



Community Services Industry Sustainability *Pulse Check*

A statewide pulse check of industry sustainability

104 Tasmanian community organisations across 27 sectors responded between August and September 2026.

What we asked about

- Financial sustainability
- Service capability and capacity
- Cost and wage pressures
- Fuel disruption and transport
- Long-term sustainability solutions

THE CENTRAL ISSUE

Funding models have not adapted to the cumulative increase in costs, demand and service complexity.

Organisations are continuing to operate by absorbing costs, drawing on reserves, constraining staffing and stretching workforce and volunteer capacity.

104 organisations

27 sectors

Industry-wide survey

The headline picture

Financial pressure is translating directly into reduced capacity and access.

**Only 1-in-5
(21%)**

organisations consider themselves currently financially sustainable

The industry is still functioning, but much of the pressure is being absorbed internally, masking the scale of the sustainability problem.

53%

expect to make a loss

this financial year

81%

Experienced increased demand

without additional resources

60%

turning people away

due to a lack of resources

58%

experienced a reduction in funding

in the past 12 months

Costs are rising across almost every part of service delivery

92-94%

reported increased costs for wages, administration and fuel



88%

say wages are the most significant budget pressure

Award and minimum wage increases are impacting alongside broad-based operating cost increases.

Fuel pressure is already affecting access and delivery

Higher fuel costs are increasing operating costs, constraining outreach and making it harder for clients and volunteers to travel.

Rural and regional communities are feeling the pressure most.

Respondents repeatedly identified distance, limited public transport and volunteer travel costs as barriers to maintaining access.

94%

reported higher fuel costs

across all survey respondents

61%

reported increased business costs

among organisations reporting fuel impacts

35%

said clients were unable to travel

among organisations reporting fuel impacts

25%

have reduced services or may need to within three months

if high prices persist

Funding is not keeping pace with the true cost of service delivery

87%

received no funding for
mandated wage increases

76%

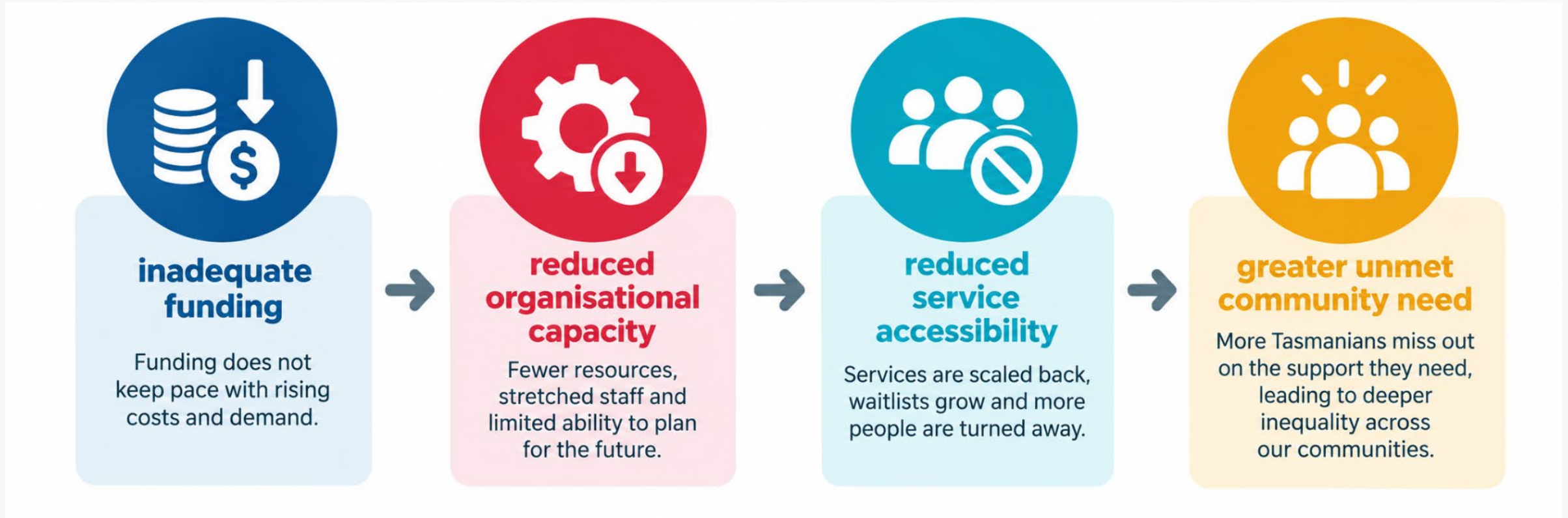
disagree government funding
covers the full cost of service
delivery

The result is a structural mismatch between funding and the true cost of service delivery

Costs are increasing faster than funding or indexation, while short-term and uncertain agreements inhibit workforce planning, investment and longer-term decisions.

The pressures are cumulative, not isolated

Higher costs, demand and complexity combine with inadequate indexation and funding uncertainty.

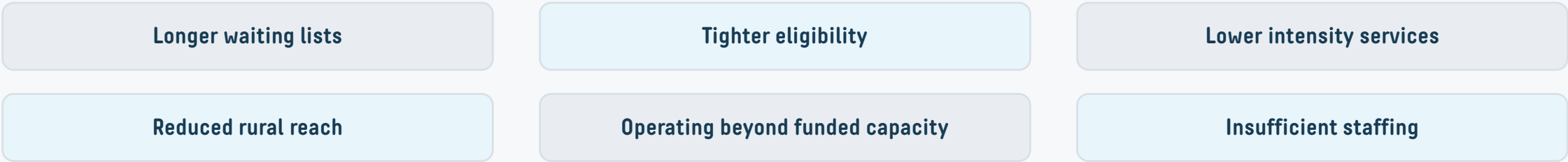


Pressure is already changing service delivery

Organisations are absorbing the gap, but the buffers are finite.



Turning people away due to overwhelming demand and limited resources is multidimensional



Industry sustainability is an access-to-services issue

Financial strain ultimately shows up as unmet community need.



As organisational buffers are exhausted, gradual deterioration can become service reduction quickly.

Why are people being turned away?

Responses point to practical capacity constraints as demand and client needs grow.

CAPACITY

Services are full

"operating beyond our capacity, both staffing and space."

COMPLEXITY

Needs are intensifying

more intensive support and resources are required as client presentations become more complex.

GEOGRAPHY

Reach is constrained

travel time, transport costs and limited local capacity make it harder to meet demand further away

SPACE

Nowhere to expand

insufficient housing, property and physical space limits how many people can be supported

What respondents described happening in practice

Longer waiting lists and waiting times

Referring people elsewhere, people forced to tell their story multiple times

Reduced or lower intensity services

Less capacity to reach rural communities

Eligibility and intake narrowed to those who can be immediately supported only

What unmet need looks like on the ground

In their own words, respondents described people going without, waiting longer and services reaching their limits.

"We now only take people that we can immediately support ..."

respondent describing how limited resources have narrowed intake

"We are regularly operating beyond our capacity, both staffing and space."

respondent experiencing increased demand for emergency relief

"We can't offer anything new or different ... we have zero capacity to increase services."

respondent describing the impact of rising operating costs

"The community pays the price — in isolation, in unmet need ..."

respondent on the consequences of continued underfunding

The common thread: demand is growing faster than organisations' capacity to respond.

What the industry says needs to change

The strongest priorities identified through the pulse check.

76%

Better indexation

a formula that reflects the actual cost
of doing business

66%

**Fund mandated wage
increases**

so organisations are not forced to
absorb workforce cost increases

53%

**Longer-term funding
agreements**

greater certainty to plan workforce,
services and investment

The message from the pulse check is clear:

Community services are absorbing rising costs and demand, but that capacity is finite.

Funding that reflects real costs

Certainty to plan and retain staff

Capacity to keep services accessible

TasCOSS Community Services Industry Sustainability Pulse Check 2026

tascoss.org.au

Next steps

Turning the pulse check evidence into sustained advocacy and action.

1 Brief government

Briefed Minister Roger Jaensch last Friday on the findings and the pressures facing the industry.

2 Build public awareness

TasCOSS took the evidence to the media today to broaden awareness of the impact on services and communities, and will continue to explore opportunities to amplify organisations' experiences

3 Keep advocating

Use the evidence with government, politicians and decision-makers — alongside members and the broader industry — to push for practical reform.

The snapshot is a starting point — the evidence will continue to underpin our advocacy.

Q&A Prompts

1

What resonates — or
doesn't — with your
experience?

2

What are these pressures
actually meaning for
services and communities
on the ground?

3

What else could we be
doing collectively about it?
