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Official Committee Hansard

HOUSE OF REPRESENTATIVES

STANDING COMMITTEE ON ABORIGINAL AND TORRES STRAIT ISLANDER AFFAIRS

Reference: Community stores in remote Aboriginal and Torres Strait Islander communities

THURSDAY, 14 MAY 2009

CANBERRA

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HOUSE OF REPRESENTATIVES STANDING

COMMITTEE ON ABORIGINAL AND TORRES STRAIT ISLANDER AFFAIRS

Thursday, 14 May 2009

Members: Mr Marles *(Chair)*, Mr Laming *(Deputy Chair)*, Mr Abbott, Ms Campbell, Mr Katter, Ms Rea, Mr Kelvin Thomson, Mr Trevor, Mr Turnour and Mrs Vale

Members in attendance: Mr Marles, Ms Rea, Mr Kelvin Thomson, Mr Turnour and Mrs Vale

Terms of reference for the inquiry:

To inquire into and report on:

The operation of local community stores in remote Aboriginal and Torres Strait Islander communities, with a particular focus on:

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

WITNESSES

ARABENA, Ms Kerry, Visiting Research Fellow, Australian Institute of Aboriginal and Torres Strait Islander Studies; and Fenner School, Australian National University 18

BEVEN, Mr Anthony, Registrar of Indigenous Corporations, Office of the Registrar of Indigenous Corporations 2

BOYLE, Dr Nathan, Branch Manager, Office of the Registrar of Indigenous Corporations 2

Committee met at 12.27 pm

CHAIR (Mr Marles)—Welcome. I now declare open this public hearing of the House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs for our inquiry into community stores in remote Aboriginal and Torres Strait communities. I acknowledge the Ngunawal and Ngambri people, the traditional custodians of this land, and pay our respects to their elders, past, present and future. The committee would also like to acknowledge the present Aboriginal and Torres Strait Islander people who now reside in this area.

These meetings are formal proceedings of the parliament. Everything said needs to be factual and honest, and it can be considered a serious matter to attempt to mislead this committee. That said, I invite all the witnesses here today to make the comments that will assist us in our inquiry, which has the intention of making improvements in the current government administration of remote community stores. This hearing is open to the public, and a transcript of what is said will be placed on the committee's website.

Today we have two sets of witnesses. The first set is from the Office of the Registrar of Indigenous Corporations and the second is Ms Kerry Arabena, who is a research fellow from the Fenner School of Environment and Society, at the ANU.

[12.30 pm]

BEVEN, Mr Anthony, Registrar of Indigenous Corporations, Office of the Registrar of Indigenous Corporations

BOYLE, Dr Nathan, Branch Manager, Office of the Registrar of Indigenous Corporations

CHAIR—Welcome. Do you have any comments on the capacity in which you appear today?

Dr Boyle—I am the branch manager of the governance branch.

CHAIR—I invite you to make an opening statement and then we might ask some questions.

Mr Beven—Chair, I would like to pick up on what you said also and acknowledge the traditional owners of the land we are meeting on today and pay our respects as well. I am the Registrar of Indigenous Corporations. I am an independent statutory office holder appointed under the Corporations (Aboriginal and Torres Strait Islander Act) 2006, which is shortened to the C(ATSI) Act. It came into force on 1 July 2007. At the moment I have approximately 2,700 Indigenous corporations registered with my office from all over Australia and about 58 per cent of those corporations are based in remote or very remote parts of Australia. The vast majority of our corporations provide important and essential services all around the country to Aboriginal and Torres Strait Islander people, including a large number of corporations that conduct and run stores in remote parts of Australia.

For our purposes and the purposes of the C(ATSI) Act we class stores in remote communities as essential services. I have certain statutory responsibilities and functions in relation to essential or what are known as significant services in Aboriginal and Torres Strait Islander communities. In those remote areas we do classify stores as an important and essential service. I note that a number of people who have made submissions to the inquiry have also made that point.

The key message I want to pass on to the committee today is that my office and I are strong supporters of community ownership of remote stores. We see community ownership of a store as an important way of allowing the community to have input into the direction and operation of their store and also to allow them to participate in strategic decision making in relation to their stores. We acknowledge that each community is different and has different priorities, different needs and different objectives. Community ownership allows communities to have some input into the direction of their particular store. Community ownership also sends a strong message to the community that it is their store so that there is a strong sense of ownership where a store is owned by the community rather than operated by a government entity or a private sector entity.

In relation to a community sector model I support a model where the body corporate that establishes and operates the community ownership is registered with my office. Today I will spend a bit of time talking about some of the benefits of an Indigenous organisation being registered with my office, the benefits that can flow in the store area, the benefits that can flow to the operation and management of stores in that particular circumstance and how it can also improve food security in remote communities. Equally though, we also acknowledge that a lot of

remote communities do struggle with governance and, where they are providing essential services like remote stores, we see that it is important to look at the administration and management of those stores. So we are strong supporters of a centralised administration and management model along the Outback Stores or the ALPA type models. ALPA is an organisation that is registered with my office. They transferred their registration to the C(ATSI) Act at the middle of last year. We do support the model that they have. We do work closely with them and equally we also support the Outback Stores model. We feel that it does provide communities with expertise in relation to administration and store management, and it helps to defuse a lot of humbug in communities as well.

Registration under the legislation I administer, the C(ATSI) Act, provides a wide range of benefits. It provides a strong regulatory framework at a national level. It operates across Australia—it is not restricted to certain jurisdictions. It also has the flexibility to take account of local customary needs and obligations. We also provide corporate governance support and services and we have specialist staff that only deal with Aboriginal and Torres Strait Islander people. So our role is delivering services in the corporate governance area to Aboriginal and Torres Strait Islander people. That is 100 per cent of what we do.

The C(ATSI) Act is a piece of legislation that, as I said, gives consideration to the specific needs and circumstances of Aboriginal and Torres Strait Islander peoples seeking to form a corporate entity. In administering the C(ATSI) Act, my office is one of the few agencies with a client base made up entirely of Aboriginal and Torres Strait Islander peoples and organisations. This means that the issues, needs and aspirations of Indigenous Australians are very central to what we do and they are our major focus.

Today I will quickly go through and explain to you some of the functions and services that we offer to the corporations that are registered with my office and how they relate to community stores, particularly in the remote environment. The first thing that we do is that we have a service where we provide free advice and information to corporations, including legal advice. We also provide training and support in good governance practices to corporations, and we do that prior to incorporation and post incorporation, throughout the life of an Aboriginal and Torres Strait Islander corporation.

A number of submissions to the inquiry noted the importance of nutrition policies and firm strategies to deal with issues such as book-up. Our services help corporations develop and clearly articulate their objectives in their constitutions—or what we refer to as their rule books—and develop strategies and policies around how they will meet these objectives. In supporting good corporate governance, we also help corporations maintain a focus on their stated objectives, which for a store may include the implementation of a nutrition policy. I will talk about how we have done that with a store in Mimili, on the APY lands, which I understand you have had some interest in. The stated objectives may also include the enforcement of rules around credit, book-up and other types of issues. While entrenched behaviours and expectations cannot be resolved easily, this process lends store policies greater legitimacy and ensures that the corporations running those stores remain on track in addressing entrenched issues, as the objectives are enshrined in the constitutional rule book and the community has direct input into the design of that particular rule book.

A number of submissions also noted that a 'one size fits all' approach to the structure and management of stores will not work, although several noted the successes of the Outback Stores and ALPA model. The model that we tend to prefer is community ownership but also the ALPA or the Outback Stores type of management with centralised administration and management. We see that you can combine the two so that you have a corporation that meets the needs of the local people but you also have centralised administration and management so that there is some disconnect away from the community in relation to those important aspects of store operation.

CHAIR—Sorry to interrupt. Are there Outback Stores which are registered under ORIC?

Mr Beven—Yes.

CHAIR—And the individual ALPA stores are legal entities in themselves. Are some of them registered with you as well?

Mr Beven—That is right. So ALPA owns five stores and it manages, I think, about 10 other stores, and some of those are registered with us. Outback Stores manages 27 stores, I think it is, and some of those are registered with us as well. A significant number are registered with my office.

Another important function that we perform is that we provide dispute resolution services for Aboriginal corporations registered with my office. It is a common issue that does arise in communities about disputes within corporations and organisations in communities, so it is a function that has been incorporated into the new C(ATSI) Act. Many of our Indigenous corporations operate with minimal resources under very difficult circumstances attempting to meet the multiple, complex and urgent needs of their communities. Submissions of this inquiry show that this is often the case for community stores. In such a demanding situation, role confusion, conflicting priorities, administrative problems and disputes often arise.

The C(ATSI) Act has unique statutory powers to assist corporations to resolve disputes internally and minimise the escalation of disputes. In rule books of all corporations registered with my office the corporation must prescribe an internal dispute resolution process. A lot of corporations have a process where disputes have to go off to a senior elder, to the traditional owners, and they have a final say in relation to the dispute. If it still cannot be resolved then it has to be referred to the general members of the corporation for a vote. If a dispute cannot be resolved internally through this dispute resolution process, my office has a dispute resolution function that allows us to help corporations such as community stores to resolve problems with minimal disruption to essential service provision. We can actually appoint external people to come in and mediate and conciliate in relation to a dispute but we do not have an arbitration power.

My office regulates Indigenous corporations in the interests of maintaining an effective, efficient, sustainable and accountable Indigenous corporate sector. Incorporation under the C(ATSI) Act provides much greater security for a community store should it run into difficulties. I will run through some of our regulatory powers which are unique to our office—that the vast majority of other regulators around the country do not have. Under the C(ATSI) Act I have the power to monitor and intervene in a corporation's affairs when necessary. My office conducts a proactive program which examines the financial and governance affairs of key corporations each

year. External examiners appointed by my office conduct detailed examinations of a corporation's compliance with its rule book, with the C(ATSI) Act and also assesses the financial position of the corporation. The main aim of the examination process is to identify governance and financial issues within a corporation before they become major issues. This year my office will conduct approximately 86 examinations, so 86 corporations will be examined. The majority of these are planned as part of a strategic rolling program but a small percentage are also complaint and intelligence driven. Where we identify that a corporation may be in trouble financially or in governance terms, we can quickly send in an independent insolvency practitioner to examine the position of the corporation and if need be intervene before it becomes a problem that just cannot be turned around.

In addition to the examination power, I also have the power to place a corporation under what is known as special administration and to appoint a special administrator—

Mrs VALE—Is that whether they are a member or not? I note that registration is voluntary.

Mr Beven—That is right.

Mrs VALE—If there are community stores that are not registered with you, can you still order that kind of investigation?

Mr Beven—No. My jurisdiction only applies to organisations registered with my office. That is why we recommend that the community ownership structure is best registered with my office. It specifically meets the needs of Aboriginal and Torres Strait Islander people. We also have national jurisdiction. We also have a lot more resources than the states do in the associations registration areas.

Mrs VALE—If you come across an organisation or a corporation that is running a community store inappropriately, you do not have any authority over that particular store?

Mr Beven—Not unless it is registered with my office.

Mrs VALE—So if it is not registered you cannot really touch it.

Mr Beven—That is right. We are conducting a program where we are encouraging corporations to move across to my office and we have trialled that in South Australia. ALPA is a good example. It was registered under the NT Associations Act 2003. We had discussions with their board and their management and they decided to transfer across to the Commonwealth registration. As I said, that occurred last year. So we do actually encourage stores to be registered with my office.

CHAIR—Do you mind us asking questions as we go?

Mr Beven—That is fine.

CHAIR—Does the NT government care about that?

Mr Beven—The NT government obviously cares. For associations registered with the NT under the NT legislation, they have an obligation to regulate and administer that legislation. I think it is fair to say that the associations legislation was always set up basically for small clubs, not-for-profits, and, where you have got the average store having a turnover of about $1.3 million in remote areas, it is essential service in those remote communities. My opinion is that it is not appropriate for those stores to be registered under associations legislation.

CHAIR—I suppose my question is, are you out there competing with the NT associations act, or are they happy for stores to go across to you?

Mr Beven—Jurisdiction by jurisdiction it is different. In South Australia they are actively assisting Aboriginal organisations to transfer across to us. It is the same in Western Australia. We have a close relationship with the Northern Territory. We have a partnership and an MOU relationship with them. But, yes, in certain respects we do compete for organisations to be registered with us. It is voluntary, so people can choose where they want to get registered. We do not force people to be registered with us but we do emphasise quite clearly the benefits of being registered at the Commonwealth level with my office and the disadvantages if you are a community store of being registered under state legislation.

CHAIR—And where is that competition most intense—in what jurisdiction, in which state?

Mr Beven—I might not want to say which state that is.

CHAIR—Maybe you already have, by omission. I have another basic question. Are organisations registered with you by definition not for profit?

Mr Beven—No. Organisations registered with us can be not-for-profit, and probably in excess of 90 per cent registered with my office are not-for-profits. But the legislation does enable for-profit businesses to be registered with my office. If a small-business person wanted to register a fish and chip shop and they were of Aboriginal and Torres Strait Islander descent then they could register that business and distribute profits as they could with an ASIC registered company.

CHAIR—Is there something in the rules which indicates that this is a for-profit entity rather than not-for-profit?

Mr Beven—That is right. As with a company registered with ASIC, the constitution determines how profits are distributed. It is the same with corporations registered with my office. The constitution or the rulebook deals with how the corporation will distribute profits, if any.

CHAIR—But in the mainstream corporate world, beasts are either not-for-profit or profit. You might have a company limited by guarantee not-for-profit but it is into a category. Do you have categories as well, or is it just a statement in the rules which determines what you are?

Mr Beven—It is a statement in the rules. I think I would be correct in saying that nearly all stores registered with my office are not-for-profits. In the past there has been a move to ensure that those stores are not-for-profit because of issues around how you distribute profits throughout the community. But I do know it is an issue that communities are struggling with all

the time. Where a store is making profit, how does that store return benefits from that store such as profits back into the community?

CHAIR—I am trying to unpack the comment you have made that you are in support of community owned stores, and I suppose by indication what you are not in support of. Is that a comment about which jurisdiction people should be registered under? Is that what you are trying to say, or are you making some comment about whether it is appropriate to have for-profit runs stores in these communities?

Mr Beven—What I am getting at is that, in a lot of remote communities, there is a very low likelihood that you would have a for-profit business being set up.

CHAIR—We have the station stores, and they are for profit. Are you making a comment about them, or not?

Mr Beven—No. I am just saying that there is a low likelihood of a private-sector enterprise or organisation wanting to set up a store in a remote Aboriginal community because of the difficulties. It is a difficult operating environment. Gross profit margins are low because it is an essential service for those communities and the vast majority of Aboriginal and Torres Strait Islander people that we deal with like to shop at an organisation that they own and have some sort of control over.

Ms REA—You spoke about the choice between for-profit and not-for-profit stores. It sounds to me like you are talking more about governance than about whether they are for profit or not for profit. Am I right in assuming that there are some stores that are financially quite viable but are not for profit because that is the governance structure that the community in which they are situated is much more comfortable with? So we are not talking about whether or not they make a return; it is more about the choice of governance that the community has made.

Mr Beven—That is correct. For example, in the APY lands there are instances of private operators running stores, but the vast majority of stores are community owned, community controlled and not for profit. And there are other instances on the APY lands of community owned stores where the management rights have been contracted out to a private organisation. It is a good example of the mixture of different types of models.

CHAIR—You are not making a comment or passing any judgement about the appropriateness of private enterprise in these communities?

Mr Beven—No.

Mr TURNOUR—I would like to explore the issue of governance. Does the community ownership model have the sort of democratic constitution you would see for an association?

Mr Beven—That is right.

Mr TURNOUR—From your experience, is that a construct that would normally be established within Indigenous culture?

Mr Beven—Indigenous culture is very broad and varies all over the country. As to how the democratic processes work in Indigenous communities, I would not be able to say that there is one model that applies throughout all Indigenous communities. My colleague from AIATSIS would probably be able to—

Mr TURNOUR—It is important to explore this, because you administer it. I think this is a very important philosophical point that drives a lot of policy. You say that there are different models and different cultures but most of the constitutions of community ownership are framed around a membership model where there are voting rights and elections. So there is a similar construct even though there is a variety of different cultural practices.

Mr Beven—I will tell you about three models that we see in constitutions that reflect the different needs and cultural norms in communities. There is a remote community in Western Australia that is registered with us. We did a lot of work with them over four years. They operate a store and they decided on a model where there would be 13 directors of the corporation, representing 13 family groupings and clans in that particular community, and each family and clan would vote for a director to sit on the board of that organisation. Another entity we have on the APY lands decided not to have any election process. The directors are ex-officio appointments. The directors of that entity are the community council chairs from each of the communities across the APY lands. And then we have the standard model, which is most common with our stores, which is a straight democratic process. There is an AGM every year and there is an election process whereby members elect the directors who are going to represent the members on the board of that particular corporation.

Mr TURNOUR—What percentage of your store organisations would be constituted under the standard constitution?

Mr Beven—I would not be able to give you an accurate figure, I am sorry.

Mr TURNOUR—Could you take that on notice?

Mr Beven—Yes.

Mr TURNOUR—The reason I ask those questions is that in many ways communities are a construct of throwing together different clans and groupings from across the country. The level of ownership of the organisation is important to consider. I suppose I am questioning whether the construct is a traditionally cultural construct for a store. I just want to clarify that. In some of your earlier evidence you mentioned that sometimes in your conflict resolution phase you might go off to talk to an elder or whatnot. That might be a way to solve the problem, but that does not actually fit with the constitutional framework of an elected representative process.

Mr Beven—It does if it is prescribed in the constitution. I just want to pick up on your point because I think it is a very key point about how Indigenous communities like to operate through corporate structures. I think it is a good point that traditionally a lot of communities have gone with a straight democratic model. We are seeing a real move towards family and clan based operations of how membership operates within corporations. So I think that is a good point.

Mr TURNOUR—Just picking up on that, for example, you said that you could have a fish and chip shop registered by a clan group or a family, which in reality would be more of a mainstream approach to the way you might run a business.

Mr Beven—That is right.

Mr TURNOUR—Do you notice under those constitutional models that you have less conflict?

Mr Beven—As I said, a very small percentage of our corporations are operating in the mainstream, for-profit type small business model.

Mr TURNOUR—Under your registration, with organisations that are taking that clan, family approach, what is driving that?

Mr Beven—It is hard to say. We have a flexible piece of legislation. It is up to the community to decide how they want to structure it. My sense anecdotally is that most communities have a strong sense of community. Yes, there are different family and clan groups within the communities, but they do like to see that community assets and services are owned and delivered through community organisations. I think that is the driver. I think the family structure that you are referring to is just recognition by communities as to how the community is established. They want that to be reflected in how corporations are established.

I will just refer to one further power, because I think this is important. As I said, another unique power that I have is to appoint a special administrator to a corporation. A special administrator is an external person appointed to take over the management and governance of a corporation for a short period of time. The process is designed to solve problems within a corporation and return a stronger corporation back to its members. This is an important power that can be used quickly to ensure that essential or significant services for a remote community such as a store are maintained and that assets are protected. A special administrator's role is to apply their business expertise and to collaborate with the corporations' members and funding bodies to solve problems and return the corporation to member control, usually within a six-month period but at a maximum within 12 months if it is a highly complex or complicated special administration. At this particular moment I have six corporations around the country under special administration. Of those six, two operate stores in remote areas of Australia. So a lot of the work we do in that particular area is in the stores field.

CHAIR—And one of those is Mimili.

Mr Beven—That is right.

CHAIR—Can you tell us about the circumstances of Mimili?

Mr Beven—In relation to Mimili, the Mimili Maku Store Aboriginal Corporation was registered with my office in 2002. It does not receive any operational funding from the Commonwealth or the state government. It is a stand-alone entity. The corporation runs the only store in the APY lands community of Mimili, which had a population of 303 at the last census

date. The store sells groceries, general merchandise and fuel and now operates a takeaway. It has an annual turnover of approximately $1.3 million.

Ms REA—In a 300-strong community?

Mr Beven—That is right, and a $1.3 million turnover is about the bare minimum that a store can operate on. Anything less than that and the margins get to such an extent that it does need support from other sources.

On 17 November last year I was in the community of Mimili, and seven of the 10 members of the Mimili Maku Store Aboriginal Corporation approached me and they asked me to appoint a special administrator to the store. Their request was based on a period of disquiet in the community and the resignation of the store manager. The store manager was leaving shortly—had resigned, effective in December. As a result of the disquiet, the assistant store manager left the same day I was in the community, and the store manager left within seven days after that. So we had a situation of no store manager and dysfunction in the community, which was affecting the store. The store was solvent, has always been solvent and still remains solvent, but it had financial issues and cash flow problems that needed to be resolved.

That request was on 17 November last year, and on 18 November I appointed a special administrator. We had someone on board looking at the problems within that community and providing the store protection from the disquiet and dysfunction within the Mimili community. Since then, and we are coming up to the six-month mark on the 18th of this month, the special administrator, under the guidance of a community advisory group, entered into a relief management agreement with Outback Stores—I think that was on about 23 November—to replace the store manager. The special administrator has since facilitated the appointment of a third store manager for a period of six weeks to allow extended trading hours in the community and to upgrade and complete repairs and safety upgrades to the store's plant and equipment, and has employed up to seven local people at different times.

The special administrator has also commenced a fruit for school program. The store now donates free fruit to the school—a box of bananas, a box of apples and a box of oranges to the school every week that it is open. That equates to 1½ pieces of fruit per day per child that attends school, and that is donated by the store to encourage kids to go to school and stay for lunch. During the special administration process, the special administrator keeps the community up to date with regular community meetings and newsletters. All of those meetings are conducted in language and all of the community newsletters are produced in language as well. They are produced depending on need but on a regular basis about every four to six weeks.

The special administrators are currently negotiating a long-term management agreement at the moment that will maintain a stable operating environment appropriate to the corporation's objectives of providing food security for the community. The model that we prefer is that we have a community organisation that owns the store, but we are looking for an external provider to provide the management for the Mimili store. At this stage, we have Outback Stores under a relief management agreement, and Outback Stores have been identified as the preferred tenderer for the management rights at Mimili. The community, on 23 March at an AGM and special general meeting, voted to support Outback Stores remaining on a long-term basis at their community store.

CHAIR—That is Mimili?

Mr Beven—That is Mimili.

CHAIR—Who is the special administrator? I do not necessarily want the name of the person, but what sort of person are we talking about? Are we talking about somebody from somewhere like Deloitte's, an accountant? Is that the kind of thing?

Mr Beven—An insolvency practitioner. The special administrators we are using now include KordaMentha, the leading insolvency practitioners. They are the special administrators of one of our corporations on the APY lands. In relation to Mimili store, we are using Meertens Chartered Accountants, in Adelaide. They would have to be the leading insolvency practitioner for remote Aboriginal stores. They have three stores in the Northern Territory under administration and they are also operating Mimili store, in the APY lands.

Mr TURNOUR—What would the cost of a special administration of those stores be on an annual basis?

Mr Beven—Very expensive.

Mr TURNOUR—How much?

Mr Beven—A special administrator can cost anywhere between $7,000 and $66,000 per month. That is why we restrict it to no more than six months. So, for Mimili, on average it would be around the $10,000 to $15,000 mark, but in certain months it would get up to $40,000 per month.

Ms REA—What causes that variation in cost by month?

Mr Beven—It just depends on the work involved. It is on an hourly basis, so it is whether there are issues to deal with—

Ms REA—Okay.

Mr Beven—or it is a straightforward, easy, special administration. An arts centre I am visiting in the Northern Territory next week is costing us about $7,000 a month, so it just depends on the complexity of the issues in the corporation.

CHAIR—Who picks up the tab?

Mr Beven—My office does.

Mr TURNOUR—And you are funded through the Commonwealth?

Mr Beven—That is right.

Mr TURNOUR—You mentioned the Outback Stores model. The Outback Stores model constitutionally is a for-profit model?

Mr Beven—That is right.

Mr TURNOUR—So how do you bring together the essential-service arguments, which really argue about government subsidies and the need to provide them, and the Outback Stores model, in terms of the for-profit approach?

CHAIR—Is that right? Aren't Outback Stores—

Mr TURNOUR—It is my understanding that their constitution is to transition those stores to a for-profit model, so they have to be self-sustaining and pay their own way.

CHAIR—But that is the point Kerry was making before: it is a viability model, but in terms of governance, not necessarily a for-profit structure.

Mr Beven—I do not want to speak on behalf of Outback Stores, but—

Mr TURNOUR—I agree with you, Chair; I may need to rephrase that. But in the end, they need to be—

Ms REA—They make a return.

Mr TURNOUR—They need to make a return. They need to pay their way—

CHAIR—Without subsidies.

Mr TURNOUR—without subsidy, yes.

Mr Beven—So 'viability' I think is the term they use.

Ms REA—Yes.

Mr Beven—We have the special administrator who has gone through the assessment process, and Mimili store is solvent, viable and a profitable store.

CHAIR—I am conscious of time. Are there any other points you are keen to make?

Mr Beven—No, they are the key issues.

CHAIR—There is a difference between the Outback Stores model and ALPA, inasmuch as ALPA itself is registered with you; Outback Stores is—

Mr Beven—Registered with ASIC.

CHAIR—Yes. Do you have any observations to make about that?

Mr Beven—No. As I said, though, we work with both ALPA and Outback Stores. I think the key issue for us is having specialised entities that are experienced and have expertise in running remote stores. I think quite often we see situations where people retire from Sydney and Melbourne and say, 'I'll go and work in a remote community and run a store; that sounds like a good idea,' whereas the Outback Stores-ALPA model has specialised staff who have had long years of running stores in remote communities. For us it is about centralising administration and management, which has economies of scale. It is about having the expertise. It also reduces the pressure on store managers because the community has limited power to dismiss the store managers, which reduces the amount of humbug and pressure on store managers.

CHAIR—But you have emphasised the notion of ownership and community ownership of the stores—

Mr Beven—That is right.

CHAIR—which is a point that has been made consistently to this committee. I guess the question is this. ALPA itself, the umbrella, is community owned, but Outback Stores as an umbrella is not community owned. In the Outback Stores model specifically, do you observe any loss of a sense of ownership in falling under the Outback Stores umbrella?

Mr Beven—No. You will always have different views on whether there is a loss of ownership, but I think one of the strong focuses of ALPA and Outback Stores is their community engagement. A lot of what they do is around community engagement and consultation. The issue of community ownership is about having some say in the direction and operation of your store. I have seen instances where the community own the store and they appoint the store manager but the community have no input into the store whatsoever. Yet, when I see Outback Stores and ALPA, there is constant community engagement and negotiation and resolution of issues: what products should be stocked, who should be employed in the store—all of those types of issues. So I do not think it is so much the model; it comes back to the expertise and ensuring that there is community engagement and that you actually sit down and listen to the community about what they want and what their needs are.

CHAIR—So, on the issue of engagement and ownership, you would not seek to differentiate between ALPA and Outback Stores in terms of whether one does it better than the other?

Mr Beven—No. I think they are equally good.

Ms REA—Just to follow up: at the beginning, when you said that your preferred model is community ownership—

Mr Beven—That is right.

Ms REA—you were really saying that it is more about community engagement? I would like you to follow that up. In the same vein, I guess there is evidence of that in cold, hard outcomes? To the extent that people do actually have a choice about where they shop, is there clear evidence that people will choose one place over another based on the governance structure or the community engagement? Or is that just something that you get a sense of without really being able to—

Mr Beven—I will take your second point about community engagement first. For me, community engagement is the key thing. All operators of stores can say, 'We will do community engagement; we do it well,' but community ownership guarantees to the community that they will get community engagement. That is because they have to hold an AGM, it is their store, and, if the store managers are not performing, they can exit the store management company. And what was your third point, sorry?

Ms REA—It was just on the evidence of the extent to which people make choices. On that comment you have made: is it actually reflected in a store's viability? Can you demonstrate that stores that have better community engagement or community ownership are actually more successful? Or is it too hard to make that—

Mr Beven—It is too hard, but my anecdotal evidence—as I said, we do a lot of work with community stores. We have two under special administration now. We had another one last year. We have three stores under another external administration process in the Northern Territory. The clear message we get when we talk to Aboriginal and Torres Strait Islander people is that they want some input into the store and they do prefer a model where the community actually owns the store.

Ms REA—Thanks.

Mrs VALE—Thanks very much, Anthony. You are an independent oversight agency?

Mr Beven—That is right.

Mrs VALE—Do you have powers of audit? I know that you can put in place administrators, so if you have concerns about the viability of a particular store you can actually have it audited?

Mr Beven—We call it an examination process, but it is—

Mrs VALE—It is the same thing.

Mr Beven—It is the same thing.

Mrs VALE—I hear what you say about the community having input, but could I ask you: is the community store at Fregon registered with you?

Mr Beven—That is right; it is.

Mrs VALE—When you talk about community input, are there any formal mechanisms whereby the women of communities can have an input? We found many of them were most reticent to even come and talk to us unless some of our wonderful female staff went out and spoke to them first before it even got to that stage—you know, the traditional time, where there were very patriarchal type societies. When you consider that it is women who do most of the purchasing and most of the feeding of the children and we are looking at trying to improve nutrition, we have to hear in a formal way from the women. Are you aware of any mechanisms in some of these stores where the women actually get to have an impact?

Mr Beven—I am glad you mentioned Kaltjiti store because Mrs Brown is the chairperson of the store committee in Fregon. She is a very strong woman—I know she is. As I said, she is the chair of that committee.

Mrs VALE—Is that the women who was providing us food?

CHAIR—I do not think she was there.

Mrs VALE—It is just that at Fregon there was a store manager—and I do not know how much conflict Mrs Brown had with this particular fellow but there were real concerns about him. He was not there when we were there.

CHAIR—This is the previous store manager.

Mrs VALE—Yes, we actually found him when we went to Amata. He came across as quite a terrifying person.

Mr Beven—I would just pick up on that because we actually employed him for three days to manage the Mimili store but Mrs Brown got on the phone and said, 'We employ you to manage our store. Get back here.' And within a few hours he was back in the store. Mrs Brown is a very strong person and she is the chair of that store committee.

Mrs VALE—We heard from some of the women, and this was actually not officially at the table. This is what women in Indigenous communities seem to do—they will come and talk to you afterwards, if you are a woman; they will not go near the menfolk but they will come and talk to us. At one stage during the course of the management that fellow had at Fregon there was one packet of Kimberley nappies and no toddler food. The women felt that they were unable to have any communication with this person. So I am pleased to hear that Mrs Brown had some success, and it is our loss that she was not there to actually talk to. Do you think it would be valuable if there was some sort of formal mechanism where women were invited, perhaps formally by your particular organisation or the government, to send a representative or maybe two women representatives—I think just having one can be bad in Indigenous communities; I think they need two or three—to form a women's committee that actually has an impact on what they would like to see in the store available for purchase?

Mr Beven—I agree with you that it would be advantageous, but our approach is that it is up to the community to determine and it is up to the community to discuss how it sets up its management and governance structures within the community. We always advise communities that it is important to have not only family representation but also a mixture of men and women but we would never mandate that as a requirement.

CHAIR—It is part of the advice you give in the training to have a gender balance?

Mr Beven—That is right.

Mrs VALE—Most of the evidence we heard initially was given by men—but men do not go and buy food to feed their children. That is why trying to get to the women to find out exactly what was available and what their needs were took a bit of extra effort. How many community

stores are not registered with you? Do you have any idea of how many there are available outside your net, if you like?

Mr Beven—It would just be anecdotal evidence. It is hard to determine what are the exact activities of each individual corporation whether registered with me, the state or with ASIC. In the Northern Territory there are 75 remote stores, and 11 are owned by the shires.

Dr Boyle—Most are under the Northern Territory associations legislation. There are also a couple that are independent.

Mr Beven—About 30 to 40 per cent are registered with my office.

CHAIR—So that is 30 per cent of the 70-odd?

Mr Beven—That is right, and 11 are registered with the shires. There are some registered with ASIC and there are some registered under the NT associations legislation.

CHAIR—Could you give us some stats on how many stores are registered with you by state?

Mr Beven—We could only do it for the Northern Territory, because the NT intervention has a formal licensing process. We would not be able to do it outside the Northern Territory because there is no mechanism for identifying which entities run particular stores.

Mrs VALE—Isn't it possible to find out from different areas? For example, this particular remote area has a regional store. Isn't it easy to say: what are you registered under or under what auspices do you operate your store, if any? We have already identified that these stores in remote communities are essential services.

Mr Beven—That is right.

Mrs VALE—I just think it is appalling the way some of the ones we have seen are being run. Some of them are run very well. There are others that you would wish to be a lot better. I think it would be awful if there were some that, even in this day and age, can just jolly well do their own thing to the detriment of the health of the children in that community.

Mr Beven—I suppose the difficulty is that there are about 10 different registration schemes available—and probably more than that; there are probably 12—around the country. That is why we say we prefer a model where all remote committee stores are registered with us. That then allows government to have that consistent access—

Mrs VALE—Absolutely, maybe that should be a recommendation.

CHAIR—But it does sound like you do not keep the information about what your entities do. So, within your entities, we cannot tell how many of them are stores.

Mr Beven—We can give you a pretty good idea, because each entity lodges with us an annual report called a general report. One of the questions is: what are your main activities? It is self-identification.

CHAIR—Searching by that criterion, would you be able to give us the information about how many are identifying as being stores?

Mr Beven—Very roughly. We could give it to you exactly for the Northern Territory, but for other jurisdictions—

CHAIR—Why is it rough? If it works on the basis that you have just said, even if it is based on self-identification, why can't that be given precisely?

Mr Beven—For example, the other store we are currently running in Burringurrah in Western Australia is the Burringurrah Community Aboriginal Corporation. It then has a subsidiary, and the subsidiary is registered with ASIC and it runs the store. In Mutitjulu, you have the Mutitjulu Community Aboriginal Corporation, which is registered with my office. It owns all the shares in Gumlake Pty Ltd, which is an ASIC corporation, and it is the trustee of a trust, the Ninti Trust, which runs the store in Mutitjulu. So the complexities of the registration schemes around the country—

Mrs VALE—It sounds like a dog's breakfast.

Mr Beven—are difficult to deal with. They are just two examples. There are cooperatives, associations, ASIC companies and trusts.

CHAIR—It would be good if you could give us the rough numbers. I would be keen to have a sense of whether the various reporting requirements that you have are being met by the community stores. By the sound of it, that is not a question you can answer.

Mr Beven—We will take that on notice. As I said, we can give that to you exactly for the Northern Territory and we will do our best for the other jurisdictions.

Mr TURNOUR—Could you say that all of the stores in the Cape York Peninsula and all the IBIS stores in the Torres Strait are not registered with you?

Mr Beven—No. From what I understand, they are the Queensland government's.

Mrs VALE—I think we could talk to you for a lot longer.

CHAIR—Yes, I do too. An area which we have not gone into which we do not have time to go into is income management and the licensing of stores, so what we might do is provide you with some questions. Would it be all right for you to provide us with some written answers to those?

Mr Beven—Yes.

CHAIR—Thank you very much for your time today.

[1.23 pm]

ARABENA, Ms Kerry, Visiting Research Fellow, Australian Institute of Aboriginal and Torres Strait Islander Studies; and Fenner School, Australian National University

CHAIR—Would you like to make an opening statement before we ask you some questions?

Ms Arabena—Sure. I would just firstly like to thank all of you for doing the work you are doing. I think it is a very important piece of work and it is really worth while having a look at the make-up of stores and what potentials there are to lever change for our societies in them. I am descended from the Merriam people from Murray Island up in the Torres Strait, and I have spent a lot of time living in Northern Australia particularly. I have spent a lot of time in the Northern Territory, Cape York and up in the Torres Strait. I have been running health services for a long time and I have been working on initiatives such as the Well Person's Health Check, which in fact then levered the Medicare Benefits Scheme around the adult health check that has had great resonance with community people.

I am making this statement to put it on the record. Now that we are signatories to both the Declaration of the Rights of Indigenous Peoples and the Kyoto agreement, I think it is really important to talk not necessarily about governance of community stores but about the interactions between modern food systems and traditional food systems in particular, and to see how stores can be a mechanism for the change that I initiated and how they can generate health benefits and the kind of family benefits that you were talking about before.

I came to a point in my life, really, where I thought that stores could be a real mechanism for promoting sustainability and reducing our ecological footprint, and recognising and giving value to people's work and their living relationships with the country that they have care for. A couple of things have been really pivotal for me in making this determination. About 15 years ago there was a single mother who ran the Kiwirrkurra shop, in the Ngaanyatjarra lands about 600 kilometres west of Alice Springs, and she intentionally ran it at a loss. Free fruit and vegetables were available for kids to come in at any time and get. They were not able to afford packets of chips and coca cola as they were four or five dollars. The meat store that was brought in to the shop was just enough. When the meat ran out they had a communal input of—I think it was—$10 a week for each person. That went into a fuel kind of cooperative, and then people went out and hunted. It was an excellent store. It promoted all of the social cohesion that getting out to country does. It generated all of the health benefits: no-one went hungry and kids were able to access fruit and vegetables. And the modern foods in the shop were supplemented with traditional food sources.

Another thing that I think is really important is—

CHAIR—Sorry, where was that?

Ms Arabena—That was out at Kiwirrkurra. I used to live at Kintore—

CHAIR—Yes.

Ms Arabena—And then you just keep going, over the Western Australia border.

CHAIR—Does that still exist?

Ms Arabena—The community of Kiwirrkurra does. The shop and the model do not, which is very sad. But it was very good. The other thing that I wanted to highlight was Professor Kerin O'Day, who does a lot of work around diabetes management and chronic disease management. She talked about her experience of getting people who were chronically ill back out on country and, within six weeks, of mobilising their resources around country and living off country—that they actually had a health benefit related to that. My uncle, until very recently, lived up on Hammond Island, and he had to sell his boat because he could not afford the $3.40 per litre worth of petrol and that inhibited his capacity to go out fishing. And Nhulunbuy, in the Territory, about a decade ago won an award from Winfield for the most sales per capita of cigarettes. So stores have traditionally, in my experience, been—

CHAIR—What do you mean they won an award?

Ms REA—They sold the most cigarettes.

Ms Arabena—Per capita—

CHAIR—Did they actually get a trophy?

Ms Arabena—in the Southern hemisphere. Yes, they got a trophy for it. So stores can be a real nexus of evil or a nexus of health benefit and good.

They are the kinds of things that I have been thinking about and, additional to that of course, there is the question of climate change and the kind of impact that that will have on stores. What I am really interested in is building the resilience of food systems in the face of the global environmental and economic changes that are going to happen, so in my submission I have placed community stores into a broader context of food production supply and security systems. I think that these things will need to be looked at into the near future—climate change in particular.

The global financial changes, also, are going to have a great impact on the modern food system to deliver goods to people in geographically isolated communities. I think that they also challenge some of the underpinning societal assumptions that we have about stores. In Australia in particular, which is the most arid continent in the world, modern food systems present multiple challenges, and some of them are environmental. The supply of water for irrigation is problematic, as is a forward trend towards larger farms.

Other challenges are directly related to corporate concentration in processing and packaging of products, rather than actually growing them now. Challenges also arise from the activities of distribution and retail. What we end up with are people in remote area communities becoming the end point users for huge multinational endeavours. I think, too, that a problem I had at the last Nutrition Networks conference that I facilitated was that our distribution networks are now huge. We have really increased, and we have expanded our trade routes into communities. This

will exacerbate the negative effects of the ecological footprint as well as facilitating an unequal distribution of quality and quantity of food.

My own personal point of view is that modern food systems best meet the needs of people in urban areas—populations of people who almost solely rely on purchasing food. In rural and remote area communities the terms 'store'—that is, to amass and hoard food until it is ready to be consumed—and 'shop'—that is, to engage with the global and corporate world to consume a purchase—undermine the role of traditional food production and consumption in rural or remote communities who hunt game or gather food. They are very different kinds of concepts. Also missing from the terms 'to shop' or 'to store' are the social aspects of food production that I have talked about. That includes intergenerational teaching and learning, looking after country, remembering story lines, ensuring that the biodiversity of the region in which we live is protected, talking in language and recognising aspects of the biosystems of which we are all a part. The shops and stores also predetermine the protein sources available for people to consume, so goanna, dugong and kangaroo have replaced chicken, beef and lamb. Shops could be said to perpetuate food insecurity in a lot of these communities. If you have reliance upon a store as your sole source of food and that food is then processed and contains fats, has added chemicals and high levels of salt and sugar, then basically you have completely undermined and made vulnerable the whole food security systems that operate in those remote areas. There is also a real assumption in modern food systems that new foods are better than ancient foods. For instance, we have replaced Murray Island sardines with John West sardines, as a more beneficial food, or we have said that roma tomatoes are better for people than akatjurra, which is a bush tomato. There are inherent assumptions that underline the nutritional values of food.

This will have big changes in climate change. I have already indicated, in the paper that you have got, some of the longer term health problems that will arise as a result of climate change. Indigenous people living in rural and remote areas will be the first and most severely affected group of people in Australia. People's cultural lives and traditional food sources are likely to be stressed by climate change in the coming years. In the next 10 years I expect that we will have our first climate change refugees within Australia, being the Torres Strait Islanders living on those low coral cay islands in the Torres Straits as well as people from inland communities who cannot regulate or ensure constant water supply. That is going to really affect people's abilities to live in those remote areas. Prior to being displaced by climate change there will be exacerbated household costs that people will incur as they try to regulate the temperatures inside their houses. The costs for individual users will increase as a result of the frequency of natural disasters. The cost of insuring houses, building and infrastructure against extreme events will also rise, be inhibitive or the insurance will even be withdrawn.

Currently, all of the machinery inside shops has been manufactured to operate at 35 degree temperatures. We will have to negotiate so that they will be able to operate at 45 degree temperatures over the next five to 10 years. The machinery we have currently will require more repairs and be more costly as professionals have to travel to the communities as there are no refrigeration mechanics or engineers within the community context as such. It will also be problematic because people will have to store food and regulate that food storage in their communities. I say this because current grids of electricity in communities are already unstable and increased pressure on these electrical grids will be exacerbated in the future. I am trying to think about an ecosystem approach to food production and supply. It would be really important for us to see whether there was some capacity for people to make sure that traditional food

supplies were available through stores or to see whether we could encourage people to supplement products in the stores with traditional food sources and that people can get back out to country and actually harvest their own.

I think that people in communities are mutually dependent with each other. In country has facilitated human and environmental interactions and through those interactions we have actually had really strong cultural and social foundations that are not able to be derived from the current store systems that we have in place.

I recently spoke at a Science Meets Parliament event here about establishing partnerships between Aboriginal and Torres Strait Islander people and scientists and what things could be generated from ideas around sustainability—in creating sustainability stores in communities, but transforming communities from urban ghettos into sustainable academies where people actually lived off the grid and they had the opportunities to invest in their own food production systems and, in doing so, then really transformed the notions of profits and perhaps intervened with other more traditional lines of bartering systems or negotiations in which women could be involved and not necessarily left out of.

I have made a series of recommendations—I think there are seven or eight of them—that talk about promoting an ecosystems approach to food production and supply issues and that what I would like to see happen from this is that we think about how they could be turned into policy and how communities could then think about how they might live sustainably and that we use stores as a complete mechanism for being able to do that.

Sorry, that was a bit of a head-spinner.

CHAIR—It is a bit of a head-spinner but it is really interesting.

Ms REA—It was very interesting.

CHAIR—You are talking about something that has become very apparent in the hearings that we have had. I might get this wrong, but I think it was on Mer Island that we had evidence that since the store came into being, which I think is 40 years old in that community—it is certainly measured in decades—the community gardens and the growing of vegetables has actually declined. You would have to say that that was a negative impact that the store had on that community, as an example. And it is something that we have been grappling with ourselves. So I guess the first question is: is the model of the community you mentioned in WA the solution to trying to have traditional food supplies married with stores?

Ms Arabena—It is going to be a very interesting concept if people can think about how we can get traditional foods back onto store shelves, because we have got models at the moment that are not interested in that. There would be a whole lot of hygiene legislation that might inhibit someone from going out and culling a few kangaroos and making them available.

CHAIR—This was raised.

Ms Arabena—It was not raised through that shop at that time. I have tried to think about how this could be done.

CHAIR—So what is the answer to that question, for example. Because that was raised in Kaltjiti, I think.

Mrs VALE—But, with respect, Kerry, one of the realities is that a lot of these traditional food sources do not exist any more, and that is because of the impact of camels—this is what we heard in evidence—and feral cats. Those traditional food sources that are small animals are not there any more for hunting. Some of the evidence we got at Fregon, I think, was that the calicivirus and the gun laws, which were good as far as the wider Australian community was concerned, have acted in a negative way on the ability of people in remote Indigenous communities to supply themselves with food. With the gun laws, a lot of the men had to surrender their firearms. But, also, the calicivirus killed off a lot of the rabbits and they were a great food source for the very remote communities, even though it is not traditional food. They are not there any more. It seems from the evidence we took that the supply of traditional food sources is almost being decimated by the ravages of modern culture and of Indigenous people no longer living in family groups that were nomadic and went into different regions where they found fresh food sources—because they moved only when they depleted the food source in a particular area. But there does not appear to be those traditional food sources any more.

Ms Arabena—Part of the food system would necessarily help produce those again. So what kind of a role would a store have in producing the biodiversity of the place in which people could then go out and hunt? It is not just a supply issue; it is also about caring for country in a way that removed the feral animals and that hunted the camels. We used to hunt camels when I lived out there; it is nice meat. Then there is the issue of how you would actually reintroduce that as part of not only a supply issue but a production issue.

If you have a look at it in a systematic context, there are a lot of opportunities. It might be that the biodiversity of the desert areas would be depleted. That has absolutely been the case: as countries have become more arid and the water supplies have dried up, feral things have overrun them. If people do not get back out to country to care for it then that will happen. But in the Torres Straits, for instance, there is still a huge diversity of food that can be sourced. It is just difficulty to access because fuel costs are so high.

Mrs VALE—Yes. They are really quite different, aren't they?

Ms Arabena—They are very different. There needs to be a bioregional approach to food production and supply systems. There would be commonalities between one that could legitimately work in some areas of Cape York and one that could work in a remote area community. But that is not the only thing that I am concerned about. I am concerned that we have these urban based models of shop service provision being rolled out and implemented in communities that do not have that as part of their way of thinking around things. But now it has become intensified but they are the end point users, as I have said, for these huge multinational companies.

CHAIR—How do we change that?

Ms Arabena—For instance, the ANU has a very good food cooperative approach. Even if you just change the packaging of products that are now available can work. Instead of having one packet of noodles individually packaged, you make sure that there are opportunities to bulk buy

foods where possible. You need to make fruit and vegetables free of charge for people and shift the cost into something else. It may not be run at a profit per se, but there would be a long-term health benefit for communities if that were the case.

Mr TURNOUR—On that, one of the issues is about empowering people. One of the things that concern me is that a lot of Indigenous people live in houses that are built by the government, they receive their welfare payment from the government and they go to a government owned store. You are saying that we should give people free food. Where does the empowerment come from in that sort of philosophy? Where does it come from?

Ms Arabena—My preference would be for families to get back out on to country and got free food from there. It is not free; they hunt for it. But it is not an economic concept.

Mr TURNOUR—You were describing free food from a shop, though.

Ms Arabena—Free fruit and vegetables is very different. For kids to access that on a day-to-day basis is really important.

Mr TURNOUR—Do you think, though, that if you could go down the local shop and get free apples and oranges and free vegetables that you would go out and grow your on? For example, on Murray Island would you put your hard work and sweat and tears into growing things? It has very good soil—I have been out there many times. Do you think that if we provide free fruit and vegetables on Murray Island that people are going to grow their own?

Ms Arabena—I reckon. Absolutely. It would be part of Marlo's law for me to do it on Murray Island, so—

Mr TURNOUR—We make people pay for fruit and vegetables and they do not grow their own, but if we provided it for free they would? Is that your argument?

Ms Arabena—That is absolutely not my argument. I am not here to make any arguments per se. I am saying that there are some philosophical opportunities that could be broached by supplementing food sources through community stores that are traditionally grown. What would stop people, for instance, on Murray Island who have additional food to their own needs bringing that into the store and making that available through the store?

Mr TURNOUR—We would agree with that.

Ms Arabena—Those sorts of things are important.

Mr TURNOUR—Can we look at that one specifically? We all have discussed that. What is stopping that from happening? Why doesn't that happen now?

Ms Arabena—That is a very good question.

Mrs VALE—We found that just about every one of these communities had a history at some stage of having community gardens. It has happened.

Ms Arabena—Yes.

Mrs VALE—For some reason, they do not just bother doing that now.

Mr TURNOUR—Some of the answers have been to do with hygiene. You raised that. I do not know what the answer to that is. Some of the answers have been to do with governance. In the case of Murray Island specifically, they talked about the fact that the buying decisions of that store being made in Cairns. But it seemed like a no-brainer. Do you have any ideas?

Ms Arabena—My insight might be that there is no sustainability framework sitting over the top of the structures at the moment. If you said that the food supply for a community had to come from a 100 kilometre range, what would it be?

CHAIR—So what are you saying?

Ms Arabena—If, for instance, you lived out in the middle of the desert—I will show you on this bit of paper—and here is your community, the first place you looked for your produce was within a 100 kilometre range, no more than that.

CHAIR—And there is some mandating on stores that they have to do that?

Ms Arabena—No, I am just saying that this is an opportunity for people to rethink what sustainability might mean.

Mrs VALE—How do we convince them of that? You cannot come in and say, make it mandatory, because that would look like another white man's law.

Ms Arabena—Absolutely. One of the recommendations I have made on page 19—

Mrs VALE—Just on another issue on that, on the logistics issue, you know more than I do that traditionally, especially in remote Australia, not talking about the Torres Strait Islands, the Indigenous people were nomadic and they were in small family groups and they would go from one small area to another, deplete the food source and go to the next one. But now we even have a population explosion in a lot of these remote communities where if they were virtually left to their own devices there would be no way—they could actually live off the land a hundred years ago or 200 years ago. They have lived off the land for nearly 50,000 years, but if we tried to make them do that again to some extent, they would not be able to because our feral animals have destroyed those local food sources and natural food sources and also the fact is they have got too many people to live off the resources of that particular set area.

Ms Arabena—I just think there are some different kind of employment opportunities the store could consider. Why is it that in Balgo we are buying frozen kangaroo tails from Kalgoorlie that has been shot by a commercial hunter, for instance? There are different ways that you could actually think about employment. You could help bolster the biodiversity. You could actually farm kangaroos or something. I have no idea, but—

Mrs VALE—You cannot hurt them.

Ms Arabena—No, you cannot. I have tried on Mount Taylor and it just does not work. I just think there are different things I would like to see happen. I would love to be given the opportunity to do this, but I think that if we expanded our ideas and concepts of what food security is, left Coles by the side for the moment and went back—not went back, because there is no place to go back to, for all the reasons we talked about before, but in the context of the declaration of the rights of the Indigenous people and the signing-off of the Kyoto agreement around climate change and the effects of that. If we had some opportunities for different sciences to work together about how you could really bolster food production and supply. But it is not only for Aboriginal communities, it is for farming communities and it is for a whole lot of rural communities and things like that.

Mr TURNOUR—I have to go. Thanks for coming along.

Ms Arabena—Thank you. I really appreciate that you are doing good work up there.

Mrs VALE—I will have to go soon too. Everything you are saying is really interesting and makes basic common sense. This might be a fairly obvious question, but to what extent have you thought about achieving a sustainable model and the actual governance of the store in terms of not just ownership but in light of the previous presentation? To what extent have you looked at particular models of governance and ownership that may actually facilitate some of this happening? Have you looked at that at all?

Ms Arabena—Some of the things you were talking about before were about family and clan based initiatives. It might be as simple as resurrecting them. I am not sure if the term 'governance' actually transitions well to when people are out on country together in small family groups, but there is certainly a social ordering that you could really encapsulate in the food supply and production systems that would not only address some of those food issues but could also then be really beneficial to some of those social and cultural foundations.

Mrs VALE—Have you actually done some examination of that?

Ms Arabena—I would love to, except I am newly coming to this. I am coming to stores in remote areas in a very different kind of way. I appreciate your time. Thank you to going out to the communities. It is really appreciated.

Mrs VALE—If anyone needs empowering out there, the women need it.

Ms Arabena—It would be tended on what happens with the store profits. Until you can tell Westpac what to do with their shareholder, stakeholder profits it would be very difficult to tell remote area men. I have tried.

CHAIR—On Danna's point on governance and the involvement of women, do you have any observation about that in the governance structures of stores?

Ms Arabena—It would be great to get women involved, but there are traditional areas where women have more involvement necessarily, and they are in the health sphere—so you will find that a lot of the governance in the clinics, for instance, is looked after by women. The store profits generated from stores will guarantee that there will be men from strong families involved

with the governance arrangements of those stores. But you could establish partnerships and collaborations between store community councils, school community councils and clinical councils, and have different kinds of arrangements in governance between agencies that do not necessarily mean that you empower women to get a broken arm.

CHAIR—One of the questions that was raised was about whether we ought to treat stores as an essential service. It was suggested that there should be a government subsidy for stores in remote communities. How do you sit with the idea of subsidising stores?

Ms Arabena—What are you actually subsidising? What is it about the store that you are subsidising? Is it to get all the crap food out there onto the shelves? Is that what we are subsidising? Are we subsidising the fuel costs for the company that owns the trucks that transport the food out there? You would have to make some really good decisions about what it is that you are subsidising through stores. And I think that it should be available across all of Australia, not necessarily just for remote area Aboriginal communities. The whole of outback Australia will be severely affected in the coming years, by the recession and by climate change. For example, once you get to 45 degrees celsius, that is when the rail lines start buckling, and it really does affect your ability to get food out there. So what are we subsidising?

CHAIR—That is a good answer.

Ms REA—That is a very good question.

CHAIR—We are going to have to finish now. You are based here, aren't you?

Ms Arabena—I am based here. The secretariat know how to get in touch with me.

CHAIR—Thank you very much for your evidence. I am sorry that we have to cut it short. It may be that we ask you some more questions in writing and maybe even ask you some more questions here on another occasion. You can see that you got us all fired up, which is a compliment. Thank you for your attendance today and thank you to the committee members, the secretariat and the Hansard reporters.

Resolved (on motion by **Ms Rea**):

That this committee authorises publication, including publication on the parliamentary database, of the transcript of the evidence given before it at public hearing this day.

Committee adjourned at 1.52 pm