



Aboriginal
Affairs



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Committee Secretary
House of Representatives Standing Committee on Indigenous Affairs
PO Box 6021
Parliament House
CANBERRA ACT 2600

Dear Committee Secretary

Please find enclosed the NSW Government submission to the Commonwealth Standing Committee on Indigenous Affairs Inquiry into food pricing and food security in remote Indigenous communities.

The submission has been prepared by Aboriginal Affairs NSW, with contributions from across the NSW public service.

The submission highlights that due to a range of factors shaped by NSW's unique context, food security has been a long-standing, key concern for Aboriginal communities, not just in remote locations but across NSW.

I would welcome the opportunity to provide further information.

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Yours sincerely

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Lil Gordon
Head of Aboriginal Affairs

Dharawal

Njunaliin ngaralanga dharawalwulawala nguradhanhay ngaliya
We respect Aboriginal peoples as the first peoples and custodians of NSW

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NSW Government Submission

June 2020

Commonwealth House of Representatives Standing Committee on Indigenous Affairs

Inquiry into food pricing and food security in remote Indigenous communities



1 Introduction

- 1.1 The Commonwealth Standing Committee on Indigenous Affairs (Committee) is conducting an inquiry into food pricing and food security in remote Indigenous communities (the Inquiry). The Committee will report by 30 October 2020.
- 1.2 The Council of Australian Governments defines 'food security' as '*the ability of individuals, households and communities to acquire appropriate and nutritious food on a regular and reliable basis using socially acceptable means*'. The NSW Government has adopted this broad definition in this submission.
- 1.3 The NSW Government has prepared its submission to assist the Committee with its Inquiry. The key matters covered in this submission include:
 - NSW context which makes NSW's food security issues unique
 - An overview of barriers and obstacles for achieving food security in NSW Aboriginal communities
 - An outline of what NSW Government has implemented and supported to address food security for NSW Aboriginal communities in regional and remote NSW (including as a response to the recent NSW bushfires and COVID-19)
 - An outline of further work that can be done based on learnings to date.
- 1.4 This submission is structured under the Inquiry's terms of reference. Please note that due to NSW's unique context (see below), food security is not only an issue in remote Aboriginal communities, but in all Aboriginal communities in NSW including those located in outer regional and rural areas.

2 Terms of Reference

1) The environment in which Remote Community retailers operate

NSW is unique

- 2.1 Food security, a foundational requirement for health and wellbeing, has been a key concern particularly for Aboriginal communities in outer regional, rural and remote NSW.
- 2.2 NSW's context is different to that of other jurisdictions like the Northern Territory and thus shapes NSW's unique food security issues.

In NSW, around 4 per cent of the Aboriginal population live in remote areas

- 2.3 In 2016, the estimated resident population of Aboriginal people in NSW was 265,685 (33.3% of the Aboriginal population of Australia).

- 2.4 46.3% of the NSW Aboriginal population lived in major cities, 34.5% in inner regional areas, 15.5% in outer regional areas, 2.8% in remote, and 0.9% in very remote areas.
- 2.5 However, in some of these regional, remote and very remote communities, Aboriginal people represent the major proportion of the population and this proportion has been growing over time as non-Aboriginal people leave these areas, while Aboriginal people remain.

NSW rural and remote communities do not rely on community run food stores

- 2.6 Arrangement of food stores in NSW rural and remote communities is different to that of other jurisdictions. NSW communities do not rely on community run stores (eg “Outback Stores”) but rely on mainstream privately run supermarkets in neighbouring towns that have little to no competition.
- 2.7 Most rural and remote areas in NSW do not have a major retailer (Coles or Woolworths). The nearest town may have an independent or smaller retailer, such as IGA or Foodworks. These often do not have their own supply chains and may purchase products in bulk from the major retailer in the nearest regional centre.
- 2.8 There are no ‘Outback Stores’ in NSW although there are discussions underway to establish a community store operated by Outback Stores in Goodooga.
- 2.9 Food pricing is a key aspect, but the quality, variety and availability of safe and nutritious food like fresh fruit and vegetables, have also been long-standing issues, shaped by NSW’s unique context.
- 2.10 Consequently, families turn to cheaper take away food options with less nutritional value, a critical behavioural risk factor that can significantly impact on health.
- 2.11 In 2019, only 42.3% of Aboriginal people in NSW consumed the recommended amounts of fruit, and 6.0% consumed the recommended amounts of vegetables¹. These figures have been trending downwards in the past two years.
- 2.12 The drought, COVID-19 pandemic and recent NSW bushfires have disrupted traditional supply chains and demand trends, further highlighting that food security is an ongoing concern across NSW. Emergency food boxes, sent in response to COVID 19 food shortages and public health requirements for health compromised people to stay at home, were delivered to areas ranging from Illawarra, Nowra, Kinchela, Armidale, Glenn Innes, Moree, Broken Hill and Wilcannia.

¹ Centre for Epidemiology and Evidence. Health Statistics New South Wales. Sydney: NSW Ministry of Health. Retrieved from: www.healthstats.nsw.gov.au

2) The licensing and regulation requirements and administration of Remote Community stores

3) The governance arrangements for Remote Community stores

2.13 As NSW has no community run stores in its regional or remote Aboriginal communities, NSW has no comment on these Terms of Reference

(4) Comparative pricing in other non-Indigenous remote communities and regional centres

(5) Barriers facing residents in Remote Communities from having reliable access to affordable fresh and healthy food, groceries and other essential supplies

Geographic distance and limited supply chains have created a monopoly effect

2.14 In many NSW rural and remote towns, there is only one store that operates, and in some towns, none. With the local stores often not having their own supply chain and also being in a situation of monopoly, the experience is they charge higher prices for their products in a thin market.

2.15 As a result community residents usually travel lengthy distances to regional centres for weekly or fortnightly supplies and use the local stores for top-up shops.

2.16 In addition to the lengthy travel, many Aboriginal people rely on one another to get a lift to the towns to go shopping, as they do not have their own access to transport.

2.17 Examples across NSW include the following:

- Baryulgil and Malabugilmah communities have no local food stores. These Aboriginal communities thus travel to Grafton for supplies (1hr drive).
- Tabulam has one small store where prices are comparatively higher to those in larger towns. This community travels to Casino for supplies (55 minute drive).
- When the Walgett's only supermarket (IGA) burned down in 2019, the community had to travel 80km for an alternate food store.
- In Wilcannia, the food prices in their local store are high, with tinned peas (priced around \$0.99 in Sydney) being sold at \$3.50.
- In Ngulingah, the food prices in their local store are high, with a lettuce for \$6.00 and tomatoes for \$9.00/kg.

2.18 The limited market in regional and remote Aboriginal communities has also contributed to a smaller range of fresh food choices and thus consumption of fresh food.

- 2.19 It is thus not uncommon for Aboriginal children living in remote communities to not know healthy food options (i.e. fruit types) that others take for granted.

Larger transportation costs have contributed to limited fresh food supply

- 2.20 Related to the geographic distance, freight cost is a key expense in ensuring food supply and food relief for NSW rural and remote areas. Organisations outside Sydney pay more for their orders because of their location. This is also reflected in higher food prices in the local food stores and the limited variety and supply of fresh food.
- 2.21 For example, the Winanga Li Aboriginal Child and Family Centre (ACFC) in Gunnedah manages the implementation of the ACFC at Lightning Ridge and Brewarrina. They regularly transport fresh food from Gunnedah to Brewarrina and Lightning Ridge (up to 4.5hr drive) for these centres as it is too expensive and hard to source otherwise.

Extreme weather and emergency events exacerbated food security

- 2.22 Seasonal and climatic factors can trigger volatile food supply and pricing. In NSW, the combined impact of recent bushfires, ongoing drought, and COVID-19 have highlighted food supply issues for outer regional, rural and remote communities.
- 2.23 For example, at the peak of bushfire activity, the Far South Coast struggled with food supply due to supply chains being cut off from the region and suppliers being unable to operate due to the fire threat or lack of power. As stores reopened many Aboriginal communities reported inability to access basic supplies due to:
- Stores being open limited hours and operating on a first come first served basis.
 - Mass loss of perishable food over January 2020 as power was lost for extended periods and people did not have back up power supplies.
- 2.24 COVID-19 associated supply shortages impacted significantly on small retailers in rural and remote areas such as within the Murdi Paaki Region, often cutting deliveries from 2 – 3 supplies per week down to one and cutting back quantities to 20% of orders. Residents had to travel significant distances to buy only a portion of what they needed, whilst there was fear of COVID-19 from increased exposure to other towns.

The cost of living plays a key role in food security issues across NSW

- 2.25 Food insecurity affects those with lower incomes disproportionately, as this increases the likelihood of limited access to sufficient, safe and nutritious food.
- 2.26 This means food security is not just an issue for remote Aboriginal communities but an issue for all Aboriginal people living in NSW due to the comparatively lower income levels of Aboriginal people.

- 2.27 As per the 2016 census, the median income of Aboriginal adults was about \$472 per week, which is 71% that of all adults in NSW (\$669). The difference was larger for Aboriginal adults in remote NSW (\$421 per week, 65% that of all adults in remote NSW).
- 2.28 COVID-19 highlighted that due to lower income levels and reliance on social security “payday”, which makes stockpiling of essentials impossible, Aboriginal people were disproportionately affected by price gouging issues and the ability to secure food.

(6) The availability and demand for locally produced food in Remote Communities

NSW Government initiatives to support Aboriginal communities to develop local initiatives

- 2.29 As per *OCHRE (Opportunity Choice Healing Responsibility Empowerment) - the NSW Aboriginal Affairs Plan*, the NSW Government is committed to building strong partnerships that have at their heart respect for local Aboriginal culture, leadership and decision making.
- 2.30 NSW Government is working with Aboriginal communities and across governments to implement local food security initiatives.
- 2.31 For example, NSW schools have worked with community organisations to educate on food nutrition and habits, but also create gardens for a supply of fresh food. The Boggabilla School Food Program was initiated due to the food security issues experienced in that community. It started as a breakfast program for students, and expanded to include a cooking group for community members, and learning how to cook nutritious meals from inexpensive ingredients. Last year, Boggabilla School also partnered with the Community Greening program through the Botanic Gardens to build vegetable gardens on the school grounds.
- 2.32 The NSW Government also funds unique food security initiatives designed by Aboriginal organisations to match their community needs and opportunities. An example is the Ngulingah Local Aboriginal Land Council (LALC) Food Security Project. The Ngulingah LALC is establishing a small horticulture enterprise using existing Nursery and Ranger programs. Produce will be distributed to local Aboriginal communities affected by drought, fires, flood and COVID-19. Excess food will be sold to refund the initiative. Activities will include building a horticulture system, planting and harvesting initial crops, and distribution of food and sales.
- 2.33 These localised initiatives showcase the combined effort of governments and communities aiming to bring sustainable outcomes to ensure there is local fresh food in regional and remote Aboriginal communities in NSW.
- 2.34 NSW Government also funds programs for general food relief. For example, there is the NSW Food Program funded by the NSW Department of Communities and Justice that

provides funding to non-government organisations for transport costs of food relief activities. The NSW Environment Protection Authority also manages the Waste Less, Recycle More initiative that provides grants to food relief agencies for food donation infrastructure, and the Food Donation Education Program that also provides grants to support these agencies to rescue more food from donors through increased awareness and resource sharing networks.

NSW Government support during bushfires and COVID-19

- 2.35 For both COVID-19 and the bushfires, the NSW Government worked closely with local Aboriginal community-controlled organisations to address the exacerbated food security issues. This is because the NSW Government recognises the importance of partnership and shared decision making with Aboriginal communities.
- 2.36 The food security response coordinated by these organisations included the supply and delivery of shelf and fresh produce, self-care items and other essentials.
- 2.37 For example, to respond to the immediate food needs arising from COVID-19, the NSW Government worked with the Aboriginal Health and Medical Research Council (AHMRC) to deliver 2,000 emergency food boxes to Aboriginal people over 60. The NSW Government is also working with the NSW Aboriginal Land Council (NSWALC) on a joint program to support distribution of food boxes to Aboriginal people in high risk communities. To date, over 3,600 boxes have been distributed.
- 2.38 The NSW Government recognises that organisations and charities such as Local Aboriginal Land Councils, the First Peoples Disability Network, Food Bank, Aboriginal Community Controlled Health Services, Waminda South Coast Womens and Childrens Service, and many others also responded and provided support during COVID-19 via additional emergency food distribution.
- 2.39 This combined effort drew on the knowledge of local organisations and connections that allowed for a food relief program to be set up quickly to target areas of highest need and Aboriginal people who were most vulnerable (Elders, disabled, those with health conditions) to ensure nobody missed out.

7. The role of Australia's food and grocery manufacturers and suppliers in ensuring adequate supply to Remote Communities, including:

- a. identifying pathways towards greater cooperation in the sector to improve supply;**
- b. the volume of production needed for Remote Communities;**

- c. challenges presented by the wet season in Northern Australia as well as any locational disadvantages and transport infrastructure issues that might be relevant;**
- d. geographic distance from major centres.**

2.40 Some of the challenges faced by grocery manufacturers and supplies in NSW in supplying NSW Aboriginal communities, and some pathways to greater co-operation, are outlined above in response to Terms of Reference No 5 and 6.

8. The effectiveness of federal, state and territory consumer protection laws and regulators in:

- a. supporting affordable food prices in Remote Communities particularly for essential fresh and healthy foods;**
- b. addressing instances of price gouging in Remote Communities; and**
- c. providing oversight and avenues for redress;**

2.41 Like other jurisdictions, NSW relies on the existing regulatory regime established under national and State competition and consumer law to safeguard the operation of fair and equitable markets.

2.42 Existing consumer laws provide some redress and complaint options, but there are significant hurdles for Aboriginal people in regional and remote communities who wish to pursue redress or complaints (for instance access to, and understanding of, on-line consumer complaints systems and access to pro bono consumer legal advice).

2.43 One of NSW Government's key priorities is to improve the cost of living. The NSW Government focus has been on addressing economy wide factors that influence household budgets, such as housing and energy, as well as ensuring that regulation does not hamper innovation and competition, which can influence prices for everyone.

(9) Any other relevant factors

Continuing work across governments to address food security

2.44 The NSW Government supports continued and increased collaborative approaches, with both the Commonwealth and local governments, to explore ways of achieving sustainable and stable food security for regional and remote Aboriginal communities in NSW.

2.45 As flagged above, a strong emergency response for food relief in times of emergencies like COVID-19 is crucial, but reform is required to ensure Aboriginal communities have sustainable and stable food security.

- 2.46 It is also important to ensure that approaches are locally driven, tailored and led by respective Aboriginal communities and organisations.
- 2.47 NSW Government would support continued collaborative approaches like the examples outlined below to explore ways of achieving sustainable food security in regional and remote communities, without intervening in the operation of effective and competitive markets in undesirable ways.

Goodooga store – example of collaborative effort across governments and community

- 2.48 Goodooga Store will help address long-standing food security issues within this far north NSW community. Goodooga has been without any fresh food for over 10yrs after its only general store shut down and residents travelled 150km to the nearest food store.
- 2.49 The Australian Government provided \$1.7million to build the Goodooga Store on land owned by the Goodooga Local Aboriginal Land Council. Construction and operations of the Store will be in partnership with a number of stakeholders including North West Lands Corporation, Goodooga Local Aboriginal Land Council and Outback Stores.

Wilcannia's Community Kitchen – a locally driven project governments supported

- 2.50 Wilcannia has been severely impacted by food insecurity exacerbated by drought over the past few years. The town lacks access to traditional food like fish and emu, and has had to rely on lower quality fresh food sold locally at elevated prices (as all gardens have died due to imposed water restrictions).
- 2.51 Wilcannia's Community Kitchen started off with 10 local women volunteers opening a Meals on Wheels community kitchen service to provide hot meals to the elderly and vulnerable three days per week who struggle due to the ongoing food security issues.
- 2.52 The initiative aims to ensure there is local support for those who need it but also work towards a long-term goal of sustainable supply of fresh food for the community. Activities include restoration of existing vegetable gardens and chicken yard, weekly grocery shopping, meal preparation, and distribution of food and sales. Excess food is sold to refund the initiative.
- 2.53 This community driven initiative has been supported by government and local organisations:
- The NSW Government has provided funding for groceries, meat and sundries
 - Wilcannia LALC and the Broken Hill LALC are supporting and funding the kitchen (e.g. to purchase meat for the kitchen)

- Maari Ma Health Aboriginal Corporation is supporting the Kitchen's volunteers to obtain Safe Food Handling Certificates and Game Meat Harvesting Certificates through TAFE NSW.