



2020-21 Federal Budget: Impacts for the settlement sector and people served by the sector

7 October 2020

Dear Members and Stakeholders,

We have all been waiting with great anticipation for the 2020-21 Budget. This Budget has been said to be the most significant in 75 years. It is particularly significant for the settlement sector and migrants and refugees, with net overseas migration being the lowest since World War II and population growth the slowest since World War I.

SCoA has put out a media release in response to the Budget, which can be accessed [here](#).

There are a number of important announcements affecting the sector contained within the budget, which are outlined below.

Settlement sector

- The humanitarian intake will be reduced to 13,750 places (returning to 2014-15 levels), with flexibility being allowed between onshore and offshore categories.
- The Government will undertake reform of AMEP, settlement services and the Community Sponsorship Program, to improve employment outcomes for humanitarian entrants.
- The reduced humanitarian intake and reforms to settlement services will see a \$958.3 million reduction in funding for the humanitarian program of over four years.
- The Government will provide \$12.7 million over two years for extension of the existing Youth Transition Support and Youth Hub Programs.

Migration

- The Government will maintain the 2020-21 Migration Program planning level at 160,000.
- Family Stream places will increase from 47,732 to 77,300 places on a one-off basis for the 2020-21 Migration Program year, and Employer Sponsored, Global Talent, Business Innovation and Investment Program visas will be prioritised within the Skilled Stream.
- Onshore visa applicants and Partner visa applicants where the relevant sponsor resides in a designated regional area will also be prioritised for the 2020-21 Migration Program.
- The Government will apply the family sponsorship framework to Partner visas which will mandate character checks and the sharing of personal information as part of a mandatory sponsorship application, and subject the sponsor to enforceable sponsorship obligations. These changes will complement existing family violence provisions within the Partner visa program.

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- The Government will introduce English language requirements for Partner visa applicants and their permanent resident sponsors.

Other measures

- A new \$200 per week subsidy to hire young Australians.
- Two additional economic support payments of \$250 to pensioners and other eligible recipients.
- Extension of the JobKeeper payment support for a further six months until 28 March 2021.
- Extension of the coronavirus supplement until 31 December 2020 at a rate of \$250 per fortnight from 25 September 2020.
- A further 23,000 new packages for older Australians waiting to receive at home care.
- Doubling the number of Medicare funded psychological services from 10 to 20.

SCoA is continuing to seek further information on a number of measures and issues. In particular, we are seeking:

- confirmation on whether the settlement sector will be covered by measures in the Budget relating to the ERO and SACS supplementation;
- information on the extent to which the \$958.3 million reduction in funding for the humanitarian program is reflective of a reduced humanitarian intake, or whether the reduced revenue foreshadows a reduction in funding for settlement programs as a result of the reform process; and
- whether the Community Sponsorship Program intake will be in addition to, or part of, the humanitarian intake of 13,750 places.

We will provide further information to the sector as the details come to light.

If there are additional issues you would like SCoA to seek clarity on, please do be in touch with me on 02 6282 8515.

Finally, I know that these are difficult times for the settlement sector, as we grapple with the impacts of reduced migration. I want to emphasise that SCoA is committed to working through the challenges posed by the current climate in a way that supports the sector to come out the other end stronger, more effective, and more resilient than ever.

Warm regards,
Sandra

Sandra Elhelw Wright
Chief Executive Officer
Settlement Council of Australia