

Tasmanian Council of Social Service Inc.



TasCOSS 2024/25 Tasmanian State Budget Briefing

13 September 2024



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Adrienne Picone

Chief Executive Officer

Tasmanian Council of Social Service



POLITICAL REPRESENTATIVES:

The Hon Roger Jaensch MP, Minister for Community Services

Rosalie Woodruff MP, Leader of the Tasmanian Greens

Helen Burnet MP , Tasmanian Greens Member for Clark

The Hon Cassy O'Connor MLC, Tasmanian Greens Member for Hobart

The Hon Meg Webb MLC, Independent Member for Nelson

Craig Garland MP, Independent Member for Braddon

Cecily Rosol MP, Tasmanian Greens Member for Bass

Shane Broad MP, Labor Shadow Minister for Housing (online)



TasCOSS

2024/25 Tasmanian State Budget Analysis

State Finances



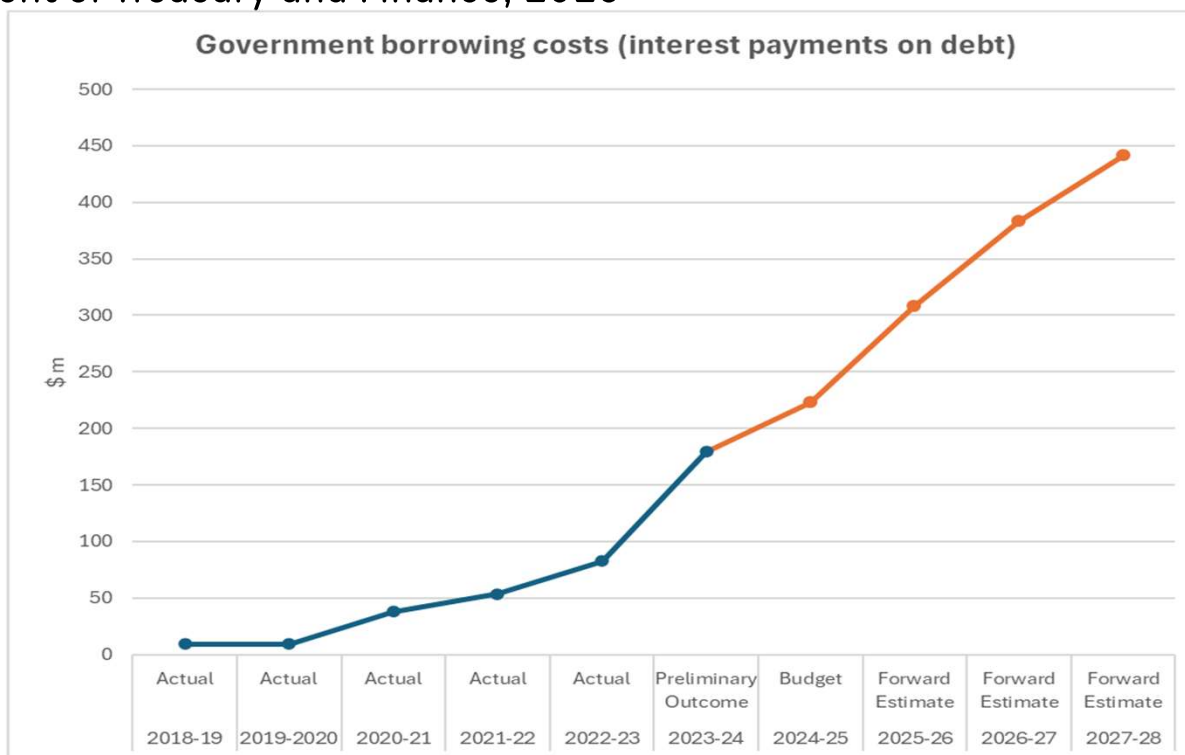
- \$5.4 billion net debt, increasing to \$8.6 billion in 2027-28.
- \$223.3 million interest in 2024-25, increasing to \$441.1 million in 2027-28.
- \$1.36 billion in interest payments over four years.

State Finances



"The greater the cost of debt, the less funding available to provide direct services to the Tasmanian community."

- Department of Treasury and Finance, 2023



Delivery of COI recommendations



Key Budget announcements

- **\$423m to enable delivery of COI recommendations**
- **Redress and Civil Claims**
 - \$647m provision for current and future claims against the state by survivors of child sexual abuse.

Children and Young People



Despite evidence of social disadvantage being the root cause of offending behaviour, policy responses are centred on policing, stricter bail laws, and incarceration. In many cases, these responses worsen the trauma and inequality driving children's contact with the justice system in the first place. Australia needs transformational change that puts child wellbeing first. This means reform based on evidence and human rights.'

- Anne Hollands, National Children's Commissioner

Affording the Basics is Getting Harder



- The cost of essentials have surged **by more than CPI**.
- 71% of people receiving income support are **cutting back** on meat, fresh fruit and vegetables because they can't afford it, with 51% skipping meals altogether.
- 61% of Tasmanians say they are **financially worse off** than last year and almost half have cut back on essentials to make ends meet.
- 1-in-5 Tasmanians **could not raise \$500** in an emergency.

Key Cost of Living Pressures



-  1. Affordable Housing
-  2. Food Security
-  3. Electricity Costs
-  4. Transport Access
-  5. Digital Inclusion

1. Affordable Housing



- Hobart is equal (with Sydney) **least-affordable** capital city to rent, with regional Tasmania also experiencing a large decline in affordability.
- 38% increase in **median rents** in five years.
- Increases in **whole-homes added to short stay** sector in last year – 14% Hobart, 20% Launceston, 40% Devonport.
- 42% increase in **social housing waitlist** in five years to 4,745 families.
- 1.7 years av. **wait time** for social housing, 35% longer than five years ago.
- 45% increase in **homelessness** in five years, nine-times the national av.

1. Affordable Housing



Key Budget announcements

- 10,000 more social and affordable homes by 2032.
- \$35m *Homes Faster! Partnership Incentive Fund*
- Abolish stamp duty for first-home buyers of housing valued up to \$750,000.
- \$20m additional investment in social housing maintenance.
- Boost the Private Rental Incentive Scheme from 300 to 500 homes.
- *Not Budgeted - 5% levy on short stay accommodation.*

2. Food Security



- 29% of Tasmanian adults reported **food insecurity** within the past 30 days.
- More than 81,000 Tasmanian households were food insecure last year.
- Only 40% of Tasmanians who needed **food relief** reported accessing it in the past year.

2. Food Security



Key Budget announcements

- \$200,000 to develop a new Food Resilience Strategy to continue the shift from emergency food relief to long-term food resilience.
- \$14m over two years to double the Healthy School Lunch program from 30 schools to 60 schools by 2026.
- \$1m increase to emergency food relief funding retained for 12 months and \$5m for capital upgrades.
- Halving of the election commitment to Gran's Van in the North-West, Missionbeat in the North and Loui's Vans in the South - \$180,000 per year.

3. Electricity Costs



- 23% increase in regulated **electricity prices** since 2022.
- 14,358 households in **energy debt**. Twice as many Tasmanians are in energy debt compared to the mainland.
- 20.6% increase in **hardship** programs.
- 51,000 households in **energy poverty**.

3. Electricity Costs



Key Budget announcements

- \$250 “supercharged” Renewable Energy Dividend to all households.
- \$250 bill credit for 100,000 eligible households this financial year, less than the 140,000 eligible households identified by the Government.
- \$2m for NILS Tasmania to extend Energy Saver Subsidy.

4. Transport Access



- More than 177 weekday Metro services have been **suspended** since August 2023.
- 56.4% increase in **petrol prices** in four years.
- Hobart is the **worst capital** and Launceston the **worst city** in the country for access to public transport.
- Tasmania has **not met requirements** for 100% bus stop compliance with the *Disability Standards for Accessible Public Transport*.

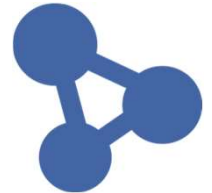
4. Transport Access



Key Budget announcements

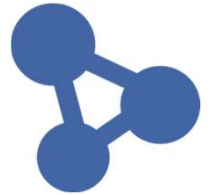
- Half-price bus/ferry fares until 30 June 2025.
- \$14.1m over four years to support driver recruitment and retention.
- \$15m over four years to expand the bus network.
- \$20m contribution to new ferry terminals.

5. Digital Inclusion



- 26% of consumers reported their phone and internet **costs are unaffordable**.
- 140,000 Tasmanians are **digitally excluded** and unable to access the benefits of the online world.
- Tasmania is the **most digitally disadvantaged** state and scores the worst of any state or territory in 'digital ability'.
- 87% of Australian jobs require **digital literacy skills**.

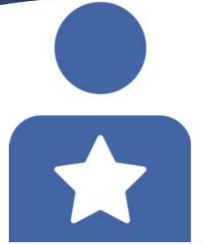
5. Digital Inclusion



Key Budget announcements

- **\$218 million** over four years for information and communications technology investment.
- \$150,000 per year for two years to develop digital inclusion initiatives for older Tasmanians.

Community Services



Key Budget announcements

- **Disability:**
 - Disability Inclusion Bill Implementation including establishing an Office of the Disability Commissioner – \$8.5m over four years.
 - \$45m to build new Support School in Devonport and upgrade the Support School in Burnie.
- **Neighbourhood Houses:**
 - \$150,000 funding boost over three years for each Neighbourhood House.
 - \$6m for capital upgrades.
 - Ongoing employment for 11 Community Connectors.

Community Services & Mental Health



Key Budget announcements

- **Mental Health:**
 - \$7.6m for new Mental Health Hub in Devonport.
 - 12-bed residential Eating Disorders Treatment Centre at St Johns Park as part of the new 27-bed Mental Health Centre.
 - Pilot an Emergency Mental Health Response Service in the North.
- **Child and Family Learning Centres:**
 - \$32m to build four new Child and Family Learning Centres in Huonville, Smithton, Longford and Scottsdale.

Community Services



Key Budget announcements

- Establish a peak body for the sexual assault service system,
- Establishment of a third Arch centre in the North West.
- Permanent operating funding for the three Arch centres to deliver coordinated services for victims of sexual harm.
- \$100,000 for Aboriginal Advisory Group for Truth-telling and Treaty.
- \$116,000 for Aboriginal Youth Justice.
- \$195,000 for Aboriginal and Torres Strait Islander Child Placement Principle.
- \$600,000 for Closing the Gap – Coordination and Capacity Building.

Community Services



Key Budget announcements

- \$2.1m for NILS to write an additional 2,000 loans each year.
- \$1m *Ticket to Wellbeing* program for older Tasmanians and additional 2,500 *Ticket to Play* vouchers.
- \$500,000 LGBTIQ+ Framework and Action Plan.
- \$175,000 per year for two years to Multicultural Council of Tasmania to help implement the Multicultural Action Plan.
- \$150,000 to Volunteering Tasmania to develop Tasmania's first Volunteering Strategy.

Gender Budget Snapshot



- The 2024-25 Tasmanian Gender Budget Snapshot contains an analysis of eight budget initiatives (the same as the 2023-24 Budget):
 - Digital Health Transformation
 - New Housing Package
 - Regional Jobs Hubs
 - Strategic Plan for Mental health
 - Survivors at the Centre
 - Maintaining Ambulance Tasmania Workforce
 - Endoscopy Services
 - Literacy Community-Wide Framework.

Industry Sustainability



Key Budget announcements

- Indexation to the community sector of 12.5% over four years - equates to 3.5% in 2024-25 and a rate of 3% for the remaining three years.
- Five-year contracts commencing as existing terms expire.
- Commitment to an outcomes-based framework.



The Hon Roger Jaensch MP

Minister for Community Services

Tasmanian Government



2024/25 Tasmanian State Budget

Q&A Session with
Minister Jaensch

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