
The Parliament of the Commonwealth of Australia

Everybody's Business

Remote Aboriginal and Torres Strait Community Stores

House of Representatives
Aboriginal and Torres Strait Islander Affairs Committee

November 2009
Canberra

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Foreword

There is a range of factors that impact on the successful operation of a store in a remote Indigenous community. As each community varies, so do its particular needs and the context within which the community store operates. The Committee recognises that the development and support of a diversity of store operations and delivery models is required to meet the unique needs and situations in remote Indigenous communities.

It was evident to the Committee that the community stores function as much more than a shop. As well as being the primary vehicle to ensure access to affordable and nutritious food supply, it is the place where people meet to socialise and to conduct business. As the title of this report suggests, it is *everybody's business* how well a store operates because it plays such a critical role in the health and well-being of the whole community.

The Committee has made 33 recommendations in this report in key areas such as health and nutrition, food access and supply, cost of living, regulating governance, licensing of stores and the future of the Outback Stores model.

The Committee received over 112 submissions and held 28 public hearings and visited stores in 17 remote Indigenous communities. I would like to express my thanks to all those people who put so much time into their submissions and for their excellent contributions during hearings and community meetings.

I also take the opportunity to thank the previous Chair of the Committee, Richard Marles MP, the Deputy Chair, Andrew Laming MP and all the members of the Committee for their work during the inquiry.

The Hon Bob Debus MP
Chair



Membership of the Committee

Chair The Hon Bob Debus MP (from 25 June 2009)

 Mr Richard Marles MP (to 15 June 2009)

Deputy Chair Mr Andrew Laming MP

Members The Hon Tony Abbott MP
 Ms Jodie Campbell MP
 The Hon Bob Katter MP
 Ms Kerry Rea MP
 Mr Chris Trevor MP
 Mr Kelvin Thomson MP
 Mr Jim Turnour MP
 The Hon Mrs Danna Vale MP

Committee Secretariat

| | |
|---------------------|--|
| Secretary | Dr Anna Dacre |
| | Ms Sharon Bryant (from 18 May 2009 to 23 September 2009) |
| Inquiry Secretaries | Ms Susan Cardell |
| | Ms Rebecca Gordon |
| Research Officers | Ms Loes Slattery |
| Office Manager | Ms Claire Young |



Terms of reference

The Committee shall inquire into and report on the operation of local community stores in remote Aboriginal and Torres Strait Islander communities, with a particular focus on:

1. Food supply, quality, cost and competition issues;
2. The effectiveness of the Outback Stores model, and other private, public and community store models; and
3. The impact of these factors on the health and economic outcomes of communities.



Abbreviations

| | |
|-----------|--|
| ABA | Australian Bankers Association |
| ABS | Australian Bureau of Statistics |
| ACCC | Australian Competition & Consumer Commission |
| ALPA | Arnhem Land Aboriginal Progress Corporation |
| APY | Anangu Pitjantjatjara Yankunytjatjara |
| ASIC | Australian Securities and Investments Commission |
| ATO | Australian Taxation Office |
| BAC | Bawinanga Aboriginal Corporation |
| BSS | Building Strong Stores training program |
| CAEPR | Centre for Aboriginal Economic Policy Research |
| CAT | Centre for Appropriate Technology |
| CATSI Act | <i>Corporations and Aboriginal and Torres Strait Islander Act 2006</i> |
| CDEP | Commonwealth Development Employment Projects |
| CLC | Central Land Council |
| COAG | Council of Australian Governments |

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|---------------------|---|
| FAHCSIA | Department of Families, Housing, Community Services and Indigenous Affairs |
| HES | Household Expenditure Survey |
| HFAB | Healthy Food Access Basket |
| IBA | Indigenous Business Australia |
| IBIS | Islanders Board of Industry and Service |
| KCC | Kaltukatjara Community Corporation |
| Mai Wiru | Mai Wiru Regional Stores Policy |
| MPA | Maningrida Progress Association |
| MOU | Memoranda of Understanding |
| MBS | Market Basket Survey |
| NATSINSAP | National Aboriginal and Torres Strait Islander Nutrition Strategy and Action Plan |
| NHC | Nganampa Health Council |
| NPARC | Northern Peninsula Area Regional Council |
| NPY | Ngaanyatjarra Pitjantjatjara Yankunytjatjara |
| NT Associations Act | <i>Northern Territory Associations Act 2003</i> |
| NTER | Northern Territory Emergency Response |
| NTER Act | <i>Northern Territory Emergency Response Act 2007</i> |
| OBS | Outback Stores |
| ORIC | Office of the Registrar of Indigenous Corporations |
| PIN | Personal identification number |
| PMSEIC | Prime Minister's Science, Engineering and Innovation Council |

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|-------|---|
| RIST | Remote Indigenous Stores and Takeaways |
| SIHIP | Strategic Indigenous Housing and Infrastructure Program |
| TFES | Tasmanian Freight Equalisation Scheme |



List of recommendations

3 Healthy stores, healthy communities

Recommendation 1

The Committee recommends the Australian Government fund the rollout of the Remote Indigenous Stores and Takeaways (RIST) resources to all remote Indigenous communities across Australia, in conjunction with the support required by a nutritionist.

Recommendation 2

The Committee recommends the Australian Government consider the development of an incentive scheme to influence store managers to sell healthy produce.

Recommendation 3

The Committee recommends that the Australian Government require that membership of the Outback Stores board include a nutritionist.

Recommendation 4

The Committee recommends that the Australian Government work collaboratively with state and territory governments, health services and remote store operators to ensure that nutrition education programs are available to all remote Indigenous communities.

Recommendation 5

The Committee recommends that the Australian Government require all Outback Stores to develop, in consultation with local communities, a specific healthy store policy.

Recommendation 6

The Committee recommends that the Australian Government work collaboratively with all remote Indigenous community store owners, operators and communities to assist in the development and ongoing management of a healthy store policy.

Recommendation 7

The Committee recommends that the Australian Government work collaboratively with state and territory governments to fund and make available to all remote Indigenous community stores:

- the Remote Indigenous Stores and Takeaways (RIST) or similar point-of-sale monitoring tool,
- training for store employees on the operation of the tool, and
- mechanisms to provide feedback to communities and governments about the sale of products from the store.

Recommendation 8

The Committee recommends the Australian Government make available in all Outback Stores a system similar to the FOODcard established by the Arnhem Land Progress Aboriginal Corporation. The Committee also recommends that the Australian Government consult with other remote community store operators to facilitate more widespread introduction of this system for communities who are interested.

Recommendation 9

The Committee recommends the Australian Government consider the optional introduction of a healthy food card system to pregnant and breast-feeding mothers in remote Indigenous communities.

Recommendation 10

The Committee recommends that the Australian Government establish a national Primary Health Care program to fund and coordinate supply of healthy lunches and drinks to children at pre-schools and schools in remote Indigenous communities where this need is identified.

Recommendation 11

The Committee recommends the Australian Government, in collaboration with educational institutions, investigate and develop:

- the facilitation of training of Indigenous staff living in remote communities to store management levels, and
- the certification of in-store training of skills such as health promotion and food supply and storage.

Recommendation 12

The Committee recommends the Australian Government assess the impact that Community Development Employment Projects reform will have on the viability and employment opportunities in stores in remote Indigenous communities.

4 Fresh food access and supply

Recommendation 13

The Committee recommends that the Australian Government establish a national remote Indigenous food supply chain coordination office to:

- support individual communities or regional groupings of communities to develop supply models by examining the possibilities appropriate to them,
- facilitate the establishment of cooperative arrangements including transparent cross-subsidisation models, if appropriate,
- assist to develop supply models that deliver healthy perishables to remote communities weekly where possible, and
- disseminate information on options for supply models to remote Indigenous communities.

Recommendation 14

The Committee recommends that the Australian Government, through the proposed national remote Indigenous food supply chain coordination office, investigate working with charitable delivery organisations, such as FoodBank Western Australia, to aid in the delivery of fresh fruit and vegetables to remote Indigenous communities.

Recommendation 15

The Committee recommends that the Australian Government establish a remote community store infrastructure fund to assist stores to invest in delivery, refrigeration and storage facilities that will support the supply of fresh and healthy produce to Indigenous communities. Access to the fund may be contingent on stores having a healthy food policy and participating in a nutrition education program.

Recommendation 16

The Committee recommends the Australian Government ensure health clinics in remote Indigenous communities are aware of the nutritional value of bush tucker and other traditional foods and actively encourage communities to continue to engage in traditional practices.

Recommendation 17

The Committee recommends that the Australian Government support community garden, traditional food and farming projects in remote Indigenous communities for the local production of food, particularly in schools, where it is demonstrated that long term sustainability can be attained.

Recommendation 18

The Committee recommends that the Australian Government continue to fund programs to eradicate feral animals in remote areas as required.

Recommendation 19

The Committee recommends that the Australian Government examine ways to facilitate remote Indigenous communities undertaking collaborative arrangements with stores to distribute and /or sell locally grown or harvested produce.

Recommendation 20

The Committee recommends that the Australian Government assist stores across Australia in remote Indigenous communities to develop partnerships with local food production and harvest industries and expand operations to also function as market places for community grown produce. The Committee recommends that the Australian Government trial a partnership that requires Outback Stores to support local food production and harvesting industries and buy an annual minimum of goods from these local sources.

5 Cost of living in remote Indigenous communities—the price of health

Recommendation 21

The Committee recommends that the Australian Government commission a regional cost of living study for Aboriginal and Torres Strait Islanders living in remote communities in Australia and report by the end of 2010.

Recommendation 22

The Committee recommends the Australian Bureau of Statistics consider expanding the Household Expenditure Survey to capture Indigenous specific data and remote community data.

Recommendation 23

The Committee recommends that, following implementation of supply chain coordination and efficiencies, the Australian Government give consideration to a freight subsidy for fresh produce for the Torres Strait.

Recommendation 24

The Committee recommends that the Australian Government establish a working group with representatives from the Department of Families Housing, Community Services and Indigenous Affairs, the Australian Securities and Investments Commission, state and territory governments, remote community store operators and the Australian Bankers Association. The working group should be tasked with:

- investigating the transaction fees being charged in remote Indigenous communities,
- investigating the impact of the limited banking choices available in remote communities, such as the consequent extent of fees charged for using foreign Automated Teller Machines,
- ensuring Indigenous Australians in remote communities have the financial literacy and access to facilities to make informed decisions regarding money management options, including the use of book up, and
- investigating mechanisms to lower or waive financial fees and charges for Indigenous people in remote communities.

Recommendation 25

The Committee recommends that the Department of Families, Housing, Community Services and Indigenous Affairs support remote Indigenous community service programs that develop lifestyle skills, such as home cooking and shopping, to ensure Indigenous families have the skills to prepare healthy and nutritious meals in the home at low cost.

Recommendation 26

The Committee recommends that the Department of Families, Housing, Community Services and Indigenous Affairs coordinate the dissemination of a healthy takeaway food guide, such as the Remote Indigenous Stores and Takeaways (RIST) *Healthy Fast Food: a Resource for Remote Stores and Takeaways*, and provide appropriate start-up training for remote store operators.

6 Regulating for governance**Recommendation 27**

The Committee recommends that the Australian Government support proposals that Indigenous owned and controlled community stores register as corporations under the *Corporations and Aboriginal and Torres Strait Islander Act 2006*.

In addition, the Committee recommends the Australian Government actively promote and encourage registration under the Office of the Registrar of Indigenous Corporations.

Recommendation 28

The Committee recommends that the Office of the Registrar of Indigenous Corporations receive additional funding to provide governance and financial management training to community stores that register under the *Corporations and Aboriginal and Torres Strait Islander Act 2006*.

7 Future of remote community stores

Recommendation 29

The Committee recommends that, if the Australian Government proceeds with the proposal for a national licensing regime for remote community stores, the following should be taken into account:

- administrative processes to apply for and maintain a licence should be streamlined and easily complied with by Indigenous corporations, store committees and managers,
- there should be a well-defined procedure to appeal any decision to refuse a licence, such as through the Administrative Appeals Tribunal, and a refusal should also consider the interim and longer term impacts it may have on a remote community's food supply security,
- the definition of a community store should be sufficiently flexible to encompass bush delivery, hub and spoke operations and other food supply models which offer economic and health benefits to communities,
- licence assessment should be undertaken in a timely manner,
- licences should be issued either to store owners, or jointly to store owners and store managers,
- mandatory qualifications and accreditation should apply to store managers,
- licences should include a requirement for a healthy store policy and to display pricing, and
- licensing should be subject to a review to ensure it is not providing unfair advantages to corporately managed stores over individual and community stores.

Recommendation 30

The Committee recommends that the Australian Government require that membership of the Outback Stores board include Indigenous representation.

Recommendation 31

The Committee recommends that the Australian Government revise the purpose of the Outback Stores model to recognise the following two distinct roles:

- the commercially viable operation of a remote store where a community contracts it to manage their store, and
- under advice from the Department of Families, Housing, Community Services and Indigenous Affairs, the delivery of store services to communities where the current store is unviable or the regular supply of healthy food is not secured. Supplementary interim funding for these services be provided on a case by case basis.

Recommendation 32

The Committee recommends that the Australian Government require Outback Stores to disclose a financial statement of expenditure of the appropriated funds received to date.

Recommendation 33

The Committee recommends that, rather than support particular service providers, the Australian Government work proactively with individual communities to develop and support a diversity of good store operations or delivery models that recognise the unique needs and situations of those communities and ensure food security to all remote communities.

