

Submission to the Independent Review of the Tasmanian Transport Schemes

(Issues Paper – December 2025)

1. Overview

COTA Tasmania welcomes the opportunity to comment on the Issues Paper for the Independent Review of the Tasmanian Transport Schemes, including the Tasmanian Freight Equalisation Scheme (TFES) and the Bass Strait Passenger Vehicle Equalisation Scheme (BSPVES).

While these schemes are often framed as transport and industry measures, they have clear and material impacts on cost of living, access to essential goods and services, and social connection for Tasmanians—particularly older people who are more likely to live on fixed incomes and face barriers to digital and administrative processes.

2. About COTA Tasmania

COTA Tasmania (Council on the Ageing Tasmania) is Tasmania's peak body representing older Tasmanians. For more than 60 years, we have been a trusted voice for older people, promoting positive attitudes to ageing, advancing social inclusion, and championing the rights, interests, and value of people as they age.

We provide independent, evidence-based policy and advocacy informed by the lived experience of older people and engagement with stakeholders across government, community services, and industry. Our focus is on improving outcomes for older Tasmanians and supporting ageing as a time of opportunity, contribution, and security.

We collaborate with other peak bodies, national COTA colleagues, and sector partners to challenge ageism and support practical reforms that enable people to age with dignity, independence, and connection in the communities they choose.

3. Why this review matters to older Tasmanians

Tasmania has Australia's oldest population profile, which makes older Tasmanians a particularly significant cohort in policy design and service planning.

At the 2021 Census, Tasmania's median age was 42 years, around four years older than the national median, reflecting a comparatively larger share of older residents. Nationally, Tasmania has had the highest proportion of people aged 65 and over among the states (around one in five), and the population is projected to continue ageing, with the strongest growth in the 75+ age group and a rising share of Tasmanians over 65 in coming decades.

The Issues Paper notes TFES exists because Tasmania cannot move goods interstate by road or rail, and therefore faces unavoidable structural disadvantage in freight costs.

For older Tasmanians, the practical consequence is that Bass Strait freight costs are embedded in the prices of everyday goods (eg food, household items, and replacement parts) amplifying cost-of-living pressures.

COTA encourages the Review to consider not only producer competitiveness, but also equity and downstream household impacts, including how scheme settings may influence retail prices, service availability, and resilience in disruptions.

4. Complexity is an accessibility and equity issue

The Issues Paper highlights that dissatisfaction with TFES often relates to the cost and uncertainty of lodging claims, and that the scheme can be complex for both claimants and Services Australia.

It also describes a dated and cumbersome claims process and an IT system that requires upgrading.

COTA notes that complexity and administrative burden tends to disadvantage:

- smaller operators and regional businesses (with less administrative capacity), and
- by extension, the communities they serve, through reduced competition and higher cost bases.

A scheme that is theoretically available but practically difficult to access can produce inequitable outcomes and undermine public confidence.

5. Competition, reliability, and resilience

The Issues Paper identifies reliability challenges, including Bass Strait weather impacts, delays, and additional costs (noting these issues particularly affect island services).

From COTA's perspective, reliability is not simply a commercial issue—it is a community resilience issue, affecting the timely availability and affordability of essential goods, particularly in regional areas.

COTA also notes the Issues Paper identifies identification competition between passenger vehicles and freight for deck space during peak periods and resulting rationing. These constraints can affect older Tasmanians who may need to travel at short notice for family support or caring responsibilities.

6. BSPVES: access, affordability, and social connection

The Issues Paper describes BSPVES as a rebate to reduce the cost of sea travel by rebating the transport of an eligible passenger vehicle.

COTA considers affordable access to sea travel relevant to older Tasmanians, including for:

- maintaining family connections and support networks,
- reducing social isolation, and
- travel where flying is not suitable or affordable.

The Review is considering whether BSPVES achieves its objectives and whether indexation arrangements are appropriate.

COTA encourages the Review to explicitly consider the scheme's role in inclusion and social connection, and to ensure that claiming processes are accessible for people who are not "digital-first."

7. Recommendations

COTA Tasmania recommends that the Review:

- Explicitly consider the equity and cost-of-living impacts of Bass Strait freight and passenger vehicle settings on Tasmanian households, particularly older people.
- Prioritise simplicity and accessibility in scheme design and delivery, recognising that complexity can produce inequitable outcomes.
- Treat competition, transparency and reliability as community access and resilience issues (including in regional and island contexts).
- Ensure BSPVES settings and objectives recognise access and inclusion, and that claiming pathways are accessible to older Tasmanians.
- Consider peak-period capacity constraints (passenger vehicles versus freight) as an access issue, particularly for those needing to travel at short notice.

8. Conclusion

COTA Tasmania supports reforms that reduce Bass Strait cost burdens on Tasmanian households and strengthen access, affordability, and resilience for the community. The Review provides an important opportunity to ensure the Tasmanian Transport Schemes are effective, equitable, and practically accessible—particularly for older Tasmanians.