



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

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2023/24

TASCOSS BUDGET  
PRIORITIES STATEMENT



TasCOSS

INTEGRITY  
COMPASSION  
INFLUENCE



# 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.<sup>1</sup>**

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.<sup>2</sup> 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.<sup>3</sup>

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.<sup>4</sup> 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.

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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.