



Immigration – Fairness and compassion for refugees – clear UNHCR refugee backlog in Indonesia	
Party:	Australian Greens
<p>Summary of proposal:</p> <p>The proposal would clear the current backlog of refugees registered under United Nations High Commissioner for Refugees (UNHCR) in Indonesia.</p> <p>This proposal would start on 1 July 2026.</p>	
<p>Additional information (based on further advice provided):</p> <p>The refugees would be processed and included within one year's refugee intake under Australia's Refugee and Humanitarian Program.</p> <p>This proposal would have effect from as close to 1 July 2026 as possible.</p>	

Costing overview

The proposal would be expected to increase the fiscal and underlying cash balances by around \$12.3 million over the 2025-26 Budget forward estimates period (see Table 1). The proposal is assumed to decrease administered expenses for maintaining refugees in Indonesia (estimated at around \$24.5 million annually) and produce an expense of around \$12 million for resettling refugees in 2026-27. These totals do not include values that are unquantifiable, such as possible contract break costs related to supporting UNHCR refugees in Indonesia.

The proposal would be expected to have an impact beyond the 2025-26 Budget forward estimates period. A breakdown of the financial implications (including separate public debt interest (PDI) tables) over the period to 2035-36 is provided at Attachment A.

Table 1: Immigration – Fairness and compassion for refugees – clear UNHCR refugee backlog in Indonesia – Financial implications (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	-	12.3	-	-	12.3
Underlying cash balance	-	12.3	-	-	12.3

(a) A positive number represents an increase in the relevant budget balance; a negative number represents a decrease.

(b) PDI impacts are not included in the totals.

- Indicates nil.

Uncertainties and Sensitivities

There is a high degree of uncertainty associated with estimating the cost to exit service delivery contracts in Indonesia, and how long it would take. As such, the Parliamentary Budget Office (PBO) has determined that these costs are unquantifiable.

Key assumptions

The PBO has made the following assumptions in costing this proposal.

- Consistent with the current immigration policy setting, the annual intake of the refugee and humanitarian program would remain constant at 20,000 places per year over the period to 2035-36.
- The number of refugees eligible for the proposal equals the number of refugees (12,051) registered under United Nations High Commissioner for Refugees (UNHCR) in Indonesia for whom Australia funds the UNHCR.
- The proposed resettlement of the UNHCR refugees would fit within the current baseline immigration policy and be cleared within one year.
 - Places across the humanitarian intake streams are assumed to fit within Community Refugee Integration and Settlement Program (CRISP), Non-CRISP, Community Supported Program (CSP) and Non-CSP.
- Departmental resources would be re-prioritised such that the backlog would be cleared within one year.
 - There would be no additional departmental costs.
- Under the baseline, 75% of the 2018-19 Budget measure *Operation Sovereign Borders – continuation* would be associated with the costs of offshore UNHCR refugees in Indonesia.¹ This apportioned cost would be ongoing and would reduce by around 3.6% per year as refugees are processed. The cost associated with the remaining refugees would increase in line with the Consumer Price Index (CPI).
- There would be an unquantifiable amount of break costs.
- Processing and re-settlement would occur over a period of 11 months and conclude within 2026-27.
- No new refugees would be registered under the UNHCR for whom Australia would be responsible.
- From 2026-27, ongoing expenses for supporting UNHCR refugees in Indonesia would cease.
 - This will result in a reduction in administered expenses.

Methodology

- The financial implications of the proposal were estimated using a model that was built by the PBO for the purpose of calculating the ongoing expense of the UNHCR refugees in Indonesia that Australia is responsible for.
- The ongoing expenses were estimated based on historic expenses detailed in relevant previous Budget measures (from 2018-19 to 2021-22). 75% of the expenses (in 2018-19) were apportioned to maintaining Australia's UNHCR refugees in Indonesia.
 - Under the baseline, the costs associated with maintaining each UNHCR refugee in Indonesia were increased in line with CPI, and the number of refugees was decreased by around 3.6% per year as refugees would be resettled.

¹ 2018-19 Budget, [Budget Paper No. 2](#), page 132.

- Expenses related to maintaining UNHCR refugees in Indonesia that would be resettled under the proposal were considered to be savings. The PBO has only quantified first round or direct impacts.
- The costs associated with resettling refugees have been determined to remain at the baseline level as the number of refugees processed under the proposal would fit within the existing humanitarian intake program (20,000 places). The model does not consider if there would be contract break costs. These costs are unquantifiable as exact details of the contracts and costs are considered commercial-in-confidence and are not available to the PBO.

Financial implications were rounded consistent with the PBO's rounding rules.²

Data sources

Commonwealth of Australia (2018) *2018-19 Budget, Budget Paper No. 2 2018–19, [Operation Sovereign Borders — continuation](#)*, page 132, Commonwealth of Australia.

Commonwealth of Australia (2019) *2019-20 Budget, Budget Paper No. 2 2019–20, [Regional Cooperation Arrangement](#)*, page 115, Commonwealth of Australia.

Commonwealth of Australia (2020) *2020-21 Budget, Budget Paper No. 2 2020–21, [Regional Cooperation Arrangements in Indonesia](#)*, page 111, Commonwealth of Australia.

Commonwealth of Australia (2021) *2021-22 Budget, Budget Paper No. 2 2021–22, [Regional Cooperation Arrangements in Indonesia](#)*, page 133, Commonwealth of Australia.

Commonwealth of Australia (2025) *Pre-election Economic and Fiscal Outlook 2025*, Commonwealth of Australia.

Department of Immigration and Border Protection (2014) [Resettlement cut-off date for refugees in Indonesia](#), Australian Government.

United Nations High Commissioner for Refugees (2025), [Indonesia Fact Sheet March 2025 | UNHCR Indonesia](#), UNHCR.

² <https://www.pbo.gov.au/for-parliamentarians/how-we-analyse/pbo-rounding-rules>

Attachment A – Immigration – Fairness and compassion for refugees – clear UNHCR refugee backlog in Indonesia – Financial implications

Table A1: Immigration – Fairness and compassion for refugees – clear UNHCR refugee backlog in Indonesia – Fiscal and underlying cash balances (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
Expenses													
<i>Clear UNHCR refugee backlog in Indonesia</i>	-	12.3	-	-	-	-	-	-	-	-	-	12.3	12.3
<i>Contract break costs</i>	-	*	-	-	-	-	-	-	-	-	-	*	*
Total – expenses	-	12.3	-	-	-	-	-	-	-	-	-	12.3	12.3
Total (excluding PDI)	-	12.3	-	-	-	-	-	-	-	-	-	12.3	12.3

(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

(b) This costing includes an unquantifiable aspect.

- Indicates nil.

* Unquantifiable – not included in totals.

Table A2: Immigration – Fairness and compassion for refugees – clear UNHCR refugee backlog in Indonesia – Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)^{(a)(b)(c)}

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
<i>Fiscal balance</i>	-	0.3	0.6	0.6	0.6	0.6	0.7	0.7	0.7	0.8	0.8	1.5	6.4
<i>Underlying cash balance</i>	-	0.2	0.5	0.6	0.6	0.6	0.7	0.7	0.7	0.7	0.8	1.3	6.1

- (a) As this table is presented as a memorandum item, these figures are not reflected in the totals above. This is consistent with the approach taken in the budget where the budget impact of most measures is presented excluding the impact on PDI. If the reader would like a complete picture of the total aggregate, then these figures would need to be added to the figures above. For further information on government borrowing and financing please refer to the PBO's online budget glossary³.
- (b) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.
- (c) This costing includes an unquantifiable aspect.
- Indicates nil.

³ [Online budget glossary – Parliamentary Budget Office \(pbo.gov.au\)](https://pbo.gov.au/)