

## **ACT Budget submission 2025-26**

### **Acute Rental Support Coordinating Committee (ARSCC): a partnership comprising Companion House, Canberra Refugee Support and St Vincent de Paul Caritas Christi Conference.**

#### **Category: Community Services and support for families**

**Re:** Community Services Directorate: Office of Multicultural Affairs

**Funding:** Discretionary Funding

The purpose of this submission is to seek an allocation of **\$210,000** in discretionary funding to assist destitute asylum seekers in the ACT Budget for FY 2025-26 and for the two subsequent financial years, 2026-27 and 2027-28.

#### **Background**

For each of the years 2023-24, 2022-23, and 2021-22 the ACT Government through the Office of Multicultural Affairs (OMA), Community Services Directorate (CSD), provided \$195,000 in discretionary funding for asylum seekers who were eligible for and in possession of the ACT Access Card and were not in receipt of any other income. This was administered through a grant mechanism based on applications from agencies on a two monthly schedule. The most recent Guidelines for the Discretionary Funding and the Application form for 2023-24 were developed by the OMA. Prior to this Discretionary Funding of \$15,000 per annum had been provided through OMA to support asylum seekers resident in the ACT.

Prior to the 2024-25 Budget the ACT Treasury sought a consultant's report on the Discretionary Funding program and its rationale. While the ARSCC has not seen this report, funding of \$150,000 was provided by the ACT Government in the 2024-25 Budget. In response to advice from ARSCC and (we believe from the consultant's report), OMA has simplified the distribution of the funding, reducing the administrative costs for both OMA and ARSCC. OMA entered into a Deed of Agreement with Companion House for the dispersal and reporting on the funds. Companion House in turn has a Memorandum of Understanding with St Vincent de Paul and Canberra Refugee Support to governance of ARSCC, which now covers implementation of these new financial arrangements. A copy of both the Deed of Agreement and the Memorandum of Understanding are provided as **Attachment A** and **Attachment B** respectively.

#### **Program design and purpose**

The Discretionary Funding program was initiated by the ACT Government on the advice of what was then RASH (Refugee Asylum Seekers Humanitarian), now the Humanitarian Coordination Committee. The program was a response to problems created by the LNP Federal Government's cuts to funding and the eligibility criteria for the Status Resolution Support Service (SRSS). The background to, and implications of this policy shift are set out in the discussion on the SRSS by the Refugee Council of Australia: <https://www.refugeecouncil.org.au/srss/>.

Because financial support for asylum seekers while awaiting resolution of their claim for protection is a responsibility of the Federal Government, in 2023 ARSCC wrote

to the ACT's Federal Parliamentarians in support of the RCOA proposal to expand the eligibility of the SRSS Program and develop a mainstream option in parallel, based on the Special Benefit payment. The St Vincent de Paul Society also supported these proposals at a national level. Unfortunately, the Federal Government made no commitment to easier access to or increased funding for SRSS in its 2023-24 Budget, nor has it in subsequent budgets given any indication of providing any sort of financial safety net for this extremely vulnerable group. This is despite RCOA and other agencies including Vinnies calling on the Federal Government to accept its responsibility for these vulnerable people and to include funding for a fair financial safety net in the 2024-25 budget

Given that a federal election is due to be held by no later than May 2025 we do not anticipate any action on this issue in the Federal Budget for 2025-26, even if one is brought down before the election. If the current Government is returned the earliest any change to current policy would be the 2026-27 Budget. If an LNP Government is returned this would likely guarantee maintenance of the current policy of not providing support for people awaiting a decision on protection claims.

Just as importantly, even if the Federal Government reinstates the SRSS criteria to acceptable levels, it won't cover everybody who needs support. Discretionary Funding existed prior to its expansion in recent years in recognition of the vulnerability of asylum seekers and that vulnerability has only increased since then given increases in the cost of living, not least rent in Canberra. An increased Commonwealth contribution to SRSS does not mean that Discretionary Funding would not be needed. A reduced amount of funding would still be required.

There are other drivers in policy areas under the control of the Federal Government outside of SRSS cuts that have led to asylum seeker economic and social vulnerability. The long and uncertain processing times for decisions on claims for protection, that reached a peak of six to seven years, significantly compounded the difficulties facing asylum seekers. The very slow "fast track" assessment process for people who arrived by boat has resulted in eroded health and well-being amongst this cohort. Some are now suffering chronic conditions and mental health concerns after years of uncertainty and family separation. Covid-19 also eroded people's financial lives, with employment disrupted, businesses destroyed, and savings depleted -with long term consequences for some individuals and families. The administrative shake-up of immigration processing by the Federal Government since 2022 has assisted in reducing this time frame in some cases, but long waits are still being experienced by some applicants.

### **Discretionary Funding 2024-25**

The Discretionary Funding this financial year have been used for asylum seekers with an Access Card who have no income. 35 individual households with 17 children will have been assisted by the end of January 2025. This includes and 10 people who do not have work rights. CRS, Companion House and St Vincent de Paul are in addition providing support from their own funds for asylum seeker families and individuals, including those who are not eligible for support from the Discretionary Funds because they are earning some income, usually from irregular casual work.

The three organisations will have spent **\$100,840** on rents and living expenses for asylum seekers without income in the six months from September 2024 (when the funds became available under the negotiated Deed of Agreement) until the end of

February 2025. Before those funds were received the financial support was provided from funds raised by the three agencies.

For the remaining four months of 2024-25 we expect a need for a similar rate of Discretionary Funding (\$66,227) for total of **\$168,067** for the financial year. This is well above the budget of \$150,000, so we will have to find the outstanding funds from our own donated funds.

In addition to Discretionary Funding expenditure the three organisations anticipate spending at least a total of **\$122,260** on rents and living expenses for asylum seekers, on top of the discretionary fund payments for the financial year 2024-2025. This includes spending for the four months before the Discretionary funds were received.

We cannot guarantee that we can maintain the current level of financial support that would be needed to meet this total. CRS for example does not make commitments more than two months in advance and only does so when it is confident that it has the money in the bank to meet those commitments. The three agencies have so far managed to juggle resources to meet the needs of asylum seekers. We note however that many agencies in other areas of social welfare provision are reporting difficulty in meeting fund raising budgets given cost of living impacts on family budgets of those who have been regular donors. We see no reason why agencies supporting refugees and asylum seekers such as ours will continue to remain exempt from those trends despite the generosity of the Canberra community over the past five years. Current expenditure raised from donations will be very hard for all three organisations to sustain. A crisis in ability to provide support is rarely more than a couple of months away for any of our agencies.

The figures on Discretionary Funding expenditure in the year to date and anticipated expenditure for the balance of the financial year and the expenditure from funds donated to the agencies are presented in detail in the attached spreadsheet.

### **Attachment C.**

In addition, Attachment C notes, that if we had received the Discretionary Funding at the beginning of the financial year, we would have been able to spend a total of **\$201,648** on eligible asylum seekers at the same rate for the 12 months. Therefore, we believe that an annual figure of **\$210,000** for Discretionary Funding is a more appropriate level of funding rather than the \$150,000 we received this year. It represents a relatively small increase over the figure calculated above for this financial year. Such an increase would allow for a small level of CPI increase over the three-year period. Given that costs faced by the people we are supporting will increase over that period and that they are not eligible for any Federal government measures directed at reducing cost of living pressures for low-income families this is a modest measure. If agencies do not receive this amount they will be carrying the full cost of price increase for rent and living expenses of this group of asylum seekers.

### **Case studies**

ARSCC has provided a number of de-identified case studies of families and individuals supported by the three agencies through Discretionary funding along with donated funding that give some detail of the situation of those being assisted through this funding and the impact that it has.

1. N. Single person

N. arrived as an asylum seeker by boat in 2012, from the Middle East. He is still an asylum seeker to this day, trapped in complex legal and policy issues. He is a torture survivor with strong evidence of his torture held on his body and also of course leaving a long-term imprint on his emotional well-being.

N is diagnosed with severe anxiety, major depressive disorder and PTSD. Despite this he has worked over consistently since he gained work rights in 2015, working in agricultural, construction and cleaning sectors across. He has been part of the Canberra community since 2013.

However, on lodgement of Ministerial Appeal in 2024 N. automatically lost his work rights. He has close friends who care for him, and he lives with them but has no income at all. He is granted a small living expense to achieve as much dignity as possible and to ensure he eats healthily and can transport himself to appointments.

## 2. Z. Single person

Z. was a primary aged child when she arrived in 2012 as an asylum seeker with her family. She went through Canberra's education system and had strong plans for his life ahead. However, when her family was granted refugee status she was not, due to application errors and policy settings at the time. She became an adult with no work or study rights, struggling to survive as a young adult. Her ministerial appeal to resubmit his claims was successful recently and she is now awaiting a decision on his new application. Previous to this she had no work rights, no study rights, no income and struggled with depression and despair. She received a small living allowance to give her some hope and dignity whilst she waited for outcome of ministerial appeal. She is now looking for work.

## 3. M. Single person

M. sought refugee protection in 2023 after a devastating war broke out in his country. He also had a slave like experience in the diplomatic sector in Canberra and was marginalised and distressed when we first met him. He needed urgent surgery and spent three months recuperating. He was homeless on discharge from hospital. We paid emergency accommodation until he joined the pathways program and then granted living expenses from the Discretionary Fund. Despite being over 60 years old, M. soon gained employment pushing shopping trolleys and was independent for a while. However, his age did not enable him to continue this long time due to pain and exhaustion. He received a living allowance for another few months until he found employment more manageable for his age and experience. M. no longer receives any living allowance and is earning a living wage.

## 4. Family O.

The family which has four children has applied for a protection visa. They currently need support to meet the cost of rent and living expenses. The rent at \$2,540 per month is expensive. Housing is expensive and options for a family with four children are limited. The risk of them having to move from their current house if they do not meet the rent is that it will be difficult to find an alternative residence with little chance of their being accepted as they do not have a guaranteed source of income. The Pathways Housing program designed for families in these circumstances currently has no vacancies.

The parents are currently continuing English studies as a level of proficiency is essential in seeking employment. The family is now connected to most of the essential

support services available to them: CRS, MES, Thread Together, Roundabout, Vinnies, Companion House, Anglicare Food Pantry, One-link which together with the funding and volunteer support through CRS are an essential element in the safety net.

5. Single parent family Z.

The mother who has two children has applied for a protection visa. Her husband is not in Australia. She is sharing accommodation with relatives. CRS is providing \$800 per month as a contribution to the rent for the shared accommodation and \$800 per month living allowance. This housing arrangement while crowded is the only feasible arrangement given that the cost of housing would be out of reach for the family.

The eldest daughter has been at school this year. The mother has been studying part time in Business Studies at CIT due to her youngest daughter being in pre-school which is only half time. With the youngest daughter at school this year the mother is hoping to find work as well as completing her Business Studies.

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The impact of not providing ongoing support by the ACT Government is that people can't pay rent and will become homeless, people can't pay medications, have little food security, become more and more marginalised and suffer health consequences. All of these will impact in varying ways in increasing the demands on ACT service provision. The agencies who have been providing support for asylum seekers will also face financial stress in trying to meet these needs from their donor funds. The provision of Discretionary Funding in partnership with the ARSCC can at a minimum enable people to just manage and at the best to give them a foothold that enables them to become over the longer term financially independent

ARSCC is therefore requesting that the ACT Government continue to provide Discretionary Funding for FY 2025-26 at the level of \$200,000 per annum on the understanding that funding at this level would reduce appropriately if and when the Federal Government implements substantially improved SRSS funding and eligibility. In the absence of Federal Government funding, and without ACT funding, the ARSCC agencies will be unable to sustain the level of support we are currently providing to this vulnerable group of people for any length of time.

To provide stability over the medium term ARSCC is requesting that the Discretionary Funding be provided for three financial years commencing July 2025. This would enable the agencies to plan fund raising and devote time and resources to the provision of support to asylum seekers.


In conclusion

We want to acknowledge that the ACT role in supporting asylum seekers over recent years through the Discretionary Funding, Emergency housing support through the Pathways program and the ACT Access Card has been critically important for a very vulnerable group of people. The three elements form a reinforcing tripod of support. To withdraw one of those elements, in this case Discretionary funding would be to make the other elements less effective. The ACT in partnership with support agencies has been innovative in developing a network of support for asylum seekers which is not matched elsewhere in Australia.

On behalf of Acute Rental Support Coordinating Committee:

Kathy Ragless  
Director  
Companion House

Dr Tim McKenna  
St Vincent de Paul Caritas Christi Conference.

A handwritten signature in black ink, appearing to read "D Hynd", is centered on a light blue rectangular background.

Dr Douglas Hynd  
President Canberra Refugee Support

Mob 0406 376 823

29 January 2025

**Attachment A:** Deed of Agreement

**Attachment B:** Memorandum of Understanding