

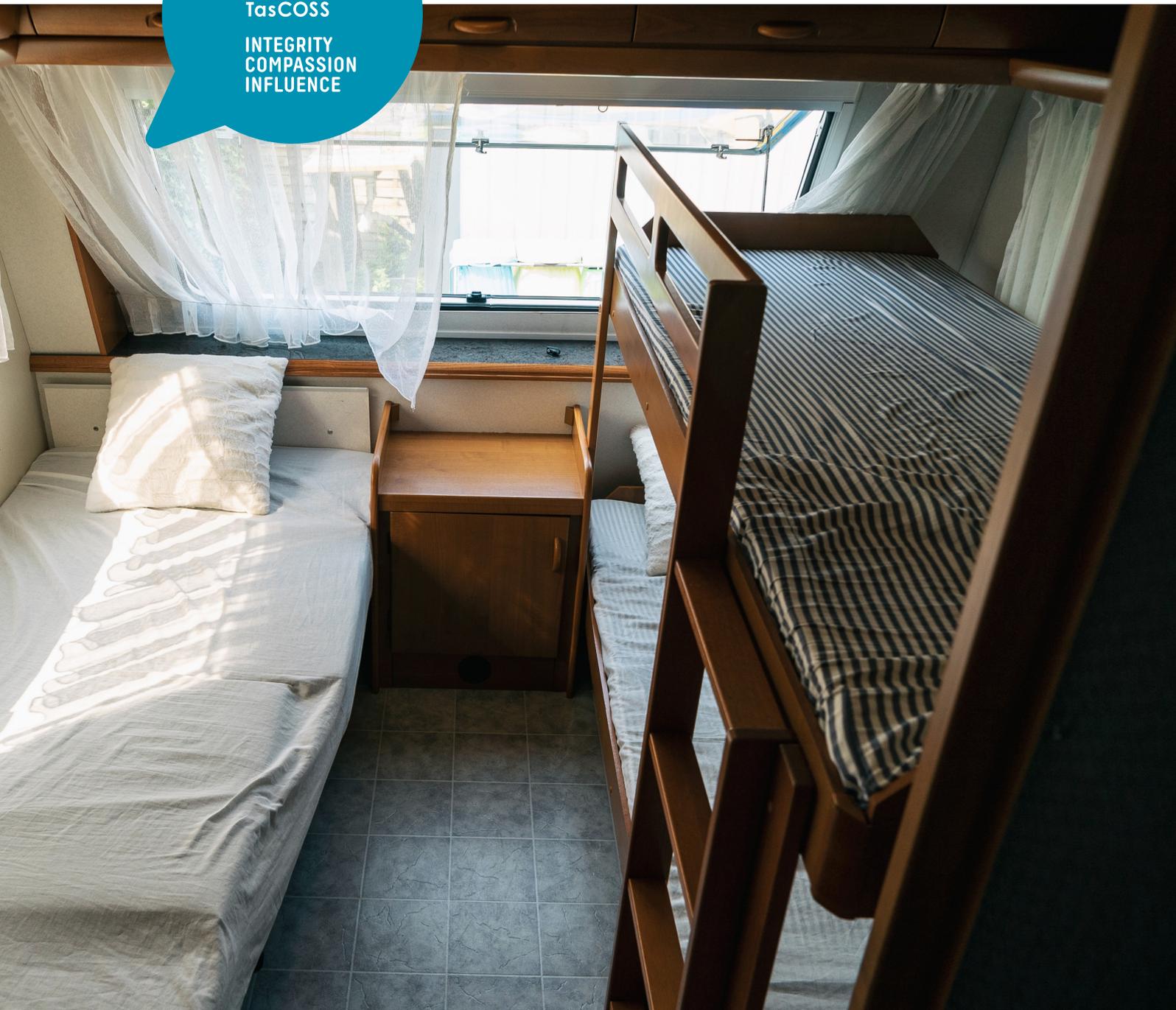


# Supporting Tasmanians in a Worsening Cost of Living Crisis

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## 2024/25

TasCOSS BUDGET  
PRIORITIES STATEMENT



***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.*

*As part of the development of this submission,  
TasCOSS engaged Community Voice Partners to  
undertake consultations with their community on how  
the rising cost of living is affecting individuals and  
their families and in particular their solutions to the  
challenges and needs they are experiencing. Their  
voices and insights have been key to the  
development of this submission, and we thank all  
participants for their time and considered reflections  
on what is needed to address not only the current  
cost of living crisis, but the conditions that create  
poverty and inequality in Tasmania.*



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## Introduction

A growing number of Tasmanians are battling the effects of interest rate rises, increasing rental costs and higher bills for groceries, energy, fuel and health care. More Tasmanians are seeking emergency accommodation and food relief as our community service organisations struggle to keep up with demand amidst inadequate resourcing, including indexation.

*“Nothing’s changed to make it better. Things have changed to make it worse. The cost of living in general, the inflation, food, fuel costs, living remote, and the energy consumption costs.”*

— Community Member

According to the Australian Council of Social Service (ACOSS) *Poverty in Australia* report, 21% of the Tasmanian population is living on an inadequate income. That equates to around 120,000 Tasmanians living in poverty.<sup>1</sup>

TasCOSS recognises the causes of the unsustainable rise in our cost of living are complex and partially due to forces outside the control of state governments. Many of these same forces are behind the increasing numbers of Tasmanians struggling to afford the basics. This is not the result of Tasmanians’ actions and choices, but they are being forced to deal with the consequences.

We also acknowledge the Tasmanian Government has implemented measures to ease some of the cost of living pressures Tasmanians are experiencing, such as through energy bill relief, additional funding for food relief, increased funding into Neighbourhood Houses, additional funding for concessions and top-up funding to 4% indexation for eligible community services organisations. As the data in this submission shows, however, these measures have not been enough to halt the deteriorating circumstances of thousands of Tasmanian households.

*“I’m worse off than this time last year. I live in a garage. I can’t buy firewood so I’m actually using my gas BBQ for heat and cooking.”*

— Community Member

All levels of government have levers at their disposal to make a difference — the response to the COVID-19 pandemic remains a powerful example of government intervention to protect the health and financial wellbeing of the population. If they chose to, governments could intervene more strongly again.

*“In a country that’s got plenty of money we shouldn’t have any homeless and we shouldn’t have people undergoing financial hardship to the extent that they are. And it’s up to governments to fix this... They’ve got plenty of money they can put into helping their citizens, rather than building stadiums and things like that.”*

— Community Member

The Tasmanian Government has outlined its intentions to make deep structural change through its approach to:

- The Wellbeing Framework:<sup>2</sup> Its implementation should focus on addressing poverty and its effects, and embedding responses through cross-agency policies and actions.

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<sup>1</sup> ACOSS, [Research and Insights into Poverty and Inequality in Australia](#) and using the 60% of median income poverty line.

<sup>2</sup> Hon Jeremy Rockliff MP, [Progressing Tasmania’s first Wellbeing Framework](#), media release, 4 May 2022.

- The Sustainability Strategy:<sup>3</sup> This is an opportunity to set goals and targets aligned with the United Nations *Sustainable Development Goals* and in particular to address Goal 1 — end poverty in all its forms everywhere.<sup>4</sup>
- Commission of Inquiry:<sup>5</sup> The final report recognised the ongoing intergenerational impact of trauma and abuse, and the need to provide greater support to families and children — and, by extension, to the community organisations who support them — to break this cycle.

This 2024/25 TasCOSS Budget Priorities Statement focusses on additional measures the Tasmanian Government could take that support these approaches and improve the lives of Tasmanians unable to afford the basics. We advocate for measures to provide short-term relief as well as urging the Tasmanian Government to harness existing or proposed initiatives to address the underlying drivers of poverty and disadvantage in Tasmania.

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<sup>3</sup> [Tasmanian Positive: Our State's Sustainability Strategy](#).

<sup>4</sup> United Nations, [Sustainable Development Goals](#).

<sup>5</sup> [Commission of Inquiry into the Tasmanian Government's Responses to Child Sexual Abuse in Institutional Settings: Final Report](#), August 2023.

## 1. Community Voices Program Sustainability

### Key Facts:

- *100% of organisations who have engaged the Community Voices Program would recommend the program to others and engage with the program again.<sup>6</sup>*
- *Over 12 months of the program, participants in the Community Voices Program participated in 105 unique engagements across 528 engagement hours, including \$23,625 in payments to the eight participants — money in the hands of those who need it.*

The *Community Voices Program* is a lived experience advocacy program established to ensure people living on low or inadequate incomes have an avenue for their voices to be heard. The ‘lived experience’ expertise of people on low incomes is vital when it comes to ensuring the systems, policies, services and decisions which affect Tasmanian communities are fair and inclusive.<sup>7</sup>

Around the world, governments are increasingly recognising the importance of including the voices of service users in the design, delivery, review and evaluation of policies, services and practices, particularly in human services. Recent reviews have also highlighted the need for meaningful community engagement, to promote collaboration and empower those with lived experience to have their voices heard.<sup>8</sup>

Evidence shows drawing on the lived experience of service users not only results in service design that better meets the needs of users, but can also save money by more efficiently meeting the need early on.<sup>9</sup> Furthermore, as clearly demonstrated by the findings of recent Royal Commissions and Tasmanian inquiries, a failure to adequately listen to the voices of people at the centre of human services has resulted in the violation of human rights, safety and wellbeing of our communities.

The importance of these voices led TasCOSS to establish and pilot a lived experience advocates program, the *Community Voices Program*, focussing on the expertise of Tasmanians living on low incomes.

*“We reached a group of people who would not have been reached through traditional government consultation.”*

*— Community Voices Program Organisational Partner*

Organisations who have engaged TasCOSS’ lived experience participants, the Community Voice Partners, report improvements in understanding the service and support needs of people living on low incomes, which in turn resulted in better design of services and supports.<sup>10</sup>

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<sup>6</sup> Energy Working Group Quarterly Update, September 2023 [TasCOSS internal document available on request].

<sup>7</sup> For more information, see the [Community Voices Program webpage](#).

<sup>8</sup> Watt, I (2021), *Independent Review of the Tasmanian State Service Final Report*, Department of Premier and Cabinet, July, p. 243. For example, the final report of the recent Independent Review of the Tasmanian State Service noted that consultation or engagement processes were often “viewed by stakeholders as tokenistic, where governments only seek to have predetermined decisions rubberstamped. Consultation often occurs too late in the decision-making processes, which does not enable a genuine exploration of options or the co-design of solutions.”

<sup>9</sup> For example, see [Promoting Lived Experience Perspective Discussion Paper](#), Queensland Mental Health Commission, February 2017, p. 2; [The Role of Lived Experience in Creating Systems Change](#), CFE Research, September 2020, pp. 19-24

<sup>10</sup> Energy Working Group Quarterly Update, September 2023 [TasCOSS internal document available on request].

*“The Community Voice Partners were instrumental in giving us an understanding of how the public interact with services and how, despite best intentions, things go wrong.”*

*— Community Voices Program Organisational Partner*

The Community Voice Partners also reported the program provided them with increased confidence, leadership and communication skills.<sup>11</sup> Some have gone on to paid employment as a direct result of their participation in the *Community Voices Program*.

### Address immediate impacts of funding shortfall

Tasmanians living on low incomes are often silenced, stigmatised or discriminated against. Until the *Community Voices Program* was established, there was no formal, recognised or dedicated platform for people with lived experience of living on low incomes to have a direct or collective voice in the systems and decisions which affect them. Importantly, the program models best practice in lived experience engagement through the ethical framework underpinning the program. This means the time and expertise of the program participants are recognised through appropriate reimbursement, and their skills are valued and developed through ongoing professional development. Hence, there is the need for a dedicated funding stream to support the program’s continuation.

This program is key to the work of TasCOSS. We are seeking two years of bridging funding until the program is transitioned into our core funding contract from 2026, to ensure Tasmanians living on low incomes are engaged in the decision-making and development of policies that affect them. Program funding will entail engagement of a Program Coordinator to continue to develop, deliver and conduct ongoing evaluation of the *Community Voices Program*. This will include facilitation of a Lived Experience Peer Learning Network to provide a platform for advocates from different backgrounds to engage in peer-supported professional development through shared reflection on their practices.

### Recommendation

To continue delivery of the *Community Voices Program* and help achieve the wellbeing and sustainability goals of reducing inequality, enhancing representation and ensuring a voice in decision-making, TasCOSS recommends:

#### 1.1 Ongoing funding of the *Community Voices Program*

This budget request is for two years bridging funding to continue to deliver and conduct ongoing evaluation of the TasCOSS *Community Voices Program* and support lived experience advocates to engage in the design, delivery, review and evaluation of programs and practices.

#### Proposed Investment: \$373,427 over two years

	2024/25	2025/26	TOTAL
<i>Lived Experience Project Coordinator</i>	\$105,145	\$109,824	\$214,969
<i>Lived Experience Advocate Training and Ongoing Development</i>	\$19,071	\$19,834	\$38,905
<i>Program Support</i>	\$58,604	\$60,949	\$119,553
	<b>\$182,820</b>	<b>\$190,607</b>	<b>\$373,427</b>

<sup>11</sup> Energy Working Group Quarterly Update, September 2023 [TasCOSS internal document available on request].

## 2. Housing Solutions

### Key Facts:

- *Median rents in Tasmania have increased 51% in five years.<sup>12</sup>*
- *Interest rates have increased 4.25 percentage points in 18 months,<sup>13</sup> adding \$14,000 to annual average mortgage repayments.<sup>14</sup>*
- *The Housing Register wait list has increased to a record-high 4,672.<sup>15</sup>*

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

The extent of Tasmania's housing crisis is clear. There are over 14,000 low income Tasmanian households experiencing housing insecurity. These Tasmanians are either experiencing homelessness, living in overcrowded housing, or spending more than 30% of income on rent.<sup>16</sup>

The supply of social housing has not kept pace with population growth and demand, declining as a proportion of overall housing,<sup>17</sup> leading to the social housing waiting list reaching record highs.<sup>18</sup> Rental costs are also continuing to rise and, as a result, housing is becoming increasingly unaffordable.<sup>19</sup> Tasmania's residential vacancy rates remain incredibly low and have again been falling in the last quarter.<sup>20</sup> Tasmania's homelessness rate has grown at the fastest rate in the country,<sup>21</sup> and the state has experienced a prolonged period of rapidly rising rents with Hobart the least affordable capital city in Australia to rent since 2018.<sup>22</sup> At the same time, sharply rising expenses, including soaring interest rates and cost of living pressures, mean home ownership is becoming out of reach for more and more Tasmanians.

*"Because I can't get housing, I'm having to pay storage, which is taking a huge chunk out of my pay. So, there's \$170 a month going on storing my things, just because there's no housing."*

*— Community Member*

These outcomes demonstrate Tasmania's housing market should be considered a failed market. It is the role of government to respond to market failure, support the most vulnerable in our community and protect our human rights, including our right to housing.

### **Address immediate impacts of housing crisis**

The Tasmanian Government has progressed a number of actions to increase the supply of housing. It is undertaking a bold plan to deliver 10,000 more social and affordable homes by 2032, funding private rental

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<sup>12</sup> Tenants' Union of Tasmania (2023), [Tasmanian Rents](#), June Quarter 2023.

<sup>13</sup> Reserve Bank of Australia (2023), [Cash Rate Target](#).

<sup>14</sup> The Hon Jeremy Rockliff MP (2023), [Delivering cost of living relief for Tasmanians](#), media release, 15 November 2023.

<sup>15</sup> Homes Tasmania (2023), [Housing Dashboard](#), October 2023.

<sup>16</sup> Van den Nouwelant, R, Troy, L & Soundararaj, B (2022), [Quantifying Australia's Unmet Housing Need: A National Snapshot](#), Sydney: UNSW City Futures Research Centre.

<sup>17</sup> Australian Institute of Health and Welfare (2021), [Housing Assistance in Australia](#), Australian Government.

<sup>18</sup> Homes Tasmania (2023), [Housing Dashboard](#), October 2023.

<sup>19</sup> SGS Economic and Planning (2023), [Rental Affordability Index](#), November 2023.

<sup>20</sup> SQM Research (2023), [Residential Vacancy Rates](#), November 2023.

<sup>21</sup> Australian Bureau of Statistics (2021), [Estimating Homelessness: Census](#), Table 3.

<sup>22</sup> SGS Economic and Planning (2023), [Rental Affordability Index](#), November 2023, p. 79.

initiatives to increase the supply of private and affordable rental properties, and recently released its 20 year housing strategy with the ambitious vision to end homelessness by improving the entire housing system in Tasmania.

In our last budget priorities submission, TasCOSS called for greater action to support and improve housing outcomes for Tasmanians experiencing homelessness and housing stress, more support to maintain a tenancy, and a boost to housing and homelessness services. We called for a temporary limit on rent increases, until the vacancy rate reached a healthier level and limits on short-stay accommodation to ensure whole homes stay in the private rental sector.

These recommendations were not adopted, and as a result in the past year we have recorded further increases in median rents,<sup>23</sup> a 21% jump in the number of houses made available to tourists rather than local residents,<sup>24</sup> and no action to make renting fairer, safer, healthier, or provide longer-term security for tenants. Interest rates have continued to increase adding pressure to household budgets and putting the purchase of housing out of reach for an increasing number of Tasmanians.

*"I'm in a shelter at the moment because private rents are too high, and I haven't been able to get public housing yet."*

*— Community Member*

The Government's long-term commitments to improve the supply of housing are welcome, but until this supply becomes available, immediate action is needed to address the current distressing levels of unmet housing need and ensure housing does not continue to be unaffordable and insecure for many people on low and moderate incomes.

## **Recommendations**

To improve housing outcomes for Tasmanians and help achieve wellbeing and sustainability goals of access for all to adequate, safe and affordable housing, TasCOSS recommends:

### **2.1 Limiting rent increases**

Implement stronger regulation of the private rental market to protect against exorbitant rent increases, such as by limiting rent increase amounts to the Consumer Price Index (CPI), or another appropriate measure.

### **2.2 Funding homelessness and housing support services adequately**

Increase investments in services that provide support to people at risk of homelessness, including specialist homelessness services, specialist family violence services, community legal and tenancy advocacy programs and financial counselling, to ensure the service system is adequately resourced to meet increased demand and able to connect people into permanent housing options as quickly as possible.

### **2.3 Better regulation of the short-stay sector**

Restrict the addition of entire homes to the short-stay accommodation market, at least in areas of low rental vacancy rates.

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<sup>23</sup> Tenants' Union of Tasmania (2023), [Tasmanian Rents](#), September Quarter 2023.

<sup>24</sup> Real Estate Institute of Australia (2023), [Short-Stay Accommodation](#), September 2023.

#### 2.4 An immediate review of *Residential Tenancy Act 1997 (RTA)*

The RTA was introduced more than 25 years ago, before many of today's renters were even born, or had moved out of the family home. The RTA's relevance to the current housing and rental market must be reviewed to ensure it is contemporary, fit-for-purpose, makes renting fairer and improves tenancy protections. A review of the RTA is an action in the recently released *Tasmanian Housing Strategy Action Plan (2023-27)*, but this review should be undertaken immediately rather than waiting until the completion date of 30 June 2027.<sup>25</sup>

Ending no-grounds evictions through the RTA is a priority, to provide greater housing security for renters and to discourage the practice of terminating tenancies to enable the rent to be increased under a new lease. This must include ending no-grounds evictions at the end of a fixed-term tenancy.

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<sup>25</sup> Homes Tasmania (2023), [Tasmanian Housing Strategy Action Plan \(2023-27\)](#), Tasmanian Government, p. 29.

### 3. Energy Affordability

#### **Key Facts:**

- *Regulated electricity prices in Tasmania have increased by 22.5% in 18 months.<sup>26</sup>*
- *The number of Tasmanian households with an energy debt has increased by 28% in the past year.<sup>27</sup>*
- *The number of Tasmanian households accessing Energy Hardship Fund payments has increased by 42% in the past year.<sup>28</sup>*
- *One-in-five households can't afford to heat or cool their home to a comfortable level, and this is four-times higher for those in financial stress.<sup>29</sup>*

Energy is an essential service, fundamental to the health and wellbeing of individuals, households and our community, as well as to overall economic activity. All Tasmanian households, regardless of their means, should have access to a safe, reliable and affordable energy supply.

However, the reality for many Tasmanian households, in particular low income households, is that their energy supply is unaffordable, as a result of substantial increases in the cost of energy, far outstripping the increases in the CPI and wages growth.

Low income Tasmanians are more likely to live in poorly-insulated and inefficient housing stock, and spend more than three-times as much of their income on electricity than those in the highest income quintile.<sup>30</sup> They are least able to respond to increases in prices, or to invest in more energy efficient homes and measures.

Through our consultations, Tasmanians have told us the combination of high energy prices, poor energy performing homes and inadequate incomes are resulting in unaffordable energy bills and energy poverty. Tasmanian households are left with little option but to pay the extra energy cost and forego other essentials, ration their energy use, or enter into energy debt. Or a combination of these, each of which has a detrimental impact on people's physical and mental health and wellbeing.

*"Compared to last year we're not using the heater that much because we're trying to save money. Electricity prices keep going up and up and up, so we're putting on some extra layers of clothing rather than using the heater so we can save some money."*

— *Community Member*

#### **Address immediate impacts of high energy costs**

The Tasmanian Government has delivered a range of support measures to provide bill relief for low income households. The *Energy Bill Relief Fund*, that is being extended to up to 140,000 households, is a welcome response to the twin crises of skyrocketing electricity prices and cost of living pressures. An increase in the amount

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<sup>26</sup> Tasmanian Economic Regulator (2023), [Regulated Electricity Prices and Feed-in Tariff Rate to Apply from 1 July 2023](#), media release, 21 June 2023; Tasmanian Economic Regulator (2022), [Standing Offer Electricity Prices and Regulated Feed-in Tariff Rate to Apply from 1 July 2022](#), media release, 17 June 2022.

<sup>27</sup> Australian Energy Regulator (2023), [Retail energy market performance update for Quarter 4, 2022-23](#).

<sup>28</sup> The Salvation Army, Energy Hardship Fund data, 2022/23.

<sup>29</sup> Australian Energy Regulator (2023), [Game Changer Report](#), November 2023, p. 2.

<sup>30</sup> Melbourne Institute (2021), Household Income and Labour Dynamics Australia (HILDA) survey.

of the electricity concession and availability of no-interest loans to invest in energy efficiency upgrades are also welcome initiatives.

In our last budget priorities submission, TasCOSS called for greater action to limit escalating prices, ensure concession support is available to those in need and investments in household energy efficiency to reduce consumption. We also called for the Government to honour its commitment to protect households from price hikes by capping power prices.<sup>31</sup>

These recommendations were not adopted, and as result we have seen electricity prices rise by 11.88% last year and 9.51% this year, as well as an increase in the number of households unable to afford their energy supply as evidenced by:

- A 28% increase in the number of customers repaying an electricity debt in the past year to 14,675 (127% increase since the COVID-19 pandemic, up from 6,454).<sup>32</sup>
- A 42% increase in household energy debt in the past year to \$15.7 million (and 165% increase since the COVID-19 pandemic, up from \$5.9 million).<sup>33</sup>
- A 13.6% increase in the number of customers entering a retailer hardship program in the last year.<sup>34</sup>
- Twice as many Tasmanian customers are in energy debt (5.7%) proportionate to the national average (2.9%).<sup>35</sup>
- A 42% increase in the number of customers accessing *Energy Hardship Fund* payments in the past year.<sup>36</sup>
- 20% of Tasmanians missing a payment on an electricity/gas/water bill in the last three months, the highest rate in the country.<sup>37</sup>

In the current environment of cost of living pressures and escalating electricity price increases, TasCOSS is calling for more to be done on energy affordability to support the 50,000 Tasmanian households experiencing energy poverty.<sup>38</sup> Greater investment is needed both in the short-term and short- to medium-term to deal with energy affordability challenges and to assist Tasmanians on low incomes to become more resilient to future crises.

## Recommendations

To lower energy costs and help achieve wellbeing and sustainability goals of affordable, safe and reliable energy, TasCOSS recommends:

### 3.1 Extending the *Energy Bill Relief Fund*

Protect Tasmanian households from electricity price rises by locking in the *Energy Bill Relief Fund* rebates over the Forward Estimates while prices remain high.

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<sup>31</sup> Department of Treasury and Finance (2021), [Review of the Tasmanian Wholesale Electricity Market Regulatory Pricing Framework](#); Tasmanian Liberals (2021), [Delivering Affordable, Reliable, Clean Energy](#), accessed 9 October 2023.

<sup>32</sup> Australian Energy Regulator (2023), [Retail energy market performance update for Quarter 4, 2022/23](#).

<sup>33</sup> Ibid.

<sup>34</sup> Ibid.

<sup>35</sup> Ibid.

<sup>36</sup> The Salvation Army, Energy Hardship Fund data, 2022/23.

<sup>37</sup> Pearson, D & De Lure, R (2023), [Financial Hardship: Who is Struggling and Key Hardship Drivers](#), NAB Consumer Insights, Q2 2023.

<sup>38</sup> Bryant, D et al. (2022), [Power Pain: An Investigation of Energy Stress in Australia](#), Brotherhood of St. Laurence, found up to 23% of households in Australia experienced at least one form of energy stress, equating to 50,235 households when applied to [2021 Census data](#) of 218,412 occupied private dwellings in Tasmania.

### **3.2 A review of concessions arrangements**

Current annual electricity concession arrangements are not fit-for-purpose. A review should be undertaken to consider the adequacy, accessibility and equity of the current 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.

### **3.3 Investment in household energy efficiency upgrades**

Increased investment in household energy efficiency initiatives will improve energy affordability for Tasmanian households, especially low income households, by lowering their consumption and energy costs. Tasmanians on low incomes have little capacity to invest in energy efficient measures that may save on power bills. No-interest loan schemes are unsuitable for most low income households, particularly in terms of being able to afford repayments, taking on additional debt and access for people who rent.

### **3.4 Funding an energy consumer advocacy program**

There is an absence of specialised, properly resourced, energy advocates supporting and representing the interests of residential and low income energy consumers. Some community-based organisations, such as TasCOSS and Council on the Ageing (COTA) Tasmania, partially fill this gap through their current advocacy roles, but lack the resources to ensure the consumer perspective is represented and considered in the range of energy industry processes. As a consequence, there is no guarantee that the needs and voices of households and Tasmanians on low incomes are being considered and heard in energy policy decisions that impact on them.

Energy policy requires specific expertise due to its highly technical nature, the increasing complexity of the energy market and volume of regulatory processes. Funding a dedicated energy advocacy program would allow consumer advocates to build capacity by participating in consultations across the energy industry and elevate the consumer voice in energy policy and regulatory processes.

## 4. Food Insecurity

### Key Facts:

- *27% increase in the number of households experiencing food insecurity in the past year.<sup>39</sup>*
- *13.6% increase in the CPI food index in the past two years.<sup>40</sup>*
- *More than 126,000 Tasmanians, including children, skipped a meal or went entire days without eating in the past year.<sup>41</sup>*

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.

It is a serious issue in Tasmania, with Foodbank reporting that in the last 12 months, 84,000 households in Tasmania experienced food insecurity. This represents 18,000 more households than the previous year that are struggling to put food on the table. In the past year, 54,000 households skipped meals or went entire days without eating.<sup>42</sup>

*"My grocery bill has doubled, I'm starting to ration and get the cheaper products, sometimes they're not very good quality but you have to fit into the budget."*

*— Community Member*

The number one reason given by 87% of households in Tasmania struggling to meet their food needs, is the cost of living crisis.<sup>43</sup> Amidst this crisis, more and more Tasmanians are seeking support from emergency food relief providers, such that they can't keep up with increasing demand. These organisations are also being impacted by rising costs and are struggling to maintain existing services due to inadequate funding and increases in the prices of wages, food, energy, fuel and insurance.

The individual impact of food insecurity is profound. Consultations with Tasmanians who experience food insecurity tells us they respond in a range of ways, including skipping meals, buying poorer quality food, keeping children home from school because there is no appropriate food to send them to school with, and only a small proportion seeking emergency food relief as a coping strategy.<sup>44</sup>

Food insecure households also tell us they regularly make choices between buying food or paying for health care or energy bills and try to mitigate their cost of living pressures by reducing their spend on food and grocery items. This may have future public health and economic consequences, with families increasingly purchasing processed food options, instead of fresh, healthy and nutritious food due to cost. In a country where we produce enough food to feed our population three times over, this should not be happening.

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<sup>39</sup> Foodbank (2023), [Foodbank Hunger Report 2023](#).

<sup>40</sup> Australian Bureau of Statistics (September Quarter 2023), [Consumer Price Index \(Australia\)](#), Table 9.

<sup>41</sup> Estimate based on [Foodbank Hunger Report 2023](#) data and Tasmanian average household size.

<sup>42</sup> Foodbank (2023), [Foodbank Hunger Report 2023](#).

<sup>43</sup> Ibid.

<sup>44</sup> 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](#), The Tasmania Project, University of Tasmania Institute for Social Change, December.

*“Sometimes we’re not buying the fresh vegetables because they cost more. We buy the prepackaged food like tomato tins and baked beans and that kind of stuff because they cost less. We’re saving money, but we’re losing the nutrition from our daily diet.”*

— Community Member

Food insecurity therefore impacts the physical and mental health of Tasmanians, impacts on their ability to engage in employment and education, and places a greater burden on the state’s health and social services systems.

### **Address immediate impacts of food insecurity**

The Tasmanian Government has delivered its *Food Relief to Food Resilience Action Plan (2023-25)* which makes a range of welcome investments including increased food relief funding, community grants programs and expansion of the School Lunch Program. This responds to a number of the recommendations made by TasCOSS in our last budget priorities submission.

Although the implementation of our previous recommendations has provided some level of assistance, these measures do not go far enough to meet the increase in demand for food relief and combat the current food insecurity crisis. New cohorts of people seeking help from food relief providers are emerging with 77% of food insecure households experiencing it for the first time in the past year. More than half of food insecure households have someone in paid work (60%), and those experiencing food insecurity for the first time are younger, with mid-to-higher incomes.<sup>45</sup>

Properly resourcing the emergency food relief sector is only one, albeit important, part of the solution to ensuring all Tasmanians are food secure. 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 and is linked to community-based initiatives delivering food security.

*“We’re getting free meals and vouchers from charity organisations. In the past we’ve given money to charity and now we’re actually having to receive from them. We feel guilty because you think there are people worse off than you, but unfortunately for this period I don’t have the money I used to have. I have had to rely on the services of organisations and they’ve been very good, but they are limited in what they can do with their resources.”*

— Community Member

## **Recommendations**

To improve food security and help achieve wellbeing and sustainability goals of no poverty and zero hunger, TasCOSS recommends:

### **4.1 A significant funding boost for food relief**

Immediately increase resources to prevent Tasmanians going hungry by significantly boosting funding for emergency food relief providers, Neighbourhood Houses across Tasmania, the School Lunch Program, and other programs that assist Tasmanians to access and consume nutritious food.

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<sup>45</sup> Foodbank (2023), [Foodbank Hunger Report 2023](#).

#### 4.2 Implementing a community awareness campaign about food insecurity

National data suggests one-in-four food insecure households accessed food relief support last year, whereas Tasmanian research indicates this figure is as low as 10%.<sup>46</sup> Key reasons for the low proportion of those seeking help are the surge in households experiencing food insecurity for the first time not being aware of the range of services available to them, and stigma/shame felt by those seeking help. A co-designed community awareness campaign will improve information about where to find support and reduce stigma.

#### 4.3 Delivering the *Healthy Tasmania Five Year Strategic Plan* recommendations

Work with the Tasmanian Food Security Coalition and other stakeholders to deliver the Healthy Tasmania Strategy actions on 'Eating Well,' including establishing guidelines to ensure food relief meets minimum dietary standards.<sup>47</sup>

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<sup>46</sup> Foodbank (2023), [Foodbank Hunger Report 2023](#); 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](#). The Tasmania Project, University of Tasmania Institute for Social Change, December.

<sup>47</sup> [Healthy Tasmania Five Year Strategic Plan \(2022-26\)](#), p. 30.

## 5. Health and Mental Health Inequity

### Key Facts:

*In the past Financial Year:*

- *7% of people deferred seeing a General Practitioner (GP) due to cost and 36.3% of people could not see their preferred GP on at least one occasion.*
- *19.3% of people deferred seeing a mental health professional due to cost.*
- *7.6% of people deferred prescription medication when needed due to cost.*
- *People living in areas of most socio-economic disadvantage were up to 4.5-times more likely to delay or not use a health service when needed due to cost (than people living in areas of least disadvantage).<sup>48</sup>*

When TasCOSS speaks to Tasmanians about what it means to live a good life, 'a healthy body and mind' is one of the most common responses. To achieve this, they tell us they need access to affordable, timely, high quality and holistic care for physical, mental and dental health. They also tell us they want to be able to prevent ill-health.

Despite these priorities, the reality is that health outcomes for Tasmanians overall are poor in relation to the rest of the country, and there is a significant divide between Tasmanians on low incomes and their more advantaged peers.<sup>49</sup> According to the Healthy Tasmania strategy, this inequity in health outcomes stems from broader inequities in Tasmania's social, environmental, structural, economic, commercial and digital landscapes.<sup>50</sup>

TasCOSS has previously emphasised the need for this health inequity to be addressed as a matter of urgency, including via more resourcing of prevention and early intervention in health and mental health care. Our detailed recommendations can be found in our 2021 submission to the *Our Healthcare Future* consultation.<sup>51</sup>

In recent years, the Tasmanian Government has undertaken numerous consultations on strategies, frameworks and action plans to improve Tasmania's health outcomes, as well as introducing measures to alleviate acute issues such as the elective surgery waiting list.

TasCOSS welcomes these initiatives, many of which respond to calls from a number of key stakeholders for a 'health-in-all-policies' approach, a focus on delivering care in communities and recognition that poverty and climate change are drivers of ill-health. We are concerned, however, that many of these initiatives will take time to implement and their measurable effect is long-term, while the immediate health needs of Tasmanians continue to worsen.

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<sup>48</sup> Australian Bureau of Statistics (2023), [More people putting off seeing health professionals due to cost](#), media release, 21 November 2023.

<sup>49</sup> [Healthy Tasmania Five Year Strategic Plan \(2022-26\)](#), p. 10; TasCOSS (2021), [Our Healthcare Future](#), community consultation.

<sup>50</sup> [Healthy Tasmania Five Year Strategic Plan \(2022-26\)](#), p. 12.

<sup>51</sup> TasCOSS (2021), [Our Healthcare Future](#), community consultation.

## Address immediate health and mental health inequity

On current data, Tasmania is a long way from achieving good health and wellbeing for all Tasmanians and in some key measures, Tasmania's health outcomes are getting worse, not better. Tasmania has:

- The highest proportion of people who delay seeing a GP due to cost;<sup>52</sup>
- Amongst the worst ambulance response times in the country;<sup>53</sup>
- Some of the worst Emergency Department (ED) wait times in the country;<sup>54</sup>
- Amongst the worst performance for mental health related ED presentations seen within clinically recommended waiting times;<sup>55</sup> and
- The highest 'fair or poor' health self-assessment in the country.<sup>56</sup>

The current cost of living crisis is exacerbating these issues and shows no signs of abating. Tasmanians report that a lack of affordable and accessible health and mental health services are compounding family stress and potentially conflict, and untreated illnesses are affecting overall wellbeing.<sup>57</sup> This has flow on effects for the state as a whole — for example, potentially preventable hospitalisations are contributing to overwhelmed EDs, and a lack of accessible and affordable mental health services are contributing to more complex (and therefore costly) presentations in all parts of the service system.<sup>58</sup>

*"I'm not taking doctor and dentist appointments and trying to avoid them. I try to stretch them out as much as I can to save money. Same with paediatric appointments for my 18 month old daughter — I'm stretching to next week or week after because a paediatric appointment is \$250 per visit. I'm neglecting my health and my kids' health to manage the weekly budget."*

— Community Member

## Recommendations

To improve the physical and mental health of Tasmanians and help achieve wellbeing and sustainability goals of good health and wellbeing, TasCOSS recommends:

### 5.1 Preventative health and hospitalisation measures

Develop and implement programs that significantly reduce potentially preventable hospitalisations.

### 5.2 Mobile health hubs

Invest in mobile health and information hubs to service regional and remote areas of Tasmania to provide outreach health care, social and mental wellbeing support, health information and navigation support.

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<sup>52</sup> Productivity Commission (2023), [Report on Government Services 2023: Primary and community health](#), Australian Government, Table 10A.25.

<sup>53</sup> Productivity Commission (2023), [Report on Government Services 2023: Ambulance services](#), Australian Government, Figure 11.2.

<sup>54</sup> Productivity Commission (2023), [Report on Government Services 2023: Public hospitals](#), Australian Government, Table 12.2.

<sup>55</sup> Productivity Commission (2023), [Report on Government Services: Services for mental health](#), Australian Government, Figure 13.4.

<sup>56</sup> [Health in Tasmania Comprehensive Needs Assessment \(2022/25\)](#), Primary Health Tasmania, p. 18.

<sup>57</sup> This was reported to TasCOSS in statewide consultations in 2023 and is also captured in numerous reports. For example, see Swinburne University/Centre for Social Impact/Uniting Vic. Tas. (2022), ['Can't Afford to Live': The Impact of the Rising Cost of Living on Victorians and Tasmanians on Low Incomes](#); Mental Health Council of Tasmania (2023), [Access and Affordability Report](#); Suicide Prevention Australia (2023), [State of the Nation in Suicide Prevention](#), September 2023.

<sup>58</sup> Hon Guy Barnett MP, [Ensuring Tasmanians get the right health care](#), media release, 27 August 2023; Mental Health Council of Tasmania (2023), [Access and Affordability Report](#).

### **5.3 Community-led local service delivery**

Establish community-led, place-based, decision-making processes across the state that empower local communities to work closely with governments and health care service providers to improve local service delivery.

### **5.4 Accessible mental health support**

Invest in prevention and early intervention for Tasmanians seeking mental health services and support, including the promotion of multi-modal options for mental health supports and services available and accessible in their location.

## 6. Transport Disadvantage

### Key Facts:

- *More than 177 weekday Metro services have been suspended since August 2023.<sup>59</sup>*
- *Metro Tasmania passenger journeys have only recovered to 81% of pre-pandemic levels.<sup>60</sup>*
- *Only 13.7% of dwellings in Hobart and 5% in Launceston have access to public transport.<sup>61</sup>*

Tasmanians on low incomes face a range of barriers to getting where they need to go, including access to, and the price of, public transport. In TasCOSS' consultations across the state, transport disadvantage is regularly raised as a barrier to employment, education and training, as well as to accessing basic services including groceries, health care, childcare and other support services.

High petrol prices are also affecting Tasmanians on low incomes, especially those living in regional or rural areas who are more reliant on their cars due to limited or non-existent public transport infrastructure, and who are often required to travel long distances to access essential goods and services, incurring additional travel and accommodation expenses.

Public transport, and in particular bus services, must be accessible for people most vulnerable to transport disadvantage. This includes Tasmanians living with disabilities, elderly people, any person with mobility issues, and younger people who are not yet eligible to drive or who cannot afford a vehicle. Without accessible bus stops and shelters, many Tasmanians will continue to be unable to use public bus services.

In regional or rural areas of Tasmania, public transport routes are characterised by limited hours and frequency of operations, geographic scope and connectivity, and non-Metro bus services are notably more expensive than Metro services.

*"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."*

*— Community Member*

### **Address immediate impacts of transport disadvantage**

All of Tasmania's general access bus network and associated infrastructure, such as bus stops, were required to be compliant with the *Disability Standards for Accessible Public Transport 2002* (DSAPT) by the end of 2022.

We welcome Metro Tasmania's investment to ensure all services are being delivered with buses that comply with the DSAPT. However, this is not the case for many bus stops and shelters that are still not compliant with the DSAPT.<sup>62</sup>

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<sup>59</sup> Hon Michael Ferguson MP (2023), [Hansard](#), Parliament of Tasmania, 21 November 2023, p. 2.

<sup>60</sup> Metro Tasmania (2023), [Annual Report 2022/23](#), p. 12.

<sup>61</sup> National Cities Performance Framework Dashboard (2021), [Infrastructure and Investment, Getting to Work, Dwellings with Access to Public Transport](#).

<sup>62</sup> According to the 2019 Australian Infrastructure Audit, only 37.5% of bus stops were compliant in Tasmania. More recent data has not been able to be sourced.

Increased commuting during Metro’s five-week trial of free bus services in March 2022 is evidence of the potential impact of reducing financial barriers to public transport.<sup>63</sup> Free travel for those on low incomes, including students, seniors and concession card holders, would greatly reduce the cost barrier faced by many Tasmanians. Given that a proportion of these users would otherwise be driving a private vehicle, it would also contribute to lowering Tasmania’s transport emissions.

*“More community transport options would be a big help. We haven’t got a bus service, we don’t have a taxi service. A lot of older people used to use a taxi to go to doctors’ appointments or to go into town and socialise. Now there’s nothing like that.”*

— Community Member

## **Recommendations**

To reduce transport disadvantage and help achieve wellbeing and sustainability goals of providing access to safe, affordable and sustainable transport for all, TasCOSS recommends:

### **6.1 Increasing public transport subsidies**

Provide free public bus services for students, seniors, concession card holders and Tasmanians on low incomes.

### **6.2 Improving transport accessibility**

Prioritise compliance with DSAPT 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, and video and audio notices on buses and at bus stops.

### **6.3 Expanding the public transport network**

Expand the existing public transport network throughout Tasmania, with special attention to the needs of those in vulnerable situations, young people, persons with disabilities, and older persons.

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<sup>63</sup> Hon Michael Ferguson MP (2022), [More than 100,000 extra people pick buses](#), media release, 24 April 2022.

## 7. Digital Inclusion

### Key Facts:

- *Tasmania is the most digitally disadvantaged state and has the lowest digital literacy and skills levels in the country.*<sup>64</sup>
- *46% of consumers said the rising cost of living has affected their ability to get online, with one-in-five choosing between paying for internet and other essentials.*<sup>65</sup>
- *26% of consumers reported their phone and internet costs were unaffordable, with one-in-five missing a payment.*<sup>66</sup>

Being connected is something most of us take for granted. It's intertwined into our daily lives — whether that's looking for work, accessing government services (including health services), engaging in education or training, paying bills or connecting with community and friends. So much of what we do day-to-day relies on a secure, reliable, fast internet connection and the skills to navigate the web.

The COVID-19 pandemic delivered a reminder of the necessity for digital inclusion, as working from home, online education, telehealth and online shopping became essential. The main way to connect socially was online and in that time of crisis, the internet was an essential tool for finding government information, health advice and warnings.

Following the pandemic, we're living in a new normal where digital inclusion is more important than ever. Providing Tasmanians with digital skills and affordable access to data and devices is necessary to support us to stay connected, find employment, further education and access essential services.

Recent disruptions to commerce, learning, government services, essential services and social connection caused by network outages (Optus in 2023, Telstra in 2022, and Basslink in 2016), illustrate our reliance on digital technology. The impact of these outages was significant, both in terms of financial cost and personal inconvenience. However, this is the daily experience for more than 54,000 Tasmanians who are highly digitally excluded (unable to get online or navigate the online world).<sup>67</sup>

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

*— Community Member*

### **Address immediate impacts of digital exclusion**

The digital economy does and will deliver huge social and economic benefits, but those benefits are not being equally shared, with one-in-four Tasmanians facing some form of barrier to digital inclusion and 54,000 Tasmanians highly excluded.<sup>68</sup>

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<sup>64</sup> Thomas, J et al. (2023), [Measuring Australia's Digital Divide: Australian Digital Inclusion Index 2023](#), Melbourne: ARC Centre of Excellence for Automated Decision-Making and Society, RMIT University, Swinburne University of Technology and Telstra.

<sup>65</sup> Good Things Foundation Australia (2023), [Australian Attitudes to Getting Online](#), consumer research, October.

<sup>66</sup> Australian Communications Consumer Action Network (2023), [Affordability Snapshot](#).

<sup>67</sup> According to the ADII, 9.4% of Australians are highly excluded, which equates to 53,834 Tasmanians. Given Tasmania's poorer digital inclusion outcomes compared to the national average, we conservatively estimate more than 54,000 Tasmanians are highly excluded.

<sup>68</sup> Thomas, J et al. (2023), [Measuring Australia's Digital Divide: Australian Digital Inclusion Index 2023](#), Melbourne: ARC Centre of Excellence for Automated Decision-Making and Society, RMIT University, Swinburne University of Technology and Telstra.

The 2023 Australian Digital Inclusion Index (ADII) revealed Tasmania is once again the most digitally disadvantaged state in the country. Tasmania's digital inclusion score is below the national average and the lowest of all states. Tasmania also recorded the worst digital literacy and skills score in the country, which is having the profound effect of locking Tasmanians out from fully participating in economic, social and community life.<sup>69</sup>

There are also concerning trends borne out of the ADII data, with Tasmanians with low levels of income, education and employment, those living outside of Hobart and Launceston, older Tasmanians, Aboriginal Tasmanians and those living in public housing, all reporting higher rates of digital exclusion than the rest of the state's population.<sup>70</sup>

*"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."*

— *Community Member*

In our last budget priorities submission, TasCOSS called for a whole of government response to close the digital divide, including setting clear targets and timelines as recommended by PESRAC to improve digital access, affordability and digital skills.<sup>71</sup> We welcome the Government's announcement to develop a digital inclusion strategy that will include an agreed and coordinated set of priorities for digital inclusion across agencies, establish a mechanism to work with stakeholders, and develop performance indicators to measure initiatives. We also welcome the \$5 million investment to bolster the pool of devices in public schools to support students in need. However, as PESRAC and the ADII have highlighted, there has not been sufficient investment in digital inclusion programs that support priority groups or reduce areas of disadvantage, such as affordability and digital skills.

Our poor performance relative to the rest of the country is the result of under-investment and a lack of policy ambition that has Tasmania continuing to languish at the bottom of the table for digital inclusion. Closing the digital divide requires a long-term investment, particularly in relation to digital skills and affordability for Tasmanians on low incomes. The Tasmanian Government must take the lead in driving investment to ensure all Tasmanians, and the state as a whole, benefit from the connectivity and productivity gains from being online.

## Recommendations

To close the digital divide in Tasmania and help achieve the wellbeing and sustainability goals of providing universal and affordable access to the internet, TasCOSS recommends:

### 7.1 Reducing the cost of telecommunications

Subsidise the cost of telecommunications by introducing a concession scheme for low income households, and work with telecommunications providers to develop a low cost broadband product available for low income households.

### 7.2 Improving digital skills and literacy

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.

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<sup>69</sup> Thomas, J et al. (2023), *Measuring Australia's Digital Divide: Australian Digital Inclusion Index 2023*, Melbourne: ARC Centre of Excellence for Automated Decision-Making and Society, RMIT University, Swinburne University of Technology and Telstra.

<sup>70</sup> Ibid.

<sup>71</sup> *PESRAC Final Report*, p. 57, [Recommendation 34](#).

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