

MEDIA RELEASE: Caritas Australia welcomes increase in foreign aid from Labor Government

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Caritas Australia welcomes the Australian Government's commitment of \$1.4 billion towards aid and development over the next four years.

The Labor Government has focused on supporting Australia's region, with an increase of \$900 million to the Pacific and Timor-Leste and \$470 million to Southeast Asia.

"We warmly welcome this increase in the aid budget, which will make a world of difference to countless people in our region and beyond. We commend the focus on the Pacific and Southeast Asia as our closest neighbours, especially as these two regions have been devastated by the climate emergency, COVID-19 and now the cost-of-living crisis," said Kirsty Robertson, Caritas Australia's CEO.

"Colleagues in the Pacific and Southeast Asia have been calling for support to strengthen their health systems, adapt to climate change, and ensure gender and social equality. We are glad to see that Ministers Penny Wong and Pat Conroy have listened to this, and we hope that this is just the start of a longer-term effort to revitalise the aid program."

However, the increased funding for the Australia Infrastructure Financing Facility for the Pacific (AIFFP) in the form of concessional loans has been counted towards climate finance commitments.

"This is a concern, as we don't want to pour fuel on the fire of the debt distress faced by our neighbours, who are already struggling to pay for the increased number of disasters as a result of climate change impacts. These communities can ill afford to become more indebted for infrastructure programs that may not help them face the climate disaster," said Ms Robertson.

Despite the increase in funding for the Pacific and Southeast Asia, hunger hotspots like Africa and the Middle East have only received an additional \$15m for emergency assistance in response to the hunger crisis in the Horn of Africa and Yemen.

"The federal budget has shone a spotlight on the housing crisis, cost of living and the need for cheaper and more accessible childcare and healthcare – all vitally important to Australian families for good reason. But we cannot forget that across the world, families are struggling to pay the bills, forced from their homes by rising costs, and unable to access basic health services as well. Yet they often face these issues in communities with far fewer resources to tackle the problems," said Ms Robertson.

Globally, 50 million people in 45 countries are on the brink of starvation. Right now, Somalia is close to an official famine declaration while in Ethiopia more than 20 million people are in urgent need of food assistance.

"In southern Ethiopia earlier this year, I met communities where there was no food and no water. I met families forced from their homes by hunger, desperately searching for a new water source to try to rebuild their life. Colleagues in Somalia tell me about seeing

children come into their malnutrition clinics with arms the size of a thumb. Twenty-five plus years in this sector and I have not seen or heard of anything like it," said Ms Robertson.

"It is immoral if we fail to respond to this hunger crisis before more people lose their lives. To prevent the deaths of millions of people, the Australian Government must step up and do our part. We advocate for an additional \$150 million to avert catastrophe in the worst-affected hunger hotspots in the Horn of Africa, Yemen, Afghanistan and Syria."

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