805

<b>3. REVENUE COLLECTION AND TRADE FACILITATION</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
<b>Total</b>	<b>54,995</b>	<b>59,869</b>	<b>59,772</b>	<b>57,652</b>	<b>54,805</b>
<b>3. Total Border Revenue Collection and Trade Facilitation</b>					
External expenses	13,500	13,500	13,500	13,500	13,500
Departmental expenses	126,721	128,227	127,281	121,940	118,580
<b>Total</b>	<b>140,221</b>	<b>141,727</b>	<b>140,781</b>	<b>135,440</b>	<b>132,080</b>
<b>TOTAL EXPENDITURE ON DIBP'S 3 OUTCOME AREAS</b>					
	<b>5,155,702</b>	<b>4,467,910</b>	<b>3,895,920</b>	<b>3,769,405</b>	<b>3,604,937</b>
Total DIBP staffing level	14,000	13,755			

## SETTLEMENT RELATED PROGRAMS IN OTHER PORTFOLIOS

<b>DEPARTMENT OF SOCIAL SERVICES</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
<b>2.1 Families and Communities</b>					
	\$'000	\$'000	\$'000	\$'000	\$'000
Settlement Services	257,042	178,111	198,949	201,655	200,164
<b>Total</b>	<b>257,042</b>	<b>178,111</b>	<b>198,949</b>	<b>201,655</b>	<b>200,164</b>
<b>DEPARTMENT OF EDUCATION AND TRAINING</b>					
<b>2.8.3 Access to Training</b>					
	\$'000	\$'000	\$'000	\$'000	\$'000
Adult Migrant English Program	279,730	300,137	303,568	303,780	308,033
National Foundation Skills Strategy	61	50	-	-	-
Skills for Education and Employment Program	125,413	103,642	93,158	88,047	88,198
Workplace English Language and Literacy	293	-	-	-	-
<b>Total</b>	<b>405,497</b>	<b>403,829</b>	<b>396,726</b>	<b>391,827</b>	<b>396,231</b>