

ECR-2025-3645

Immigration - Fairness and compassion for refugees - Increase SSRS payments to JobSeeker rates							
Party:	Australian Greens						

Summary of proposal:

The proposal would increase funding to the Humanitarian Settlement Services Program and increase the Status Resolution Support Services (SRSS) payments to the same rate as JobSeeker, for all temporary protection visa holders

The proposal has 2 components that would have effect from 1 July 2026.

Additional information (based on further advice provided):

- **Component 1:** Restore the Humanitarian Settlement Services Program (including Complex Case Support) (HSS) in place of the existing Humanitarian Settlement Program (HSP); and
- **Component 2:** Restore the Status Resolution Support Services (SRSS) payments (to pre-2018 level) and increase to a minimum of \$88 a day, for people living in the community on Bridging visas with a Protection visa application still before the Department or the Administrative Appeals Tribunal (AAT)¹.

The proposal would be ongoing.

Costing overview

The proposal would be expected to decrease the fiscal and underlying cash balances by around \$781.1 million over the 2025-26 Budget forward estimates period (see Table 1). This reflects an increase in administered and departmental expenses.

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 - Increase SSRS payments to JobSeeker rates – Financial implications (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	-	-254.3	-260.3	-266.5	-781.1
Underlying cash balance	-	-254.3	-260.3	-266.5	-781.1

⁽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.

¹ The AAT was replaced in October 2024 by the <u>Administrative Review Tribunal</u>. The Parliamentary Budget Office (PBO) has included the Attorney-General's Department portfolio (including courts) in this costing.

Uncertainty

Component 1

There is a high degree of uncertainty associated with the financial implications as this component is sensitive to the following:

- Considerable variability and fluctuations associated with the financial impacts as reflected in the
 available data. Due to disaggregated expenditure not being available, this response estimates the
 (aggregate) costs based on information in the relevant historical Portfolio Budget Statements for
 the HSS programs and Australian National Audit Office (ANAO) data for the HSP.
- Size and composition of the humanitarian program (e.g. number entrants, complexity of cases, duration of support provided and service provider negotiations) and any potential changes to legislation/government policy.²

Component 2

There is a high degree of uncertainty in the projected number of eligible recipients of SRSS program/payment over the period to 2035-36, changes in government policy, and broader shocks (for example, economically or geopolitically).

- The number of eligible recipients is projected to remain relatively consistent to recent financial years. The historical figures reflect a significant decline due to a large stock of visa applications being processed, which appears to have stabilised in recent years.
- Under current policy setting, SRSS program/payment amounts are determined on a case-by-case basis.
 - SRSS financial assistance (income support) payment is provided to eligible SRSS recipients in Bands 2-6 at a rate of up to 89% of the current Services Australia Jobseeker Payment rate.
- Any potential interactions with recipients' work rights, employment income and tax revenue.

The Parliamentary Budget Office (PBO) has not assessed any potential interactions between this proposal and the 2024-25 Budget measure *Reforms to Migrant and Refugee Settlement Services*³ and the 2025-26 Budget measure *Supporting Social Cohesion*.⁴

Key assumptions

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

Component 1

- HSS (including Complex Case Support) program expenses would project from 2018-19 across the medium term (the latest year for which Budget projections are available for this program).
 - The program administered expense projection ratios were taken from the 2015-16 Department of Social Services Portfolio Budget Statements.

² The Humanitarian Program intake and composition within a given year are decided by the Government.

³ 2024-25 Budget, Budget Paper No.2, Reforms to Migrant and Refugees Settlement Services, page 138.

⁴ 2025-26 Budget, Budget Paper No.2, <u>Supporting Social Cohesion</u>, page 61.

- HSP expenses would project from the ANAO data in 2019-20 (the most recent actual public allocation of funding located for this program).
- Administered expenses for each program would grow at a rate of 2.4% per financial year in line with average forecasted Wage Cost Index (WCI) 3.
- For each program, the ratio of departmental and administered program expenses would be equal to the ratio of aggregated expenses (estimates are based on the most disaggregated level of available expense data).
 - Beyond the forward estimates period, the ratio of departmental expenses to administered expenses would remain constant.

Component 2

- The number of population eligible for income support would align with 2023-24 actuals (as at November 2024) and remain consistent across the medium-term.⁵
 - Around 25% of the pre-2018 SRSS recipient cohort would be eligible under this proposal (adjusted to account for scaling up, and variations in payment periods for recipients).⁶
 - New recipient numbers would remain constant over the medium term.
- The relevant JobSeeker rate under the proposal would be equivalent to the maximum rate for 'Jobseeker Single, with a dependent child'.
 - The proposed minimum rate of \$88 per day would apply for all eligible SRSS recipients (and would be indexed by the Consumer Price Index (CPI).
- SRSS program payments would continue to grow in line with the CPI.
- The number of individuals with work rights/status that would access employment would remain unchanged.

Methodology

Component 1

- The estimated financial implications of component 1 were derived by calculating the difference between estimated total expenses over the medium term between the HSP and the HSS programs.
- Administered expenses associated with HSS were projected based on the Department of Home Affairs and the Department of Social Services Portfolio Budget Statements from 2015-16 to 2018-19 and the ANAO report actuals data (for 2018-19 and 2019-20) for the HSP applying the assumptions outlined above (2.4% growth rate).

Component 2

The SRSS program payments under the new policy settings (including indexation to CPI) were
multiplied by the projected population of recipients. The current SRSS (baseline) projected financial
impacts were based on the 2023-24 financial year and grown in line with CPI over the medium
term. The impact of the proposal in each income year was calculated as the difference in program
expenses under the proposed policy settings and current policy settings.

⁵ Recipients' numbers since 2016 had decreased until 2022 where they have remained relatively static since.

⁶ The pre-2018 eligibility payment criteria is adopted as part of the proposal and would likely increase the pool of recipients.

Departmental expenses were informed by similar measures in previous Commonwealth budgets.

Financial implications were rounded consistent with the PBO's rounding rules.⁷

Data sources

Australian National Audit Office (2019) <u>Delivery of the Humanitarian Settlement Program.</u> Commonwealth of Australia, accessed 14 May 2025.

Commonwealth of Australia (2024) 2024-25 Budget, Commonwealth of Australia.

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

Department of Immigration and Border Protection (2017) <u>Status Resolution Support Services</u> <u>Programme: Operational Procedure Manual (Version 5)</u>, accessed 14 May 2025.

Department of Social Services (2017) <u>Submission to the Joint Standing Committee on Migration Inquiry into Migrant Settlement Outcomes</u>, accessed 14 May 2025.

Department of Home Affairs, 2018. 2018-19 Portfolio Budget Statements, accessed 14 May 2025.

Department of Social Services:

- 2018. 2018-19 Portfolio Budget Statements, Commonwealth of Australia.
- 2017. 2017-18 Portfolio Budget Statements, Commonwealth of Australia.
- 2016. 2016-17 Portfolio Budget Statements, Commonwealth of Australia.
- 2015. 2015-16 Portfolio Budget Statements, Commonwealth of Australia.

Department of Social Services (2019) Humanitarian Settlement Program factsheet [Online].

Ernst & Young (2015), Evaluation of the Humanitarian Settlement Services and Complex Case Support programmes [PDF Downloaded].

Services Australia (2024) JobSeeker Payment: How much you can get?, accessed 14 May 2025.

The Department of Home Affairs provided relevant information for Component 2 regarding the historical SRSS program total costs, direct recipients payments (aggregate), and recipients numbers as at November 2024.

⁷ https://www.pbo.gov.au/for-parliamentarians/how-we-analyse/pbo-rounding-rules

Attachment A – Immigration - Fairness and compassion for refugees - Increase SSRS payments to JobSeeker rates – Financial implications

Table A1: Immigration - Fairness and compassion for refugees - Increase SSRS payments to JobSeeker rates - Fiscal and underlying cash balances (\$m)(a)

	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													
Administered													
Component 1: Restore HSS program	-	-75.4	-77.2	-79.1	-81.0	-82.9	-84.9	-87.0	-89.1	-91.2	-93.4	-231.7	-841.2
Component 2: Restore SRSS payments (to pre- 2018)	-	-167.0	-171.0	-175.0	-180.0	-184.0	-189.0	-193.0	-198.0	-203.0	-208.0	-513.0	-1,868.0
Total – administered	-	-242.4	-248.2	-254.1	-261.0	-266.9	-273.9	-280.0	-287.1	-294.2	-301.4	-744.7	-2,709.2
Departmental													
Component 1: Restore HSS program	-	-3.1	-3.1	-3.2	-3.3	-3.4	-3.4	-3.5	-3.6	-3.7	-3.8	-9.4	-34.1
Component 2: Restore SRSS payments (to pre- 2018)	-	-8.8	-9.0	-9.2	-9.4	-9.7	-9.9	-10.2	-10.4	-10.7	-11.0	-27.0	-98.3
Total – departmental	-	-11.9	-12.1	-12.4	-12.7	-13.1	-13.3	-13.7	-14.0	-14.4	-14.8	-36.4	-132.4
Total – expenses	-	-254.3	-260.3	-266.5	-273.7	-280.0	-287.2	-293.7	-301.1	-308.6	-316.2	-781.1	-2,841.6
Total (excluding PDI)	-	-254.3	-260.3	-266.5	-273.7	-280.0	-287.2	-293.7	-301.1	-308.6	-316.2	-781.1	-2,841.6

⁽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.

⁻ Indicates nil.

Table A2: Immigration - Fairness and compassion for refugees - Increase SSRS payments to JobSeeker rates – Memorandum item: Public Debt Interest (PDI) impacts – 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
Fiscal balance	-	-6.0	-17.0	-30.0	-43.0	-57.0	-73.0	-89.0	-106.0	-125.0	-145.0	-53.0	-691.0
Underlying cash balance	-	-4.0	-14.0	-27.0	-40.0	-54.0	-69.0	-85.0	-102.0	-120.0	-140.0	-45.0	-655.0

- (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 glossary⁸.
- (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.
- Indicates nil.

⁸ Online budget glossary – Parliamentary Budget Office (pbo.gov.au)