

**Hearing the Voices:
Calling for Change
Volume 2 of the Just Tasmania Series**

Social Action and Research Centre

Anglicare Tasmania

January 2001

**On behalf of the Just Tasmania Coalition
Anglicare The Poverty Coalition TasCOSS**

**Hearing the Voices:
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Volume 2 of the Just Tasmania series**

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Also available in the Just Tasmania series:

Hearing the Voices: Life on a Low Income in Tasmania Volume 1, January, 2000.

"All the jobs I've ever worked in are gone." Life on a low income: A consultation with the people of the Huon Valley, July, 1999.

"We're drowning." Life on a low income: A consultation with the people of Launceston, July, 1999.

"I can laugh about it. You have to. But I want to quit this whole show." Life on a low income: A consultation with the people of Burnie, July, 1999.

"I've had days when I've gone without food to feed the kids." Life on a low income: A consultation with the people of the West Coast, July, 1999.

"On low incomes we lose our dreams for our future and ourselves." Life on a low income: A consultation with the people of Circular Head, July, 1999.

"You can't have chicken tandoori, icecream or a roast dinner. You buy home brand and wait for the specials." Life on a low income: A consultation with the people of Clarence Plains, July, 1999.

"We want changes made." Life on a low income: A consultation with the people of the East Coast, July, 1999.

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Poverty In Tasmania: Calling for Change

Poverty has become a persistent feature of the social landscape in Tasmania. It is a poverty born of more than two decades of high unemployment, low social security payments and an economic decline in rural and regional communities.

Unemployment has rarely fallen much below 10% in Tasmania in the past 20 years. These high levels have been particularly devastating because of the long term nature of the unemployment experienced by the majority of Tasmanians who have found themselves out of work. Official statistics can disguise the true picture with recent Centrelink statistics reporting that while 35.5% of unemployed Tasmanians are officially categorised as long term unemployed (12 months or more with absolutely no work), 61% of the 21,572 Tasmanians on New Start Allowance had been on benefits for over 12 months and 44% for more than two years. This type of ongoing unemployment strips individuals and families of their savings, their financial independence and of their ability to fully participate in the life of their communities.

Social security pensions and benefits are the main source of income for 37.4% of the Tasmanian community. These pensions and benefits generally sit on or just above the austere level of poverty defined by the Henderson Poverty Line. The unemployed are forced to live on benefits which are as much as 33% below the poverty line (ACOSS, 2000). This large number of people living on very low incomes combined with the high costs of groceries, electricity, transport in Tasmania further exacerbates the level of poverty experienced in the community.

Increases in social security benefit levels would have the greatest direct impact in reducing levels of poverty in Tasmania. The Just Tasmania coalition has been a vocal supporter of the Australian Council of Social Service in their work on this issue and will continue to work for a more just social security system. However, in this report the focus is on the need for reform on several state level issues. The low income earners consulted as part of the Just Tasmania research indicated that the policy areas included in this publication were the cause of particular hardship in their lives. In summary:

- The failure of the State Government to provide an equitable concessions system means that many middle and high income earners receive generous

concessions while the poorest members of the community miss out completely.

- The billing arrangements of General Practitioners in some areas of the state leave many low income earners unable to afford to access doctors.
- The cost of levies in State schools result in many children from low income families being unable to participate in parts of the curriculum which are redefined as 'discretionary' to excuse the exclusion.
- Long waiting lists and fees imposed for public dental patients put the goal of maintaining dental health beyond the reach of low income earners and leave many with acute problems in pain for extended periods.
- Transport???

For each of these issues the Just Tasmania Coalition, has listened to the voices of low income earners, researched the present situation and called for changes. Each of these changes, we believe, will move us closer to the vision expressed by the strong and resilient people who shared their stories for a Just Tasmania.

A Summary of the Just Tasmania Campaign

In early 1999 representatives of Anglicare, TasCOSS and the Tasmanian Coalition for the Eradication of Poverty (better known as The Poverty Coalition) met to discuss their concerns about the increasing gulf between the rich and the poor in their community, about declining public services and the increased marginalisation of people on low incomes.

It was felt that a coalition of concerned groups could work to raise the public understanding of the issues affecting people on low incomes and to assist people to raise their concerns about poverty in public debate. This led to the formation of the Just Tasmania Coalition “to work for a socially just Tasmania and in recognition that some of the solutions to these issues lay in local action”.

The first task of the Just Tasmania Coalition was to conduct a mass consultation with low income earners to discover how life on a low income was impacting on their lives and relationships. Part of our goal was to help develop a bottom line for a decent life in Tasmania and to hear people’s ideas for individual, community and government action.

To complete this consultation the researchers went on a “Freedom Ride” traveling around rural and urban communities, listening to a deluge of stories of people who were hanging on in spite of enormous financial difficulties.

Reports were prepared for each of the seven communities consulted and the summary statewide report, *Hearing the Voices: Life on a Low Income in Tasmania* (Volume 1 of this series) was released. Tasmanian parliamentarians also had the opportunity to “hear the voices” in person with a forum including one representative of each community held at Parliament House to discuss the impacts of living life on a low income.

A conference designed to assist people to develop community level initiatives was held in Launceston on April 14, 2000. There were practical workshops on how to set up a community garden, food coop or bartering system; workshops about how to become active in the public arena and sessions showcasing successful initiatives from communities around Tasmania. More than 200 people attended the conference and eighty six delegates identified themselves as low income earners, on pensions,

benefits or incomes equivalent to a pension or benefit. Free buses came to the conference and groups attended from the seven original Just Tasmania communities of Smithton, Burnie, Launceston, St Helens, Clarendon Vale, the Huon and the West Coast. There was enormous energy in the Albert Hall as representatives of so many small communities came together to celebrate their resilience and learn from each other.

This publication includes the most recent work of the campaign with more detailed examination of some of the important issues raised as part of the initial consultations.

Currently the work of the Just Tasmania Coalition continues through the development of an Unemployed Workers Network.

Key Findings of the Just Tasmania consultations

- Income levels for people living on Parenting Payment (Single), Disability Support Pension, Newstart Allowance, Youth Allowance and on those incomes which are equivalent to, or lower than, these pensions and benefits are too low to afford the essentials of life.
- Many Tasmanians are being denied the standard of living adequate for the health and wellbeing of themselves and their families – shortages of food, inadequate clothing and difficulties obtaining health care are pressing problems for many.
- The Tasmanians consulted believe that all members of the community are entitled to a standard of living which allows for adequate clothing, food, power, dental services, and health services and for appropriate housing.
- A lack of access to health services is becoming a critical issue in many Tasmanian communities. A lack of access to hospital treatment, specialists, general practitioners and pharmaceuticals is having a negative impact on the health and wellbeing of many Tasmanians.
- Gap fees imposed by general practitioners and specialists and the gap charges on pharmaceuticals are acting to exclude many of the poorest members of our community from adequate health care.
- A lack of affordable and convenient public transport is making access to health, employment, education and support services very difficult for many Tasmanians.
- The notion of free education is being undermined by the apparent funding crisis in the State education system with a range of levies and charges being introduced for excursions, activities, competitions and courses. Two standards of education are now being offered in our public education system with children from financially disadvantaged families being excluded from full participation.
- The access of adult Tasmanians to retraining and further education is severely limited by the lack of further education on offer in regional areas and charges and levies which make education unaffordable to the poorest members of the

community. Opportunities for access to Information Technology initiatives are highly valued but are insecurely funded.

- In many parts of Tasmania what employment is available is casual, ill paid and insecure. Industrial legislation and Centrelink policies need to be reformed to reflect the changing nature of the workforce.
- A lack of affordable and accessible childcare is having a deleterious impact on the ability of parents, men and women, to gain employment.
- Tasmanians value community and see it as essential to a sense of security and well-being. Services which act to support the community, local volunteer initiatives, local services are all highly valued.
- The Tasmanians consulted did not see their economic future as lying with major economic initiatives. They expressed a vision of a community which was community-focussed, sustainable and egalitarian. They recognised that such a community was not achievable unless there was a more equitable sharing of the community's resources.
- The Tasmanians consulted expressed a belief in corporate responsibility to communities. They believed that businesses making a profit in the Tasmanian economy had a responsibility to deliver services in regional and isolated areas where the profit margin might be less.

The participants at the forums expressed their belief that people on pensions and benefits have been scapegoated by the media and political leaders for the structural problems of unemployment and poverty. This stigmatisation had resulted in a cycle of discrimination and disadvantage.

Access to Education

Jo Flanagan

Poverty and Tasmania's children

"Living on a low income? Well, I call it poverty."

Mother raising two sons on Parenting Payment Single, 1999

Tasmania has a high proportion of its community dependent on pensions and benefits (37.4%) and a significantly high proportion of its population dependent on casual, seasonal and irregular wages. Many of these people could be said to have lives which are significantly affected by poverty, that is, their resources are "so seriously below those commanded by the average individual or family that they are, in effect, excluded from ordinary living patterns, customs and activities" (Townsend, 1970).

Impacting on the educational opportunities of children from low income families is the low level of payments for people living on pensions and allowances. According to current estimates of the Henderson Poverty Line¹, significant numbers of pension and benefit recipients are living below it. The Australian Council of Social Service (ACOSS) estimates that benefit rates for unemployed people are now resting 21% below the Henderson Poverty Line¹, while those for single unemployed under 21-year-olds are 33% below it.

These estimates reflect the conclusions of the latest national poverty research, which suggests that the type of households at greatest risk of poverty has changed since poverty was first examined in the mid 1970s (Fincher and Nieuwenhuysen, 1999). This research has shown that in Australia today, the major cause of individual poverty and family hardship is unemployment. People on unemployment benefits have poverty levels above other Australians, even above other people who depend on social security payments. Poverty rates increase with the increasing length of unemployment as people run down their financial reserves. Sole parents are also among the groups with the highest poverty rates. In addition, increasing numbers of couples with children, including families with members in part-time or full-time

1. One of the most widely accepted means of measuring poverty being used in current research is that of the Henderson Poverty Line. This line is an income level designated for various types of households based on a benchmark income which is required to support individuals in what was originally described as "an austere level of poverty".

employment are also making up large numbers of those included in recent poverty estimates.

These findings are significant in Tasmania, where unemployment has been a significant social problem since the mid-1970s and unemployment rates have consistently been higher than mainland averages.

The poverty rates for under 21-year-olds in receipt of the Youth Allowance (currently receiving benefits 33% below the poverty line – ACOSS) are also of great concern in the context of education provision, given the number of young people on Youth Allowance attending High Schools and Matriculation Colleges. Research with young people on Youth Allowance indicates substantial issues with finding enough money to cover the cost of food, transport and housing.

Other factors most strongly associated with poverty are living in a sole parent family and disability (Fincher and Nieuwenhuysen, 1999).

Around 22% of Tasmania's population rely on the pensions and benefits set to support people in these situations as their main source of income (Newstart Allowance, Youth Allowance, Disability Pension and Parenting Payment Single). Around 31,000 Tasmanian children (under 16-year-olds) live in families dependent on these payments. A further 3500 children are living in families dependent on other Commonwealth pensions and benefits (Centrelink, October 2000).

The impact of poverty across Tasmanian communities has deepened dramatically as unemployment has become increasingly long-term. Around one in four Tasmanians are reporting that they are "finding it very difficult" to manage their finances (DHHS, 1998). This is unsurprising, given that Tasmanians living on low incomes are subject to some of the highest prices in the country for essentials. Food prices in Tasmania are among the highest in Australia (*Choice*) comparable with isolated communities such as Broome. Private rental housing costs, while lagging behind Sydney and Melbourne prices are comparable with mainland capitals such as Adelaide and Perth. High domestic power prices combined with a cool temperate climate make for high fuel costs. An inadequate, and in many places non-existent, public transport system make private cars a necessity for many people.

The Healthy Communities Survey (DHHS, 1998) found that almost 10% of Tasmanian adults reported a high level of concern about whether the food that they can afford to buy will be enough. **Almost 6% reported that they could not afford to buy sufficient food for themselves or their children.** On a range of questions, querying whether they worry whether their food would run out, whether their food did in fact run out, if they couldn't afford to eat properly and if their child(ren) is;/are not eating enough because they could not afford enough food, a startling 16.5% of the population reported that this was "always" true.

Further analysis of this data, (as yet unpublished) reveals that these rates were particularly high among unemployed Tasmanians, Tasmanians who are permanently unable to work, Tasmanians who are separated or divorced, Tasmanians in unskilled work, Aboriginal and Torres Strait Islanders, and Tasmanians engaged in home duties (DHHS, unpublished).

Similarly, the Just Tasmania report *Hearing the Voices* (Anglicare, 2000) included among its key findings the conclusion that income levels for people on a range of pensions and benefits "are too low to afford the essentials of life" (p3).

"Many Tasmanians are being denied the standard of living adequate for the health and wellbeing of themselves and their families – shortages of food, inadequate clothing and difficulties obtaining health care are pressing problems for many."

The people participating in this research project had not been identified as being in immediate crisis, yet they revealed constant strain on their budgets which was forcing them to access services such as Emergency Relief as a regular source of income support.

"I can't afford basic food. I have a 16-year-old boy who is always hungry. He eats a loaf of bread a day. One standard loaf of bread a day costs \$1000 per year out of an income of \$12,000 a year. You're feeding a man."

(Participant, Zeehan)

The participants in this research report indicated that they were unable to afford electricity for their homes; unable to access general practitioners for themselves or their children; and unable to afford prescription medication. They reported that the strictest financial controls did not ease their budgetary crises. Regular commitments

such as rental payments and payment plans for essentials such as energy simply shifted the burden of dealing with any unexpected financial pressure to the only discretionary part of their budget – that set aside for groceries. A number reported requiring food parcels from Emergency Relief agencies in order to feed themselves and their families.

The impact of poverty on access to compulsory education

Of particular concern in these research findings are those relating to the situation of children. The Just Tasmania research project found considerable numbers of participants reporting significant social deprivation of children resulting from the income levels of their parents (set through Commonwealth pensions and benefits).

“Children have to stay at home if a trip is on or if I can’t afford their lunch. This happens often.”

(Participant, Circular Head)

“Schools are always asking for money for excursions. My kids don’t go. I can’t get the money. The kids start saying ‘you don’t give me anything’ and the other kids tease them. There’s conflict because they end up hating us.”

(Participant, Burnie)

“I often have to say no to school activities. Sometimes I pay the school over a few weeks. I feel guilty if I say no: I don’t want my child to miss out. Teachers are unrealistic about what kids can afford.”

(Participant, Burnie)

Participants interviewed in these forums talked at length about the difficulty in finding money for a range of excursions and activities offered through schools. Parents reported that their children were denied access to a range of activities, excursions and performances because of their inability to pay. Sometimes this exclusion was policed by the school (their children were excluded from activities) or by the parents themselves. A deep sense of despair was expressed at the limitations on the educational options of their children.

“Schools want money... A little while ago activities week cost \$25. I just couldn’t afford it.”

(Participant, Clarence Plains)

“Our children miss out on sport. If you live out of town there are transport costs and the costs of uniforms and registration fees.”

(Participant, Circular Head)

“You want your children to get a further education but you can’t afford it.”

(Participant, Clarence Plains)

“We don’t have any choice about what kind of education our children get. If our children need that bit of extra help in their education we are unable to provide it, as we struggle to meet the demands of school clothing, trips, and all the other extras throughout the year.”

(Participant, West Coast)

Young people living on Youth Allowance also attended the forums. They reported the following difficulties with their income levels:

“I find it hard going to school because of what it costs.”

(Participant, St Helens)

“We can’t afford school excursions and if we don’t go we get “unexplained absences”.”

(Participant, Burnie)

“When I started Year 11 I couldn’t afford the books.”

(Participant, St Helens)

Families on stringent budgets are also sensitive to the requests from school for money to support school fundraising initiatives.

“My vision of a decent society is one where schools didn’t have to fundraise so hard – parents are not asked for more and more.”

(Participant, Huon Valley)

It is arguable that poverty contributes to poor retention rates. Retention rates in Tasmania are among the lowest in Australia. Tasmanian girls have the lowest

retention rate of any state, and our boys the second lowest. (ABS, Social Trends, 2000)

Exclusion of children in our public education system is not acceptable. Child poverty was identified as a major social policy concern in the 1980s and was significantly moderated by the policy response, which included substantial increases in Family Allowance. However, child poverty has been ameliorated, not eliminated. Significant social exclusion of children from low income families continues.

Valuing public education

The introduction of free and compulsory public education systems in Australia was based on the belief that quality public education is an essential building block to social cohesion and a functional democracy. A century later it remains evident that Tasmania's social progress is dependent on the quality of the education and training available locally. Properly resourced public education infrastructure, staffing, and specialist services are essential to the achievement of a quality education service.

Yet in spite of the importance of public education to our communal good, Australia's public schools have endured more than a decade of shrinking budgets. Funding formula have moved further and further in favour of private schools. Since 1973-74, when 71% of Commonwealth funding went to government schools, the balance has shifted inexorably in favour of private schools, so that today 60% of Commonwealth funding goes to private schools (which cater for only 30% of students) (Australian Schools Lobby). Further moves to advantage private schools at the expense of public seems on the agenda as the move to redefine public education from being a public good to a commodity for sale in a market place gains widespread political support.

The increasingly constrained funding levels for schools are felt most acutely by those who do not have the financial reserves to employ private services. Increased class sizes, declining access to specialist teachers and support services have been widespread.

"My son has a cochlear implant and he lost speech therapy altogether. Not because of the implant – just lack of staff."

(Participant, Launceston)

“Children need regular and reliable support. My son has been prescribed speech therapy for the past 2 months but he has not had it all this year because of leave, conferences etc for the Education Department Speech Therapists.”

(Participant, Launceston)

“You shouldn’t feel that you have to be an aide at school for your kids to get a decent education. It should be something that you can do if you want to, as an extra.”

(Participant, Clarence Plains)

The move towards greater autonomy for individual schools has, in theory, created greater flexibility to meet local needs and expectations. It has also left schools with fixed budgets and full responsibility for the decisions made with regard to these. With expanding demands on these budgets, principals and school communities are now making difficult decisions about resource allocation (for example, should resources be put into a physical education teacher or a librarian or more teachers to keep class sizes small). Schools and Principals are sandwiched between the real needs of the students and pressures to market their school well to attract students and, therefore, funding.

While the directions of public education should be of concern to all Tasmanians, they are of particular concern to Tasmanian families living on low incomes as it is their children who are most at risk of falling through the cracks of an under-resourced system.

Assistance available for low income families with children in full-time education

Student Assistance

Student Assistance is a means tested grants scheme which is intended to offset the levy costs faced by parents in enrolling their child in full-time education. It is available to students at government and non-government schools.

STAS is provided to schools in two ways. The first is a specific per-capita grant to the school. The second is as “a socio-economic component of a number of funding and staffing allocations.”

The STAS grant is paid directly to the school to offset the costs of compulsory levies. Should schools set compulsory levies at a level higher than the grant covers, the school is required to cover the gap.

Table 1. The annual per-capita rates paid to schools for STAS eligible students

		Kinder	Prep - 6	Grades 7 - 10	Grades 11 and 12
1995	-	\$41.00	\$52.00	\$112.50	\$181.00
1998					
1999	-	\$45.10	\$57.20	\$123.75	\$199.10
2000					

(Source, Dept of Education)

STAS eligible students are not required to cover the costs of books or those charges and activities which are essential for participation in their educational program. However, STAS eligible students may be required to pay a “discretionary levy”, that is, the levy charged by the school for those activities or excursions that are considered as “desirable”, but not “essential”.

Levies are set by individual schools in consultation with their parent associations. Discretionary levies are set through this process and are intended to reflect the program being offered in the school and the “educational expectations within the school community”.

Levy exemption for families on low incomes through the STAS system is therefore only partial. Families are often required to meet the costs of the discretionary levy, plus the “hidden” costs of education. Research conducted in the ACT, South Australia, Victoria, NSW and Queensland indicates that the real costs of education are significant and are not addressed in significant way by levy exemption. Hidden costs include: uniforms, school camps, excursions, sporting activities, paper, photocopying, travel expenses, materials for assignments, school entertainment, school fundraising, elective costs, school photos, and charity fundraising conducted through schools. This research indicated that while mainland levies averaged \$119, the real cost of sending a child to secondary school was \$1432 pa and to primary school was \$1011 pa (Smith Family, 1999).

Additional levy costs are significant imposts on families living on low incomes.

Income Test

The income test is based on the total parental taxable income and the number of dependent children. Students who qualify as independent students may also be eligible for STAS.

Table 2. The eligibility criteria for the 2000 STAS Scheme

No. of dependent children	Income per week	Annual income
1	\$384	\$19,968
2	\$444	\$23,088
3	\$504	\$26,208
4	\$564	\$29,328
5	\$624	\$32,488
6	\$684	\$35,568
7	\$744	\$38,688
8	\$804	\$41,808

(Source, Dept of Education)

STAS eligibility does not reflect the Henderson Poverty Line assessments. It is possible for a family to be living below the Henderson Poverty Line and yet not be eligible for STAS.

Table 3. The eligibility for the 2000 STAS scheme, by the Henderson Poverty Line (pre-GST)

Number of dependent children	STAS eligibility cut off	Poverty line for family with head in the workforce (includes unemployed)	Poverty line for a family with head not in the workforce (includes pensions)	Poverty line for single parent in the workforce (includes unemployed)	Poverty line for single parent not in the workforce (includes those on Parenting Payment Single)
1	\$384	\$417.60	\$368.48	\$331.41	\$284.24
2	\$444	\$487.80	\$438.68	\$403.56	\$354.43
3	\$504	\$557.99	\$508.87	\$473.75	\$424.63
4	\$564	\$628.19	\$579.07	\$543.94	\$494.82

(Source: Poverty Lines: Australia, March Quarter 2000, Melbourne Institute of Applied Economic and Social Research. This data includes housing costs.)

The figures in bold indicates those income levels which are on the poverty line but are not eligible for Student Assistance.

Data for the revised poverty lines after July 1st will not be available until December 2000. However the 4% increase is not expected to impact substantially on the numbers of pensioners and beneficiaries living below or on the poverty line.

The take up of STAS

The number of students eligible for STAS has been increasing over recent years. Statewide, around 40% of students in Government schools qualified for student assistance in 1999. Just over 14% of enrolments in non-Government schools are eligible for STAS.

Table 4. Government Schools Statistics

Year	% of STAS eligible students	No. of STAS eligible students
1997	36.4%	26,328
1998	38.5%	27,900
1999	39.6%	29,045

(Source, Dept of Education)

Table 5: Non-government schools Statistics

Year	% of STAS eligible students	No. of STAS eligible students
1997	12.9%	2,748
1998	14.0%	2,965
1999	14.3%	3,012

(Source, Dept of Education)

Ten years ago 18.28% of students in our public schools were eligible for STAS (*Parents and Friends Association*). In this decade this number has more than doubled. This is a reflection of the high levels of unemployment, the lengthening duration of unemployment, together with the increasing concentration of unemployment on disadvantaged families and neighborhoods, which has been an Australia-wide phenomenon in this period.

A significant proportion of the public school population are now living on incomes which make them require special assistance to meet the cost of education. Schools must develop uniform and levies policies which reflect the needs of such a substantial population.

Recommendations

That the STAS formula is revised to increase funding to schools. This would make it possible for schools to waive further charges and costs for all families on Health Care Cards.

That STAS cut off levels be raised to ensure all families on Health Care Cards are ensured eligibility.

The Levy system

Levies are the charges faced by parents to cover the costs associated with their child's education. In the Tasmanian system, there are three components to the levy charges: these are books, required items and discretionary items. The books and required items components are defined as essential to a child's education. State Guidelines state that if payment is not received from STAS or the parents for the books or required items, they must be provided from the school's resources. Discretionary items are those which are "desirable" to support participation in the normal educational program. Again, State Guidelines state that "if payment is not received, the school may choose to utilise school resources, or not to provide the item or service".

Tasmanian state schools have implemented a confusing range variety of financial systems around the levy system. Terminology to describe the levies varies from school to school with some schools referring to the compulsory component of the levy as the "discretionary" levy while the extra charge – for excursions, performances and extra activities is known as the "cultural levy" the "performance levy" or, again confusingly, the "compulsory levy". Any presentation of the levies as a "composite levy" implies that the total must be paid and runs counter to department policy which demands a fully transparent system for parents. The effect of this variety of terminology and systems is to make the levy system largely closed to discussion or evaluation.

With regard to the management of levies; some schools prefer to have hefty levies at the commencement of the school year (usually payment can be negotiated over time) with no extra charges during the year. Others prefer a lower nominal levy with extra charges occurring as performances or excursions arise. This range of systems makes comparison of levies across the state almost impossible as many charges are hidden.

The last survey of school levies and other charges was conducted by the Department of Education in 1996. Updated information is due to be collected later this year. For the purpose of this paper around one-third of Tasmanian public schools were approached for their levies charges in 2000.

Table 6. Average of levies and other charges, 1996

	Amount
Senior Secondary – academically oriented course	\$327.89
Senior Secondary – vocationally oriented course	\$361.59
Year 10	\$249.75
Year 6	\$106.11
Kindergarten	\$71.08

(Source, Dept of Education)

Table 7. Range of levies and other charges, 1996

	Minimum	Maximum
Senior Secondary – academically oriented course	\$210.00	\$372.00
Senior Secondary – vocationally oriented course	\$187.00	\$550.00
Year 10	\$75.00	\$630.50
Year 6	\$50.00	\$230.00
Kindergarten	\$20.00	\$170.00

(Source, Dept of Education)

Table 8. Average of levies 2000 (Anglicare survey)

	Amount
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Year 6	\$122.45
Kindergarten	\$81.33

Table 9. Range of levies 2000 (Anglicare survey)

	Minimum	Maximum
Year 6	\$60	\$220
Kindergarten	\$45	\$143

Table 10. Comparison of levies with STAS allocation (2000)

	STAS allocation 1999 - 2000	LEVIES
Kinder	\$45.10	\$81.33 (Anglicare survey, 2000)
Prep - 6	\$57.20	\$122.45 (Anglicare survey, 2000)
Grades 7 - 10	\$123.75	\$249.75 (Dept survey, 1996)
Grades 11 and 12	\$199.10	\$344.74 (Dept survey, 1996)

Any comparison of levies with STAS allocation, either current figures, or the now out of date figures of the 1996 survey, reveals a disturbing gap between the level of support given to low income families and the levies requested by schools.

The Department of Education does not exercise a cap on levies and as a result a wide disparity has emerged between schools at the extremes of the spectrum. The issues for the Tasmanian community are not only the pressures high levies might put on parents whose children are in schools at the higher end of the levy spectrum but

the picture of widely differing educational expectations of different schools within the public education system.

The Guidelines for School Levies, 2000 issued by the Department states that levies will be set by the Principal with the agreement of the School Council. Where a school does not have a school council, the school's parent body must be consulted on the amount of levy charges. The experience of community service agencies suggests that the barriers to participation in such committees would be beyond the resources of many families living on low incomes – the cost of transport, childcare and an expectation that they participate in the social functions of committees often makes participation prohibitive. Furthermore, research has indicated that where parents are having difficulty meeting the costs of education, they are inclined to withdraw from contact with the school (The Smith Family, 1999). There is a danger, therefore, that the “educational expectations of the school community” as defined by a School Council or formal parent body could in fact reflect the expectations or resources of more affluent or well-resourced groups within the parent body.

Education Department policy clearly states that children whose families are unable to pay for required or discretionary levies are to be spared any embarrassment. However, reminders to children directly, to families indirectly through school newsletters and the exclusion of students from school activities can all act to cause children considerable embarrassment. Some schools place outstanding levies in the hands of debt collectors, bringing a considerable level of pressure to bear on families who will not, or cannot pay.

Recommendations

That levies be capped and some effort made to minimise variation in the total amount schools are able to charge for discretionary activities.

That the Department of Education issue guidelines to ensure an accountable and transparent levy system open to ready evaluation. Guidelines to cover consistency of levy definitions, and a reporting process on all imposts met by parents each academic year.

That Department of Education Social Workers should be consulted in the process of deciding on uniform requirements and levy requirements.

Uniforms

School uniforms are also a cause of great concern to families living on low incomes. Uniforms offer potential savings to families when they are reasonably priced and functional clothing for children to wear to school. However, even the most reasonably priced and second-hand uniforms are beyond the budgets of many families.

Uniforms have also become an important tool in the ‘branding’ strategies of schools keen to market themselves as “good schools” to the local community. Community service workers report that students are excluded from school activities, and at times they are even forbidden to leave school buildings, if they do not have the required uniform. Incidents of schools refusing to allow a new pupil to start until the correct uniform has been purchased have also been noted. Workers also report that young people rehoused after a period of homelessness and reintegrated into school may find themselves subject to pressure to use their limited funds to purchase uniforms, at risk of suspension.

Assistance is available for students from low-income families. Education Department Social Workers assist families to use the services of community agencies such as the Save the Children Fund and the Sunshine Association to get assistance for uniforms. However, these agencies report that they are increasingly unable to meet the number of requests for assistance. The Education Department also offers special bursaries for children in years 7 – 10 to assist with the costs of uniform. These bursaries are offered to families in emergency situations at the recommendation of Education Department Social Workers.

Action needs to be taken to ensure that uniform costs do not exceed the ability of low income families and that discrimination against students whose families cannot afford uniform does not occur. An injection of funds into the uniform bursary system and an extension of this program to all students, K – 10 would also be an important step.

Recommendations

That Education Department policy require that Education Department Social Workers be consulted by School Councils in the process of deciding on uniform requirements and levy requirements.

That Education Department policy with regard to school uniform needs to be enforced with individual schools.

That the Education Department special bursary system for uniforms should be extended to years K – 6 to assist parents of primary children with the costs of uniforms in emergency situations.

Summary

Levies and extra charges are beyond the financial capacity of many families. This can result in the exclusion of students from part of the curriculum and lead to social exclusion at school.

STAS cut off levels are below the Henderson Poverty Line.

Differing “educational expectations” are developing between schools within the public education system and this is being sanctioned by the Department of Education.

Funding for schools needs to be increased to ensure greater access to support services and specialist teachers.

Recommendations

That STAS cut off levels be raised to ensure all families on Health Care Cards are ensured eligibility.

That STAS formula be revised to increase funding to schools. This would make it possible for schools to waive further charges and costs for all families on Health Care Cards.

That levies be capped and some effort made to minimise variation in the amounts schools are able to charge for discretionary activities.

That the Department of Education issue guidelines to ensure an accountable and transparent levy system open to ready evaluation. Guidelines to cover consistency of levy definitions, and a reporting process on all imposts met by parents each academic year.

That Education Department Social Workers should be consulted in the process of deciding on uniform requirements and levy requirements.

That Education Department policy with regard to school uniform needs to be enforced with individual schools.

That the Education Department special bursary system for uniforms should be extended to years K – 6 to assist parents of primary children with the costs of uniforms in emergency situations.

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Concessions

James Boyce, Jo Flanagan & Kelly Madden

Concession schemes can act to assist low income earners from being caught in a cycle of poverty and financial crisis. However, many Australian state concessions systems have become anachronisms, reflecting the presumptions of the 1950s and 1960s . They are designed for a world of low levels of short-term unemployment with special long term assistance targeted at those who would be likely to be in receipt of income support for longer periods – the aged, people with disabilities and sole parents.

Today our concessions systems are poorly targeted and the differences from state to state make for regional inequalities. Tasmanians living on Newstart and Youth Allowance are the most severely disadvantaged in terms of income levels. Newstart Allowance for a single person is 21% below the Henderson Poverty Line. Youth Allowance for a single person under 21 is 33% below the poverty line – yet these people are largely excluded from the assistance the concession system can offer (ACOSS, 2000).

Low income earners in Tasmania are further disadvantaged through a lack of access to a range of schemes offered to people living on low incomes in a range of other states. An unemployed person moving to Tasmania from Victoria would lose access to a range of concessions, waivers and would also lose access to emergency grants to assist with the payment of essential bills.

Welfare groups are increasingly calling for a more equitable concession system, particularly to address the impact of large domestic power bills.

“Anglicare’s recent report **Paying the Family Bills** and its submission to the Office of the Tasmanian Electricity Regulator pricing inquiry document the urgent need for electricity concessions to be extended equitably to all low income people. The current situation is so urgent and unsustainable that community organisations are increasingly having to use scarce emergency relief money to pay arrears, effectively subsidising electricity bills.”

(Boyce and Madden, 1999)

The Regulator has indicated his concern at the issues raised in submissions from Anglicare and TasCOSS.

“The implementation of the concession system is of concern to Aurora, the welfare sector and the Regulator as it impacts on the costs of administration, Aurora’s credit management and the welfare costs of dealing with those experiencing hardship.”

(OTTER, Sept 1999)

Access to concessions is an important way for individuals and families to reduce non-discretionary spending on items such as electricity and transport costs. Many of the individuals consulted in the Just Tasmania forums talked about the household crises that these “big bills” cause.

“Having power on is the most important thing. I’ve had times when the freezer, the fridge and the cupboards are all empty bit at least we have had power,” Clarendon Vale Participant, June, 1999.

“We haven’t had heating for five weeks,” Launceston participant, July 1999.

“I’ve had days when I’ve gone without food to feed the kids. I’ve done that a lot, you get used to it. It probably happens every couple of months – when the Hydro bills come in “ West Coast participant, July 1999.

For many of the families consulted in the Just Tasmania campaign, groceries were the only area where cuts could be made when large bills were due as the rest of the budget was already allotted to items such as rent and other bills. Many of these families were in constant credit arrangements with service providers, paying off the balance of previous bills and trying to save for future bills. For many of these individuals and families the issue was not one of trying to stick to a budget but one of being an excellent budgeter with an income which simply did not cover all of the basic needs of life.

“When the money arrives I budget. What can I pay? What can wait? And what is left? – that gets the food. This week there was nothing left for food.” Launceston Participant, July 1999.

"I have done my budget up to December" Clarendon Vale Participant, July 1999.

For these families the basic concession presently available to pensioners could be the difference between constant debt and running out of food when the Aurora bills or Car Registration come due and being able to manage to meet the basic needs of life on a low income.

One participant from Clarendon Vale described her vision of a decent standard of living as: *"We would have just a bit more money for the big bills. The big bills are the killers. The Hydro, Telstra, the Rego. These are essentials."*

Calling for Change: General Options for Concession Reform

Equitable reform of concessions requires a combination of new expenditure, reform of existing concessions and improved targeting within the current system.

Some of the main items of current expenditure (2000-2001 budget) are pensioner rates remissions (\$11.95 million), electricity concessions (\$11.33 million) and the land tax residential concession (\$6.79 million). In 2000/1 the Treasurer responded to the hardship faced by low income Tasmanians with regard to electricity accounts and extended the concession on the 5% Aurora levy to all Health Care Card holders – a Budget allocation of \$1.87m.

Targetting of concessions: a priority

However, the bulk of available concessions still do not reach Tasmania's 34,890 lowest income earners, the unemployed or those on Youth Allowance (Centrelink, July 2000). On the other hand, for example, older single people on annual incomes of \$28,000 or couples on pensions of \$47,000, (almost triple that of the excluded group), still receive a part pension and are therefore entitled to all State Government concessions.

Table 1. An example of concession eligibility by income

	Annual income	Electricity concessions entitlement
Single, 21 yr+ Newstart recipient	\$9,700	Nil
Single aged pensioner (max. eligibility)	\$28,300	44c/day
Couple, Newstart Recipients	\$16,200	Nil
Couple, aged pensioners (max. eligibility)	\$47,200	44c/day

There are obviously some valid targeting questions within the current policy, with the budget implications of this likely to grow as the number of retired people on moderate but relatively reasonable incomes supplemented by a part pensions, increases. This growth will be driven by both the ageing of the population and the increasing incomes available to some in this group due to changes in Commonwealth retirement incomes policy since in the early 1980s.

The policy aim should be to direct the available financial assistance equitably. Health Care Card income eligibility levels are the fairest standard to apply.

Affordable reform to ensure all those on Health Care Cards receive equitable benefits will probably require reductions in some of the current concessions not well targeted at low income people and/or tightened eligibility for others to exclude those on higher incomes.

Tightening concession availability would seem to require that some proof of annual income be provided along with the pensioner concession card, and only those with annual incomes below health care card eligibility limits, be entitled to certain benefits.

Those whose main source of income is the pension would be unaffected and only required to answer an income question when first applying, with further paperwork only required if individual circumstances change.

Options

Abolishing residential land tax concession for moderate and high income earners

The main progressive option available in reducing the current concessions is to abolish the residential land tax concession for all except low-income earners. This change alone would largely fund the extension of electricity concessions to all Health Care Card holders.

Abolishing rates concession for moderate and high income earners

Restricting the 30% pensioner rates concession to those on low incomes would have the greatest budget impact. This concession, which unchanged will probably cost over \$12 million in the next Budget, offers a benefit only to homeowners, and currently provides the greatest benefit to those in high value homes.

Extending Pensioner concessions to all Health Care Card holders

Simply extending the eligibility of the current system of Pensioner concessions to all Health Care Card holders with no other changes is another option, but would require significant budget outlays. Boldness in state taxation reform could achieve the necessary revenue.

Reviewing the Heating Allowance

The Heating Allowance, a twice yearly grant of \$28 available to Pension Care Card holders is an ineffective and inequitable concession. The sum is insufficient to buy even a half tonne of wood and represents only a 6% concession on an average annual electricity bill of \$900.

In addition, take up of this concession is poor. Only a fraction of the eligible recipients take up the scheme. There are currently 83,561 Pensioner Concession Card holders in Tasmania, yet only 6675 of these received the Heating Allowance in March 2000. In fact, in spite of increasing numbers of the population being in receipt of various pensions, the number of recipients of this allowance has declined by 62% since March 1993.

The Heating Allowance echoes further inequalities in the concession system as the only other concession for low income earners, a concession on accounts of Pension Care Card Holders of 44c per day, is also not available to the 45,844 holders of Commonwealth Health Care Cards. This is in spite of the acknowledgment of the needs of this group in the last State Budget.

An effective overhaul of the Heating Allowance would see this grant merged into a larger scheme of direct concessions to all HCC and PCC holders and this budget allocation directed towards a “Revised Heating Allowance”.

However, removing the Heating Allowance from those Pensioner Concession Card holders whose incomes are on or below the poverty line is only acceptable as a first step on an overhaul of the concession system which will see further assistance directed at those people in the community who are most financially disadvantaged. Effective targeting of concessions would make further concessions to the poorest in our community possible.

Redirecting savings from the Government Surcharge Concession

In its 2000/1 Budget the State Government acknowledged concerns about the situation of many low income earners with regard to electricity accounts and extended the waiver on the 5% government surcharge to all Health Care Card holders. Presumably the allocation of \$1.87m was based on a calculation of 5% of an average electricity account (\$900) multiplied by around 41,500 HCC holders.

As indicated above, Health Care Card holders take up of the Government surcharge concession has been low. Should it continue at its current rate (a very generous estimate), at the end of 12 months 25,200 Health Care Card Holders will be receiving the concession. The actual cost of provision of this concession to this number will then be around \$1.13m, a saving of \$740,000 on the original estimate. These savings could also be directed towards a “Revised Heating Allowance”.

A “Revised Heating Allowance”: an extension of the electricity charge waiver

An extension of the electricity charge waiver of 44c a day to Health Care Card holders is a significant gesture towards equity among low income earners. A projected costing of this “Revised Heating Allowance” suggests that significant amelioration of fuel poverty could be offered to Health Care Card holders at little cost to the State.

Projected costing of the “Revised Heating Allowance

It is difficult to estimate the cost of this concession as the number of Health Care Card holders is significantly greater than the number of account holders. However, the experience with the electricity charge waiver for PCC holders does provide some basis for providing a reliable estimate.

Like the electricity charge waiver, a concession system for Health Care Card holders will necessarily be targeted at those who are account holders. Take up of the Aurora Government surcharge concession in the first two months of its introduction has been very low – only 2100 in the first month. While these low numbers may be due to the low level of advertising of this concession they also suggest that take up of further electricity concessions will not be overwhelming because the number of potential account holders will be limited. Should the take up rate of this new concession continue at current levels, only 25,200 of the 45,844 Health Care Card holders will have applied for the concession – a take up rate of 55%. An extension of the 44c a day concession to this number of card holders will cost the State \$4.04m.

Table 2. Heating Allowance, existing and revised

The existing Heating Allowance			
Eligible Recipients	Number accessing the concession	Budget	Rate pa
83,651	6675	\$385,000	\$56
A Revised Heating Allowance (extending the present electricity charge waiver)			
Eligible Recipients	Number accessing the concession	Budget	Rate pa
83,561 PCC holders	61,000 claimants	\$9.7m	44c/day = \$160 pa
45,844 HCC holders	25,200 claimants	\$4.04m	44c/day = \$160 pa

Merging the old Heating Allowance budget into this allocation and redirecting the savings from the waiver on the government surcharge on Aurora bills would reduce the required new budget allocation for a Revised Heating Allowance substantially.

Table 3: The Revised Heating Allowance: projected costing

Savings from Heating Allowance	\$385,000
Savings from Aurora Concession	\$740,000
<i>Cost of Revised Heating Allowance</i>	<i>\$4.04m</i>
Total new allocation:	\$2.91m

Conclusion

Clearly reform of the concession system is needed. Such reform will need to proceed with care and it is recommended that a working party be urgently established to consider the policy options. It is likely that some combination of the above options is needed with new budgetary expenditure required. This expenditure would be partially offset by savings generated through other reforms.

Access to Health Care

Kelly Madden

Access to medical care is listed in the United Nations Declaration on Human Rights as a fundamental entitlement for all people (Article 25). It might be assumed that this goal has been achieved in Australia. However, for many Tasmanians living on low incomes, access to basic health care services is being restricted by the imposition of “gap charges” for General Practitioner (GP) services.

Gap charges are special fees imposed by GPs over and above the Medicare benefit. For a standard GP visit of up to 20 minutes the Medicare benefit is \$22.95. GPs who bulk-bill or who charge the “Medicare rebate only” accept this as full payment for their services. Doctors who impose a gap charge ask their patients to pay an additional fee directly to the doctor.

International research has shown that, “out of pocket payments such as co-payments are highly negatively correlated with social equity” (Saltman in Turrell et al., 1999). Such payments restrict access to health services for patients who are unable to afford gap payments. Local research has confirmed that some low income earners are restricting their use of General Practitioners because they are unable to afford the cost of gap payments (Flanagan, 1999) (DHHS, unpublished). Most Tasmanian doctors who do not routinely bulk-bill low income earners will bulk-bill in cases where they judge that there is financial hardship or special circumstances. However, this practice fails to recognise the ongoing financial hardship which characterises the lives of people who are living on low incomes, particularly social security benefits.

General Practitioners in Tasmania

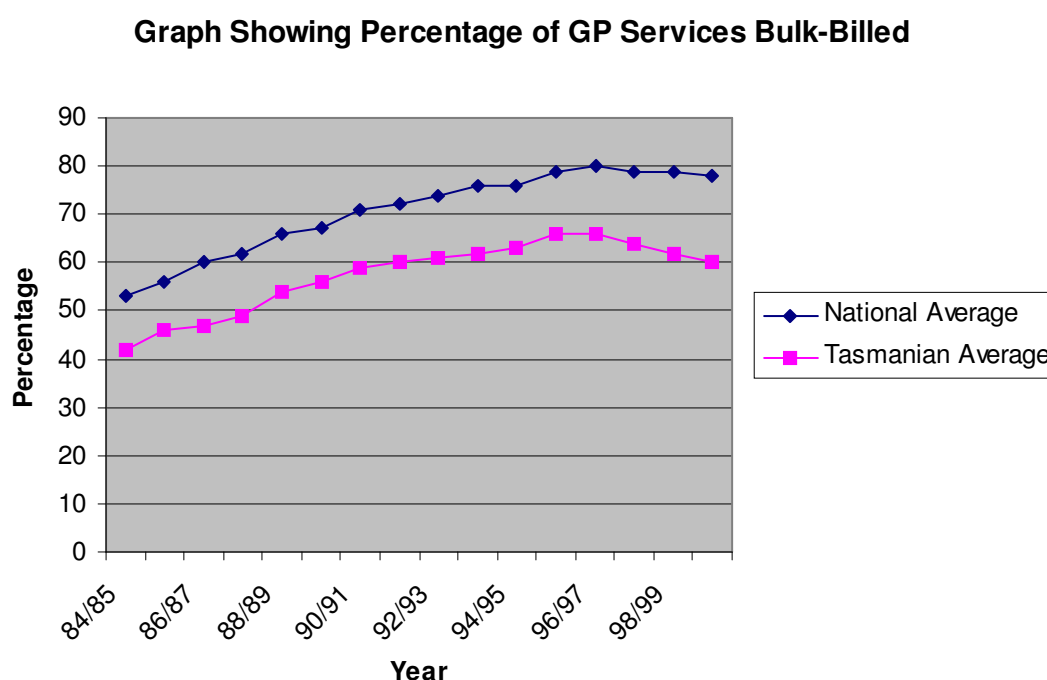
Like all states, Tasmania has had difficulty in recruiting doctors to rural postings and Australian Bureau of Statistics figures from 1996/97 show that there are two rural statistical local areas where there are no GPs (see Map 1) (ABS, 1999). Generally Tasmania has slightly fewer GPs for its population size than the national average with a population of 1325 per general practitioner compared to the national average of 1290 people per general practitioner.

The percentage of services bulk-billed by Tasmanian GPs has historically been much lower than the national average (see Figure 1). The percentage of services bulk-

billed rose more gradually in Tasmania up to a peak 1996/97 and has declined more quickly than the national average since then (see Figure 1). Tasmania has been well behind the other states on this measure since the Health Insurance Commission began collecting this statistics in 1984 (HIC, 1984-2000). Since 1997/98 Tasmania has dropped below the ACT to have the lowest percentage of GP services bulk-billed of any state or territory in Australia (HIC, 1984-2000).

Federal Government payments to General Practitioners in Tasmania in the 1999/2000 financial year totaled around \$55 million through payments for services and the Practice Incentive Program.

Figure 1



A Tasmanian Study of Bulk-Billing Practices

Anglicare recently surveyed Tasmanian general practices to investigate levels of bulk-billing and gap charges for people holding Health Care or Pension Concession Cards. All practices in the South and North West were surveyed. The Northern Division of General Practice declined to provide a list of practices for the region so all practices listed in the northern Yellow Pages were surveyed. The telephone survey was completed between Wednesday June 21 and Friday July 21, 2000. Two practices were uncontactable and one practice declined to participate. These

practices were excluded from the analysis. A total of 168 practices were included in the analysis. For ease of reading, those few practices which charged “Medicare Rebate Only” have been included under the “bulk bill” category as neither of these methods leave patients with a gap charge.

Bulk-Billing Patterns for Low Income Earners

Statewide it was found that 60% of practices had at least one doctor who routinely bulk-billed both Health Care Card (HCC) and Pension Concession Card (PCC) holders. A further 7% of practices had at least one doctor who routinely bulk-billed PCC holders but not HCC holders. Two per cent of practices had at least one doctor who routinely bulk-billed some other low income group such as HCC holders on full unemployment benefits or children of HCC holders. In 31% of practices all doctors routinely charged gap fees for PCC and HCC holders. A small number of these practices bulk-bill after a certain number of visits to the doctor in a year or month or for follow-up visits about a continuing problem. Doctors also had discretionary power to waive the gap fee for cases with special circumstances or hardship.

There were significant variations across the regions (see Table 1) with a particularly high proportion of practices charging gap fees to PCC and HCC holders in the northern region, especially in Launceston. The North West Coast had the lowest proportion of practices imposing gap fees on HCC and PCC holders (see Table 1).

Table 1 Table showing GP practices billing patterns for low income earners

Region	Bulk-billed all HCC & PCC holders*	Bulk-billed PCC holders only*	Bulk-billed other group*	Routinely charges a gap fee for HCC and PCC holders
North	48%	7%	2%	43%
North West	67%	11%	3%	19%
South	65%	2%	1%	32%
Statewide	60%	7%	2%	31%

*At least one GP in the practice routinely has this arrangement

There is anecdotal evidence that the low number of bulk-billing practices in the north has led to a snowball effect where practices which continue to bulk-bill HCC and

PCC holders are inundated with patients. In several cases, practice managers said that they were not accepting any new patients or were not bulk-billing new patients in an effort to reduce the demand for their services. These practices had found that as other practices ceased bulk-billing many patients were searching for a practice which bulk-billed, creating very high levels of demand.

The geographical location of practices which do not impose gap fees on low income earners is another important issue. There are particular problems with access to GPs who do not impose gap fees for HCC and PCC holders in the Northern Midlands and into Launceston. There are also problems for HCC holders in the far North West Coast.

Rural GP practices are much less likely to impose gap fees than practices based in the Greater Hobart area and the cities of Burnie, Devonport, and particularly Launceston (see Table 2).

Table 2 Table comparing rural and city GP practices billing patterns for low income earners

Location	Bulk-billed all HCC & PCC holders*	Bulk-billed PCC holders only*	Bulk-billed other group*	Routinely charges a gap fee for HCC or PCC holders
Rural	78%	2%	0%	20%
City	50%	7%	3%	40%

*At least one GP in the practice routinely has this arrangement

Gap Charges

The actual level of gap charges varies significantly among practices with gaps ranging from as little as 35c to \$17.50 for a standard consultation of up to 20 minutes. The gap charges vary regionally and between concession types (see Table 3) with the most expensive gaps in the northern region and the least expensive gaps in the north west. Pensioners are generally charged less than Health Care Card holders. In the north of the state there are also many practices which charge increased gaps if the patient does not pay either the full account or the gap charge on the day. For example one large northern practice charges Health Care Card

holders a \$8 gap if they pay the full account of \$30.50 on the day of the consultation, a \$10 gap if they pay the gap only on the day and a \$12 gap if they pay after the day of consultation. This type of arrangement causes particular problems for low income patients and is discussed below.

Table 3 Table showing average fees of surgeries charging gap fees HCC/PCC card holders[^]

Region	HCC pay on day	HCC not on the day	PCC pay on day	PCC not on the day
North	\$6.25	\$9.30	\$5.70	\$9.30
North West	NA	\$4.50	NA	\$4.60
South	NA	\$6.85	NA	\$6.15
State	NA	\$6.90	NA	\$6.70

*All figures rounded to nearest five cents

[^] Some practices did not disclose their gap fees, these practices were excluded from the analysis for this table only.

Affordability of Gap Fees for Low Income Tasmanians

Tasmanians living on low incomes were consulted by the Just Tasmania coalition in a major qualitative research study conducted in June/July 1999. Stories of being unable to afford the basics of life, including visits to GPs were a constant theme. These experiences are supported in an analysis of income levels and costs of living.

Just over 37% of Tasmanians presently rely on government pensions and benefits as their main form of income. All of these people are entitled to a Health Care or Pension Concession Card. Pensions are presently just above the Henderson poverty line and unemployment benefits for people with children also scrape in just above the poverty line (ACOSS, 2000). Single unemployed people receive a payment of \$ which is 20% below the Henderson poverty line while the income of a single unemployed young person (under 21) is 32% below the poverty line (ACOSS, 2000).

The cost of living is also very high in Tasmania. While homes are cheaper to purchase in Tasmania, the cost of rental is comparable with other states. Public rental costs are quite consistent around the nation while private rental costs in Tasmania are similar to Adelaide and Perth (ABS, 2000). Tasmanians spend more

on domestic fuel and power than residents of any other state due to high fixed charges and the cold climate (ABS, 2000). Petrol prices are generally higher than the mainland and lack of public transport infrastructure means that many low income families, particularly in rural areas, must own a car and deal with the associated costs of registration, repairs and fuel. Choice Magazine surveys have consistently shown that grocery prices in Hobart and Launceston are higher than in any other major city, including Darwin (Choice, 1998).

Participants in the Just Tasmania research spoke of being unable to afford the essentials of life, particularly in areas where the level of spending is somewhat discretionary such as heating and adequate food (Flanagan, 2000).

“Many Tasmanians are being denied the standard of living adequate for the health and wellbeing of themselves and their families – shortages of food, inadequate clothing and difficulties obtaining health care are pressing problems for many.” (Flanagan, 2000)

These findings are supported by the State Government’s major quantitative study of the Tasmanian population which found that almost 10% of Tasmanian adults reported a high level of concern about whether the food that they can afford to buy will be enough (DHHS, 1998). Almost 6% reported that they could not afford to buy sufficient food for themselves or their children (DHHS, 1998).

DHHS (unpublished) also confirms that people restricted their use of health care because of financial difficulties. The survey found that 31% of adult Tasmanians experienced difficulty in meeting their financial needs in the last 12 months. Of this group 31.5% (24,168 Tasmanians) reported that they did not seek health care because of these financial constraints. Further, 29.1% reported that financial difficulties meant that they did not purchase prescriptions ordered by their GP (DHHS, unpublished).

The Just Tasmania research found that access to health care was a particularly serious concern for participants who lived in an area where they were unable to easily access a doctor who bulk-billed.

“I can’t afford to go to the doctor and if I do go I can’t afford the medicine. Both my daughter and I need to go but we can’t. There’s no money until next Thursday. I

owe the Northern Suburbs Medical Centre \$9 for the last bill and I haven't got it. If you can't pay the bill the doctors charge and account fee and the bill increases." Launceston Participant, 1999.

"My sister had severe stomach pains and went to the Royal (Hobart Hospital), we waited two hours and they turned her away because they said she should see her GP. She didn't have any money to go to a doctor. She had to wait two days for her (Centrelink) payment before she could go to the doctor. I would have given her the money to go if I had it but there is no spare money." Clarendon Vale Participant, 1999.

"I can't afford to go to the doctors. The gap is \$10. I can't afford to take my kids to the doctor." Launceston Participant, 1999.

"My son is asthmatic. He's out of ventolin. I can't afford to go to the doctor for a script. He's got a cold and I don't know what will happen tonight." Launceston Participant, 1999.

"It sucks that the doctors down here don't bulk-bill. If you're quite ill and you have to go every day its \$3-4 per day. Either you can't afford to go or you owe so much that you're embarrassed to go." Circular Head Participant 1999.

"If you go to the doctors you have got to pay a gap which can be up to \$10, depending on who you see. It's \$50 to \$100 for a specialist. All doctors should bulk-bill people on low incomes. We don't go to doctors and our kids don't because we can't afford it. Doctors bills have gone up but the Medicare subsidy hasn't. What are they doing? Are they using the poor to make themselves rich?" Launceston Participant, 1999.

The experiences of the communities without a bulk-billing doctor were in stark contrast to those who were able to access a doctor who bulk-billed low income earners. Local doctors who bulk-billed were mentioned many times by participants when asked what was working well in their community that helped people on low incomes to have a decent life.

“Our GP has been here for many years. She’s here because she wants to be here. She bulk-bills low income earners – she is under incredible stress but she does a great job.” St Helens Participant, 1999.

“Having a bulk-billing doctor locally means not having to worry about money before going to the doctor.” St Helens Participant, 1999.

The Just Tasmania research found that participants restricted their use of GPs because they were unable to afford the cost of consultations (Flanagan, 2000). This trend is supported by Richardson’s analysis of international research which suggests that ‘co-payments have a disproportionate impact upon the use of services by the poor and possibly by the sick’ (Richardson, 1991, p5). Turrell et al. (1999) also argues that, “demand for health care is highly price elastic for the poor – as the price goes up, the demand for health care among the poor drops in greater proportion to the rise in cost.”

Correlations between low socio-economic status and higher mortality and morbidity are well established (Turrell et al., 1999 in AIHW). However, use of primary health care has been suggested to have some mediating impact on the, “severe adverse effects on health of income inequalities” (Shi et al., 1999). Just Tasmania findings that low income Tasmanians are restricting their use of primary health services are particularly alarming in this context and must be addressed.

5. Recommendations

5.1 That General Practices bulk bill all patients who have a Health Care Card or Pension Concession Card.

5.2 That the Royal Australian College of General Practitioners include education about poverty in Tasmanian as part of its Training Program.

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Access to Dental Care

Kelly Madden

Access to dental health services is an area of significant concern to Tasmanians living on low incomes.

The Denver Review of Publicly Funded Dental Services in Tasmania covers many of key issues in its introduction, including that:

- People on low incomes have poorer dental health than the general population.
- Dental disease is a significant burden on the Australian community, including pain and discomfort, reduced function (such as eating and speaking) and economic effects from lost productivity.
- The Commonwealth Dental Health Program (CDHP) (providing \$3.4 million annually to Tasmania from 1994 to 1996) was evaluated as being successful in increasing the number of low income earners who received public dental care, reduced waiting periods, increased satisfaction with care and led to less extractions and more fillings.
- Even with the improved access to public dental care under the CDHP, low income earners were still disadvantaged in terms of oral health status and access to dental care.

The removal of \$3.4 million of Commonwealth Dental Health Program funding in 1996 has led to a huge reduction in the accessibility of dental services for low income earners. While many of the recommendations from the Denver Report have led to positive outcomes, such as the development of community based dental clinics; the loss of Federal funding and the subsequent imposition of fees has made dental care unaffordable for many Health Care Card holders.

"I have had four trips to the dentist in Launceston recently. That cost \$200 (including travel costs) which I had to find out of thin air. I had to go to the Salvos for food vouchers," St Helens participant.

"Dentists are too expensive. Its \$20 per visit," Burnie participant.

"Dental/medical care is expensive – the poor can't afford it," Circular Head participant

Participants spoke of giving up any hope of trying to maintain their dental health and only made appointments if they needed emergency treatment or were experiencing significant pain. Research from the Brotherhood of St Laurence in Victoria confirms the barrier to access provided by co-payments for dental care (Leveratt, 2000). Access to dental care is significantly restricted for low income earners. Information submitted to the Senate Inquiry into Dental Health in 1998 stated that of those people who retain natural teeth, people on the lowest 20% of household incomes are 2.4 times more likely as those from the wealthiest 20% not to have visited a dentist in the last five years

The crisis in dental care is acknowledged by the State Government with a recent media release reporting that the waiting list for dental services has blown out to more than 15,000.

State spending on childrens' dental health has led to excellent outcomes with Tasmanian children experiencing very low levels of dental disease. However, these good outcomes are soon lost as people enter the adult system with Tasmanian adults having the worst dental health status in Australia (Information Package TDS).

Recommendations

4.1 That the State Government commit itself to the policy goal of maintaining the good childrens' dental health outcomes into adulthood for Tasmanian Dental Service clients.

4.2 That the fees for general, emergency and denture services be abolished.

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