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Joint Select Committee of Northern Australia PO Box 6100 Parliament House CANBERRA ACT 2600

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Submission to Energy, Food and Water Security Inquiry

Dear Committee

Thank you for the opportunity to provide a submission from the Torres Strait Regional Authority to the Joint Select Committee on Northern Australia's (JSCNA) energy, food and water security inquiry.

This submission makes several recommendations including:

- Continue to provide funding for ARENA's Regional Microgrids program to encourage innovative solutions for remote renewable energy technologies.
- Continue to jointly fund the TSRA's Major Infrastructure Program as a model for regional collaboration on infrastructure.
- Match the Queensland Government's funding for the Queensland Remote Communities Freight Assistance Scheme to maintain a 20 per cent subsidy on food and essential household goods.
- Improve supply chains through the provision of funding for essential infrastructure such as community access roads, ports and marine infrastructure, cold storage and warehousing.
- Ensure remote communities including in the Torres Strait receive the greatest benefit from investments in the National Water Initiative.

The Committee should consider how this inquiry and its recommendations can better shape the agenda of the Northern Australia Ministerial Forum and contribute to achieving the intent of the Northern Australia Indigenous Development Accord. Liveability in Northern Australia will not improve without significant focus and funding to address water, food and energy security issues, especially in remote communities.

Importantly, the recommendations in this submission should be factored into the Northern Australia Action Plan 2024-2029. The current plan is ambitious and aspirational but does not go far enough in terms of addressing the realities of achieving a prosperous future for all northern Australians. Torres Strait communities will continue to be left behind until there is true recognition and acceptance of the very unique challenges faced by people due to their remoteness and the island communities in which they live. Geography should however not be a barrier to achieving better development outcomes for Torres Strait Islanders. Where governments invest in functional and fit-for-purpose infrastructure (which is often the case for remote areas which have strategic locational value, for example, defence), communities benefit.





TSRA looks forward to the opportunity to participate in the public hearings process to discuss our submission with members of the Joint Select Committee. I encourage the Committee to consider holding a public hearing in the Torres Strait region, to help the Committee understand the challenges faced by remote and Indigenous communities.

Yours sincerely

Charlie Kaddy A/Chief Executive Officer

Submission to the Energy, Food and Water Security Inquiry

From the Torres Strait Regional Authority
January 2025

Regional context, challenges and opportunities

The Torres Strait region stretches 150 kilometres northwards from Cape York Peninsula to Papua New Guinea and up to 300 kilometres east to west. It includes 5 Traditional Owner nations of Kaiwalagal, Maluilgal, Gadu Maluilgal, Kulkalgal, and Kemer Kemer Meriam. As one of the most remote Australian Public Service agencies, the TSRA supports programs across the Torres Strait region, including for the 17 inhabited islands of the Torres Strait and the communities of Bamaga and Seisia on the Northern Peninsula Area of mainland Australia.

The smallest island community (Ugar Island) in our region has a population of just 69 and the largest (Thursday Island) has a population of 2803. Bamaga and Seisia have a combined population of 1500.¹ Eighty-three per cent of our residents are in the highest quintile for socio-economic disadvantage and living costs are up to 40 per cent higher than for urban areas. See Attachment A for a snapshot of the demography of the Torres Strait region.

Closing the Gap

While there has been good progress against some Closing the Gap targets, Torres Strait Islander and Aboriginal peoples in the region still face up to a 20-year gap in life expectancy because of the inequities. Potentially avoidable deaths in the Torres Strait region stand at around 50 per cent, largely due to the burden of preventable chronic diseases including diabetes, kidney and cardiovascular diseases.²

Historical underinvestment in essential infrastructure including housing, community access infrastructure, telecommunications, energy, and water and sanitation services contribute to the social and economic disadvantage faced. Flushing toilets did not reach some Torres Strait communities until the 1990's.

The Torres Strait region has a Human Development Index (HDI) ranking closer to parts of Indonesia than to around 90 per cent of other Australian communities.³ While poor health is a key driver of lower-than-average human development outcomes, the overall lower HDI value potentially reflects deep-rooted issues related to access to infrastructure and to economic opportunities.

Climate Change

Climate change is increasingly shifting and impacting many aspects of the region's weather, ecosystems and societal dynamics. Sea level rise and extreme weather are increasingly putting

¹ Australian Bureau of Statistics, *Census of Population and Housing – Counts of Aboriginal and Torres Strait Islander Australians, 2021.*

Torres and Cape Hospital and Health Service, 24 July 2024Health Service Investigation: Administration management and delivery of public sector health services provided to Aboriginal and Torres Strait Islander people by the Torres and Cape Hospital and Health Service, Part A Report, p. 48. https://www.health.qld.gov.au/ data/assets/pdf file/0023/1358033/torres-cape-investigation-report-part-a.pdf

The TSRA commissioned Geografia to undertake a first of its kind Human Development Index (HDI) comparative analysis of the Torres Strait region against all local governments in Australia and make comparisons against global HDI rankings. The Torres Strait region is in the bottom 10 HDI rankings in Australia and has a similar HDI ranking to Sulawesi in Indonesia.

coastal infrastructure at risk and rising day and nighttime temperatures are exacerbating existing health challenges. Climate change is putting additional pressure on already strained energy, food and water resources and systems and smart planning and investment is going to be needed to ensure the region can meet this growing challenge.

Energy

All communities in the Torres Strait region rely on comparatively expensive diesel-powered microgrids provided by the Queensland Government's energy provider, Energy Queensland. The exception is Prince of Wales Island (Muralag) where each home has its own power generation. Two recently refurbished wind turbines on Thursday Island reduce the community's reliance on diesel generation and reportedly save an average of 7000 litres of diesel a week. The cost of energy for consumers is subsidised through the Community Service Obligation (CSO) payment. In 2021, across Queensland the shortfall between production costs and retail earnings for remote power production was estimated to be \$635.2 million in 2022-2023. Ergon Energy Network (a subsidiary of Energy Queensland) released its <u>Isolated Networks Strategy 2030</u>, outlining its aim of transitioning remote communities to increased renewable energy supply in an effort to reduce the CSO payment.

Despite the CSO, households often struggle with meeting their energy costs. Overcrowded housing leads to much higher energy use, as does the reliance on air conditioning during the hot summer months when vulnerable people including the elderly and those with chronic conditions are most at risk of heat stress.

Reliable energy is critical to maintaining the supply of drinking water. When the system fails, so too does the availability of treated water. Similarly, when community demand for water increases, the consumption of energy skyrockets. As a result, the water-energy nexus and sustainable resource management has drawn considerable attention over the years, including by the TSRA. That is why we provided \$75,000 to Griffith University for the IKnow, weKnow project, to collaborate with communities in the Torres Strait to create practical tools to promote innovative solutions for smarter water and energy management. In the past, TSRA funded some small-scale solar array trials to reduce the cost of water production at Masig Island and support the Mer Ged Kem Le PBC reduce power bills on their guest house on Mer Island.

Climate change has led to an annual mean temperature increase in the region of approximate 1.5°C since 1950.⁶ Heat stress and heat related illness and fatalities are increasingly a risk to Torres Strait islanders who already have a number of factors that reduce their physiological tolerance to heat stress. The requirement for homes to have air conditioning to keep people cool is going to increase significantly given most homes are not currently air conditioned. This climatic shift is also increasing pressure on water security through impacts on both supply and demand and the power system required to supply water. The supply of quality affordable clean energy is a critical requirement to support the region to maintain liveability and to be able to adapt to the impacts of climate change.

As well as committing to the Australian Government's Path to Net Zero, we are working with Energy Queensland to identify options to increase renewable energy generation across the region to unlock the potential for new initiatives such as e-mobility. This includes exploring the feasibility of installing rooftop solar on TSRA facilities and moving towards the use of electric vehicles, where supported by the necessary infrastructure. In 2021 the TSRA released the *Torres Strait Renewable Energy Transition Plan* to map out an achievable pathway to transition the region to reliable clean energy supply. The Plan was developed with input from Ergon Energy. The region has good solar and wind resources as well as exceptional shallow water tidal energy potential.

Vorrath, Sophie, 'One of Australia's oldest wind farms gets makeover and new 15-year lease on life' 17 April 2023. 'One of Australia's oldest wind farms gets makeover and a new 15-year lease on life | RenewEconomy'

Regulated electricity prices for regional Queensland 2023-24, p. 10. Queensland Competition Authority, June 2023 https://www.qca.org.au/project/customers/electricity-prices/regulated-electricity-prices-for-regional-queensland-2023-24/

⁶ Bureau of Meteorology data from Horn Island between 1951 and 2023.

The opportunities flowing from the region's transition to renewable energy include new local jobs and skills development in solar system repairs and maintenance, reduced energy costs for consumers, reduced risk of system outages from reliance on imported fuels, and a reduction in harmful carbon emissions associated with burning diesel.

Recommendations to improve energy security

• Continue to provide funding for ARENA's Regional Microgrids program to encourage innovative solutions for remote renewable energy technologies.

Food security

Many households in the region face food insecurity due to remoteness and low incomes. While there have been improvements in the availability and accessibility of healthy and nutritious foods, supported by the Queensland Government's remote freight subsidy, the quality of fresh foods is often diminished due to extremely long supply chains and breaks in the cold chain. Poor soil quality and limited water due to unreliable rainfall (exacerbated by the effects of climate change) along with the high cost of diesel, is a barrier to people maintaining traditions of subsistence farming and fishing to supplement their diets, forcing reliance on community stores for daily nutritional needs.

The TSRA supports a range of initiatives to improve food security, including investing in local food production projects in schools and communities, along with healthy eating initiatives. TSRA's *Mekem Garden* sustainable horticulture project seeks to reinvigorate the art of family gardening by combining traditional knowledge passed down by Elders with contemporary horticultural practices, ensuring the sustainability of local food production amid challenges such as climate vulnerability and economic dependency on external resources.

Our *Torres Strait Regional Adaptation and Resilience Action Plan 2025-2030* identifies several actions for TSRA and its partners to work towards to improve food security in a changing climate, including irrigation using tertiary treated wastewater for tree crops and identification of climate resilient crop varieties.

In November 2024, we signed an agreement with community store operator Community Enterprise Queensland to work in partnership to promote health communities and improve access to fresh and affordable foods in the region. In 2023, the Queensland Government, through Health and Wellbeing Queensland, developed the *Gather + Grow Strategy and Action Plan* 2023-2026 to address food security in remote Aboriginal and Torres Strait Islander communities. The Gather + Grow steering committee, which TSRA is a member, is a partnership approach across all tiers of government and industry to optimise supply chain performance and logistics resilience, improve accessibility to healthy food and availability to localised food production systems. TSRA also participated in the National Indigenous Australians Agency's (NIAA) Remote First Nations Food Security Working Group.

During 2024, the TSRA welcomed the Queensland Government's \$64 million commitment to a remote freight subsidy of 5.2 per cent on food and essential household goods, although noted that it would have negligible impact on weekly grocery bills. The subsidy was increased to 20 per cent in September 2024 to further drive down costs and it is critical it remains at this level to reduce the disadvantage faced by remote communities.

There is a very significant need for commercial scale climate resilient production of fresh food in the region to improve the quality, affordability and reliable availability of food in the region. Such an initiative would also provide co-benefits related to skills development and employment opportunities.

Recommendation to improve food security

• Improve supply chains through the provision of funding for essential infrastructure such as community access roads, ports and marine infrastructure, cold storage and warehousing.

- Match the Queensland Government's funding for the Queensland Remote Communities
 Freight Assistance Scheme to maintain a 20 per cent subsidy on food and essential
 household goods.
- Provide seamless funding for the ongoing sealing of the Peninsula Developmental Road to improve road freight movements in Cape York.
- Ensure all relevant Government agencies are committed to implementing the National Strategy for Food Security in Remote First Nations Communities.
- Push for greater recognition of the supply chain challenges, regional disparities and infrastructure deficiencies in the Torres Strait and Cape York region.

Water security

Maintaining an adequate supply of safe drinking water is an ongoing challenge for local councils in the Torres Strait region. With very few natural water sources across the islands, communities rely on rainwater collection, desalination plants or water piped from other islands for their water supply. Water security also impacts food security as many islanders grow food to reduce due to cost-of-living pressures and to maintain cultural practices.

Harsh environmental conditions and waterborne pathogens can challenge the ability of councils to maintain water treatment plants at optimal levels. It is not unusual for communities to be placed on severe water restrictions or boil water alerts for weeks at a time. Several island communities are often faced with running water limited to 1 or 2 hours a day due to dry periods, community demand outstripping supply, or other water management issues. There is work underway at Badu Island to install 150 metres of water pipeline as part of NIAA's Rising Mains project (with a 50% contribution from the Growing our Regions program) to improve their water security. The community has been on a permanent boil water notice for an extended period.

Water quality and supply directly impacts the ability of health services to provide lifesaving treatments like kidney dialysis. While TSRA welcomes the Australian Government's announcement of a renal dialysis unit for Badu Island, successful delivery of the unit will rely heavily on ensuring a reliable supply of clean water.

The TSRA has invested around \$300 million since 1998 for health-related major infrastructure projects (under the Major Infrastructure Program), including desalination plants, water towers and water supply covers, upgrades to water wells and bores and bund walls. We are seeking a further commitment from the Australian and Queensland governments of \$150 million in total to jointly fund the continuation of improvements to water and wastewater infrastructure (and other health-related infrastructure) to address long-term shortfalls in funding and ensure services like renal dialysis in the Torres Strait remain possible.

Recommendations to improve water security

- Continue to jointly fund the TSRA's Major Infrastructure Program as a model for regional collaboration on infrastructure.
- Support initiatives like Griffith University's iKNow, weKNow initiative to drive community-based action on water and energy management.
- Ensure remote communities including in the Torres Strait receive the greatest benefit from investments in the National Water Initiative.
- Fund the trial of innovative water security solutions such as commercial-scale solar –driven water desalination plants.

Attachment A – Torres Strait Region Fast Facts

Demography

- The estimated resident population of the region is 10,694, which is .002% of the total population of Queensland.
- 81.2% of the population identifies as Indigenous, compared to 4.6% for the whole of Queensland.
- The estimated median age for residents is 27.9 years, compared to Queensland's median age of 38.6 years.
- The region has a birth rate of around 16.6 births per 1,000 people, compared to Queensland's birth rate of around 11.7 births per 1,000 people.
- 70.3% of people in the region speak a language other than English at home.
- The rate of single parent families in the region is double the rate of single parent families for the whole of Queensland.
- The rate of multiple family households is 5 times more than the rate of multiple family households for the whole of Queensland.

Housing and Homelessness

- The rate of homelessness in the region is 224.5 persons per 10,000 persons. For the whole of Queensland, it is 43.2 persons per 10,000.
- Around 83% of houses in the region are rented.
- The rate of home ownership (fully owned or being purchased) is very low at 8.8% when compared to Queensland at 63.5%.

Social security and unemployment

- 19.5% of the population is on Job Seeker payments, compared to 5.7% for the whole of Queensland.
- In the June quarter of 2023, 18.5% of the regional population was unemployed, compared to just 3.7% for the total Queensland population.

Education

- 62.2% of the population achieved year 11 or 12 as the highest level of schooling completed. This is similar to the whole of Queensland at 63.6%
- 8.6% of people in the region hold a bachelor's degree or higher qualification, compared to 21.9% for the whole of Queensland.

Health and aged care

- The rate of diabetes in the region is 60% higher than the rate for the whole of Queensland. (7.2% compared with 4.5%)
- There are 6 aged care services across the region, and a total of 38 residential care places available. All residential care places are located in the Torres Shire.

Socio-economics

- 83% of people in the region are in the most disadvantaged quintile for socio-economic disadvantage, compared to 20% for the whole of Queensland.
- 40% of families in the region are on an income of less than \$77,999, with 17.7% of families on an income of less than \$33,800. Only 6.9% of families in Queensland as a whole are on less than \$33,800.