



A Sustainable Future for Tasmania's Community Services Industry

TasCOSS 2026/27 Pre-Budget Submission



About TasCOSS

The Tasmanian Council of Social Service's (TasCOSS) vision is for one Tasmania, free of poverty and inequality where everyone has the same opportunity. Our mission is two-fold: to act as the peak body for the community services industry in Tasmania; and together, to challenge and change the systems, attitudes and behaviours that create poverty, inequality and exclusion.

Our membership includes individuals and organisations active in the provision of community services to Tasmanians on low incomes or living in vulnerable circumstances.

TasCOSS represents the interests of our members and their service users to government, regulators, the media and the public. Through our advocacy and policy development, we draw attention to the causes of poverty and disadvantage and promote the adoption of effective solutions to address these issues.

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Summary of Investment Proposals

In the 2026/27 Tasmanian Budget, TasCOSS seeks an investment from the Tasmanian Government to:

1. Funding Certainty

- a. Fast-track the implementation of five year funding contracts across the community services industry peak organisations by the start of the 2026/27 Financial Year, along with full, industry-wide implementation by the start of the 2027/28 Financial Year.
- b. Implement a funding review process at least six months before the end date of a contract.
- c. Develop a transparent indexation formula for all community service organisations, in consultation with our industry and reflective of industry costs.
- d. Deliver on the commitment to establish a Partnership Agreement with the Tasmanian Coalition of Community Service Peaks and the Tasmanian Government as a priority in 2026. As part of this, fund an accredited independent Partnership Broker to assist in establishing a partnership agreement between these parties.

Proposed Investment: \$50,000 over 12 months

2. Implementation of the Industry Award Gender Undervaluation Review

- a. Establish a Community Services Industry Workforce Reform Program to support organisations through upcoming changes to the SCHADS Industry Award rate.

Proposed Investment: \$400,000 over 12 months

3. Ten Year Update of *The State of Tasmania's Community Service Sector Report*

- a. Update [*The State of Tasmania's Community Service Sector Report*](#) (2015) to quantify the social and economic contribution the industry makes to Tasmania, how it is changing, and identify current and future needs.

- b. **Proposed Investment: \$180,000 over 12 months**

4. *Community Services Industry Plan (2021-31)* Mid-Term Review

- a. Undertake a review of the *Community Services Industry Plan (2021-31)* at the halfway point of its implementation.

Proposed Investment: \$150,000 over 12 months

5. The Changemakers Program

- a. Provide an investment to deliver an expanded strategic, statewide leadership and capability-building program to empower emerging and established leaders in the community services industry.

Proposed Investment: \$200,000 over 12 months

A Sustainable Future for Community Services in Tasmania

TasCOSS welcomes the Tasmanian Government's renewed commitment following their re-election in the 2025 Tasmanian Election to [“always support a well-resourced, sustainable community sector.”](#) This includes working in collaboration with communities and organisations across the state to focus on the transition of organisations with recurrent, ongoing funding agreements to longer-term funding agreements.

The community services industry is one of the fastest growing and largest employing industries in Tasmania, adding around \$1.9 billion annually to the Tasmanian economy, and employing more than 28,000 Tasmanians, vitally supported by more than 46,000 (formal) volunteers.¹

The release in November 2025 of the Tasmanian Government's *The Wellbeing Framework* (the Framework) sets a whole-of-government expectation that budget decisions are collaborative, equitable and evidence-informed, and that services are inclusive, accessible and person-centred.² TasCOSS's proposals are closely aligned to the Framework and, if funded, will provide service sustainability, fair pay and secure work for the industry that actively supports and builds the Tasmanian economy.

TasCOSS recommends a series of initiatives that will lead to broader sustainability across organisations for the long-term, and which will lead to more efficient and productive relationships with cross-government agencies.

Community Services Industry Sustainability Initiatives

Tasmania's community services organisations continue to deliver high quality support, despite mounting financial and operational pressures. The combination of rising costs, increased demand and potential government funding cuts is creating significant challenges for sustainability and workforce stability.

Funding has not kept pace with the real cost of service delivery. Organisations are struggling to absorb cost increases and meet growing community needs, particularly in the continuing cost of living crisis.

According to the 2025 TasCOSS Member survey, in response to questions about rising costs and inadequate indexation:

- 72% of members said they plan to make changes to service delivery, including reducing services or finding so-called 'efficiencies';
- 53% said they are planning to incur deficit budget or draw down on savings; and
- 56% said they plan to reduce the number of employees or staffing levels.

¹TasCOSS & Tasmanian Government (2021), [Tasmanian Community Services Industry Plan \(2021-31\)](#), Department of Premier and Cabinet.

²Tasmanian Government (2025), [Tasmania's Wellbeing Framework](#), Department of Premier and Cabinet.

1. Funding Certainty

TasCOSS acknowledges the commitment made by the Government in the 2025 Tasmanian Election to review and implement changes that address the need for community services funding, in response to the [Tasmanian Coalition of Community Service Peaks' 'Prioritise all Tasmanians' campaign](#).

It is now vital for the sustainability of the industry and the health and wellbeing of all Tasmanians that these commitments are delivered on in a timely manner, namely to:

- Fast-track the implementation of five year funding contracts across the community services industry peak organisations by the start of the 2026/27 Financial Year, along with full, industry-wide implementation by the start of the 2027/28 Financial Year.
- Implement a funding review process at least six months before the end date of a contract.
- Develop a transparent indexation formula for all community service organisations, in consultation with our industry and reflective of industry costs.
- Deliver on the commitment to establish a Partnership Agreement with the Tasmanian Coalition of Community Service Peaks and the Tasmanian Government as a priority in 2026. As part of this, fund an accredited independent Partnership Broker to assist in establishing a partnership agreement between these parties.

The implementation of these measures represents a strategic investment in the community services industry, providing greater certainty around future funding and ensuring resources are better aligned to the real costs of delivering high quality services across the community.

Proposed Investment: \$50,000 over 12 months

2. Implementation of the Industry Award Gender Undervaluation Review

TasCOSS proposes the establishment of a Community Service Industry Workforce Reform Program to provide strategic support to Tasmanian community service organisations in response to the Fair Work Commission's [Gender-Based Undervaluation – Priority Awards Review](#) reform process.

This reform program would serve as a coordinated, strategic initiative to ensure the industry is equipped to navigate the significant changes to classification structures and wage rates. The program would include:

- **Strategic Policy Advice:** Providing expert guidance to government and industry stakeholders on the implications of the Social, Community, Home Care and Disability Services (SCHADS) Industry Award reforms, including workforce planning, funding models and long-term sustainability.

- **Industry-Wide Engagement:** Facilitating inclusive consultation and collaboration across the industry to ensure consistent understanding, shared learning and alignment in reform implementation.
- **Tailored Organisational Support:** Offering direct assistance to leadership teams within Tasmanian community service organisations to help interpret and apply the new classification structures, assess financial impacts and manage workforce transitions effectively.

By investing in targeted support and funding, the Government can safeguard the consistency of community service delivery, which is essential for achieving long-term social and economic benefits. Stable and well-supported services reduce the need for reactive, high cost government interventions, and promote fair, transparent and equitable employment outcomes across the industry. The program would also include:

- **Capacity Building Initiatives:** Offering training and development opportunities for HR professionals, managers and boards to strengthen internal capabilities in workforce planning and industrial relations.
- **Data and Impact Monitoring:** Establishing mechanisms to track reform implementation, measure outcomes and inform ongoing policy refinement.
- **Equity and Inclusion Focus:** Ensuring reforms actively address gender-based pay disparities and promote inclusive employment practices across the industry.

Proposed Investment: \$400,000 over 12 months

Whilst a final determination has not yet been handed down at the time of writing, it is clear there will be increases to wages for organisations that employ staff in line with the SCHADS Industry Award.

As such, TasCOSS recommends a co-investment approach with the Commonwealth Government, recognising that shared funding responsibility across multiple agencies is essential to ensure reforms are introduced sustainably and equitably moving into the 2027/28 Tasmanian Budget. This approach would ensure joint accountability for delivering fair employment outcomes in publicly funded services.

Proposed Investment: TBA (*once final determination is handed down*)

3. Ten Year Update of *The State of Tasmania's Community Service Sector Report*

To put the community services industry on the path to long-term sustainability, we need to understand it deeply.

In 2015, in partnership with the University of New South Wales (UNSW), TasCOSS developed the first report into [The State of Tasmania's Community Service Sector](#).³ The comprehensive report examined issues impacting the industry's capacity and

³ Cortis, N & Blaxland, M (2015), [The State of Tasmania's Community Service Sector](#), University of New South Wales.

sustainability. It provided baseline information on the paid and voluntary workforce, governance arrangements, experiences of collaboration, funding and financial status, and relationships with government.

Now, ten years on, it is an opportune time to see how the industry has, and is, changing and identify where the gaps and areas of most need are.

An updated report would quantify the social and economic contribution the industry makes to Tasmania, as well as inform initiatives to develop industry capacity, effectiveness and sustainability. To that end, TasCOSS seeks funding to conduct a ten year update of *The State of Tasmania's Community Service Sector Report*.

The focus of this report will be to provide a comprehensive analysis of:

- The social and economic contribution of the industry;
- The categories and impacts of services provided;
- Issues impacting organisational capacity;
- Sustainability and funding;
- Information on voluntary and paid workforce;
- Governance;
- Collaborations and partnerships; and
- Government relationships.

By understanding the industry and its impact, the Tasmanian Government will gain greater insight into how effectively and efficiently it operates. This understanding will reveal the industry's contributions to economic growth through its workforce and its potential to increase participation numbers, while also highlighting how it helps prevent costs in crisis and emergency response systems.

Proposed Investment: \$180,000 over 12 months

4. *Tasmanian Community Services Industry Plan (2021-31)* Mid-Term Review

Like other industries, the community services industry is operating in a dynamic and fast-paced environment. It is important the industry remains responsive and adaptive to change at a strategic level and ready to contribute to change processes occurring in various sectors.

As part of the ten year [*Tasmanian Community Services Industry Plan \(2021-31\)*](#) 'The Industry Plan', TasCOSS completed the Workforce Coordination Project, which delivered important outcomes for the industry. The completion of this project provides an opportunity to conduct a mid-term review of the Industry Plan. This review should be informed by the findings of the independent governance structure review, ensuring that future priorities strengthen leadership, accountability and collaborative decision-making across the industry. By integrating the governance insights, the review will

position the industry to adapt effectively to reform impacts, maintain transparency, and deliver sustainable, responsive services that uphold the principles of the Industry Plan.

The independent review of the Industry Plan would be undertaken in 2026, in collaboration with the Tasmanian Coalition of Community Service Peaks. This process should be incorporated in the establishment of the formal Partnership Agreement to strengthen shared accountability and industry leadership. The external review will guide priorities and direction for the next phase of the Industry Plan, drawing on insights from the completed governance review and the proposed ten year update of *The State of Tasmania's Community Service Sector Report*. It will capture both quantitative data and qualitative information, as well as current and projected impacts, ensuring the Industry Plan remains responsive, collaborative and fit-for-purpose.

TasCOSS calls on the Government to fund a mid-term review of the Industry Plan in 2026 in partnership with the Tasmanian Coalition of Community Service Peaks.

Proposed Investment: \$150,000 over 12 months

5. Improving Strategic Leadership through the Changemakers Program

Tasmania's community service leaders urgently need support to build their capability to lead for impact, strengthen industry efficiency and adopt innovative solutions to complex social problems. By investing in leadership development, the industry will be better equipped to adopt new business and service delivery models to meet unprecedented demand, explore alternatives to sustainable funding and drive meaningful social change.

The Industry Plan highlights the shared commitment of TasCOSS and the Tasmanian Government to stronger board governance (*Priority 3.1*) and community leadership (*Priority 3.4*). The *Changemakers Future Leaders Course*, developed and piloted in 2025, provides a practical mechanism to deliver these priorities.

TasCOSS seeks investment from the Government to deliver an expanded Changemakers Program in 2026 and beyond that will empower emerging and established leaders to create meaningful, innovative and sustainable change in the lives of Tasmanians experiencing poverty, inequality and exclusion.

An expanded Changemakers Program will:

- Strengthen community leaders' innovation and problem-solving capacity to support a more efficient and sustainable industry;
- Improve collaboration and reduce duplication across the industry;
- Attract and retain talent to lead Tasmanian not-for-profits and social enterprises; and

- Mobilise knowledge-sharing and create a robust leadership pipeline through a connected and collaborative statewide community leaders' network.

The Government's investment in an expanded Changemakers Program will deliver the following benefits to Tasmania's community service industry leaders:

- **Changemaker Studio Sessions:** Short, practical masterclasses on impact measurement, systems thinking, inclusive practice and industry partnership development, with the potential to establish ongoing fee-for-service offerings.
- **Pilot Community Service Innovation Program:** A workshop and on-demand online professional development program devised to equip community leaders with an entrepreneurial mindset and practical design thinking tools to discover novel and sustainable solutions to complex social challenges.
- **The Changemakers Collective:** A statewide professional network to strengthen collaboration, reduce duplication and enhance social outcomes.
- **The Changemakers Hub:** A digital platform for disseminating best-practice and thought leadership through a library of resources, recorded masterclasses, toolkits, podcasts and opportunities for further leadership development.
- **Scholarships for the *Course*:** Supporting rural, regional and lived experience leaders to participate in the *Program* in 2026, including travel and accommodation support. These scholarships will expand and build on the successful *Diverse Women in Leadership Scholarships* currently funded by the Department of Premier and Cabinet.

Proposed Investment: \$200,000 over 12 months

Conclusion

These proposals are not isolated requests; they are strategic enablers of the Government's *The Wellbeing Framework*. By investing in funding certainty, workforce equity, evidence generation, strategic leadership and collaborative governance, the Government can work in partnership with the industry to deliver measurable improvements across key wellbeing domains: Governance, Health, Prosperity, and Place.

Each initiative strengthens prevention and early intervention, reduces long-term fiscal and workforce risk for organisations, builds the capacity of those working in the industry, and ensures all Tasmanians can access inclusive, person-centred services. This is a partnership investment that transforms commitments into outcomes, aligning budget decisions with the Framework's vision: "*all Tasmanians have good lives they are satisfied with, and everyone has a fair chance to do well, now and in the future.*"⁴

⁴ Tasmanian Government (2025), [Tasmania's Wellbeing Framework](#), Department of Premier and Cabinet.



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