

## **Budget Estimates Opening Statement – Friday 08/04/2022**

Chair and Senators, thank you for the opportunity once again to provide an opening statement in advance of the Budget Estimates program.

Outback Stores is a wholly owned Commonwealth company and a not-for-profit organisation that is governed by an independent Board of Directors, with a core objective of supporting remote community stores to maintain food security. We provide retail store management and support services to Indigenous-owned community stores across 48 remote locations within Australia. We work with Aboriginal and Torres Strait Islander people in a holistic way to improve health, nutrition, employment, training and economic outcomes in remote communities.

Outback Stores is a service provider only, and all profits for stores are retained by their owners. We continue to financially support a number of stores that we manage on behalf of communities which are not financially viable due to small populations and or their geographical challenges. This financial year we have already provided \$912,000 of operating funds to support 11 stores to ensure continuous access to a fresh, healthy and affordable food supply. An additional \$444,000 has been invested on capital improvements for stores that were unable to support themselves commercially.

It should be noted that Outback Stores does not receive ongoing funding from the Commonwealth and has not received any substantial allocations since the last of its original start-up funding allocated in 2009.

Our ongoing aim is to achieve a self-funded Outback Stores that delivers improved social outcomes and provides ongoing support to remote communities. The measure of this target is shown by our adjusted cash outflows each year, with the last financial year's outflows totaling only \$297,000 which is an excellent result in our short 15-year history.

Each year Outback Stores continues to make positive improvements to the health and nutrition outcomes in remote communities. The proportion of sugary drinks sold this financial year has declined by 4.22%, which equates to six tonnes less sugar consumed by local community members. In addition to this, improving access to nutritious and affordable fresh food continues to be a key component in the Outback Stores Nutrition Policy. This year alone, stores have sold 422 tonnes of fruit and vegetables, which truly reflects that our ongoing commitment to improve access to nutritious food, is making significant progress.

Providing meaningful employment pathways to local staff in communities remains a priority. Across community stores, 294 Aboriginal and Torres Strait Islander people are employed, which equates to 90% of all store staff.

The COVID-19 pandemic continues to present challenges to ensure food security in remote communities. In the first quarter of the calendar year, we have been busy supporting communities as they endure the impact of having the virus amongst residents in many of the remote locations we work with. Collaboration between key stakeholders, combined with excellent local leadership, has seen positive outcomes in tough circumstances as we all work together to minimise the impact to community members.

# OUTBACK

Stores  
*Working With Communities*

Navigating through the latest health regulations and vaccination requirements, has and continues to require a constant state of response, and I am very proud of the continuous efforts made by our entire team who work tirelessly to see that food security needs are met. I would like to once again, especially acknowledge the hard work and commitment of our Store Managers, whilst being situated far from their own family networks, they continue to provide a high-level of essential services to communities through these challenging times.

In relation to other business matters, I reported at the previous Additional Estimates hearing in February, the challenges faced in managing the impacts caused by localised flooding in the Alice Springs district, at the beginning of the year; where it was highlighted that seventeen of our remote managed locations had been significantly impacted by these flooding events. We are glad to report that access and supply to these communities is back to normal.

With this event behind us, we have moved some of our focus to managing the fluctuating fuel prices with an objective of minimising the impact to local fuel bowser and general grocery pricing for community members. The business was happy to see some relief in recent days, with the terminal gate price dropping.

In summary, whilst it has been a challenging start to the calendar year, Outback Stores as always is committed to the communities we support and continue to be available to assist other communities in need of our help.

Once again, I thank you for the opportunity to provide this brief opening statement and look forward to taking questions from the Committee.

Michael Borg  
Chief Executive Officer | Outback Stores