

## Submission to House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs

# Inquiry Remote community stores in Aboriginal and Torres Strait communities

**Heart Foundation** 

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To:
Richard Marles MP
Chair
House of Representatives Standing Committee on
Aboriginal and Torres Strait Islander Affairs
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#### **Executive Summary**

The Heart Foundation believes that addressing food supply issues is an essential strategy for improving nutrition and the prevention and management of chronic disease in Aboriginal and Torres Strait Islander peoples. The Heart Foundation makes the following recommendations:

#### Social Disadvantage and Health

- 1. Improvement in the operation of remote stores cannot be addressed in isolation. The underlying determinants of health such as income and wealth distribution, education, standard of housing, household infrastructure, and standards of health care desperately need attention.
- 2. To support the local economy, wherever possible, source store employees locally.

#### Governance, Policy, Monitoring

- 3. To address gaps in knowledge and to inform health policy planning, implement a national audit of Indigenous health and welfare data.
- 4. Set a strong nutrition and health agenda for stores and store groups in governance and policy structures, for example identified positions on Boards for public health experts.
- 5. Implement a national food and nutrition monitoring and surveillance system. In the absence of a comprehensive system, further fund work already done on the store turnover monitoring tool by the Menzies School of Health Research.
- 6. Substantial expansion of current commitment to the NATSINSAP program implementation beyond 2010 with permanent funding.
- 7. Apply a community development model to food supply intervention, allowing for community consultation, and provide for local self-determination.

#### Cost, availability and quality of the food supply

- 8. Investigate options for applying grants/subsidies/rebates to achieve equity in the costs and availability of healthy food items.
- 9. Encourage reformulation of the food supply and consider government incentives to support this.
- 10. Develop a minimum core range of healthier foods based on the Heart Foundation Buyer's Guide for managers of remote Indigenous stores and takeaways.

#### **Demand Management**

- 11. Increase capacity of the population to purchase healthier foods. Consider additional funds quarantined as food stamps or voucher as a strategy to achieve this.
- 12. Implement community-based programs to promote healthy eating.

#### Workforce

- 13. Create permanently funded Aboriginal and Torres Strait Islander nutrition positions working in remote Indigenous food supply.
- 14. Formalise a recognised "Nutrition Skill Set" and strengthen Aboriginal and Islander nutrition and health workforce by providing accredited nutrition training.
- 15. Implement competency-based training, including nutrition, for all store managers and provide nutrition training for store workers.

#### Introduction

The Heart Foundation welcomes the opportunity to make a submission to the inquiry by the House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs into the operation of local community stores in remote Indigenous communities. Food supply to remote Indigenous communities has been identified as an issue of concern by the Heart Foundation. For 1996-2000, the number of Indigenous deaths from CVD was more than three times the rate for the non-Indigenous population<sup>1</sup>. Addressing food supply issues is an essential strategy for improving nutrition and the prevention and management of chronic disease in this vulnerable population.

The National Aboriginal and Torres Strait Islander Nutrition Strategy and Action Plan (NATSINSAP) was designed to provide national coordination and cooperation across the country to improve the nutritional status of Aboriginal and Torres Strait Islander people. This program provides the key framework to address food security in remote Indigenous communities. Food supply to remote Indigenous communities is a priority action for NATSINSAP. To progress implementation, NATSINSAP national project officer positions were created (hosted by the Heart Foundation) and are funded by the Office of Aboriginal and Torres Strait Islander Health (OATSIH), however unfortunately the current funding ends in June 2009.

In 2005, to assist with implementation of NATSINSAP strategies, collaboration between five State and Territory jurisdictions under the auspices of the Northern Territory Department of Health and Community Services resulted in the creation of the Remote Indigenous Stores and Takeaways (RIST) Project. Through this project nine separate resources have been developed, intended to establish and improve standards for "healthy" remote stores<sup>2</sup>. In addition to addressing the issue of availability and quality of fresh fruit and vegetables, it is recognised that there is an increased reliance in remote areas on products with a longer shelf life. Therefore the Heart Foundation was contracted by the RIST Steering Committee to develop guidelines for stocking healthy foods based on community population and core food requirements<sup>3</sup>. The Heart Foundation's Buyer's Guide for managers of remote Indigenous stores and takeaways identifies specific brands of foods and beverages which are healthier choices. The scoping work undertaken for this project investigated the entire food supply chain to remote areas and formulated strategies to improve the stocking of healthier choices in stores. Identification of barriers and enablers influencing the supply of healthier products to remote areas resulted in recommendations to expand on current Heart Foundation work further upstream in the food supply, including:

- Ongoing dialogue with store buying groups to influence buying practices;
- Opportunities to embed the Buyer's Guide into distributor lists;
- Encourage reformulation of products by manufacturers.

The Heart Foundation has more than 20 years experience in influencing and

<sup>&</sup>lt;sup>1</sup> Australian Institute of Health and Welfare (2006) *Australia's health 2006: the tenth biennial health report of the Australian Institute of Health and Welfare.* (AIHW catalogue no. AUS 73) Canberra: Australian Institute of Health and Welfare

<sup>&</sup>lt;sup>2</sup> Sourced from website 6 January 2009:

http://www.healthinfonet.ecu.edu.au/html/html community/nutrition community/resources/nutrition rist.htm

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The Remote Indigenous Stores and Takeaways (RIST) Project Report, June 2008.

improving the nutritional profile of the food supply. Through the world renowned Tick Program this is achieved via a threefold course of action:

- Influencing food companies and outlets to manufacture and market foods that meet high nutrition standards;
- Encouraging consumers to purchase these healthier foods; and
- Influencing food policy and legislation.

### About the Heart Foundation

The Heart Foundation is the leading non-government organisation in cardiovascular health and a key agency in the area of healthy lifestyle, including the healthy weight, physical activity and healthy eating arenas.

The Heart Foundation encourages all governments and those working in the health sector to increase efforts to address chronic disease prevention, and to tackle the shared risk factors for these conditions, which include physical inactivity, poor nutrition, overweight and obesity.

Over the last ten years the Heart Foundation has made Indigenous health a priority and more recently joined the Prime Minister and other leading health and Indigenous organisations in committing to **Closing the Gap** in life expectancy for Indigenous Australians in the next 25 years. This human rights campaign recognises that Aboriginal and Torres Strait Islander peoples do not have an equal opportunity to be as healthy as non-Indigenous Australians. The Heart Foundation's strategic plan *Championing Hearts 2008-2012* strives for health equity for Indigenous Australians by setting a core principle for all priority areas to:

"Consider and act upon Aboriginal and Torres Strait Islander cardiovascular health in our work wherever possible."

The need for greater emphasis on chronic disease prevention in the Indigenous population has been recently highlighted in a report by the Australian Institute of Health and Welfare<sup>1</sup>. The report shows that the burden of chronic conditions in the Indigenous population far outweighs that in the non-Indigenous population, with cardiovascular disease resulting in three times more deaths, diabetes death rates between seven and ten times higher, and deaths from end-stage renal failure up to ten times higher. The obesity rate for Aboriginal and Torres Strait Islander adults is double that of non-Indigenous Australians<sup>4</sup>.

Despite some slight reductions in mortality<sup>5</sup>, Indigenous people remain the least healthy population sub-group in Australia, owing to a combination of factors frequently called the social determinants of health, including education, employment, income and socio-economic status, in addition to more specific health factors. Due to the complex aetiology of poor health, disease or condition-focussed programs are unlikely to result in sustainable changes. Substantial improvements in Indigenous health will depend on long-term collaborative

<sup>&</sup>lt;sup>4</sup> ABS (Australian Bureau of Statistics) (2006) *National Aboriginal and Torres Strait Islander Health Survey*, 2004-05, Cat. No. 4715.0.Canberra

<sup>&</sup>lt;sup>5</sup> Thomson N, Burns J, Hardy A, Krom I, Stumpers S (2008) *Overview of Australian Indigenous health status May 2008*. Retrieved 7 Jan 2009 from <a href="http://www.healthinfonet.ecu.edu.au/ouroverview">http://www.healthinfonet.ecu.edu.au/ouroverview</a>

approaches involving Indigenous leaders and communities, the health and non-health sectors, and all levels of government.

The Heart Foundation is committed to working with a range of stakeholders across a variety of sectors to address chronic disease and improve the health of Indigenous and all Australians. Key activities include improving the food supply, funding cardiovascular research, supporting health professionals in their practice, working with local governments to create living environments that encourage physical activity, working with governments to promote healthy lifestyles, and providing the public with practical, solutions-focused resources.

#### Definitions

The following definitions will be used throughout this submission:

#### Community Stores

In order to address the full food supply, *community stores* are defined as business premises located on Aboriginal land that have the provision of grocery items and drinks as one of the main purposes of the business, but *can also include take away food shops, fast food shops and shops at which food can be consumed on the premises.* 

#### Food Supply

Food supply is the system by which food is made available to consumers, including production, processing, transport, storage, wholesaling and retailing of food. Aspects of the food supply in a community can affect the food security of individuals, households or an entire population.

#### Food security

Food security refers to the ability of individuals, households and communities to acquire culturally appropriate and nutritious food on a regular and reliable basis, and using socially acceptable means<sup>6</sup>.

#### Market Basket Survey

A tool to monitor food cost, availability, variety and quality in remote community areas. The survey includes a basket of foods which meets the average energy and recommended nutrient needs of a hypothetical family of six people for a fortnight<sup>7</sup>. In Queensland, this survey is known as the Healthy Food Access Basket (HFAB).

#### Accessibility/Remoteness Index of Australia

The Accessibility/Remoteness Index of Australia (ARIA) was developed to provide a standard measure of the relative degree of remoteness of all parts of Australia. The index measures remoteness in terms of distance by road from population centres offering a range of services such as education and health services. ARIA categories include 'highly accessible', 'accessible', 'moderately accessible', 'remote' and 'very remote'.

<sup>&</sup>lt;sup>6</sup> Marks G (2003) Monitoring the national food supply – availability, prices and quality. University of Queensland Nutrition Program.

<sup>&</sup>lt;sup>7</sup> NT Market Basket Survey 2006, Department of Health and Community Services, Northern Territory Government

### Food supply and food insecurity

In addition to being the main food supply in many communities, the remote community store is considered a priority intervention setting for achieving nutritional goals for Indigenous Australians that relate to food access and availability<sup>8</sup>. The community store may be seen as playing a pivotal role in influencing the health and social wellbeing of the community it serves, which brings into question the small business, profit generating business model sometimes applied. A more appropriate model would be to consider the store as an essential community service, much like education and health. As such, the responsibility for ensuring a store meets the needs of the community should lie not simply with store managers, but requires cross-jurisdictional involvement from local government, and health, and social agencies at a local, state and national level.

Remote stores and takeaways provide a vital service supplying the majority of the food eaten in the community; however they face unique challenges due to isolation and economies of scale influencing the foods they stock. It is recognised that issues of availability, quality and affordability of nutritious foods in remote community stores and takeaway food outlets are barriers to Indigenous Australians living in these communities accessing healthy foods<sup>8</sup>.

Despite Australia being a wealthy country, most evidence indicates that Aboriginal and Torres Strait Islander people suffer significant food insecurity. The first National Aboriginal and Torres Strait Islander Health Survey in 1994 showed that over thirty percent of Aboriginal adults living in rural and remote areas worry at least occasionally about going without food<sup>9</sup>. The capacity for food security for Aboriginal and Torres Strait Islander peoples is undermined by food access (income and geographical isolation), food availability (high food costs and limited availability of nutritious foods), and food use (e.g. inadequate household infrastructure)<sup>10</sup>.

### Cost, competition and store viability

The high costs of basic foods and limited availability of healthy foods in remote and very remote locations have been measured by market basket surveys in the Northern Territory, Queensland, Western Australia and South Australia. The results of these surveys consistently show that people in remote locations and areas of greatest socio-economic disadvantage pay more for basic healthy food. The cost of the market basket correlates strongly with the ARIA category<sup>11</sup> and all basic food groups tend to cost more, not only fresh vegetables, fruit and perishables.

and remoteness in Queensland, Aust NZ Journal Public Health, 26(3):266-72

<sup>&</sup>lt;sup>8</sup> Julie Brimblecombe (2008) Keeping track of healthy foods: Towards improving the nutritional quality of foods sold in community stores in remote Australia. Menzies School of Health Research.

<sup>&</sup>lt;sup>9</sup> Australian Bureau of Statistics (1994) National Aboriginal and Torres Strait Islander Survey. ABS Cat. No. 4190.0: Canberra.

Dietitians Association of Australia and Public Health Association of Australia (2009) Food
 Security for Aboriginal and Torres Strait Islander Peoples Policy. Joint policy statement.
 Lee AJ et al (2002) Food availability, cost disparity and improvement in relation to accessibility

Cost, competition and store viability cont...

Market basket surveys completed in 2006 in both Northern Territory and Queensland<sup>7,12</sup> reveal that food costs were 24 – 29% more expensive in stores classified as 'remote' and 'very remote' compared with major cities (classified as 'highly accessible'). There was also a significant cost differential between 'remote' and 'very remote', with the market basket from 'very remote' stores compared to 'remote' stores being 6.5 – 14% more expensive again. Recent data from Western Australia are not available, however the market basket survey completed in remote areas of the East Kimberley in 1999 show even greater price disparities. Prices in the East Kimberley, both in communities and in towns, were consistently higher than prices in the West Kimberley and in Broome by a factor of between 10% and 20%. However, the price differential between East Kimberley community stores and Perth was less equivocal with prices ranging from 60% to 80% higher<sup>13</sup>.

The cost disparity across ARIA categories for less healthy items such as tobacco and takeaway foods is less than for the market basket healthy food items, with a 13% higher cost in 'very remote' areas than those in the 'highly accessible' category<sup>11</sup>. The tendency for more energy dense, less nutritious food to be less expensive than healthier foods is not unique to remote areas however. The overabundance of "cheap calories" is apparent throughout the world, in both developed and developing countries. Disproportionate availability of more processed foods with a poorer nutritional profile may be further exacerbated in remote Indigenous areas by the requirement of a longer shelf life and more durability.

There are a number of factors which contribute to the higher cost of basic foods in remote areas. Freight charges contribute from 3% to 20% in Queensland<sup>14</sup> and during the wet season in northern Australia roads can be cut by flood waters, making it necessary to transport perishables by air. Reduced economies of scale for purchasing and retailing in small communities and poor store management practices, including the 'book up' system, loans and bad debts, also make a significant contribution to increased retail costs<sup>15</sup>.

Lack of competition is often cited as a contributor to higher prices in remote community stores<sup>15</sup>. Usually there is only one store located within a community with the closest alternative being hundreds of kilometers away, resulting in that store holding the monopoly on the food supply. A certain level of social responsibility is required to ensure an affordable and nutritious food supply for all members of the community. The governance and policies of a community store reflect its' purpose, which might be either as a service essential to the community (such as health or education), earning enough profit just to stay in business and reinvest into the community, or as a business enterprise making high levels of profit<sup>15</sup>. Store viability is impacted upon by a number of different factors, many out of the hands of the store management. High overheads, high living costs and low population income all combine to make viability marginal in many communities. Wages can be the highest contributor to the costs of running a remote store.

<sup>12</sup> The 2006 Healthy Food Access Basket (HFAB) Survey Report, Queensland Health

<sup>&</sup>lt;sup>13</sup> Taylor J (2003), Aboriginal Population Profiles for Development Planning in the Northern East Kimberley Centre for Aboriginal Economic Policy Research, The Australian National University, Canberra

<sup>&</sup>lt;sup>14</sup> Hughes R (1997) The Queensland Food System: Description of Distribution, Marketing and Access. Brisbane: The University of Queensland,

<sup>&</sup>lt;sup>15</sup> North Australia Nutrition Group (2003). Food North: Food for health in north Australia, 2003

Sourcing employment from the local community can assist in alleviating these costs, whilst at the same time supporting local employment.

#### Availability

It is not only the cost of foods that is linked with distance and isolation. The availability of items within the market basket also diminishes with increased remoteness, the most recent HFAB survey (Queensland) showing that only 91% of the basic food items were available from stores in the 'very remote' category<sup>12</sup>. Healthier options, for example wholemeal bread, low fat milk, lean meat, were even less likely to be available. Food access and availability is associated with poor intake in remote Indigenous communities, with 20 percent of people reported no usual daily intake of fresh fruit, and 15 percent had no usual daily intake of vegetables<sup>4</sup>.

#### Quality

Issues of quality have been reported as a concern, but not as common as general lack of healthy foods, particularly fresh fruits and vegetables<sup>15</sup>.

It has been reported consistently in the past few years in the Northern Territory Market Basket survey that the majority of available fresh fruit and vegetables from the remote stores surveyed were of good quality<sup>7</sup>. Due to the subjective nature of determining the quality of fresh fruits and vegetables, this is not formally assessed in the Queensland HFAB survey<sup>11</sup>

Anecdotal evidence states that in many cases, the remote stores are supplied with foods once a week, or, as in some areas of the Torres Strait, much less frequently. After long journeys in trucks, which are often ill-equipped to deal with trips in the heat and dust, the food arrives in a less than satisfactory state and some is wasted <sup>16</sup>.

The RIST National Transport Forum project aimed to provide remote communities with a variety of approaches to improve and maintain a 'healthy' fresh food supply chain, by producing a resource titled "Freight Improvement Toolkit" <sup>17</sup>. Within this resource there are a number of strategies outlined which could be employed by remote community stores to reduce freight costs, improve freight services, and increase the shelf-life and quality of perishables at the end of the food supply chain.

### Social Disadvantage and Health

International evidence indicates income is not the sole determining factor of food security<sup>18</sup>. By any social indicator, Aboriginal and Torres Strait Islander people are the most disadvantaged sub-population in Australia. The low levels of education, high rates of unemployment and the greater employment in unskilled occupations result in a substantially lower socioeconomic status for Indigenous than other

<sup>&</sup>lt;sup>16</sup> Sourced from website 14 January 2009:

http://www.healthinfonet.ecu.edu.au/html/html community/nutrition community/reviews/nutrition our review.htm

<sup>&</sup>lt;sup>17</sup> Ian Lovell (consultant) (2007). Freight Improvement Toolkit: Getting quality food to remote Indigenous communities. National Rural Health Alliance.

<sup>&</sup>lt;sup>18</sup> Human Rights and Equal Opportunity Commission (2005) *Social Justice Report 2005*. HREOC: Sydney.

Social Disadvantage and Health cont...

Australians. Data from the National Aboriginal and Torres Strait Islander Survey in 1994 reveal that government payments were the main source of income for 55 per cent of Indigenous people<sup>9</sup>. Food insecurity contributes to the inequality of health status and life expectation of Aboriginal and Torres Strait Islander people in Australia. Employment status, level of education, home ownership and housing costs all have an impact and Indigenous Australians are disadvantaged across all of these social measures.

For all Australians, level of income determines the amount and nutritional profile of the foods they eat, and a strong association between socioeconomic status and cardiovascular disease has been established. The diet of lower socioeconomic groups includes cheaper energy from foods rich in fat and carbohydrates, but fewer foods rich in protective nutrients such as fruits and vegetables, compared with that of higher socioeconomic groups<sup>19</sup>.

Indigenous people living in remote communities are twice disadvantaged. In addition to having lower incomes than other Australians, food costs and other living costs are higher. The 2006 Market Basket survey in the Northern Territory showed that Indigenous households need to spend 36% of their family income on the Market Basket, compared with 28% in a Darwin supermarket<sup>7</sup>. This statistic compares poorly to the national target of 90% of Aboriginal and Torres Strait Islander families able to access a standard health food basket (or supply) for a cost of less than 25% of their available income by 2018, <sup>20</sup> set at the National Indigenous Health Equality Summit in March 2008. Direct comparisons nationally are not possible currently, due the lack of an ongoing national food price monitoring and surveillance system.

Managing demand for a healthier food supply

Simply improving the availability of healthier foods can result in substantial gains in the proportion of healthy foods people eat; however this is only one aspect of the food supply chain. In the retail sector, profitability relies on sales turnover and it should not be taken for granted that just providing healthier options will automatically lead to increased sales and consequently improve the nutritional health of the population. In order to add value to food supply improvement activities, there are many strategies that can be employed to increase demand and acceptance of healthier foods. Community based programs that promote healthy eating, social marketing campaigns targeting specific population groups, in-store promotion of healthier foods, and interventions and clinic services by local health and nutrition workers will all complement food supply improvement action.

Building the Aboriginal and Torres Strait Islander nutrition workforce is a key priority area of the NATSINSAP and essential to support the relevance and sustainability of nutrition interventions in Indigenous communities. Across Australia there are currently up to 105 dedicated community nutrition positions focused on working with Aboriginal and Torres Strait Islander communities; the

<sup>&</sup>lt;sup>19</sup> Queensland Public Health Forum (2002). Eat Well Queensland 2002 – 2012: Smart Eating for a Healthier State. Brisbane, Queensland Public Health Forum.

a Healthier State. Brisbane, Queensland Public Health Forum.

20 Aboriginal and Torres Strait Islander Social Justice Commissioner and the Steering Committee for Indigenous Health Equality (2008) Close the Gap: National Indigenous Health Equality Targets. Canberra. March 2008

majority working in Queensland<sup>21</sup>. There are insufficient numbers of skilled and supported Aboriginal and Torres Strait Islander people within the nutrition workforce, particularly given the scale to which poor nutrition contributes to health in this population. The need for a specialist Aboriginal and Torres Strait Islander nutrition workforce to facilitate community driven nutrition programs was a specific recommendation of the 2008 National Nutrition Networks Conference<sup>22</sup>.

#### Case Studies

#### **Outback Stores**

Outback Stores is a non-government enterprise with an independent board, set up by the Federal Government body Indigenous Business Australia in 2006 to ensure remote community stores are meeting the health and nutritional requirements of the Indigenous population<sup>23</sup>. In the first instance \$48.1 million was made available, with a further \$29.1 million provided through the Northern Territory Emergency Response Bill. Overseen by a group of senior retailers drawn from the leading supermarket businesses in Australia, Outback Stores' mission is *to make a positive difference in the health, employment and economy of remote Indigenous communities by providing quality, sustainable retail stores<sup>24</sup>. Profits from the stores are returned to the community. Outback Stores does not own the stores but is engaged by the owners (in most cases the communities) on a voluntary basis to manage them on a fee-for-service basis. Currently Outback Stores are providing retail services to 26 stores, located in the Northern Territory, Queensland and Western Australia.* 

Despite a lack of health professional representation at a strategic level (Board) and minimal overall health staff allocation, Outback Stores sets a reasonable nutrition agenda. The *Nutrition Strategy* for Outback Stores outlines three goals:

- 1. A nutritious, affordable and quality food supply is available.
- 2. Stores and takeaways create supportive environments where healthy food choices are easier choices.
- 3. The community in which people live supports the promotion of health outcomes.

Some early achievements by Outback Stores include<sup>25</sup>:

- Supplier agreements which allows for constant negotiation in relation to the food, beverages and goods purchased, quality, food safety, costs and other financial issues such as obtaining rebates;
- A fruit and vegetable strategy encompassing a variety of activities across all aspects of the supply chain;
- A core range which outlines the food and beverages required to be stocked in stores.
- A takeaway manual which defines how to meet the takeaway policy of a minimum of 50% healthy lines available.

<sup>&</sup>lt;sup>21</sup> National survey undertaken by NATSINSAP Senior Project Officer in 2007.

<sup>&</sup>lt;sup>22</sup> National Nutrition Networks Conference. 2008. *Recommendations Arising from the National Nutrition Networks Conference*. http://www.ruralhealth.org.au/conferences/nnnc2008/ NNNC recommendations.pdf
<sup>23</sup> Sourced from Outleast Conference.

Sourced from Outback Stores website, 12 January 2009: <a href="http://www.outbackstores.com.au/">http://www.outbackstores.com.au/</a>
 Sourced from Outback Stores website, 12 January 2009: <a href="http://www.outbackstores.com.au/">http://www.outbackstores.com.au/</a>

<sup>&</sup>lt;sup>25</sup> Information supplied by Megan Ferguson, Nutritionist Development and Policy, Outback Stores, 14 January 2009

- A pricing structure which promotes healthy food choices, such as fresh fruit and vegetables and preferential placement of healthier items.
- The development of targets (included in the company's key performance indicators) for fresh fruit and vegetable and tobacco sales. Fresh fruit and vegetables sales have increased from 5.8% to 7.4% of food and tobacco sales from July to December 2008.

#### Arnhem Land Progress Association (ALPA)

The Arnhem Land Progress Aboriginal Corporation is a benevolent organisation run by its members, which are the Indigenous people who live in or are culturally connected to the Arnhemland communities of Galiwin'ku, Gapuwiyak, Minjilang, Milingimbi and Ramingining. There is a store located in each community. Whilst the management of community stores is the primary business activity, ALPA also runs a number of benevolent programs for its members, which include ALPA's health and Nutrition Strategy. ALPA believes strongly in local employment, the majority of ALPA communities are run with an 80 – 90% local staff component. ALPA is financially independent, and successful retail operations allows the association to make a positive contribution to the social and economic development of its members<sup>26</sup>.

ALPA has an established *Health and Nutrition Strategy* underpinning the operation of its stores, and the *Nutrition Policy* outlines its commitment to improving the food supply for members. Some examples of where ALPA has positively influenced food supply follow:

- 100% subsidy on the freight on fruit and vegetables in order to lower the price (comparable to Darwin prices) and increase the consumption of healthy food;
- Negotiation with two major bread manufacturers to use iodized salt in recipes, after borderline iodine deficient community members were identified by the local clinic;
- Introduction of a catalogue ordering system and "milk-run" style drop off to reduce freight costs to isolated outstations

In response to expressed need, ALPA also runs a consultancy store service for communities located outside Arnhem Land called Australian Retail Consultants (ARC). This service is available to community groups who wish to retain control and ownership of their store, while benefiting from the expertise of qualified retail managers and other staff essential to an economically viable enterprise. Currently eleven communities contract ARC to run their stores. Total stores and takeaways run by ALPA as member stores or under management agreements are 16.

In 2008 the ALPA Health & Nutrition Strategy won the Heart Foundation Local Government Award for the Northern Territory for the FOODcard store based budgeting tool. In 2007 the Health & Nutrition Strategy won the Prime Ministers Business Partnerships Award for the Northern Territory for the advancements of health and nutrition in Galiwin'ku through the joint partnership of ALPA and the council.

<sup>&</sup>lt;sup>26</sup> Sourced from ALPA website, 12 January 2009: <a href="http://www.alpa.asn.au/contents/aboutus.shtml">http://www.alpa.asn.au/contents/aboutus.shtml</a>

#### IBIS - the Islanders Board of Industry and Service

The Islanders Boards of Industry and Service (IBIS) is the trading name for the Island Industries Board (IIB) which is a Queensland Government Statutory Board constituted under the Aboriginal and Torres Strait Islander Communities (Justice, Land and Other Matters) Act 1984, with obligations to:

- Provide goods and services to the Communities of the Torres Strait; and
- Report to the Minister for the Department of Communities, Disability Services, Aboriginal and Torres Strait Islander Partnerships, Multicultural Affairs, Seniors and Youth.

IBIS operates 16 supermarkets in Indigenous communities in the Torres Strait and Northern Peninsular Area of Cape York.

IBIS operates on the principle that people working together and helping each other to achieve a common goal will succeed and has a genuine role in generating investment and industry opportunities to provide jobs and economic growth for the people of the Torres Strait and the Northern Peninsula Area (NPA). It plays a major part in the economy of the Torres Strait, employing around 150 staff, approximately 90% of whom are Indigenous Australians.

Working with Queensland Health, IBIS is aware that a large proportion of the health issues present in Indigenous communities are dietary related. Its Healthy Food Program and Pricing Policy work hand in hand to achieve improved health outcomes for its customers.

The Pricing Policy ensures that all IBIS customers are provided with an ongoing supply of cheap healthy food choices, often selling fresh fruit and vegetable at prices well below the major supermarkets in Cairns. As part of this policy IBIS runs weekly specials on healthy foods, particularly fresh fruit and vegetables.

In a joint funding agreement with the Department of Communities IBIS has recently employed a nutritionist to further support and enhance the work already done in the area.

#### Mai Wiru Stores Policy

The development and implementation of the Mai Wiru (Good Food) Stores Policy is based on the belief that a community development model of working is the preferred way to introduce positive and sustainable social and health changes in remote Aboriginal communities.

Mai Wiru was the first of its kind, in that it is a regional policy for remote Aboriginal community stores with a health focus and is supported by legislation to assist in its enforcement. Because of the unique position and role of community stores in remote communities, this policy also established a new role for the community store in community life, that is, in the delivery of holistic primary health care. It is the key source of nutrition for the community and makes a significant contribution to ensuring the physical wellbeing of community members. An innovative aspect to the process was the signing of Commercial Trading Agreements between community chairpersons and preferred suppliers, negotiated for the transport and supply of groceries, fruit and vegetables, meat, bread and a variety of merchandise.

Outcomes of the Stores Policy include weekly delivery of fruit and vegetables and

increased sales, increased nutrition awareness for store managers and community members, flat freight charge to all stores regardless of distance from Alice Springs, and all store accounts are central and transparent.

The Mai Wiru Stores Policy was the National Overall Winner of the Heart Foundation Kellogg Local Government Awards for 2007.

### Heart Foundation Recommendations

#### Social Disadvantage and Health

- Address underlying determinants of health. Efforts to improve the operation of remote community stores must be housed in the context of other social improvement measures such as income and wealth distribution, education, standard of housing and household infrastructure, and standards of health care.
- 2. Wherever possible, source employment locally, and ensure store profits are returned to the community.

#### Governance, Policy, Monitoring

- 3. National audit of Indigenous health and welfare data. In order for effective health care planning, access to care and service delivery, the Heart Foundation calls on the Australian Government to implement a national audit of Indigenous health and welfare data to identify significant knowledge gaps and determine priority areas for data collection.
- 4. **Strong nutrition and health agenda.** Strategic direction of stores and store groups should be driven by the desire to improve health outcomes. Governance and policy structures should support this, for example identified positions on Boards for public health experts. Monitoring of sales data, linked to key performance indicators and funding would enhance accountability and objectivity of reported outcomes. This may most effectively be achieved through legislation.
- 5. National food and nutrition monitoring and surveillance system. Regular national food pricing monitoring, collection of nutritional intake, nutritional indicators and health outcomes data is needed. In the short term, and in the absence of a comprehensive nutritional surveillance system, further funding should be provided to extend and expand on the work already done on the store turnover monitoring tool by the Menzies School of Health Research.
- 6. Substantial expansion of current commitment to the NATSINSAP program implementation beyond 2010 with permanent funding. Continued implementation of the NATSINSAP program with project officer support will provide the key framework to address food security in remote Indigenous communities and continuation of long term, permanent funding for this program is essential.
- 7. Community consultation and provision for local self-determination is essential. Further evaluation of the models outlined in this submission

with particular attention to those which apply a community development process and engage in effective community consultation. Store groups appear to have advantages over independent stores; however this type of model should be underpinned by a community store committee, or similar.

#### Cost, availability and quality of the food supply

- 8. Investigate options for applying grants/subsidies/rebates to achieve equity in the costs and availability of healthy food items. This could be achieved by subsidising freight, subsidising the cost of fresh vegetables and fruit, reducing taxes relevant to remote food supply, subsidising the cost of wages and other overheads, or a combination of these strategies.
- 9. Encourage reformulation of the food supply. The Heart Foundation is well-placed to work collaboratively with the food industry to reformulate products commonly consumed in remote Indigenous communities to improve the nutritional profile of these products. Government incentives would assist in the production and distribution of high quality, shelf-stable products.
- 10. Develop a minimum core range of healthier foods based on the Heart Foundation Buyer's Guide for managers of remote Indigenous stores and takeaways. Any store licensing system and/or funding arrangements should be dependent on compliance with a minimum core range.

#### **Demand Management**

- 11. Increase capacity of the population to purchase healthier foods. This may be achieved through provision of additional funds quarantined as food stamps or a food card, guaranteeing a minimum market for healthy foods whilst supporting families to buy them.
- 12. Implement community-based programs to promote healthy eating. Permanently funded Aboriginal and Torres Strait Islander nutrition positions and better trained Aboriginal and Islander Health Workers would facilitate strategies to increase demand for healthy foods.

#### Workforce

- 13. Creation of permanently funded Aboriginal and Torres Strait Islander nutrition positions. Aboriginal and Torres Strait Islander people should be encouraged to apply for these positions and an appropriate and relevant career structure should be available.
- 14. Formalisation of a "Nutrition Skill Set" and strengthen Aboriginal and Islander nutrition and health workforce by providing accredited nutrition training at the Certificate IV level of the Primary Health Care qualification across Australia, for both specialist and generalist Aboriginal and Islander Health Workers.
- 15. Implement competency-based training, including nutrition, for all store managers and provide nutrition training for store workers. To provide more accountability, investigate the option of linking KPI's in store manager position descriptions to turnover of "indicator foods" (proxy for assessing nutritional quality of the food supply).

#### Conclusion

The Heart Foundation commends the Minister for Families, Housing, Community Services and Indigenous Affairs for investigating the important role that remote stores have in contributing to the health and well being of their communities. Addressing the food supply to remote areas has enormous potential to achieve real health gains, however should be addressed in the context of improving other significant health determinants such as employment status, level of education, home ownership and most importantly, access to health care. The Heart Foundation applauds the federal government's commitment to work with the nongovernment sector to 'Close the Gap' in life expectancy for Aboriginal and Torres Strait Islander people within a generation, and will continue to work collaboratively with Indigenous leaders and communities, the health and non-health sectors, and all levels of government to achieve this goal.