



Closing the Digital Divide in Tasmania

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

TasCOSS recommends the 2026/27 Tasmanian Budget includes the following targeted investments to narrow the digital divide in Tasmania, lift Tasmania off the bottom of the Australian Digital Inclusion Index (ADII) table and boost the Tasmanian economy:

1. Reduce the Cost of Telecommunications

- a. Introduce a Tasmanian Government telecommunications concession for low income households to access data services.
- b. Work with telecommunications providers to develop a low-cost broadband product available for low income households.

2. Invest in Digital Skills and Literacy

- a. Double investment in *Digital Ready for Daily Life* to \$400,000 per annum, to boost digital skills and literacy programs.
- b. Support the Tasmanian ICT industry to develop outreach initiatives that educate and train the community services industry and community groups in scam and cyber security awareness, as well as digital skills and literacy, so they can support their clients to be more digitally included.
- c. Invest in an AI capacity-building project for Tasmania's community services industry to support improvements in service delivery, efficiency and client outcomes.

Digital Inclusion and Exclusion

Digital inclusion is the ability of people or groups to enjoy the benefits of being online and using technology confidently to improve their day-to-day lives.

A digitally included Tasmania is one where all Tasmanians can participate in our digital economy to: find and maintain work; access education, health and government services; maintain social connections; and find reliable information, especially in times of crisis. Those who lack this capability are 'digitally excluded'.

The consequences of digital exclusion are acutely felt in our community and economy. Tasmanians have told TasCOSS of the very real impacts of being locked out from fully participating in economic, social and community life, including:

- Children unable to do homework due to a lack of appropriate devices and inadequate data;
- People missing telehealth appointments because their data expired and they couldn't afford to buy more; and
- Community service providers not conducting core service delivery and instead spending hours each week just helping people navigate online government services.

The Digital Divide in Tasmania

Tasmania is the most digitally disadvantaged state or territory in Australia, according to the 2025 Australian Digital Inclusion Index (ADII).¹

Figure 1 shows Tasmania lagging the national average across all dimensions of digital inclusion. Key findings from the 2025 ADII include:

- **Tasmania ranks last nationally for digital inclusion**, with the lowest scores for **Digital Ability** and **Affordability**.
- **One-in-five Tasmanians (around 119,000 people)** face barriers to digital inclusion, and almost one-in-ten, or **53,000 Tasmanians are highly excluded**, meaning they cannot get online or if they can, lack the skills or ability to navigate the digital world.
- Some cohorts experience much higher rates of digital exclusion, in particular: people aged 75+ years (66.5%); people in the lowest income households (63%); those who did not complete secondary school (54.5%); public housing residents (45.2%); First Nations people (40.9%); and those living in remote and very remote areas.

¹Thomas, J et al. (2025), *Measuring Australia's Digital Divide: 2025 Australian Digital Inclusion Index*, ARC Centre of Excellence for Automated Decision-Making and Society, RMIT University, Swinburne University of Technology and Telstra, Melbourne.

Figure 1: 2025 National ADII Scores

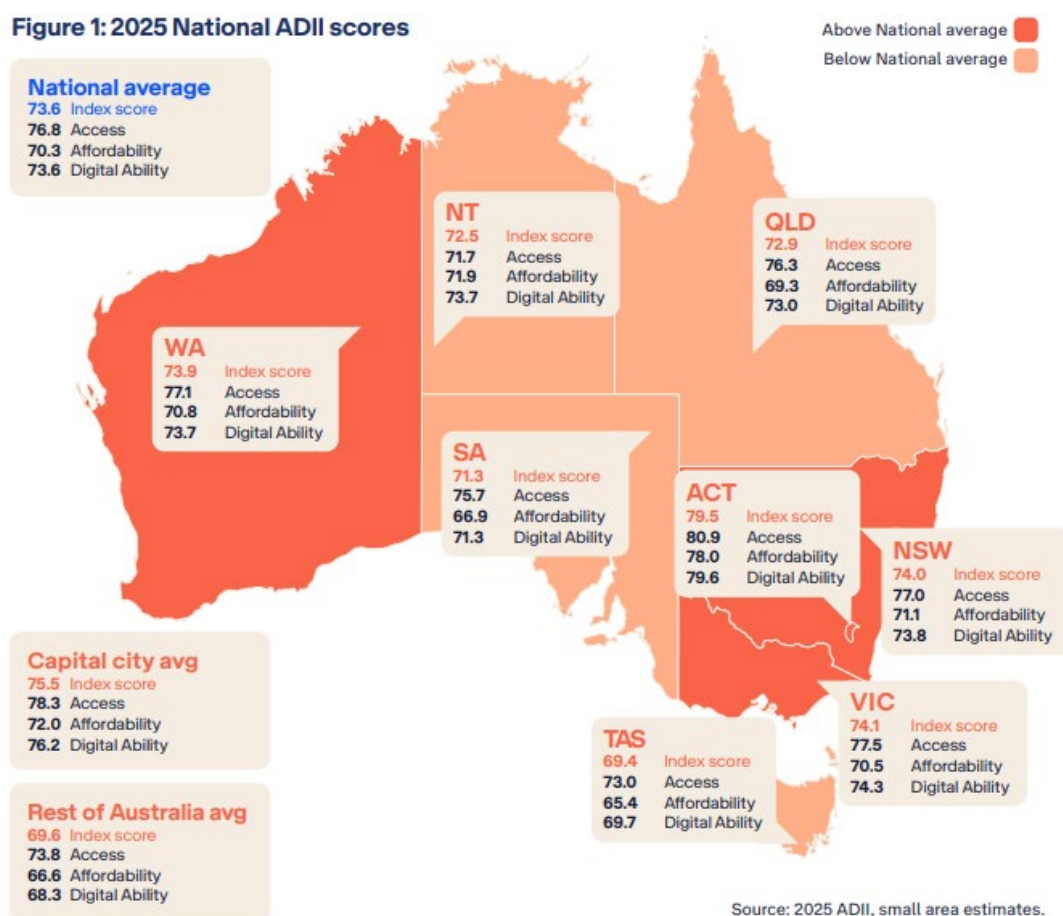


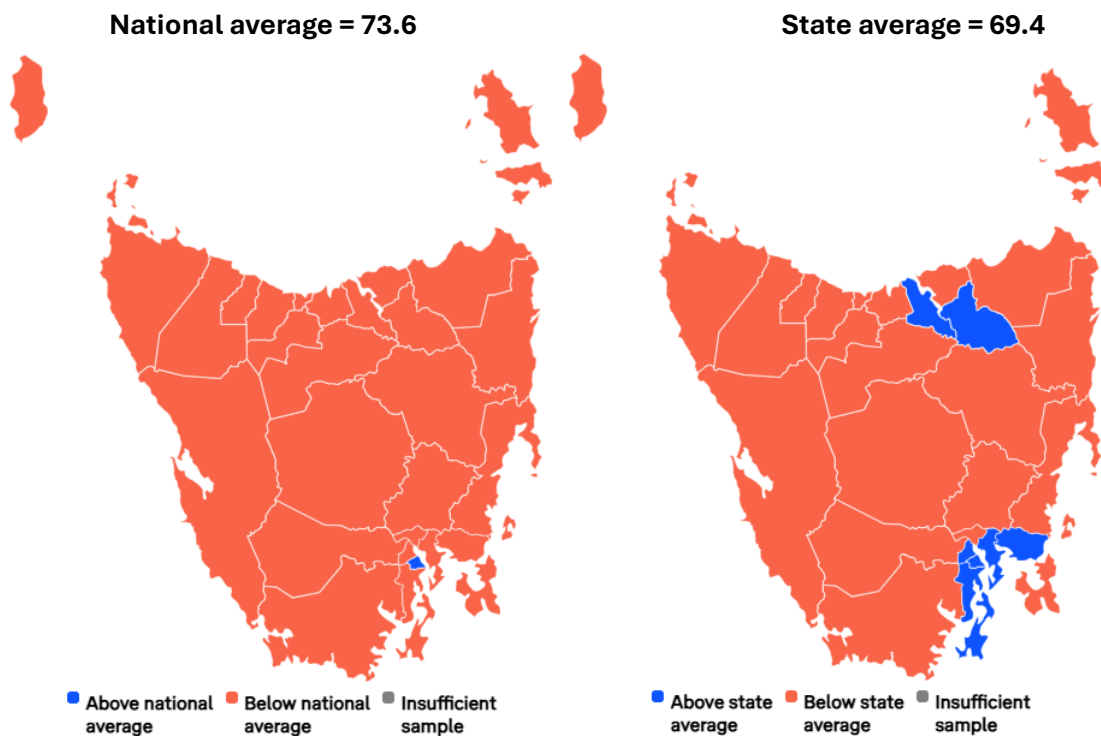
Figure 1 shows Tasmania's digital inclusion score (69.4) is below the national average (73.6) and the lowest of all states and territories. Tasmania also recorded the worst Affordability score (65.4), and Digital Ability score in the country (69.7). Tasmania's scores compared to the national average are summarised in the table below:

Dimension	National Average	Tasmania Score	Gap
Overall ADII	73.6	69.4	-4.2
Access	76.8	73.0	-3.8
Affordability	70.3	65.4	-4.9
Digital Ability	73.6	69.7	-3.9

The State of Digital Inclusion in Tasmania

Figure 2 below compares Tasmania's Local Government Area (LGA) scores against the national and state averages. It shows the only LGA in Tasmania that scores above the national average (73.6) is Hobart (75.3). The rest of the greater Hobart area and regional Tasmania all lag the national average for digital inclusion.

Figure 2: 2025 ADII Scores in Tasmania



When comparing the state average (69.4) with Tasmanian LGAs, only greater Hobart and Launceston score above the state average. The LGAs of Sorell, Launceston, West Tamar, Glenorchy, Clarence, Kingborough and Hobart all score above the state average. The remainder of regional Tasmania lags the state average for digital inclusion.

The Importance of Closing the Digital Divide

The ADII identifies socioeconomic factors as a major driver of digital exclusion. Tasmania's relatively low income, lower levels of educational attainment, high proportion of ageing population and decentralised population, all contribute to our lower rates of digital inclusion.

The Premier's Economic and Social Recovery Advisory Council's (PESRAC) Final Report found taking a bolder approach to progressing digital inclusion in Tasmania was a fundamental element of COVID-19 recovery, and should be accorded a high priority, given its potential to leverage economic and social outcomes. The Tasmanian Government's expert panel found the funding allocated to digital literacy programs and initiatives is insufficient to produce material improvements in Tasmania's digital

inclusion and recommended improving digital inclusion across Tasmanian communities as a priority.²

The Tasmanian Government's recently released *The Wellbeing Framework* further highlights the importance of digital access, skills and literacy to improving the community, governance, learning and place domains, and enhancing wellbeing across the state.³

Closing the digital divide is not just a social imperative, it is an economic one. The benefits of tackling the digital divide have been quantified in a recent report from Good Things Australia.⁴ The report provides a valuable assessment of the impact digital exclusion has on the Australian economy and the benefits that overcoming digital exclusion will have on individuals and society.

The report outlines digital inclusion as a driver of employment growth, social inclusion, enhanced wellbeing and greater productivity. The findings conservatively estimate that **investing in digital inclusion training and financial support will return almost half a billion dollars in annual economic benefits nationally.**

For Tasmania, that equates to more than **\$13 million per year to the Tasmanian economy and \$53 million over the Forward Estimates.**

Supporting the 53,000 highly digitally excluded Tasmanians to participate in the digital economy would deliver an average benefit of \$249 per person/year. The main economic and social benefits include:

- **Economy** — increased employment, upskilling and access to volunteer work, and improved access to online retail services.
- **Government** — greater use of telehealth, better and more efficient access to government services.
- **Social** — being less isolated, less lonely and more connected.
- **Financial Safety** — through fewer people being scammed and more people being aware of how to be safe online.

AI Capacity-Building for Community Services

The adoption of artificial intelligence (AI) technologies is rapidly increasing and transforming service delivery, decision-making and client engagement across sectors. However, the Tasmanian community services industry faces significant barriers to understanding and adopting AI safely and effectively. Without proactive investment, the industry risks falling behind, exacerbating digital exclusion and foregoing the benefits AI can deliver.

² Premier's Economic and Social Recovery Advisory Council (2021), [PESRAC Final Report](#), Department of Treasury and Finance.

³ Tasmanian Government (2025), [Tasmania's Wellbeing Framework](#), Department of Premier and Cabinet.

⁴ Good Things Australia (2024), [The Economic Benefits of Overcoming Digital Exclusion](#).

TasCOSS proposes an AI capacity-building project is initiated for the community services industry. The project would identify practical AI applications, develop AI literacy and governance frameworks, build workforce capability, and identify solutions that drive innovation and lead to improved service delivery, efficiency and client outcomes.

An AI capacity-building project would increase community services industry readiness for the digital transformation and has the potential to improve efficiency, reduce red tape, reduce costs and support industry sustainability.

Recommendations

The 2026/27 Tasmanian Budget is a critical opportunity for the Tasmanian Government to lead a coordinated, whole-of-government response to digital inclusion with long-term investments in:

- **Access** — the availability of the internet and connected devices.
- **Affordability** — the financial means to get online.
- **Digital Ability** — skills to use the internet and devices confidently and safely.

TasCOSS recommends the Budget includes the following targeted investments to narrow the digital divide in Tasmania, lift Tasmania off the bottom of the Australian Digital Inclusion Index (ADII) table and boost the Tasmanian economy:

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Conclusion

Tasmania's poor ADII performance relative to the rest of the country emphasises the need to invest in digital inclusion and close the digital divide so Tasmanians are not left behind.

Improving digital inclusion is not only essential for Tasmania's economic future, but also for better social, health, education and wellbeing outcomes.

Without urgent action, Tasmanians will continue to miss out on the education, employment, health, commerce and social opportunities that being online and using digital technologies confidently will deliver.

Closing the digital divide requires significant, long-term investment, particularly in relation to digital skills and affordability for Tasmanians on low incomes.



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