



Wellbeing First: A budget proposal to ease the cost of living and invest in the long-term wellbeing of Tasmanians

2023/24

TASCOSS BUDGET
PRIORITIES STATEMENT



TasCOSS

INTEGRITY
COMPASSION
INFLUENCE



***The Tasmanian Council of Social Service (TasCOSS)
is the peak body for Tasmania's community
services industry.***

*Our Mission is to challenge and change the systems,
behaviours and attitudes that create poverty,
inequality and exclusion and to ensure all Tasmanians
have equal opportunity to live a good life.*

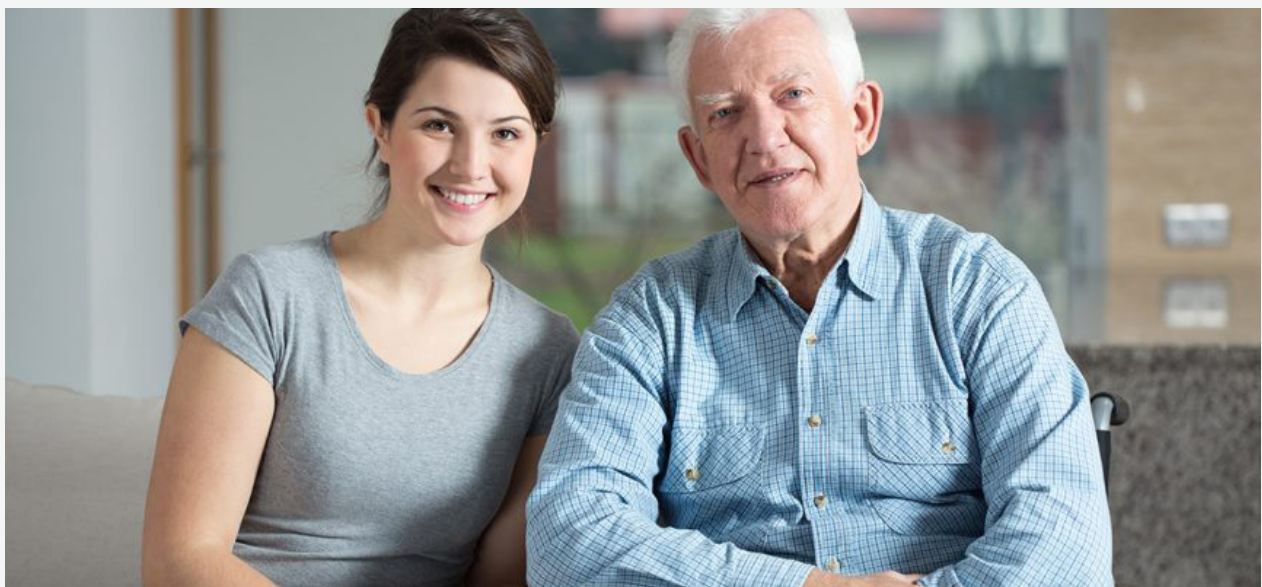
*Our Vision is of one Tasmania, free of poverty and
inequality where everyone has the same opportunity.*

*This Budget Priorities Statement reflects the
expertise of our members, community groups, lived
experience advocates and consumers, as well as
research and analysis of actions and initiatives in
Australia and other jurisdictions.*



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EXECUTIVE SUMMARY

All Tasmanians are affected by the rising cost of living. It is the number one issue of concern for Tasmanians as they try to manage the squeeze on their household budgets, with no relief in sight.¹

Hobart's Consumer Price Index (CPI) has risen by 8.6% in the past year and there are forecasts that inflation has not yet peaked. At the same time incomes are stagnant or falling in real terms.

While everyone is affected by these price increases, the impacts are not felt equally.

National research shows low income households are experiencing the greatest cost of living pressure.² This is because most, if not all, of their income is spent on non-discretionary goods and services, so they feel it the hardest when prices rise at much higher rates than non-discretionary items. This trend is likely to continue for the foreseeable future.

The rising costs of food, housing, electricity, fuel and health care are forcing Tasmanian households to make choices between paying the rent, putting food on the table, turning on the heater or going to the doctor. Those who face financial hardship can also experience the added burden of social stigma, as well as declining physical and mental health and wellbeing.

TasCOSS believes it is time for the Government to prioritise wellbeing, not just as a temporary response to address the current cost of living crisis, but to lay the foundations for a healthier future. By building systems that prioritise the wellbeing of current and future generations, we can ensure that our society is one where all Tasmanians have the opportunity to participate and thrive.

TasCOSS advocates for a strategic approach that focusses on people and their wellbeing as the key drivers of our economy. When we prioritise wellbeing we are building the capacity of individuals and communities to respond to shocks that are outside their control. We are also building the capacity of our systems to respond to increasing complexity and rapid change. There is an intrinsic value in investing in wellbeing and there is an economic value in lifting the capacity of people to participate and contribute meaningfully in the social, cultural and economic life of their communities.

Governments control the policy levers that have a direct impact on the lives of people experiencing financial hardship. This was demonstrated in the response to the pandemic when governments prioritised the health and safety of our community. The Australian Government's temporary income support supplements meant people on low incomes across the country were able to afford the basics and begin to invest in their futures. These Australians reported marked improvements in their financial, physical, and emotional wellbeing.³

We acknowledge the work of the Tasmanian Government in its response to date to cost of living pressures, for example through the energy 'Bill Buster Payment' and additional funding for a range of community service organisations that provide emergency support.⁴ But we argue more can and must be done to meet our state's obligations to ensure every Tasmanian has their basic human needs met.

TasCOSS sets out six priority areas for action to place wellbeing at the centre of the economy for the medium- and long-term, and for providing immediate relief to Tasmanian households struggling to afford the basics.

1 3P Advisory 2022, *Tasmanian Community Sentiment Survey Cost of Living Quarterly Report*; EMRS 2022, *Cost of Living Survey*.

2 Phillips, B 2022, Australian National University, in 'Inflation's cost of living pinch hits mortgage borrowers, low income and older households,' ABC, 14 November 2022.

3 Australian Council of Social Service 2020, *'I can finally eat fresh fruit and vegetables': survey of 955 people receiving the new rate of JobSeeker and other allowances*.

4 Premier of Tasmania 2022, *\$5 million cost of living booster package to help those who need it most*, media release, 16 August 2022.



SUMMARY OF RECOMMENDATIONS

PRIORITISING WELLBEING

1. Place responsibility for the whole-of-government progress on wellbeing indicators with a Minister for Wellbeing.
2. The Government's Wellbeing Framework should include outcomes, targets and indicators as agreed by Tasmanian communities.
3. Place wellbeing at the centre of government through:
 - A Tasmanian Budget that prioritises spending shaped by the Wellbeing Framework;
 - Decision-making that directs spending, policies and programs to reducing inequality in wellbeing outcomes; and
 - Annual reporting to Parliament on the progress of the wellbeing of Tasmanians.
4. Recognise that human rights underpin a wellbeing economy by introducing a Tasmanian Human Rights Act or Charter.
5. Invest in social infrastructure and services that sustain wellbeing, including through sustainable investment in community services organisations.
6. Support cross-sector partnerships between community, business and industry to promote wellbeing and enable social impact investments.
7. Recognise the right of Tasmanian Aboriginals to self-determination, and that the wellbeing of their communities necessitates Aboriginal community-led drafting and implementation of the appropriate legislative, policy and other frameworks to achieve this.

SUPPORTING PEOPLE OUT OF CRISIS

8. The Tasmanian Government provides its support to ACOSS's *Raise the Rate for Good* campaign and strongly advocates to the Australian Government to raise the rate of income support payments so that recipients can afford the basics.

AFFORDABLE HOUSING SOLUTIONS

9. Increase support for Tasmanians to exit out of homelessness and/or maintain their tenancies by boosting the housing and homelessness services workforce.
10. Fund a consumer advocate program for people experiencing homelessness.
11. Redirect First Home Owner Grants and stamp duty concessions to invest in supports for priority populations, particularly people experiencing or at risk of homelessness.
12. Introduce a 'housing in all policies' approach and Housing Impact Analysis for government policies and major decisions.
13. Prioritise Tasmania's obligations under the National Housing Accord to expedite zoning, planning and land release to free up well-located state land, and facilitate superannuation and institutional capital investment in social and affordable housing.
14. Temporarily cap annual rent increases to CPI until rental vacancy rates reach 3%.
15. Introduce an empty homes levy to encourage owners to make them available for rent.
16. Restrict the addition of entire homes to the short-stay accommodation market, at least in areas of low rental vacancy rates.
17. Undertake a comprehensive review of the *Residential Tenancy Act* to make renting fairer, safer and healthier for tenants and give them longer-term security.

PROVIDE TARGETED FOOD RELIEF

18. Immediately increase resources to prevent Tasmanians going hungry by boosting funding for emergency food relief providers, the School Lunch Program and other programs that assist Tasmanians to access and consume nutritious food.
19. Co-design and implement a community awareness campaign about food insecurity to improve information about where to find support and reduce stigma.
20. Work with the Tasmanian Food Security Coalition and other stakeholders to deliver the Healthy Tasmania Strategy recommendations on 'Eating Well.'
21. Review state legislation and guidelines to ensure they include the objective of achieving community food security; food relief meets minimum dietary guidelines; and demonstrates a contribution to community-based food security outcomes.
22. Introduce a grants program to fund locally-based initiatives that respond to food insecurity.

BRING DOWN ENERGY COSTS

23. Protect Tasmanians from excessive electricity price rises by capping regulated electricity price increases for 2023/24 at no more than the national, year-average, CPI change [currently 5.5% to September 2022].
24. Extend eligibility for the energy concession to low income households.
25. Undertake a review of the energy concession scheme to ensure it is well-targeted and appropriate.
26. Provide an electricity bill rebate to low income households in 2023/24 of \$150 to offset price cap increases.
27. Invest in a significant program of household energy efficiency initiatives, as outlined in [TasCOSS's 2021/22 Budget Priorities Statement](#).
28. Introduce minimum energy efficiency standards for rental properties.

CLOSE TASMANIA'S DIGITAL DIVIDE

29. Deliver on PESRAC recommendation number 34 and set clear whole-of-government Key Performance Indicators (KPIs) for closing the digital divide.
30. The lead agency for digital inclusion has responsibility for the oversight, coordination of and reporting on cross-agency programs to address digital inclusion and the achievement of whole-of-government KPIs.
31. Establish a cross-sector digital reference group to guide investment and action to drive digital inclusion outcomes.
32. Work with industry, communities and consumers to explore more widespread provision of secure, free public wifi and internet facilities in regional towns.
33. Work with NBN Co and telecommunications providers to develop a low cost broadband product available for all new social housing connections, including the supply pipeline of the new Homes Tasmania authority.
34. Establish an infrastructure fund to leverage co-investment from the Australian Government, NBN Co and other industry partners, providing greater regional and rural access to reliable, high-speed internet.
35. Introduce a Tasmanian Government telecommunications concession for low income households.

36. Ensure all government secondary school students have access to their own devices and data to enable them to do schoolwork and online-schooling.
37. Establish a government program that links agencies, community organisations and social enterprise, to supply end-of-life devices for refurbishment and distribution to digitally excluded Tasmanians.
38. Boost investment in digital skills through a community-based network of coaches and peer workers, to support priority groups including people who have low literacy and numeracy skills.
39. Boost the digital skills and capacity of frontline community service workers so they can support their clients to access services online and build digital capability.
40. Build scam awareness into community digital literacy programs.

IMPROVE TRANSPORT AND AFFORDABILITY

41. Work with diverse public transport users to address transport disadvantage by:
 - Investing in physical and digital accessibility upgrades, including but not limited to, walkable safe bus stops, real time and easy to use bus information, video and audio notices on buses and at bus stops;
 - Expanding the existing public transport network throughout Tasmania; and
 - Funding community organisations to provide local, on-demand transport services.
42. Introduce free public transport for students, concession card holders and individuals on low incomes.

PRIORITISING WELLBEING



To ensure Tasmanian individuals and communities are resilient through change, and to build sustainability into our systems, we need to transform the focus of our economy.

Our people and their wellbeing must become the central goal of government, our economy and society. International research shows that investing in wellbeing produces better outcomes for society and the economy.⁵

In education, making children happier makes them learn better. In health, wellbeing predicts subsequent longevity as well as a medical diagnosis does, and 'happy people create more stable families and greater social cohesion.'⁶

That's why TasCOSS welcomed the Tasmanian Government's announcement that it will progress Tasmania's first Wellbeing Framework. We also support the development of wellbeing indicators to drive investment in wellbeing in ways that 'make a real difference to Tasmanians who aren't currently sharing in the benefits of our prosperity.'⁷

We note that work on these indicators is already underway, through TasCOSS's Good Life Framework which has been built on conversations with hundreds of Tasmanians and through the Premier's Economic and Social Recovery Advisory Council's (PESRAC's) consultations with Tasmanians on the key drivers of wellbeing.⁸

This submission sets out the next steps needed to move beyond the Framework so that wellbeing is embedded in the decision-making of government, business and communities to drive wellbeing outcomes for all Tasmanians.

⁵ See for example OECD, *'The economy of wellbeing: creating opportunities for people's well-being and economic growth'*, SDD Working Paper No. 102.

⁶ Besley, T & Bucelli, I 2022, *Wellbeing: Alternative Policy Perspectives*, LSE Press.

⁷ Premier of Tasmania 2022, *Progressing Tasmania's first Wellbeing Framework*, media release, 4 May 2022.

⁸ Premier's Economic and Social Recovery Advisory Council 2021, *Final Report*, p. 22.

An Economy of Wellbeing

According to the OECD, a wellbeing economy is one that:

1. Expands the opportunities available to people for improving their lives along the dimensions that matter most to them;
2. Ensures that these opportunities translate into wellbeing outcomes for all segments of the population, especially those on the lowest incomes;
3. Reduces inequalities; and
4. Fosters environmental and social sustainability.⁹

Achieving all four of these objectives in Tasmania would see us create an economy of wellbeing in which every Tasmanian has the basics for a good life and the foundations are laid for individuals, communities and the entire state to better withstand future crises, whether health, economic or environmental.

To achieve these objectives and deliver a wellbeing economy, we must:

- Draw on the experiences of Tasmanians and governments around the world, including those in the global Wellbeing Economies Alliance.¹⁰ Examples abound of innovative approaches to wellbeing that lend themselves to the Tasmanian context (see 'A snapshot of wellbeing economies' on pages 10–11).
- Be single-minded in our focus on addressing inequalities in wellbeing outcomes. Any approach that continues to serve those already better off would not be a wellbeing economy but rather a variation on the status quo.
- Assess and evaluate our progress. This will help us better understand the causal relationships between action and outcomes as well as the barriers and accelerators of change.
- Place at the heart of its design the empowerment of Tasmanian citizens through community-led, place-based approaches.¹¹

Recommendations

Policy and process

1. Place responsibility for the whole-of-government progress on wellbeing indicators with a Minister for Wellbeing.
2. The Government's Wellbeing Framework should include outcomes, targets and indicators as agreed by Tasmanian communities.
3. Place wellbeing at the centre of government through:
 - A Tasmanian Budget that prioritises spending shaped by the Wellbeing Framework;
 - Decision-making that directs spending, policies and programs to reducing inequality in wellbeing outcomes; and
 - Annual reporting to Parliament on the progress of the wellbeing of Tasmanians.
4. Recognise that human rights underpin a wellbeing economy by introducing a Tasmanian Human Rights Act or Charter.



⁹ Martin, N 2019, *The Economy of Wellbeing: Creating opportunities for people's wellbeing and economic growth*, Organisation for Economic Cooperation and Development, no. 102, p. 8.

¹⁰ Wellbeing Economy Alliance (weall.org).

¹¹ For example, TasCOSS 2021, *Local People into Local Jobs: A partnership approach to securing the community services industry workforce*, 2021/22 Budget Priorities Statement.

Community support, partnerships and participation

5. Invest in social infrastructure and services that sustain wellbeing, including through sustainable investment in community services organisations.
6. Support cross-sector partnerships between community, business and industry to promote wellbeing and enable social impact investments.¹²
7. Recognise the right of Tasmanian Aboriginals to self-determination, and that the wellbeing of their communities necessitates Aboriginal community-led drafting and implementation of the appropriate legislative, policy and other frameworks to achieve this.

¹² For more information, see *Sustainable Investment for an Essential Industry: A 2023/24 Tasmanian Budget proposal to implement a funding indexation model that meets the needs of Tasmania's community services industry*.



Amsterdam, Netherlands — Measuring a Wellbeing Economy

In 2020 the City of Amsterdam adopted the 'doughnut' economic framework. This framework was developed as a way of ensuring that everyone has life's essentials while also ensuring this isn't at the expense of the environment on which we depend.¹³

The inner ring of the doughnut represents 'minimum standards of living', based on the UN's Sustainable Development Goals (SDGs). This entails the basic essentials everyone needs for wellbeing, from food and clean water to gender equality and a political voice. According to the model, no one should fall into the hole in the centre, where they don't have enough to afford basic needs.

The outer ring of the doughnut represents the ecological limits of the planet, from biodiversity loss to air pollution. Amsterdam wants to stay between the inner and outer rings.¹⁴ Amsterdam has been using the framework to assess its performance against its aim to keep the city 'in the safe and just space for humanity.'

¹³ Wellbeing Economy Alliance, *Amsterdam, Netherlands — Measuring a Wellbeing Economy*.

¹⁴ Peters, A 2022, *Amsterdam is now using the 'doughnut' model of economics* [fastcompany.com].

A SNAPSHOT OF WELLBEING ECONOMIES FROM ACROSS THE GLOBE

Barking and Dagenham, United Kingdom — Public Service Transformation Programme

The residents of the boroughs of Barking and Dagenham have a number of challenges that could be termed ‘wicked problems’ which include lack of opportunity, economic precarity, housing insecurity and homelessness, high rates of domestic violence and significantly higher levels of deprivation and unemployment than almost every other part of London. One result was significant pressure on public services, which responded in siloed ways with a crisis focus.

The borough’s leaders decided to rethink the form and purposes of social services and began to reorient them from acute or crisis-driven to increasingly preventative, with the aim of supporting self-sufficiency and social participation. Under the ‘Community Solutions: Shifting from Reaction to Prevention’ service, multi-disciplinary and multi-agency teams are brought together to work with public and voluntary sector partners to provide preventative support to residents.

Importantly, the service is available to a broad pool of residents who previously weren’t eligible for council support. The idea is to prevent them from ‘tipping over’ into crisis.

Emerging evidence suggests positive outcomes in key areas including numbers of people in housing need and the number of people requiring high intensity support services.¹⁵

Guelph, Canada — Wellbeing Economy Food System

In 2019, residents in the city of Guelph saw that food insecurity was a major problem, with one in six residents lacking food security and food costs rising continuously, while a third of all food products were discarded as waste. The city decided to design and build a circular food economy with a vision of a ‘food system where everyone can access nutritious food, nothing is wasted and the impact on our environment is minimal.’¹⁶

Three goals were identified:

- > 50% increase in access to affordable, nutritious food;
- > 50 new circular food businesses, collaborations and social enterprises; and
- > 50% increase in economic revenues by reducing and reimagining food waste.

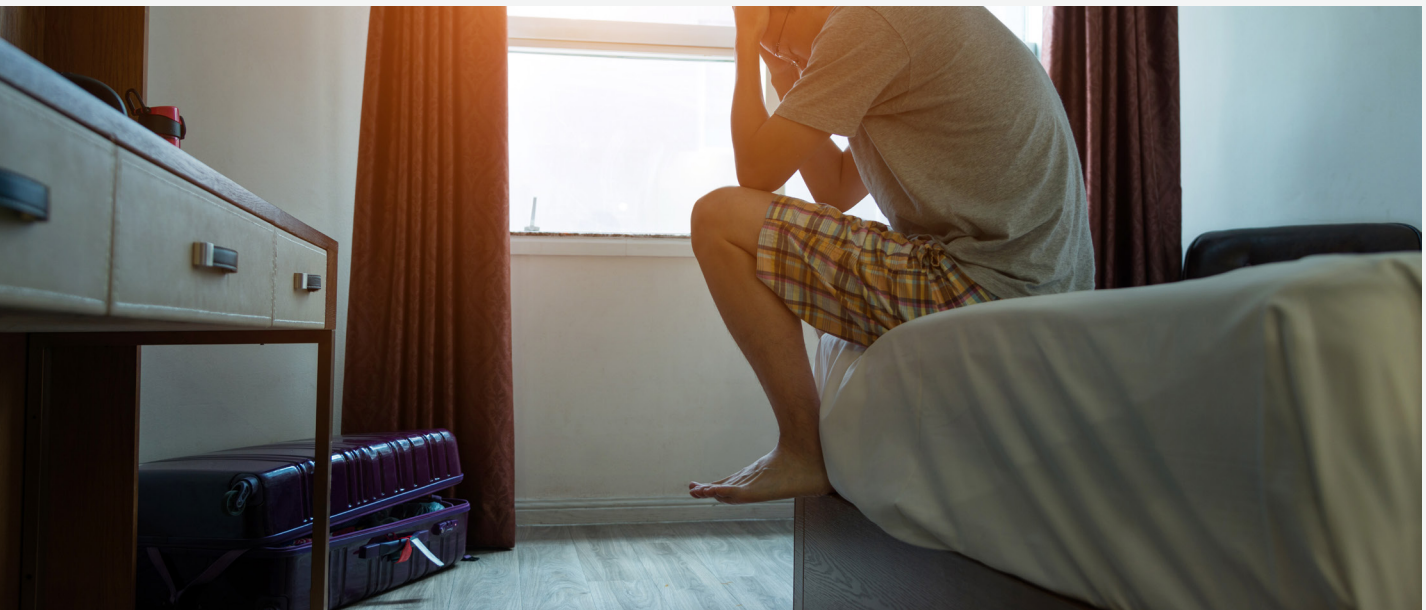
A community engagement process saw the development of a strategy to achieve these goals, with nine priority projects all designed to bring the behaviour and practices of business, consumers and governments in line with their vision.¹⁷

¹⁵ Wellbeing Economy Alliance, *Barking and Dagenham, UK – Public Service Transformation Programme*.

¹⁶ Guelph, Canada — Strategy Design for a Wellbeing Economy Food System — Wellbeing Economy Alliance (weall.org).

¹⁷ Our Future — Food Future Kitchen Table (foodfutre.ca).

SUPPORTING PEOPLE OUT OF CRISIS



“And I know for a fact that the young families especially that have to keep the babies warm, they can’t afford these bills that are coming every quarter. They are too much and nobody’s helping them. We’ve got high rent, high electricity, and it’s just a vicious circle.”

— Bridgewater community member

Everyone has the right to a standard of living adequate for their health and wellbeing. This includes food, clothing, housing, medical care and necessary social services.¹⁸

Yet in TasCOSS’s conversations around the state during September and October 2022, Tasmanians shared their personal experiences of going without these essentials.

“It’s not so much what we are missing out on, it’s the next generation and it is a hard cycle to break because they just look at it and think, well, what’s the point? We’re always going to be poor, things are hard, nothing’s going to get better. Why should we bother?”

— Tasmanian community member

¹⁸ Australian Human Rights Commission, [Universal Declaration of Human Right — Human Rights Commission](#), United Nations, Article 25.

Many of the Tasmanians we spoke with were in 'crisis' before the current cost of living increases affected the broader population or started being reported in the media. They were already regularly going without food and medical care; broadband has always been out of reach for many; and spending on non-essentials was already a rarity.

"Because the problem then is you can't build up any savings in order to get ahead in a medical emergency or whatever, anything like that. So, it's a bit of a juggle like that and those savings have to go towards your bills."

— Deloraine community member

But things are now much worse. They reported that on a daily basis they are having to decide which 'essentials' they go without. Do they pay the rent or buy food? Do they fill a prescription or put that money towards their energy bill?



The stories behind their circumstances were sometimes simple, other times complex, but include factors such as:

- Being forced to flee their home due to family or sexual violence, with not enough financial and other support to find an affordable home or work while being sole carer for children.
- Living with a disability and nevertheless being required to find work, while facing employment discrimination and inability to work enough hours for a decent standard of living.
- Caring responsibilities that preclude doing enough work to pay the bills, because service support is lacking and/or unaffordable.
- Being knocked back for jobs because of where they live.
- Full-time but low paid work that doesn't pay enough to afford a private rental, but not able to relocate to a more affordable area because of caring responsibilities.

"I've lost count of the many jobs I've been turned down for. I've been into this business thousands of times, and they were all excited until they found out I lived in Ravenswood and you could see the look on their face, it was 'oh, you live in Ravenswood? Okay.'"

— Ravenswood community member

"I've moved down from Sydney way. There's no way I can finish my degree because I can't afford to live near the major cities to attend university."

— Tasmanian community member

In other words, the causes of poverty are complex and can be found in the cracks of our systems, not at the feet of individuals. No one chooses to live in poverty.

We therefore need a systemic response. TasCOSS acknowledges the work the Tasmanian Government has done to support Tasmanians experiencing vulnerability and we recognise the responsibility to ensure that all Tasmanians have an adequate income does not fall to the Tasmanian Government alone.

The single most effective and straightforward action the Australian Government can take is to raise the rate of income support payments. At \$48 a day, the JobSeeker payment is inadequate to meet basic living costs, meaning those who receive income support are constantly forced to decide which of the 'essentials' they must go without.

This represents a shameful abandonment of a government's core responsibility of ensuring its citizens' basic human needs are met. It also means the costs of poverty are shifted to other levels of government, including the Tasmanian Government, by having to fund the increased service demand of Tasmanians in need.



"Our governments don't give a beep at all. They really don't. They say they do. Well, if they did we wouldn't be in this god damn situation. We can throw blame, but it comes down to one thing: the governments of the day are not listening."

— Tasmanian community member

We therefore call on the Tasmanian Government to lend its formal support to the *Raise the Rate for Good* campaign to increase the base rate of the JobSeeker payment to at least \$73 a day. During the height of COVID-19 the Australian Government recognised the rate was too low to support an adequate standard of living, and effectively doubled the payment. This temporarily lifted the incomes of thousands of Australians above the poverty line, allowing them to afford shelter, food and medical care with dignity. This is a decision the current government can and must take again.

"The new rate [of JobSeeker payment with Coronavirus Supplement] made an extraordinary difference. It meant that we could eat well, we actually had money to buy some meat, some vegetables. It meant we had the extra money to afford petrol to go and visit my mother more often. We also did things like buy in bulk, and then it's cheaper per kilogram. The new rate meant we were able to pay our car registration for the next year upfront."

— Tasmanian community member

Recommendation

8. The Tasmanian Government provides its support to ACOSS's *Raise the Rate for Good* campaign and strongly advocates to the Australian Government to raise the rate of income support payments so that recipients can afford the basics.

"It [Coronavirus Supplement] meant that your mind didn't have to worry, and that you could sleep at night. Once your mind's not worried and you can sleep, you can actually get everything else in order. You can start to make some better decisions for yourself. Not having to worry if you're going to make it through the fortnight and still have food. Being able to look forward to the week and put our energy into other things and starting to create your future."

— Tasmanian community member

"I was able to go out with friends instead of me saying no, or getting them to come and have a coffee at my place. I could justify going out and having a coffee and maybe even some lunch. I usually can't justify spending that money when I've got the power bill due, and the water bill, or the car needs servicing. On the old rate it was always a case of, well, where am I going to find money for that."

— Tasmanian community member

There are also levers available to the Tasmanian Government that would make a real difference to the ability of Tasmanians to afford the basics. In this submission, we focus on the five cost of living issues Tasmanians told us are causing the most pain:

- Housing
- Food
- Energy
- Digital
- Transport

It is vital the Government takes action so Tasmanians can move beyond what is effectively a state of perpetual crisis and towards financial, mental and physical stability and wellbeing.



Affordable housing solutions



A snapshot of the housing crisis in Tasmania

- > Greater Hobart is Australia's least affordable (relative to income) metropolitan area to rent for the fourth consecutive year.¹⁹
- > Median rents in Tasmania have increased by 8.2% in the past year and 24% since COVID-19 lockdowns in the June quarter of 2020.²⁰
- > The social housing waitlist has increased by 34% and the average wait time has ballooned from an unacceptable 62 weeks to 105 weeks since COVID-19 lockdowns.²¹
- > TasCOSS focus groups confirmed increasing housing costs and lack of availability of appropriate housing are resulting in unaffordable rents and reduced wellbeing.

19 SGS Economics 2022, *Rental Affordability Index*, November.

20 Tenants' Union of Tasmania 2022, *Tasmanian Rents*, September Quarter.

21 Department of Communities Tasmania 2021, *Annual Report 2020/21*; Homes Tasmania 2022, *Housing Dashboard*, October.

Housing is a human right

The right to secure, safe and affordable shelter is a basic human right but is being denied to more and more Tasmanians.

The social housing waiting list continues to grow; rents are unaffordable for many; the private rental vacancy rate is so low that the rental market should be considered a failed market; increasing numbers of Tasmanians are being turned away from homelessness shelters; and fewer Tasmanians are in a position to purchase their own home.²²

A 'housing in all policies' approach

While the impact of the housing crisis is widespread, it adversely affects some people more than others including people on low incomes, young people transitioning to independence, women and children escaping family violence and newly arrived migrants.²³

As well as prioritising the needs of the most vulnerable to housing stress in its Housing Strategy, the Government should embed ways to monitor and address the impact of various policies and programs such as the population growth strategy and migration policy on the housing market. We support calls from Shelter Tasmania for a 'housing in all policies' approach and 'housing impact analysis' to be considered in all major decisions.²⁴

The voices of people experiencing homelessness and housing stress also need to be embedded within decision-making, so that investments, policies and services meet the needs of those they are designed to support. We therefore endorse the Shelter Tasmania recommendation for a consumer advocate program.²⁵

More support is also required for those who struggle to maintain a tenancy, for example due to mental ill health, including by boosting the housing and homelessness services workforce, as recommended by Shelter Tasmania.²⁶

TasCOSS welcomes the Australian Government's announcement of a National Housing Accord which will facilitate a collaborative, cross-sector approach to improving housing outcomes around the country. We urge the Tasmanian Government to fully meet its obligations under the Accord, in particular by undertaking 'expedited zoning, planning and land release' to free up well-located state land and by facilitating superannuation and institutional capital investment in social and affordable housing.²⁷



22 Homes Tasmania 2022, *Housing Dashboard*, October; SGS Economics 2022, *Rental Affordability Index*, November; Tenants' Union of Tasmania 2022, *Tasmanian Rents*, June Quarter; SQM Research 2022, *Property — Residential Vacancy Rates*; Shelter Tasmania 2022, *Homelessness 2022: The Facts*; Australian Institute of Health and Welfare 2022, *Home ownership and housing tenure*, August.

23 TasCOSS 2022, *Submission to Tasmanian Housing Strategy Discussion Paper*, October.

24 Shelter Tasmania 2021, *Submission to the Tasmanian Government Budget Process 2022/23*.

25 Shelter Tasmania 2015, *A Tasmanian Consumer Engagement Strategy*.

26 Shelter Tasmania 2022, *Tasmanian Housing Strategy Discussion Paper*.

27 Australian Government 2022, *National Housing Accord 2022*.

Increase the supply of affordable housing

Tasmania desperately needs more social and affordable housing, and we welcome the Tasmanian Government's commitment to build or acquire 10,000 new social and affordable homes by 2032.

Increasing supply over the next decade will result in more Tasmanians experiencing vulnerability being housed and assisted to reduce housing stress. In the short-term, however, action must be taken to support and improve housing outcomes for Tasmanians experiencing homelessness and housing stress.

In such a tight rental market, the balance between renters and owners needs redressing. TasCOSS supports calls from the Tenants' Union of Tasmania for a temporary control on rent increases, at least until the vacancy rate reaches a 'healthy' level of around 3%; and the introduction of an empty homes levy.²⁸ We also echo calls from Shelter Tasmania and others for limits on short-stay accommodation, so that whole homes stay in the private rental sector rather than the short-stay sector.²⁹

"There's a lady I know who has a disability... her rent was just going up and up and up, and now she's just paying \$100 to be in a tin shed."

— Nubeena community member

"I think the biggest joke of the 21st century has been affordable houses. That's the biggest joke out, because people can't afford them. Our people can't afford affordable housing, because there's no such thing. You're paying four hundred dollars a week, that's not affordable housing around here."

— Bridgewater community member

For those Tasmanians who are managing to keep a roof over their heads, it can come with health costs due to the poor condition of both private and public rental housing. Poor insulation in particular is an issue, making it hard to stay warm without accruing unaffordable energy bills. Cold-related illnesses as well as asthma caused by mould were commonly reported in our consultations. A comprehensive review of the *Residential Tenancy Act* is required to ensure: minimum standards are adequate; renting is fair for tenants; and longer-term security.



²⁸ Tenants Union of Tasmania 2022, *Empty Homes Data*, February.

²⁹ Shelter Tasmania 2021, *Submission to the Tasmanian Government Budget Process 2022/23*; Phibbs, P & Ely, J 2022, *Monitoring the impact of short-term rentals on Tasmanian housing markets*, Shelter Tasmania, Baseline Report, June.

Recommendations

TasCOSS has identified two broad areas for action through the State Budget to improve housing outcomes and ease cost of living pressures impacting Tasmanians.³⁰

Redirect first homeowner subsidies to housing and homelessness supports

It is crucial that we direct funding where it will have the most impact. We note the Productivity Commission's recent report that public subsidies for home ownership, such as through first home buyer grants and stamp duty concessions, should be redirected towards helping people who are homeless or at risk of homelessness. This is echoed by housing researchers and economists who point out that first homeowner assistance schemes don't tend to assist those who are currently excluded from the housing market and, by injecting more money into the housing system, drive up house prices, ultimately worsening access and affordability issues.³¹

The Commission also recommended a review of Commonwealth Rent Assistance to improve its adequacy and targeting. TasCOSS echoes ACOSS's calls for a 50% increase to Commonwealth Rent Assistance payments.³²

The voices of people experiencing acute housing stress and homelessness are key to redesigning our failing housing system and they need to be central to its redesign.

9. Increase support for Tasmanians to exit out of homelessness and/or maintain their tenancies by boosting the housing and homelessness services workforce.

10. Fund a consumer advocate program for people experiencing homelessness.
11. Redirect First Home Owner Grants and stamp duty concessions to invest in supports for priority populations, particularly people experiencing or at risk of homelessness.

Policy and regulation

12. Introduce a 'housing in all policies' approach and Housing Impact Analysis for government policies and major decisions.
13. Prioritise Tasmania's obligations under the National Housing Accord to expedite zoning, planning and land release to free up well-located state land, and facilitate superannuation and institutional capital investment in social and affordable housing.
14. Temporarily cap annual rent increases to CPI until rental vacancy rates reach 3%.
15. Introduce an empty homes levy to encourage owners to make them available for rent.
16. Restrict the addition of entire homes to the short-stay accommodation market, at least in areas of low rental vacancy rates.
17. Undertake a comprehensive review of the *Residential Tenancy Act* to make renting fairer, safer and healthier for tenants and give them longer-term security.

30 These recommendations are priorities for the 2023/24 Tasmanian Budget. For our full list of recommendations, please see TasCOSS 2022, *Response to Tasmanian Housing Strategy Discussion Paper*. See also, Shelter Tasmania 2021, *Submission to the Tasmanian Government Budget Process 2022/23* and *Tasmanian Housing Strategy Discussion Paper*.

31 Australian Government 2022, *In need of Repair: The National Housing and Homelessness Agreement*, Productivity Commission, August; Pawson, H et al. 2022, *Assisting first homebuyers: an international policy review*, AHURI Final Report, no. 381, Australian Housing and Urban Research Institute, Melbourne. For economists' perspectives, see for example Yetsenga, R 2017, 'The not-so-simple housing story,' ANZ Bluenotes and Eslake, S 2021, 'What to do about housing affordability,' appearance before the House of Representatives Standing Committee on Tax and Revenue Inquiry into Housing Affordability and Supply.

32 Australian Council of Social Service 2022, *How JobSeeker and other income support payments are falling behind the cost of living*.

Provide targeted food relief



A snapshot of food insecurity in Tasmania

- > In 2022, 20% of Tasmanians are going hungry, almost triple the level reported in 2021.³³
- > Only about 10% of Tasmanians in hunger access support from emergency food relief providers.³⁴
- > Nevertheless, demand for food relief services is increasing with current levels of demand higher than during the COVID-19 pandemic.³⁵
- > TasCOSS focus groups confirmed increases in the cost of living is a key reason Tasmanians are experiencing food insecurity, resulting in increased demand for food relief.

³³ Kent, K et al. 2022, "Quality food is too expensive to afford: 1 in 2 Tasmanians are food insecure in 2022 due to the rising cost of living," University of Tasmania, Institute for Social Change, no. 61.

³⁴ Ibid.

³⁵ Foodbank 2022, Foodbank Hunger Report.

Food insecurity means going hungry and/or eating less or lower quality food because there is not enough money to buy sufficient or better quality food.³⁶ It is a serious issue in Tasmania, with University of Tasmania research suggesting it affects upwards of one in five Tasmanians, including people in paid employment.³⁷

Food insecurity manifests in data that shows, for example, less than 10% of Tasmanians eat enough vegetables, and over a third of Tasmanians' daily kilojoule intake comes from foods high in fat, sugar and salt.³⁸

Alarming, research also suggests only 10% of people who go hungry seek support from emergency food relief providers.³⁹ This is borne out in conversations with Tasmanians in recent months, who told us that although they often went hungry and could only afford cheap, highly processed or frozen foods, they felt emergency relief should be reserved for people 'worse off' than them. They also told us many people are too ashamed to seek support.

Even with only a minority of food insecure Tasmanians seeking emergency food relief, providers can't keep up with increasing demand and struggle to maintain existing services because the cost to deliver services is increasing, mainly due to food and fuel price rises.

In Tasmania in the past year, the price of bread rose 8.1%, beef 9.2%, dairy 12.7%, fruit 11.8% and vegetable price increases of 15.2% are nearly twice the rate of CPI.⁴⁰

The individual impact of food security is profound. It affects physical and mental health and increases the chances of adults developing chronic conditions including diabetes, heart disease, obesity, hypertension, arthritis and poor mental health.

For children the impact is no less severe. Food insecurity negatively affects academic and school engagement and contributes to the development of conditions such as obesity and diabetes.⁴¹

These physical and mental health impacts have societal consequences, including increasing costs to the health and social service system, higher unemployment, lost productivity and poorer educational outcomes.

"The services that surround the [Neighbourhood] House rely a whole lot on donations. People were at a point 12 months ago where they could afford to donate us a few things, it might be a few cans of spaghetti. Those donations now have dried up because people can't afford the extra couple of cans on their grocery bill. So that then puts a cost back onto us."

— Deloraine Neighbourhood House

36 Economic Research Service 2021, *Household Food Security in the United States in 2021*, United States Department of Agriculture, September.

37 Kent, K et al. 2022, *"Quality food is too expensive to afford: 1 in 2 Tasmanians are food insecure in 2022 due to the rising cost of living,"* University of Tasmania, Institute for Social Change, no. 61.; The Conversation 2021, *It's not just Australian students who need more food, university staff are also going hungry*, 21 October 2021. Foodbank Australia reports over half of food insecure households have someone in paid work.

38 Department of Health 2022, *Healthy Tasmania Five Year Strategic Plan (2022-26)*, Tasmanian Government..

39 Kent, K et al. 2022, *"Quality food is too expensive to afford: 1 in 2 Tasmanians are food insecure in 2022 due to the rising cost of living,"* University of Tasmania, Institute for Social Change, no. 61.

40 Australian Bureau of Statistics 2022, *Consumer Price Index, Australia*, September Quarter.

41 Bowden, M & Child Family Community Australia 2020, *Understanding food insecurity in Australia*.

“The price of fresh vegetables has skyrocketed. So, people go, ‘I’ll just go buy frozen.’ But even that’s doubled. And you want a healthy community, but how are they going to be healthy if they can’t get fresh fruit and vegetables?”

— Deloraine community member

“We invite people around for dinner just because we know they’re doing it hard. If we try and give them food they won’t accept it, but if we invite them around for dinner, they’ll come.”

— Ravenswood community member

Emergency food relief is needed to help Tasmanians in crisis, but given only a minority of food insecure Tasmanians access it, and research suggests that emergency food relief does not address the underlying causes of food insecurity,⁴² it is clear that properly resourcing the emergency food relief sector is only one, albeit important, part of the solution to ensuring all Tasmanians are food secure.



Recommendations

We need to better integrate food relief with the broader food system, including by ensuring it is nutritious, contributes to other parts of the food system, for example through a circular economy, and is linked to community-based initiatives delivering food security.

This means Tasmania’s recent Relief to Resilience Strategy is only part of the solution — we need to drive change through action on the ground in communities, supported by evidence-informed policy and legislation. The response therefore needs to be threefold:

Food relief

18. Immediately increase resources to prevent Tasmanians going hungry by boosting funding for emergency food relief providers, the School Lunch Program and other programs that assist Tasmanians to access and consume nutritious food.
19. Co-design and implement a community awareness campaign about food insecurity to improve information about where to find support and reduce stigma.

42 Seiwright, A, Callis, Z & Flatau, P 2020, [Food Insecurity and Socioeconomic Disadvantage in Australia](#).

Policy and legislation

20. Work with the Tasmanian Food Security Coalition and other stakeholders to deliver the Healthy Tasmania Strategy recommendations on 'Eating Well.'⁴³
21. Review state legislation and guidelines to ensure they include the objective of achieving community food security; food relief meets minimum dietary guidelines; and demonstrates a contribution to community-based food security outcomes.

Community-led responses

22. Introduce a grants program to fund locally-based initiatives that respond to food insecurity.



⁴³ Department of Health 2022, *Healthy Tasmania Strategic Plan (2022-26)*, Tasmanian Government, p. 29.

Bring down energy costs



A snapshot of energy stress in Tasmania

- > Household electricity bills have increased by 11.9% in the past year, almost 40% above the Hobart CPI of 8.6%.
- > More than 45,000 households in Tasmania are experiencing energy stress and struggling under the pressure of high energy bills.⁴⁴
- > Recent energy sector reports have expressed concerns of further significant increases in energy prices that will create additional debt pressures, particularly for those already facing higher cost of living pressures and financial hardship.⁴⁵
- > The number of households in energy debt in Tasmania has increased 30% in the past year (and 77% on pre-COVID-19 levels) to 11,413 with an average debt of \$964.⁴⁶
- > TasCOSS focus groups confirmed increased energy costs are resulting in household energy rationing, more energy debt and reduced wellbeing for Tasmanian consumers.

⁴⁴ Bryant, D et al. 2022, *Power pain: an investigation of energy stress in Australia*. Brotherhood of St. Laurence found 18-23% of households in Australia experienced at least one form of energy stress over the period 2006 to 2020, equating to 45,800 households when applying an average of 20% to latest 2021 Census data of 229,000 occupied private dwellings in Tasmania.

⁴⁵ Australian Energy Regulator 2022, *Health of the NEM Report 2022* (Energy Security Board) and *State of the Energy Market 2022*.

⁴⁶ Australian Energy Regulator 2022, *Retail energy market performance updates*.

**The supply of energy is an essential service.
It lights, heats and cools our homes, allows us to
cook, provides hot water and powers our devices.
In short, it is essential to maintaining our personal
wellbeing and the productivity of the wider economy.**

However, as a result of rising energy prices, wellbeing is threatened for many low income households. They face the prospect of foregoing other necessities such as food, health care and transport to pay for their energy, or rationing their energy use, both of which have detrimental impacts on their physical and mental health.

Tasmanians on low incomes are very vulnerable to increased energy costs because they spend significantly more of their income on electricity bills compared to higher income households. They are also more likely to live in poor quality housing and rely on inefficient appliances, meaning they need to use more energy to power their household. And without the capacity to invest in more energy efficient homes and appliances, they are also highly vulnerable to even small price increases.⁴⁷

According to Energy Consumers Australia sentiment surveys, 86% of Australians are concerned their energy will become unaffordable within the next three years and two-thirds of Tasmanian respondents do not believe the energy market is working in their long-term interest. This demonstrates that energy affordability is not just a challenge for low income and vulnerable customers, but the cost of living and energy affordability are mainstream issues being experienced by a majority of Tasmanians.⁴⁸



⁴⁷ Marks, S & Ogle, G 2021, *The State of Concessions in South Australia: Poverty Premiums and Barriers to Access*, South Australian Council of Social Service; Bryant, D et al. 2022, *Power pain: an investigation of energy stress in Australia*.

⁴⁸ Energy Consumers Australia 2022, *Energy Consumer Sentiment and Behaviour Surveys*, June to August.

“My partner and I have lived for the last three years with no heating at all... there’s been nights where him and I just huddled up shivering.”

— Burnie community member

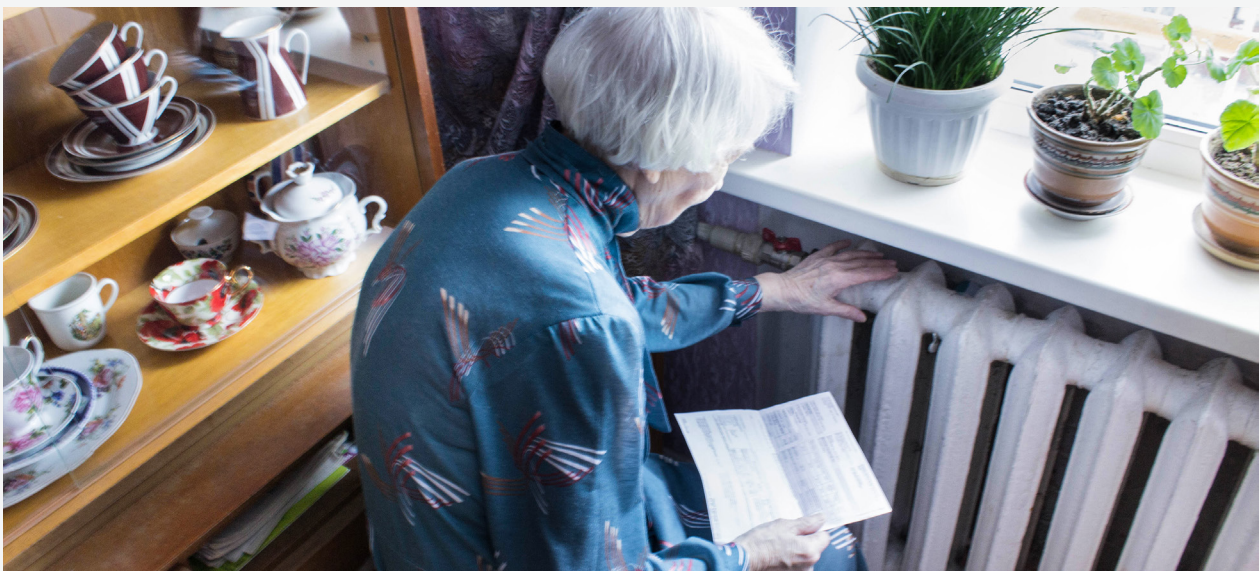
An ACOSS Cost of Living survey reported on the measures people are taking to reduce their energy usage to lower their bills. Consistent with what Tasmanians told us in our focus groups, the survey revealed almost half of the respondents go to bed early to keep warm (46%) with most cutting back on heating (71%), cutting back on using lights (67%) and taking shorter or fewer showers (57%).⁴⁹ The survey also found that many people sacrifice other essentials, such as food and medicine, to prioritise paying their energy bills out of fear of being disconnected.

“Do you turn the heat on to have warmth in your house, or do you buy food? You take out rent, and then put the power on top of that, and medical, and phone, and you don’t have [money] left for anything else you need.”

— Rosebery community member

Increased energy costs are being compounded by steep increases in other costs, resulting in more households entering energy debt, and those who are already in debt seeing the size of their debt grow.⁵⁰

The Tasmanian Government’s *Winter Energy Assistance Package* is a welcome initial response to the current cost of living crisis, but further investment is needed both in the short-term and short- to medium-term to deal with energy affordability challenges and to help Tasmanians on low incomes become more resilient to future crises.



49 Australian Council of Social Service 2022, *How JobSeeker and other income support payments are falling behind the cost of living*.

50 Australian Energy Regulator 2022, *Earlier intervention needed to help consumers tackle energy debt*, media release, 29 June 2022.

Electricity price cap

There are dire industry predictions for escalating electricity prices next year. The 2022 Federal Budget papers forecast retail electricity price increases of 30% in 2023/24.⁵¹

Moreover, Alinta Energy, Origin Energy and Energy Australia agree that current market prices suggest tariffs increasing a minimum 35% next year.⁵² And the Australian Energy Regulator (AER) is currently estimating default market offer prices will increase around 40%, due primarily to a 100% increase in wholesale prices.⁵³

In 2018, the Tasmanian Government intervened in our electricity market by introducing a cap on regulated electricity price rises and the Department of Treasury and Finance commenced a review of the wholesale pricing framework. No change was made to the framework at the completion of the review due to lower wholesale prices in the National Electricity Market (NEM), but the Government retained the ability to re-introduce price controls to protect Tasmanian households and businesses in the event of further volatility in mainland NEM prices in the future.⁵⁴

TasCOSS believes the current environment merits Government intervention to temporarily cap regulated electricity price increases. This measure will: protect Tasmanian households and business from the current volatility in the NEM (which is unrelated to local costs⁵⁵); limit electricity price increases; relieve some pressure on household budgets; and help to ease inflation.

Concessions

Currently, the energy concession is only available to account holders who are age pensioners, health care card recipients and bridging visa holders, meaning thousands of low income households that do not meet the pension and health care card eligibility thresholds are missing out on necessary support to lower their power bills.

TasCOSS is calling on the Tasmanian Government to extend eligibility for the energy concession to all low income households and to review the energy concessions scheme to ensure maximum support is provided to those who need it most.⁵⁶

Extending the eligibility for the energy concession to low income households will have an immediate impact in providing energy bill relief to households with inadequate incomes.

TasCOSS is also proposing a review of the energy concession scheme to ensure it is well targeted and support is going to the households who need it most. A recent report suggests across the NEM, up to 38% of eligible customers are not receiving an energy concession on their bill. While the gap was smallest in Tasmania, the report found 19% of Tasmanian consumers with an eligible concession did not receive an energy bill discount.⁵⁷

The review should consider the adequacy, accessibility and equity of the current energy concession scheme, as well as the potential of moving from a fixed daily rate to a payment based on a percentage of a household energy bill.

"We're seeing a really big increase in people coming in and accessing more energy support."

— Deloraine Neighbourhood House

51 Commonwealth of Australia 2022, Federal Budget 2022/23, *Budget Paper No. 1*, October, p. 57.

52 Macdonald-Smith, A & Wiggins, J 2022, Australian Financial Review, *Electricity prices to soar as energy transition falters*, 10 October 2022.

53 Australian Energy Regulator 2022, stakeholder meeting and briefing with TasCOSS, 9 November 2022.

54 Department of Treasury and Finance 2018, *Review of the Tasmanian Wholesale Electricity Market Regulatory Pricing Framework*, Tasmanian Government.

55 Tasmanian hydro-electricity generation is not impacted by the factors creating volatility in the prices of coal and gas electricity generation on the mainland and only a fraction of the energy consumed in Tasmania is imported from the NEM.

56 Examples of low income thresholds include the income tests for Family Tax Benefit A or Low Income Health Care Card.

57 Consumer Policy Research Centre 2022, *Mind the Gap – Identifying the gap between energy concession eligibility and concessions received*.

Improving household energy efficiency

Significant investment is needed to improve the energy efficiency of low income households, together with the implementation of minimum energy efficiency standards for rental properties, in order to guard against rising energy costs and provide for healthier homes.

Examples of energy efficiency improvements include reverse cycle air conditioners for heating and cooling, more efficient hot water (heat pumps), insulation and draught sealing, double-glazing, curtains, ceiling fans, appliance replacement, lighting and solar systems.

TasCOSS welcomes the Tasmanian Government's current investments to improve energy efficiency through the No Interest Loans Scheme (NILS) Tasmania and the Energy Saver Loan Scheme, that will help make energy more affordable for many households. However, the suitability of these schemes for most low income households is limited, particularly in terms of being able to afford repayments, taking on more debt, and access for people who rent.

The Victorian Healthy Homes Program evaluation found significant cost-savings as a result of energy efficiency upgrades. The cost-benefit analysis indicated that upgrades would be cost-saving within three years — and would yield a net saving of \$4,783 over 10 years — due to savings in both energy and health care costs. A minor home energy efficiency upgrade could save \$887 per person in the health care system over the winter period.⁵⁸

"I only heat one room. The rest of the house is green mould. I can't afford to open all the doors and heat every room."

— Bridgewater community member

The importance of household energy efficiency is coming into stark focus as a result of rising electricity prices. Tasmanians have the highest electricity bills in the country, and these bills are mounting in the wake of surging energy prices and cost of living pressures. The case for investment in household energy efficiency measures has never been stronger. A rapid uptake of household energy efficiency will:

- Ease cost of living pressures by immediately reducing energy bills;
- Help prevent energy hardship;
- Create jobs and economic stimulus;
- Reduce emissions and help achieve Tasmania's renewable energy goals; and
- Improve health and wellbeing.

"I got a power bill, it's like you don't have heat or have expensive electricity and if you don't have good insulation, you've got to pay more to keep it warmer."

— George Town community member

TasCOSS developed a Budget Priorities Statement in March 2021 that proposed a bold program of government investment in household energy efficiency initiatives targeted to Tasmanians on low incomes. Our proposal for a Household Energy Efficiency Program supports households through investments in energy efficiency upgrades for social housing, low income owner-occupier homes and rental properties.⁵⁹

⁵⁸ Sustainability Victoria 2022, *The Victorian Healthy Homes Program Research Findings*, p. 5.

⁵⁹ TasCOSS 2021, *Household Energy Efficiency Initiatives: creating jobs, stimulating our economy and lowering power bills*, 2021/22 Budget Priorities Statement.

TasCOSS believes Tasmanian rental properties should also meet basic energy efficiency standards which minimise the amount of energy required to heat or cool a home. Minimum energy efficiency standards for rental properties will ensure Tasmanians who rent can also benefit from healthier homes and lower power bills.

“As a renter, I can’t put solar on my roof. I can’t update my windows/doors for better insulation. I can’t better insulate my home. I’m not allowed to fill the gaps between the windows, doors and floors. I have done all I can to save energy and bring down our electricity bills. I am at a loss at what to do next. By this time next year, I will be working over 40 hours a quarter just to cover our electricity bill and I know I am one electricity bill away from dropping all I am juggling.”⁶⁰



Recommendations

TasCOSS has identified a number of measures to address escalating electricity prices, provide targeted support and improve energy affordability and wellbeing.

Electricity prices

23. Protect Tasmanians from excessive electricity price rises by capping regulated electricity price increases for 2023/24 at no more than the national, year-average, CPI change (currently 5.5% to September 2022).

Energy concessions

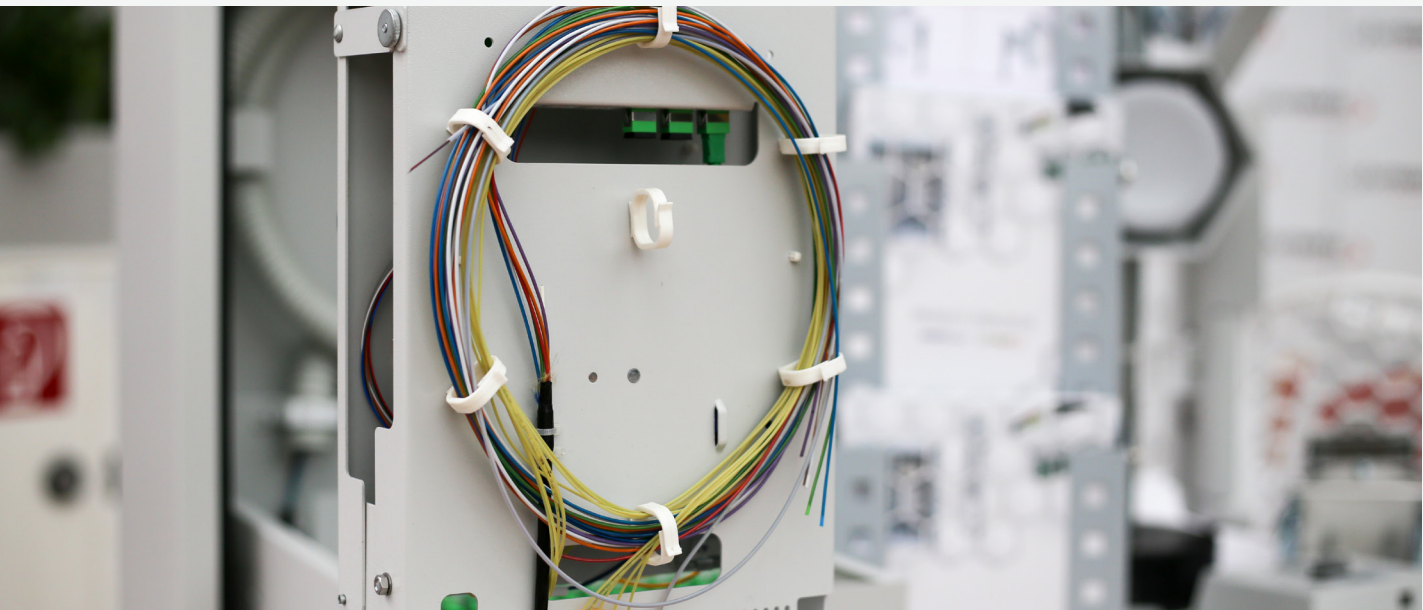
24. Extend eligibility for the energy concession to low income households.
25. Undertake a review of the energy concession scheme to ensure it is well-targeted and appropriate.

Energy affordability

26. Provide an electricity bill rebate to low income households in 2023/24 of \$150 to offset price cap increases.
27. Invest in a significant program of household energy efficiency initiatives, as outlined in [TasCOSS’s 2021/22 Budget Priorities Statement](#).
28. Introduce minimum energy efficiency standards for rental properties.

⁶⁰ Finch, A 2022, *I have done all I can to save energy and I can barely afford the cost of existing*, The Guardian, 31 October 2022..

Close Tasmania's digital divide



A snapshot of digital disadvantage in Tasmania

- > Broadband and mobile costs are increasing.⁶¹
- > One in three households on the lowest incomes report phone and internet being unaffordable.⁶²
- > People on the lowest incomes spend proportionately more on telecommunications than people on higher incomes.⁶³
- > TasCOSS focus groups identified digital access as an essential service but many are digitally excluded due to affordability and lack of digital skills.

61 Australian Competition Consumer Commission 2021, *Communications Market Report (2020-21)*.

62 The Australian Communications Consumer Action Network, July 2022, *ACCAN Research Snapshot: Affordability*.

63 South Australian Council of Social Service & Australian Communications Consumer Network 2016, *Connectivity Costs – Telecommunications affordability for low income Australians*, November, Ogle, G & Musolino, V (eds).

Digital access and the ability to use digital technologies are now an essential part of daily life, in much the same way as other services such as electricity and water.

Tasmania is the country's most digitally excluded state, consistently scoring the lowest in the Australian Digital Inclusion Index (ADII). Tasmania also scores the lowest on each of the three dimensions of digital inclusion — access, affordability and digital ability.⁶⁴

Tasmanians told us the very real impacts of each of these aspects of digital exclusion, including children unable to do homework due to a lack of appropriate devices and inadequate data, people missing telehealth appointments because their data expired and they couldn't afford to buy more, and community service providers not conducting core service delivery and instead spending hours each week just helping people navigate online government services.

"I miss out on business, social engagement, Facebook, talking to friends... I miss all that until I get data again."

— Hobart community member

"Not one of my children has ever been able to do homework on a computer at home. We have never owned a computer ever, and we've never had the internet connected."

— Burnie community member

As more people, businesses and government services go online, the disadvantages of being digitally excluded increase and the digital divide becomes deeper, compounding other forms of disadvantage, with people on lower incomes, older people and people living with a disability all likely to experience higher rates of digital exclusion.⁶⁵

"It's essential. Dad's paying for it because I couldn't afford it and it was our only way in keeping contact during COVID-19, too."

— Nubeena community member

Emerging research by Queensland University of Technology highlights the relationship between low skill levels in reading and writing and a person's digital ability, and how barriers in one of these areas impacts the ability to develop skills in other areas.⁶⁶

Meanwhile, TasCOSS members report fears about safety online as a further barrier to digital engagement. The Australian Competition and Consumer Commission suggests these fears may be justified, with a 90% increase in reported losses over the last year as a result of online scams.⁶⁷

64 Australian Digital Inclusion Index 2021, *The National Picture*.

65 TasCOSS 2019, *Understanding Digital Inclusion in Tasmania, Report on Research Findings*. Recent research by consumer body Australian Communications Consumer Network (ACCAN) also shows that affordability is much more of an issue for some consumers than others: ACCAN 2022 Research Snapshot Affordability.

66 QUT Digital Media Research Centre 2022, Australian Research Council Linkage Project (2021-24), *Advancing digital inclusion in low income Australian families*.

67 Australian Competition and Consumer Commission 2022, *Scams Awareness Week 2022 empowers Australians to spot a scam*.

Closing the digital divide

Being able to access, afford and navigate the digital world is now essential to social and economic wellbeing. Tasmania needs to do more than the so far incremental improvements in ADII scores if we are to ensure that more Tasmanians, and the state as a whole, benefit from the connectivity and productivity gains from being online.

"Yeah, I use my mobile. It's just \$30 recharge a month and we just got to make that last."

— Burnie community member

"I don't have internet on at my house and never have in any house I've ever lived in because I can't afford it even when I was working."

— Burnie Community members

A key first step is setting clear targets and timelines, as recommended by the PESRAC and noted as lacking by the Tasmanian Audit Office in 2022.⁶⁸ Both these reports also found there is a 'fragmented' responsibility and 'piecemeal approach' in government to digital inclusion.

A mechanism to bring consumer expertise and lived experience of digital exclusion into decision-making will also help to identify and monitor where investments in access, affordability and skills are needed, as well as measure progress towards targets and timelines.

Recommendations

TasCOSS has identified four key areas where the Tasmanian Government can act to improve digital inclusion and ease cost of living pressures impacting Tasmanian households.

Whole-of-Government

29. Deliver on PESRAC recommendation number 34 and set clear whole-of-government Key Performance Indicators (KPIs) for closing the digital divide.⁶⁹
30. The lead Government agency for digital inclusion has responsibility for the oversight, coordination of and reporting on cross-agency programs to address digital inclusion and the achievement of whole-of-government KPIs.
31. Establish a cross-sector digital reference group to guide investment and action to drive digital inclusion outcomes.⁷⁰

68 Premier's Economic and Social Recovery Advisory Council 2021, *Final Report*; Tasmanian Audit Office, 2022, *COVID-19-Response to Social Impacts: mental health and digital inclusion*.

69 Premier's Economic and Social Recovery Advisory Council 2021, *Final Report*. In Budget Estimates Committee hearings, the Department reported it is using Tasmania's score on the Australian Digital Inclusion Index as a measure of progress. This measure is not an acceptable proxy for developing KPIs.

70 Similar to TasCOSS 2022, *Digital Consumer Reference Group*, 2022/23 Budget Priorities Statement.

Access

32. Work with industry, communities and consumers to explore more widespread provision of secure, free public wifi and internet facilities in regional towns.
33. Work with NBN Co and telecommunications providers to develop a low cost broadband product available for all new social housing connections, including the supply pipeline of the new Homes Tasmania authority.
34. Establish an infrastructure fund to leverage co-investment from the Australian Government, NBN Co and other industry partners, providing greater regional and rural access to reliable, high-speed internet.

Affordability

35. Introduce a Tasmanian Government telecommunications concession for low income households.
36. Ensure all government secondary school students have access to their own devices and data to enable them to do schoolwork and online-schooling.
37. Establish a government program that links agencies, community organisations and social enterprise, to supply end-of-life devices for refurbishment and distribution to digitally excluded Tasmanians.⁷¹

Digital skills

38. Boost investment in digital skills through a community-based network of coaches and peer workers, to support priority groups including people who have low literacy and numeracy skills.
39. Boost the digital skills and capacity of frontline community service workers so they can support their clients to access services online and build digital capability.
40. Build scam awareness into community digital literacy programs.



⁷¹ An example of this model is a Tasmanian partnership between WorkVentures, Anglicare and TasNetworks to refurbish TasNetworks' end-of-life devices and distribute to Anglicare's aged care clients who are also provided technical support to learn digital skills.

Improve transport and affordability



A snapshot of transport and fuel cost expenses

- > Petrol prices have risen by 25.7% in the past year, 200% above the Hobart CPI of 8.6%.
- > Tasmanians who cannot afford a car, or are not eligible to drive, face access and affordability issues that prevent full participation in economic and community life.
- > TasCOSS focus groups identified high petrol prices and a lack of public/alternative transport options as significant cost of living challenges.

Cost and access are barriers to participation

In TasCOSS consultations, the cost of and access to transport are regularly raised as barriers to employment, education and training, as well as to accessing basic services including groceries, healthcare, childcare and other support services.

High petrol prices are also affecting Tasmanians on low incomes, especially those living in rural or remote areas who are more reliant on their cars and who must travel frequently to access essential goods and services.

Tasmanians most vulnerable to transport disadvantage include Tasmanians living with disabilities, younger people who are not yet eligible to drive and those who cannot afford a vehicle.⁷² Whether due to cost, availability or accessibility, transport disadvantage means reduced opportunities to participate in education, training or work. This not only affects individual wellbeing, but that of the state as a whole.

"It's cheaper to drive a car than use public transport. It should be the other way around. And god forbid if you miss the bus, the last one's about 5 o'clock. Don't miss the bus. There's no other way home."

— Deloraine community member

"We have one gentleman, in particular, who comes to mind, he would come probably two or three times a week and get a shower and to use the laundry. He now only comes once a week or once a fortnight lately because he can't afford the fuel to get here for just something as simple as a shower and to do his laundry."

— Deloraine Community House



⁷² Youth Network of Tasmania 2021, [Tasmanian Youth Forum 2021 – Transport: A Report on Young People's Ideas and Solutions for Transport in Tasmania](#). This report shows the ways transport disadvantage impacts young people.

Lack of access to timely, affordable transport has far reaching effects:

- Adults and families restrict their take up of education, training, socialising and physical activity due to transport barriers.
- Children in regional or remote areas in particular miss out on extra-curricular activities such as sports because families have reduced their trips into activity centres.
- Tasmanians living with disabilities — over 26% of Tasmanians — experience particular barriers to public transport, multiplying other forms of exclusion and disadvantage that prevent their full participation in social, cultural and economic opportunities.
- Tasmanians who live remotely and rely on services located in town centres are using those services less frequently, thereby reducing their access to food, medical services, and mental health and social support.
- Local businesses also miss out on trade because people are taking fewer trips into town, doing one weekly shop rather than going to town more regularly and also purchasing coffee or lunch.



Recommendations

TasCOSS recommends the following to improve transport access and ease cost of living pressures impacting Tasmanian households:

41. Work with diverse public transport users to address transport disadvantage by:
 - Investing in physical and digital accessibility upgrades, including but not limited to, walkable safe bus stops, real time and easy to use bus information, video and audio notices on buses and at bus stops;
 - Expanding the existing public transport network throughout Tasmania; and
 - Funding community organisations to provide local, on-demand transport services.
42. Introduce free public transport for students, concession card holders and individuals on low incomes.



CONCLUSION



Historically, this state has had high levels of disadvantage relative to the rest of the country, and as discussed, thousands of Tasmanians were living in ‘crisis’ before the current cost of living crisis extended beyond traditionally marginalised groups and started affecting a broader range of people.

When we spoke to Tasmanians around the state it was clear they were used to being resourceful, they were used to going without — whether that was food, health care, or a new pair of shoes. And what was equally clear was they’ll continue to be resourceful — as one community member put it, ‘it’s just a practice of minimising and keeping on minimising.’

But the question must be asked: what happens when people try to ‘minimise’ when they already skip meals, have already had teeth pulled because the dentist is unaffordable, can’t pay for their prescription medicine, or are already in energy debt and rent arrears?

For individuals it means more hunger, worse nutrition and more ill health, more debt and a high probability of homelessness. For their kids it means more days at school

with an empty belly, more anxiety as they watch their parents struggle and a higher likelihood they’ll grow up in a household with family violence.⁷³

For Tasmania it means more people turning up to the emergency department due to potentially avoidable conditions, more people on the ever-growing housing waitlist and fewer people able to contribute economically.

In short, it means worse health and wellbeing outcomes for Tasmanians, more costs to the system and fewer people to pay those costs.

The good news is that we know what will provide immediate relief to Tasmanians and put in place the foundations for a better future. And thanks to ‘early adopters’ around the world, we’re getting a clearer picture of what is needed to create and sustain wellbeing in the longer-term. All that’s needed is the will to act.

Poverty is not a choice of individuals. Accepting and perpetuating poverty *is* a choice of governments.

TasCOSS calls on the Tasmanian Government to make the choice to eliminate poverty and put wellbeing first.

⁷³ Summers, A 2022, *The Choice: Violence or Poverty? Domestic Violence and its Consequences in Australia Today*.

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INTEGRITY
COMPASSION
INFLUENCE