Refugee Council of Australia

2025-26 FEDERAL BUDGET: WHAT IT MEANS FOR REFUGEES AND PEOPLE SEEKING HUMANITARIAN PROTECTION

KEY POINTS:

- *Welcome funding to address social cohesion and critical support for multicultural communities still pales in comparison to Government spending on border enforcement, offshore processing and onshore detention and compliance*
- *Cumulative spending on offshore processing from 2012-2025 has blown out to $13.35 billion, with arrangements and associated costs to force people released from immigration detention to go to Nauru not yet included*
- *Despite forced displacement globally at unprecedented levels, Australia's Refugee and Humanitarian Program will remain at 20,000 places, the level set in 2023-24*
- *An extension of funding for the successful refugee employment program Economic Pathways to Refugee Integration*
- *While overseas aid and development spending will increase by $136 million, the total aid spending of $5.1 billion in 2025-26 will represent just 0.65% of the Australian Government's total budget*

HUMANITARIAN PROGRAM AND COMMUNITY SPONSORSHIP

The Refugee and Humanitarian Program will remain at 20,000 places in 2025-26, the level set in 2023-24. This figure includes the Morrison Government's four-year commitment in 2022 of 4,125 additional places each year for refugees from Afghanistan, as well as visas issued under Australia's onshore protection and community sponsorship program.

Following on from the announcement in February 2025, $3.5 million over three years from 2026–27 (and $1.2 million per year ongoing) has been allocated to embed the Community Refugee Integration and Settlement program after the conclusion of the pilot. The 200 places will come from the overall Program places, not in addition.

The Government has allocated $862.2 million for Refugee, Humanitarian, Settlement and Migrant Services in 2025-26. This is $147.6 million (14.6%) lower than estimated actual spending on this aspect of the Home Affairs Department's budget in 2024-25. The $1,009.7 million spent in 2024-25 was $119.7 million higher than the $890.0 million allocated in the Budget last year. The Government is forecasting further reductions in spending on Refugee, Humanitarian, Settlement and Migrant Services in coming years – to $832.2 million in 2026-27, $741.9 million in 2027-28 and $729.1 million in 2028-29.

SOCIAL COHESION SUPPORT AND MULTICULTURAL AFFAIRS

Spending on Multicultural Affairs has increased by 34% compared to last financial year. The Government has allocated funds to address social cohesion, building on allocation made in 2024-25. This includes $44.8 million over five years from 2024–25 for projects under the Critical Support for Multicultural Communities Grant Program, including $15.0 million over three years from 2025–26 to the Aspire Performance Centre for a centralised sports and education hub and $2.5 million over three years from 2024–25 to support community organisations to deliver multicultural amenities, celebrations and achieve social and intercultural connections.

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The Refugee Council of Australia
is the national umbrella body
for refugees, people seeking asylum
and the organisations and individuals
who support them • Founded 1981

The Government allocated $31.4 million over four years from 2024–25 for the restoration of the Adass Israel Synagogue and community centre in Ripponlea, Victoria, the restoration of Torah Scrolls and security upgrades following the December 2024 firebombing, and $4.0 million in 2024–25 for the Project Rozana Foundation to address critical gaps in rehabilitation services and foster capacity-building in the health sector in the Occupied Palestinian Territories. The measure also includes $60.4 million over four years from 2024–25 to support security uplifts to further enhance security at Jewish community sites, including synagogues and schools, and to support the Muslim community to uplift the security of places of significance. The Government will extend mental health support and services for Australians impacted by the conflict in the Middle East with an allocation of $1.6 million over two years from 2024–25.

Allocations starting in 2025-26 include $10 million to support independent multicultural media outlets to fast track their transition to sustainable news media and $20.0 million over four years to support projects that meet African-Australian community needs and build the capacity of organisations that support and advocate for that community.

The Government is providing $5.4 million to extend the Health in My Language program in 2025-26 to enable migrant and refugee women to discuss important health issues in their own languages.

In recognition of two years of successful work, the Government has allocated $7.7 million in 2025–26 to extend the Economic Pathways to Refugee Integration (EPRI) program to boost refugee employment.

CITIZENSHIP CONFERRAL
The Budget papers note that the Department of Home Affairs is at risk of not meeting its performance target of 90 per cent of citizenship by conferral applications finalised within agreed timeframes from lodgement to decision.

ASSISTANCE FOR PEOPLE SEEKING ASYLUM
Estimated expenditure on payments for Asylum Seeker Support administered by Services Australia will be $20.16 million in 2024-25, up from the previous year's $16.4 million. For 2025-26, $20.23 million has been allocated. This small increase in spending does little to reverse the massive cuts to support for people seeking asylum since 2015-16, with the 2025-26 allocation representing a 93% cut on 2015-16 expenditure. See Appendix C for further information.

ONSHORE DETENTION AND COMPLIANCE
The Government has allocated $1.37 billion on immigration detention and compliance, up from the $1.27 billion spent this year and up from the projected costs of $1.16 billion in 2024-25.

OFFSHORE PROCESSING
The Government has allocated $581 million for offshore processing in 2025-26. The total allocation for offshore processing since the policy was reintroduced in 2012 is now $13.35 billion. Details of the Offshore budget allocations are in Appendix B.

REGIONAL COOPERATION
The Department of Home Affairs will spend $106.9 million on its regional cooperation activities in 2025-26, up from the $100.0 million spend in 2024-25. This includes cooperation with other governments on migration and security issues, the Bali Process and funding to International Organization for Migration for the management of forcibly displaced people in Indonesia.

BORDER ENFORCEMENT AND MANAGEMENT
The Government has allocated over $2 billion on border enforcement and management, with $1.51 billion allocated for border enforcement and $562 million for border management.

MIGRATION PROGRAM

In last year's Budget, the Government said that from 2025-26, it would utilise multi-year planning, extending the planning for the permanent Migration Program from one year to four years. It is not yet clear if this multi-year planning has been implemented or what the Migration Program planning figures are for the next year or the next four years.

OVERSEAS HUMANITARIAN AND DEVELOPMENT ASSISTANCE

Australia's baseline Overseas Development Assistance (ODA) funding has increased to $5.1 billion allocated in 2025-26. Within this, $505.35 million is allocated to "humanitarian, emergencies and refugees", an almost $15 million increase on the current year. UNHCR has been allocated $25 million, the same as the previous year. Likewise, the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) has been allocated $20 million which is the same as 2024-25. Australia will provide a total of $709 million in humanitarian sector funding in 2025–26, a $33 million increase from last year. This includes more than $120 million in flexible funding for global humanitarian partners to meet needs where they are most acute, such as in the Middle East and Sub-Saharan Africa.

The international development budget has increased to its highest ever figure, at $5.1 billion – up by $135.8 million from last year. A new $370 million multi-year package will address the escalating humanitarian need in Myanmar and continue to support more than one million Rohingya refugees and their host communities in Bangladesh. Australia will invest an additional $11.5 million in strengthening the global humanitarian system, driving reform to make it more effective and responsive to evolving crises. However, in terms of ODA to Gross National Income (GNI) and as a percentage of the Federal Budget, it is at its lowest level ever.

APPENDIX A

SPENDING IN 2025-26 BUDGET – DEPARTMENT OF HOME AFFAIRS

DEPARTMENT OF HOME AFFAIRS	2024-25 (estimated actual)	2025-26	2026-27	2027-28	2028-29
1.5 Regional Cooperation	$'000	$'000	$'000	$'000	$'000
External expenses	57,388	68,726	32,129	36,477	39,390
Departmental expenses	42,634	38,129	38,539	38,703	39,238
Total	**100,022**	**106,855**	**70,668**	**75,180**	**78,628**
2.1 Migration					
Departmental expenses	374,921	315,246	319,172	322,024	327,080
Total	**374,921**	**315,246**	**319,172**	**322,024**	**327,080**
2.2 Visas					
External expenses	150	102	105	107	107
Departmental expenses	560,073	534,361	493,233	467,741	469,721
Total	**560,223**	**534,463**	**493,338**	**467,848**	**469,828**
2.3 Refugee, Humanitarian, Settlement and Migrant Services					
External expenses	765,045	643,773	644,834	554,613	539,428
Departmental expenses	244,693	218,333	193,312	187,260	189,720
Total	**1,009,738**	**862,106**	**838,146**	**741,873**	**729,148**
2.4 IMA Offshore Management					
External expenses	534,646	540,067	280,574	287,159	293,896
Departmental expenses	40,599	40,680	41,153	41,015	41,861
Total	**575,245**	**580,747**	**321,727**	**328,174**	**335,757**
2.5 Multicultural Affairs and Citizenship					
External expenses	41,111	87,604	59,428	48,718	7,060
Departmental expenses	124,738	135,064	117,623	112,992	108,139
Total	**165,849**	**222,668**	**177,051**	**161,710**	**115,199**
3.2 Border Management					
External expenses	23,317	17,464	6,312	8	8
Departmental expenses	554,370	544,580	511,817	500,620	478,198
Total	**577,687**	**562,044**	**518,129**	**500,628**	**478,206**
3.4 Border Enforcement					
External expenses	0	1,615	2,485	18,751	18,751
Departmental expenses	1,383,366	1,505,063	1,081,741	1,013,055	1,032,137
Total	**1,383,366**	**1,506,678**	**1,084,226**	**1,031,806**	**1,050,888**
3.5 Onshore Compliance and Detention					
External expenses	912,050	996,014	987,252	997,239	1,009,698
Departmental expenses	361,134	369,839	336,539	338,996	343,932
Total	**1,273,184**	**1,365,853**	**1,323,791**	**1,336,235**	**1,353,630**

SERVICES AUSTRALIA – PAYMENTS ON BEHALF OF DEPARTMENT OF HOME AFFAIRS	2023-24 (estimated actual)	2024-25	2025-26	2026-27	2027-28
Payments on behalf of Dept of Home Affairs	$'000	$'000	$'000	$'000	$'000
Asylum Seeker Support	20,165	20,230	0	0	0

APPENDIX B

OFFSHORE MANAGEMENT BUDGET ALLOCATIONS 2012-2026

Since Australia's offshore detention centres were reopened by the Gillard Government in 2012-13, successive governments have spent $12.77 billion on offshore detention and processing arrangements. For 2025-26, the Government will allocate another $580.7 million, taking the total expenditure in the 14 years to June 2026 to **$13.35 billion**. Below is a year-by-year breakdown of the actual spending on this policy.

There are approximately 100 people subject to offshore processing who remain on Nauru, and 39 people remaining in Papua New Guinea (PNG) from the group sent to detention on Manus Island in 2013-14. The Morrison Government ended the official relationship with PNG in December 2021. It appears that funding to the PNG Government to cover the costs of their basic support is taken from elsewhere in the Australian Government's Budget.

Costs associated with the Government's plans for the forced removal of people from Australia to Nauru as part of the NZYQ High Court case are **not included** in this allocation and will be additional.

OFFSHORE MANAGEMENT BUDGET ALLOCATIONS			
	Budget announced before year begins($mil)	**Estimated actual cost reported as year ends ($mil)**	**Difference ($mil)**
2012-13	--	2,106.4	2,106.4
2013-14	2,867.4	721.0	-2,146.4
2014-15	826.7	912.6	85.9
2015-16	810.8	1,078.1	267.3
2016-17	880.5	1,082.9	202.4
2017-18	713.6	1,482.0	768.3
2018-19	759.9	1,157.5	397.7
2019-20	525.6	961.7	436.0
2020-21	1,186.4	818.8	-367.7
2021-22	811.8	700.7	-111.1
2022-23	632.5	611.1	-21.4
2023-24	611.1	563.7	-47.4
2024-25	604.4	575.2	-29.2
Total: July 2012 to June 2025	**11,230.8**	**12,771.7**	**1,540.9**
2025-26 budget allocation		**580.7**	
TOTAL – July 2012 to June 2026		**13,352.5**	

APPENDIX C

ASYLUM SEEKER SUPPORT PAYMENTS

These are the payments to people seeking asylum supported by the Status Resolution Support Service (SRSS) Program, administered by Services Australia on behalf of the Department of Home Affairs. The purpose of the SRSS Program is to support people to resolve their immigration status, and the financial payments help people with no other form of income. The payments are capped at 89% of the JobSeeker rate.

$300 million was spent in 2015-16, and cuts to the Program have seen it shrink to just $20.2 million this year. This represents a 93% cut to this vital program.

ASYLUM SEEKER SUPPORT PAYMENTS ADMINISTERED BY SERVICES AUSTRALIA

	Budget announced before year begins ($mil)	Estimated actual cost reported as year ends ($mil)	Difference between spending and budget ($mil)	Change in spending on previous year	
2015-16	**	300.0		$mil	%
2016-17	170.0	191.1	21.1	-108.9	-36%
2017-18	245.8	139.8	-106.0	-51.3	-27%
2018-19	122.9	93.4	-29.5	-46.4	-33%
2019-20	52.6	39.5	-13.1	-53.9	-58%
2020-21	19.6	35.2	15.6	-4.3	-11%
2021-22	33.4	16.6	-16.8	-18.6	-53%
2022-23	36.9	15.0	-21.9	-1.6	-10%
2023-24	37.0	16.4	-20.6	1.4	+9%
2024-25	17.3	20.2	2.9	3.8	+23%
2025-26	20.2				

Total decline in spending between 2015-16 and 2024-25: $279.8 million (93%)