



Premier of Queensland

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Dr Kathleen Dermody
Committee Secretary
Senate Foreign Affairs, Defence and Trade Committee
Parliament House
CANBERRA ACT 2600

Dear Dr Dermody

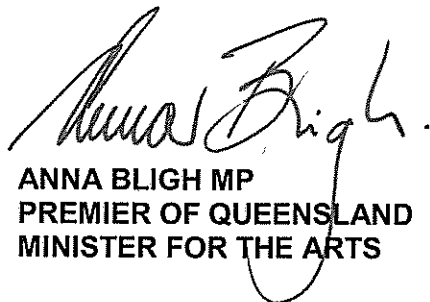
We refer to the Senate Foreign Affairs, Defence and Trade Committee's Inquiry into Matters Relating to the Torres Strait Region.

On behalf of the Queensland Government, we are pleased to contribute to the Inquiry through the attached whole-of-Government submission. We appreciate the extension of time provided by the Senate Committee.

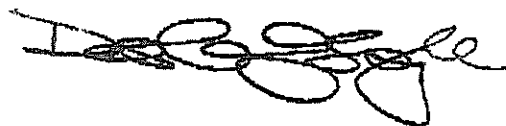
If you require any further information or assistance in relation to this matter, please contact Mr Tony Hayes, Acting Deputy Director-General, Aboriginal and Torres Strait Islander Services, Department of Communities, by telephone on (07) 3235 9495 or via email at: Tony.Hayes@communities.qld.gov.au

We wish the Senate Committee well in its deliberations on this significant issue.

Yours sincerely



ANNA BLIGH MP
PREMIER OF QUEENSLAND
MINISTER FOR THE ARTS



Desley Boyle MP
Minister for Local Government and
Aboriginal and Torres Strait Islander
Partnerships
Member for Cairns

Date: 17.11.2009

Date: 17.11.2009

Enc: Queensland Government Submission



**Queensland
Government**

SUBMISSION BY THE QUEENSLAND GOVERNMENT

to the

**SENATE FOREIGN AFFAIRS, DEFENCE AND TRADE
COMMITTEE INQUIRY**

into

**MATTERS RELATING TO THE TORRES STRAIT
REGION**

16 November 2009

INTRODUCTION

The Queensland Government is pleased to provide this submission to the Senate Committee Inquiry into matters relating to the Torres Strait region.

The Torres Strait Treaty (the Treaty), a central consideration in the Inquiry, is the agreement between the Australian and Papua New Guinean (PNG) Governments which sets the international boundaries between the two countries. As such, border security, in its narrow sense of managing entry of people in and out of Australia, is principally the responsibility of the Australian rather than the Queensland State Government. However, the Torres Strait Islands are part of the State of Queensland and therefore the Queensland Government and its agencies are responsible for the delivery of a number of key services to people living and working in the Torres Strait.

In its Terms of Reference and related media, the Inquiry has recognised that the Torres Strait region is a unique border situation. Effective policing and border control are central to border security in the Torres Strait. However, in a broader sense, issues such as economic development, environmental sustainability and population health can affect the safety and security of the region and have the potential to impact upon the State of Queensland and the nation.

Maintaining a strong, healthy, vibrant and self-reliant community is important for the Torres Strait Islanders themselves, and also because it supports the good order and security of this region and potentially the mainland more generally. Maintaining Australia's strong and positive relationship with Papua New Guinea and sustaining effective border security is, in turn, intrinsically linked to the maintenance of strong communities in the Torres Strait Region.

This submission therefore considers a number of issues under the following headings:

- **Policing and community safety**, including police presence and cooperation on addressing illegal importation, Community Police Officers and search and rescue
- **Environment**, including climate change vulnerability in the Torres Strait, prospect of movements of people from affected surrounding communities and bio-security
- **Transport** including fuel and freight costs and air transport issues
- **Environmental health infrastructure** including the impact of visitors from PNG
- **Employment, enterprise and economic development**, including the impact of the reform of Community Development Employment Projects (CDEP) in the Torres Strait, economic development in the region
- **Health**, including management of HIV and tuberculosis and mosquito control
- **Communications and broadband technology**.

BACKGROUND

The Torres Strait has 17 inhabited islands and over 100 uninhabited islands spread across 48,000 square kilometres which are administered, for local government purposes, by the Torres Strait Island Regional Council (TSIRC) and Torres Shire

Council (TS Council). The TSIRC is the local government for the Torres Strait Protected Zone (TSP Zone)¹.

Approximately 7,000 people live on the Torres Strait Islands, with 50 percent residing on Thursday and Horn Islands which are within the jurisdiction of Torres Shire Council. In contrast to the ageing non-Indigenous mainland Australian population, the Torres Strait region has a high proportion of young people, with almost 34 percent (33.8 percent) under 15 years of age, compared with 20.2 percent for Queensland.² The population demography means policy and service delivery must be targeted at this younger age group.

The islands stretch for 145 kilometres from the northern tip of Cape York to Saibai which is only five kilometres from Papua New Guinea. As a result, the Treaty protects the traditional activities³ of both coastal inhabitants of PNG and those living on the islands within the TSP Zone. There are family and social ties between PNG and Torres Strait peoples.

Amalgamation of 15 Outer Island councils to form the Torres Strait Island Regional Council (TSIRC) in March 2008 has provided the framework for more coordinated and sustainable governance of, and service delivery to, these scattered communities. The amalgamation is expected, over time, to enable the TSIRC to:

- optimise service delivery by achieving economies of scale in administrative and related costs
- improve planning and regional development through a more coherent regional focus
- engage more effectively with industry, the Torres Shire Council, State and Federal Governments on the basis of improved regional planning and a more consolidated political and administrative presence.

Other key bodies in the area of the Torres Strait are the Torres Strait Regional Authority (TSRA) and the Northern Peninsula Area Regional Council (NPARC).

The TSRA is an Australian Government Statutory Authority with responsibility for programs for Torres Strait Islander and Aboriginal people living within the region; and for providing advice to the federal Minister for Indigenous Affairs on matters relating to Torres Strait Islander and Aboriginal Affairs in the Torres Strait.

The NPARC is the local government for the five mainland communities on the northern tip of Cape York (Bamaga, Seisia (both Torres Strait Islander communities), Injinoo, Umagico and New Mapoon). Its area adjoins the areas administered by the TS Council and TSIRC.

The TSIRC and Torres Strait Regional Authority (TSRA) have almost identical membership at the elected level which facilitates a high level of collaboration

¹ The Protected Zone is an area of the Torres Strait recognised by Australia and Papua New Guinea as needing special attention. The main reason for the Protected Zone is so that Torres Strait Islanders and the coastal people of Papua New Guinea can carry on their traditional way of life. For example, traditional people from both countries may move freely (without passports or visas) for traditional activities in the Protected Zone. The formation of the Protected Zone has also helped to preserve and protect the land, sea and air of the Torres Strait, including the native plant and animal life (source: Department of Foreign Affairs and Trade website).

² Australian Bureau of Statistics 2007. Population Estimates by Age and Sex, Australia and States (Cat. No. 3235.0.55.001, accessed via Office of Economic and Statistical Research Queensland Regional Profiles – Torres Region. (<http://statistics.oesr.qld.gov.au/qld-regional-profiles>))

³ Traditional activities under the Treaty include activities on land (such as gardening, food collection and hunting), activities on water (such as fishing for food), ceremonies or social gatherings (such as marriages) and traditional trade. Business dealings and employment for money are not allowed as traditional activities under the Treaty.

between the two bodies. There are also examples of the TSIRC, TS Council, NPARC and TSRA adopting a coordinated approach to regional planning as evidenced in the recently completed Torres Strait Development Plan 2009-2029 where all three councils are signatories to the plan.

Nevertheless the dispersed geographic and population profile of the TSIRC's local government area continues to provide significant challenges for Outer Island communities. Remoteness and the associated costs of transport impact on all dimensions of community life, such as nutrition, health, education and infrastructure.

RISKS

Due to its geography and demography, there are a number of risks associated with this border region, some of which relate to global influences and which may not yet be fully quantifiable.

The movement of people and goods in the area raises potential health and biosecurity concerns, increasing the possibility of pests and diseases reaching Australia.

The Treaty allows free movement within the TSP Zone, that is, passports and visas are not required, for traditional activities. A permit system has been developed by local Islander communities and leaders and it is understood that most people obtain appropriate authorisations.

In the 2008/09 financial year, there were 59,003 traditional movements in the area (that is, individual trips in and out of the area by both PNG nationals and Torres Strait Islanders); and around 14,242 for the July – October 2009 period. Movements by inhabitants of non-treaty PNG villages were minimal for the same quarter, around 32.⁴

The numbers of Third Country Nationals arriving through the Torres Strait varies significantly from year to year: 54 in 2005-06; none in 2006-07; five 2007-08; 57 in 2008-09; and one in the current year to date.⁵

The majority of movements impact on the top western islands of Saibai, Boigu and Dauan. The issue of visitors staying beyond their permitted time is currently of greatest concern on Saibai (although this changes from time to time) where the Department of Immigration and Citizenship employs additional Movement Monitoring Officers and works closely with community leaders to help address this issue.

At its meeting on 3 November 2009 the Torres Strait Treaty Joint Advisory Council (JAC)⁶ endorsed the Guidelines for Traditional Visits, and acknowledged that they remain subject to ongoing review by traditional inhabitants, and will be amended at the Traditional Inhabitants Meeting if required. This provides guidance about what constitutes as a visit for traditional purposes and the local agreed governance arrangements for managing the visits between villages.

Climate change is another significant risk for the region. The Torres Strait Islands are vulnerable to rising sea levels in combination with extreme weather events leading to tidal inundation and island erosion which is already a major hazard threatening communities, cultural heritage sites and infrastructure. The surrounding communities in Papua New Guinea and Asia are also vulnerable, exacerbating future

⁴ Figures verified with the Australian Government Department of Immigration and Citizenship Thursday Island Office on 30 October 2009.

⁵ Information provided to the 18th Meeting of the Torres Strait Joint Advisory Council (JAC) 3 November 2009, Alotau, Papua New Guinea

⁶ This was the JAC's 18th meeting

border protection and security issues, and requiring policy positions if citizens of surrounding communities seek refuge in Australia via the Torres Strait.

GOVERNANCE OF THE TORRES STRAIT TREATY

Strong Treaty governance arrangements are crucial to identifying and resolving issues that impact on border security in the Torres Strait. The Queensland Government is a member of the JAC and the Health Issues Committee and Environmental Committee that sit under it.

In addition, the Queensland Government Interdepartmental Committee (Queensland IDC) was established to enhance stronger engagement bilaterally with the Australian Government. Further the IDC will enable the Queensland Government to better inform the Australian Government's negotiations with PNG officials and service providers, implement Treaty arrangements and address key service delivery issues for Queensland.

RESPONSE TO THE TERMS OF REFERENCE

1. Policing and community safety

Police presence in the Torres Strait

The geography of the Torres Strait creates significant challenges for policing.

The recent JAC meeting noted that law enforcement agencies in the Torres Strait continue close cooperation and that their close cooperation and contact with Treaty villages and TSP Zone communities is important to reduce crime.

Policing in the Torres Strait, as elsewhere in Queensland, is the responsibility of the Queensland Police Service (QPS). The QPS retains a police presence on Thursday and Horn Islands. Plans to establish a police station on Badu Island at a cost of \$10 million are currently being progressed and will enhance policing in the northern and western islands. The QPS employs a small number of Queensland Aboriginal and Torres Strait Islander Police (QATSIPs), whose powers are limited to enforcing Council local laws, on Badu Island.

Investigation of any issues identified or complaints made are responded to with cooperation and collaboration between the QPS, Australian Federal Police and PNG authorities as appropriate.

QPS also conducts operations targeting the interception of boats travelling in the Torres Strait including vessels carrying PNG nationals visiting treaty Islands. The monitoring and interception of these boats is also a national safety and security issue.

QPS officers can only access the outer islands by aircraft or vessel. During 2008 the Queensland Government announced investment of \$5 million for a fixed wing police aircraft for the Torres Strait based at Horn Island. While acquisition of the new plane will be finalised in 2009-10, police air services have already commenced in the Torres Strait using a leased aircraft. This provides the capacity to respond to incidents occurring anywhere in the Torres Strait Islands, weather permitting.

Information gathered in 2008 by the Department of Communities from consultations with Torres Strait Islanders in relation to the Queensland Government strategy to reduce domestic and family violence indicated that such violence is an underreported issue in the area. Anecdotal evidence also suggests that the outer islands are

accessed at times by PNG people needing support and protection from violence. Transport limitations mean that women and children cannot easily flee violence, and could wait longer periods than on the mainland for assistance to arrive.

The 'Weed it out' project implemented by QPS and James Cook University (in partnership with AFP and ACBPS) includes both demand and supply reduction strategies. Officers have received positive feedback from communities about these strategies.

A PNG national was recently prosecuted with several Commonwealth drug importation offences, resulting in a major disruption to cannabis distribution networks. QPS see this as an indication the Weed it Out project is working and anticipate the prosecution could lead to a significant decline in imported cannabis in the region.

Another key issue is the vulnerability of the Northern Peninsula Area as an entry point for illegal goods and substances as well as people who could then progress further south. Strong cooperation between State and Commonwealth law enforcement agencies, with the involvement of the Northern Peninsula Area Regional Council, is crucial to manage this issue.

The Queensland Government suggests that opportunities should be identified for more multi-agency infrastructure on identified islands, similar to Saibai Island where Australian Customs and Border Protection Services (ACBPS) have office and accommodation facilities to which the QPS has access. A memorandum of understanding between State and Federal law enforcement agencies would enhance sharing of resources and information.

Community Police Officers (CPOs)

The legislative basis for community police as a function of Indigenous local governments is currently under review. In addition, the Crime and Misconduct Commission (CMC) is expected to release its *Review of Policing in Indigenous Communities* by the end of 2009; its findings and recommendations will inform the Queensland Government's future approach to policing in Aboriginal and Torres Strait Islander communities in Queensland.

It is not mandatory that Indigenous local governments employ CPOs, however historically the TSIRC and its predecessors⁷ have provided a community policing function and the TSIRC currently employs around 27 CPOs. The additional responsibility placed on the TSIRC in enforcement of local laws and, more generally, maintaining law and order in communities is exacerbated by influxes of Papua New Guinea nationals on traditional visits.

The QPS advises that CPOs also provide first response capability for the QPS and Australian Government agencies. While the impact of these officers has not been formally evaluated, QPS reports they help prevent crime and increase communities' feeling of safety.

CPO positions may be funded by a combination of council and CDEP funds. With the planned reform of CDEP, TSIRC will need to develop a sustainable municipal service delivery model on the basis of available resources.

The Queensland Government notes that it is not appropriate for community police officers in the outer islands of the Torres Strait to be considered as having a border security role as:

⁷ Before March 2008, each of the outer Islands had its own local government. These were amalgamated in March 2008 to form the TSIRC.

- this function is not the responsibility of local governments or their employees;
- CPOs do not have the requisite authority or powers, and are insufficiently qualified or trained, to carry out this function; and
- the future of community policing is under review and subject to change.

The Queensland Government suggests that border security would be more appropriately enhanced by a stronger Australian Government presence.

Identification of PNG nationals

QPS responds to incidents, mainly connected to offences against the person, firearm regulations, reports of domestic violence, and illicit drug trafficking intelligence involving PNG nationals visiting treaty Islands. QPS also conducts operations targeting the interception of boats travelling in the Torres Strait including vessels carrying PNG nationals visiting treaty Islands.

The Queensland Government suggests a formal identification method for PNG nationals traversing Australian waters is an issue that requires further consideration in the context of treaty governance arrangements.

Search and rescue operations

The QPS in Thursday Island has coordinated more than 30 Search and Rescue (SAR) operations since 1 January 2009. A review of these operations has identified there are limited surface assets away from Thursday Island to assist in searches for missing persons or Emergency Position-Indicating Radio Beacon (EPIRB) activations on the outer islands. Thursday Island has the only functioning Volunteer Marine Rescue group in the Torres Strait and while local residents on the outer islands are willing to assist in searches, local SAR coordinators are reluctant to utilise this resource due to liability issues relating to lack of training and communications equipment.

The Queensland Government suggests that from a search and rescue perspective it would be beneficial for the Australian Government to expand the surface assets in the Torres Straits to strengthen an effective search and rescue response for all communities in the outer islands. From an aerial assets perspective, it would be beneficial if all government aircraft assigned to the Torres Strait region are equipped with search and rescue capabilities to aid in this important response to public safety.

It would also be beneficial if the Queensland and Australian Governments could work together to enhance capacity and capability by providing training to local residents to enable them to play a stronger role in search and rescue operations.

2. ENVIRONMENT

Biosecurity

The Torres Strait Islands are in close proximity to PNG and South East Asian countries and at high risk of exposure from spread of pests and diseases through natural spread, movement of goods and people and climatic conditions.

Dealing with biosecurity incidents in the Torres Strait can be difficult due to remoteness and difficulty in detecting new incursions. Treatment can sometimes not be implemented as it may destroy food supply.

To address these risks, the Queensland Government:

- conducts targeted surveillance for high risk pests and diseases through seasonal surveys at specific locations through Cape York
- collaborates with Northern Australia Quarantine Service (NAQS) on surveillance and response programs in Torres Strait
- conducts education and awareness activities with producers and landholders to report unusual pest or disease findings
- investigates unusual pest disease events
- maintains Coen Inspection Centre for high risk commodities travelling south from the northern parts of Cape York
- is developing projects to improve biosecurity capability in PNG to reduce the risk to Torres Strait.

The *Queensland Government strongly supports* a more collaborative approach to national biosecurity issues, as recommended in the recent report by the independent Panel which reviewed current biosecurity and quarantine arrangements (the Beale report), including activities in Torres Strait. In this regard, Queensland welcomes the Australian Government's re-establishment of the North Australia Quarantine Strategy Steering Committee with representation from relevant agencies.

Climate Change

The Commonwealth's approach to the *Climate Change, Climate Variability* report that was recently released has identified significant concerns for Queensland including the Torres Strait region of the State.

There is a reasonable risk that climate change will lead to an increased incidence and severity of weather-related events such as storm surge and coastal flooding in the future. Further, expected sea level rise will create longer term issues of permanent inundation of coastal communities.

These events will be of particular significance for low-lying coastal and island areas in the Torres Strait and adjacent Papua New Guinea coastal plain. Particular impacts may include threats to water supply through contamination, short-term risk of communicable disease transmission and threats to infrastructure from erosion. Current research, such as a storm tide inundation study of the Torres Strait area being conducted by the Torres Strait Regional Authority, will provide greater certainty about the location and severity of these impacts.

At present, therefore, quantification of risk is not available to the Queensland Government. Similarly, the vulnerability of the PNG coastal communities and the scenarios which may develop are unknown.

A recent report also states: "Torres Strait Islanders and remote Indigenous communities have the highest risks and the lowest adaptive capacity of any in our community because of their relative isolation and limited access to support facilities."⁸

The Queensland Government considers that the present Inquiry provides an opportunity to consider:

- the extent to which current Treaty provisions, and associated emergency response and service delivery arrangements, take account of the need to manage increased climate change risk in the short to medium term; and
- the extent to which longer term considerations, such as sea level rise and the displacement of populations from the PNG communities, are adequately

⁸ PMSEIC Independent Working Group (2007). 'Climate Change in Australia: Regional Impacts and Adaptation – Managing the Risk for Australia'.

addressed by Treaty provisions

The Queensland Government supports Recommendation 17 of the House of Representatives Standing Committee on Climate Change, Water, Environment and the Arts report, Managing our coastal zone in a changing climate, for further research into vulnerability in the Torres Strait region.

It is vitally important that planning for the Torres Strait region embraces climate change issues, particularly sea level rise, in any future planning and identifies locations for displaced persons immediately to provide the opportunity for the communities to relocate in a planned and organised way.

It is noted that climate change officials are to be invited to participate as observers at future JAC meetings in recognition of the significance of the issues to those in the region.⁹

3. TRANSPORT AND INFRASTRUCTURE

Transport and freight

The overall supply chain from Brisbane to the Torres Strait is around 3050 kilometres – the longest supply route undertaken by any remote retail organisation in Australia.

The cost of transportation in the Torres Strait Islands, coupled with low incomes, has a range of social and economic flow-on effects. Freight costs on household items can significantly impact the price of standard household items compared to the purchase price in Cairns. The quality and availability of fresh food and vegetables is variable, contributing to poor nutrition and health outcomes for people in the region.

In July 2008, TSRA Chairperson, Mr Toshie Kris noted that petrol prices on the mainland at that time were around \$1.30/\$1.60 a litre. On Thursday Island it was as much as \$2.20 a litre for unleaded petrol and \$2.25 for outboard fuel.¹⁰

The TSRA's March 2009 submission to the House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs Inquiry into Community Stores in remote Aboriginal and Torres Strait Islander Communities contends that surveys have shown that it can cost up to \$150 more for a basket of 44 standard items on Thursday Island than for the same items in Cairns.

"PriceWatch" is a grocery monitoring scheme for Tropical North Queensland which monitors 44 grocery items of the same brand and size in 21 stores from Cairns to Thursday Island. The July 2009 PriceWatch results¹¹ indicate that on Thursday Island the cost of 44 chosen grocery items was \$131.91 greater than Cairns. "ShopSmart" compares a basket of 13 identical items of home brand and national brands available at all supermarkets at locations across Queensland including Logan, Brisbane, Cairns and Gladstone. It shows that in August 2009 the price of a loaf of bread in the Thursday Island was \$4.99 compared with an average for the mainland locations of \$1.41 and two litres of milk was \$4.29 compared with the mainland average of \$2.42.¹²

Eating fresh and healthy food is fundamental to the Council of Australian Government's (COAG) closing the gap on life expectancy and chronic disease

⁹ Minutes of the 18th Meeting of the Torres Strait Joint Advisory Council (JAC) 3 November 2009, Alotau, Papua New Guinea

¹⁰ Press release by TSRA 2 July 2008 at <http://www.tsra.gov.au/media-centre/press-releases/2008-press-releases/high-cost-of-rising-fuel-prices-in-the-torres-strait.aspx>

¹¹ From website for Jim Turnour, Federal Member for Leichardt

¹² From website for Sue Boyce, Senator for Queensland

targets and improving life opportunities for Indigenous Queenslanders. A national Food Security in Remote Indigenous Communities Strategy is being developed under the Council of Australian Governments' Indigenous reform agenda. The cost of food relative to people's incomes is a major impediment to food security.

The TSRA's March 2009 submission to the House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs Inquiry into Community Stores in remote Aboriginal and Torres Strait Islander Communities notes that consumption of fast foods and high sugar drinks is a concern with:

- Obesity in the Torres Strait being 55% higher than the Australian average; and
- The Torres Strait Islands having the highest national incidence of type 2 diabetes.

Organisations such as the TS Council have advocated for freight subsidisation such as the Tasmanian Freight Equalisation Scheme (TFES). This scheme has existed since 1976 and over that time has paid over \$1 billion in transport assistance to Tasmanian firms (expenditure for 2005-06 was \$92 million). Recognising that Tasmanian shippers do not have the option of transporting goods interstate by road or rail, the aim of the TFES was to enable Tasmania to compete in mainland markets on an equal footing. It therefore subsidises the shipment of Tasmanian-produced goods to the mainland but also subsidises the shipment from the mainland of a range of inputs for use in manufacturing, mining, agriculture, forestry and fishing in Tasmania.¹³

The high cost of fuel means that accessing passenger transport also impacts on the ability of individuals and families to attend to health, education, training, sporting and cultural needs. Travel by boat for transport and fishing is integral to people's lives, particularly on the outer islands. Frequency and length of boat trips by fishermen determines the catch they bring home. As fuel costs rise, they are forced to shorten or reduce trips, affecting income and availability of the food source¹⁴. Economically, tourism ventures are hampered by the high cost of passenger transport to Islands providing tourist facilities.

Tasmanian accompanied passenger vehicles by sea have also been subsidised – nearly \$40 million in 2005-06.

It is arguable that the need of the residents of the Torres Strait in terms of access to fresh and healthy food and to necessary services is at least as great an imperative as that of Tasmanian producers. Indeed, the Productivity Commission, in its draft report on the Tasmanian freight subsidy arrangements, advised that it could find no sound underlying economic rationale for providing freight assistance to particular Tasmanian shippers¹⁵. The levels of freight and passenger costs are clearly visible in the Torres Strait and fundamentally affect the wellbeing of all Torres Strait Island residents and communities.

Responses to cost issues

The Queensland Government is actively addressing issues of concern with regard to the cost of freight in the Torres Strait. This has included the Torres Strait Dredging Strategy, which has highlighted the need for access channels and swing basins to be upgraded to allow the barge operator (Sea Swift) to achieve economies of scale by purchasing larger barges to service the remote islands of the Torres Strait (15).

¹³ Productivity Commission 2006, *Tasmanian Freight Subsidy Arrangements*, Report no. 39, Canberra.

¹⁴ Press release by TSRA 2 July 2008 *ibid*

¹⁵ Report no. 39, Canberra *ibid*

Increased transport costs play a part in the increased cost to Torres Strait Island residents and the *Queensland Government suggests* that the Australian Government should consider appropriate fuel and freight subsidisation schemes appropriate to meet Torres Strait needs.

The Queensland Government is undertaking a detailed supply chain analysis of stores in remote communities to understand where efficiencies and supply chain improvements can occur in order to place downward pressure on the cost of food and grocery items. The analysis will examine purchasing policies, grocery wholesalers, opportunities for warehousing in North Queensland, collaborative distribution with other community organisations and the Transport and Logistics supply chain itself.

Air transport to the outer islands

The Torres Shire Council/Torres Strait Regional Council assert that air transport in the Torres Strait is not fair and equitable for residents, compared to air transport across the rest of the state.

The Department of Transport and Main Roads has commenced a review of transport services (particularly air transport) to a number of rural and remote communities, including the outer Torres Strait Islands and Cape York Peninsula. The review will take into account the unique demographic, geographic and cultural issues for each community. The review is expected to be completed by April 2010.

The Queensland Government will seek Australian Government input into this review.

Dredging

Fifteen of the Torres Strait Islands use sea freight, while fourteen have dredged channels and marine structures. These facilities include approach channels, swing basins, navigational aids, breakwaters, barge ramps, berthing dolphins and finger piers. Murray (Mer) Island is the remaining island that has no similar facilities.

Approximately 20 years ago the Commonwealth Government funded the dredging of access channels to the outer island of the Torres Strait Region. No maintenance dredging has been carried out on these channels since this time and has resulted in siltation and coral regrowth which has restricted all-tide access for freight barges currently used in the region.

A Long Term Sea Access and Dredging Strategy for Nominated Torres Strait Islands was undertaken by Maunsell/AECOM in January 2007 for Boigu, Saibai, Dauan, Yorke (Masig), Darnley, Warraber, Yam, Coconut, Mabuiag, St Pauls (Moa), Stephen, Hammond, Kubin (Moa), Badu and Murray (Mer). The study discusses a number of options and funding strategies to remedy the barge access problems and provide appropriate construction and dredging, navigational aids and hydrographic surveys to maintain essential access channels for the next twenty years.

The strategy identifies a significant funding requirement of approximately \$30 - 40 million to ensure all-tide access for freight barges that provide fuel, food and other essential items to the outer islands.

The Queensland Government will explore funding options with the Australian Government for these initiatives.

Horn Island airport upgrade

Horn Island airport is owned by the TS Council and is the only airport in the Torres Strait, other islands only having airstrips. The Torres Shire Council describes the airport as *the strategic gateway to Australia's northern international boundary and is paramount for police, customs, border protection, defence, quarantine, immigration, foreign affairs, health, emergency services, etc.*

An *Aeronautical Study of Horn Island* by the Civil Aviation Safety Authority (October 2009) notes that the airport *plays a vital role as the primary regional transport hub and stepping stone for aircraft movements not only to the 15 populated outer Torres Strait Islands but to Papua and West Papua as well as the Indonesian Archipelago* and that it *currently supports in excess of 65,000 passengers annually and, based on past growth, this number is projected to increase at approximately 6% a year.*

The airport is in need of an upgrade (strengthening) to enable larger aircraft to access the island.

QantasLink is contracted by the Queensland Government to provide air services to Horn Island utilising Q400 (74 seat) and Q300 (50 seat) aircraft. Under this contract, the route is regulated (sole operator) without subsidy, as there are sufficient passengers to be commercially viable. QantasLink was operating the Q400 on a pavement concession from the TS Council due to the weight of the Q400 exceeding the runway pavement strength. With damage to the runway becoming apparent, the TSC has removed the concession for the Q400. The combined restrictions have meant that only the smaller Q300 aircraft at a reduced load can use the runway. Due to operational restrictions at Horn Island the Q300 can only uplift 38 passengers with very limited freight and mail capacity. This equates to a reduction of around 2000 seats each month on this route.

The current estimated cost of works to upgrade the Horn Island airport to Q400 standards is \$7 million. This would include upgrading the main runway, taxiway, apron and lighting. The State Government has committed \$2 million to the upgrade, the Australian Government \$0.84 million and TS Council \$1.26 million from reserves and loans. At present there is a funding shortfall of about \$3 million to undertake the required scope of works.

The TS Council receives considerable revenue through landing charges and passenger taxes. The fees at Horn Island are amongst the highest in the country (\$22.73 per passenger excluding GST). The TSC needs to ensure that the Horn Island airport upgrade occurs in a timely manner and that all revenue collected from the airport is used to upgrade and maintain that asset and not diverted to other activities.

The upgrade has the potential to have a significant impact on the region. As Horn Island is effectively the gateway to the islands of the Torres Strait, the upgrade would enable larger and speedier aircraft to land at the airport. This would ensure and improve access to essential services for the communities of the Torres Strait and possibly more affordable fares. Cheaper fares and greater ability to fly into the islands through enhanced passenger capacity may present tourism opportunities which in turn may assist economic development and employment in the region.

Considering its position in the region and relative to the mainland, there is also the potential for the airport to be used to support border security/defence type activity (It was used as a staging base for Allied aircraft moving between Australia and New Guinea in World War II).

Queensland has already made a significant contribution to the upgrade and the *Queensland Government suggests* that, for the reasons outlined above, the Australian Government should significantly increase its contribution or identify suitable funding options for this critical piece of infrastructure.

Environmental Health Infrastructure

The provision of environmental health infrastructure and services in the outer islands is the responsibility of TSIRC however the Australian and Queensland Governments support councils through the jointly funded and managed Major Infrastructure Program (MIP).

MIP focuses on water, sewerage and waste management projects. The current phase of MIP involves an investment of \$116 million and will conclude in 2011. An estimated further investment of \$100 million will be required to continue infrastructure development.

The region's two local governments (the TSIRC and TS Council) have responsibility for the delivery of municipal and essential services including water, waste water, solid waste, roads, drainage, sewerage and environmental health.

The TSIRC also has responsibility for housing and a range of social and community services. The majority of funding to the TSIRC for the provision of municipal and essential services is provided through the State Government Financial Aid Program (SGFA), the Australian Government's Financial Assistance Grants (FAG) and a variety of smaller, specific purpose grants.

The TSIRC does not have a rates base: however, it is able to levy residents and also to charge residents, businesses, organisations and government agencies service fees for provision of water, waste disposal and so on. The extra demands on municipal and essential services resulting from extended visits and stays by Papua New Guinea nationals under provisions of the Torres Strait Treaty poses a number of risks to the TSIRC and permanent residents of the 15 outer Torres Strait Islands, as outlined below.

The TSIRC has very limited ability to raise additional revenue or capacity to increase its level of service delivery to cater for increasing numbers of traditional visitors from PNG. The TSIRC has little if any capacity to recover costs of additional services from traditional visitors. Irrespective of length of stay, visitors increase the demand on services. This is particularly the case when traditional visits are for events such as weddings, funerals and tombstone openings. These can involve high numbers of PNG visitors at a particular location for extended periods i.e. up to a week or longer.

Under section 52 of the *Aboriginal and Torres Strait Islander Communities (Justice, Land and Other Matters) Act 1984*, the TSIRC may restrict the number of persons who can enter, or the time for which they may live within, parts of the trust areas within regional council boundaries if their presence has resulted, or is likely to result in, an unsustainable use of resources or services in the area (for example, water supply and other essential services and infrastructure).

The Queensland Government seeks the cooperation of the Australian Government in supporting the TSIRC to meet the additional costs of municipal and essential services including water, waste water treatment, solid waste disposal, roads, drainage, sewerage and environmental health associated with PNG nationals visiting and staying in the area.

4. EMPLOYMENT, ENTERPRISE AND ECONOMIC DEVELOPMENT

The geographical isolation and small population of the Torres Strait Islands create many challenges for employment and economic development in the region. Employment opportunities are extremely limited, with an unemployment rate of 55 percent for Indigenous people in the region, excluding Community Development Employment Projects (CDEP) participants.¹⁶ These challenges are exacerbated by the cost of living in the region, which is estimated to be two to three times higher than on the mainland.¹⁷ However, the relatively pristine natural environment of the Torres Strait also presents opportunities for revenue and employment to be generated through increased tourism.

CDEP reform

The Australian Government is reforming the Community Development Employment Projects (CDEP) program across Australia, with new arrangements on the mainland commencing on 1 July 2009. The Queensland Government understands the Australian Government has recently commenced consultation with Torres Strait Island communities about the proposed reform of CDEP and that it will shortly be considering the implementation process - including timing of the reform which is likely to commence in 2010.

The Queensland Government is committed to the National Partnership Agreement on Indigenous Economic Participation which includes the conversion of government positions currently subsidised by CDEP to real jobs. Consequently, discussions have been held with Australian Government and Queensland Government agencies to identify and verify positions serviced by CDEP subsidisation across the three levels of government. This process has just begun.

However, the Queensland Government is firmly of the opinion that, given the unique and complex social and economic character of the Torres Strait Islands, careful consideration of the timing and approach to implementing the CDEP reform is needed due to possible impacts on local government service delivery, the fragile enterprises that are supported by CDEP, and the social and cultural impacts on individuals and communities in general.

This consideration would ideally be informed by an assessment of the potential social and economic impacts of the reform undertaken jointly by the Commonwealth and Queensland Governments.

A joint assessment would support the implementation of the reforms by providing both governments with:

- a more complete understanding of the social and economic implications and any risks associated with CDEP reform implementation in the Torres Strait; and
- a basis on which to jointly plan and implement the reforms in a way that minimises the adverse impacts on individuals, enterprises, communities and governments.

The Queensland Government suggests that due to the heavy dependence on CDEP in the Torres Strait, across the public, private and non-Government sectors, a joint assessment of the social and economic impacts of the CDEP reforms and associated risk mitigation approaches is a prerequisite to the commencement of the reforms and ideally should be completed within the next six months, in order to enable mitigating strategies to be developed prior to the reforms.

¹⁶ Source: Australian Bureau of Statistics, Census of Population and Housing, 2006, Indigenous Profiles.

¹⁷ Turnour 2008; Boyce 2008; Torres Strait Regional Authority 2007.

Governance of fisheries

The governance arrangements for fisheries in the TSP Zone are established under the *Torres Strait Fisheries Act 1984* (Cwth). The Queensland Government considers the administrative arrangements through the Protected Zone Joint Authority (PZJA) to be complex and cumbersome, resulting in an excessive amount of time for even simple decisions to be made.

A review of PZJA administrative arrangements is being carried out by Australian Fisheries Management Authority (AFMA), together with Fisheries Queensland and the Torres Strait Regional Authority. The review aims to address the costs and complexity of administering the Torres Strait fisheries. Public consultation on an options paper for governance reform recently occurred.

It is the Queensland Government's view that each of the fisheries operating in the Torres Strait should be managed under the auspices of a single existing body, preferably AFMA. An options paper for governance reform is currently out for public consultation recommending a single auspicing approach.

It is noted that foreign fishing incursions in the Torres Strait region have continued to steadily decrease. There were 37 apprehensions of PNG and Indonesian vessels were in 2006-07; 25 in 2007-08; 10 in 2008-09; and none to date for 2009-10.¹⁸

Indigenous ownership of fisheries

Fisheries represent a key economic development opportunity for the Torres Strait, with the potential to create sustainable livelihoods and greater economic security for Torres Strait Islanders. Fisheries resources in the Torres Strait are under-utilised. The major fisheries in the region (prawns, finfish and tropical rock lobster) are operating well below maximum sustainable levels. This represents a missed economic development opportunity for Torres Strait Islanders and Queensland more broadly.

With respect to the tropical rock lobster (TRL) fishery, there is an Indigenous aspiration for 100% Indigenous ownership of this fishery and 74% in the short-term. The current level of Indigenous activity is 54% of the fishery, with a further 3% to be transferred in the near future. There is currently a set of 'interim arrangements' in place to restrict TRL fishing activity for sustainability reasons, pending a long-term management plan. Despite there presently being no sustainability concerns (due to under-utilisation by commercial operators) it is clear that there can be no consensus to lift the restrictions until the ownership issue is addressed.

Implementing the Indigenous aspiration would require buying out the 13 commercial non-Indigenous TRL fishing licenses, at substantial cost. Queensland is concerned that an inappropriate transfer of ownership would result in a decrease in economic returns. This is because the non-Indigenous commercial sector has access to the more lucrative export trade for live lobsters (as opposed to the less lucrative domestic market for lobster tails).

Effective transfer would require a degree of commercial orientation on the part of Indigenous TRL operators that is not possible through the governance arrangements of the TSRA. A separate commercially-oriented arrangement would need to be developed. Despite the issue of Indigenous ownership being raised by the Queensland Government and Indigenous representatives at all available opportunities, no decision has been reached by the Australian Government.

¹⁸ Information provided to the 18th Meeting of the Torres Strait Joint Advisory Council (JAC) 3 November 2009, Alotau, Papua New Guinea

It is noted that this year the PNG National Fisheries Authority nominated six licensed PNG vessels to have their licence endorsed by Australia to operate in Australia's Tropical Rock Lobster Fishery.¹⁹

The Queensland Government suggests there be discussions with the Australian Government and Indigenous business operators as to how the Indigenous TRL ownership aspiration is achievable. The Queensland Government's preference is development of a plan that can achieve, over an extended period of time, 100% Indigenous ownership while minimising cost to the taxpayer.

Enterprise – Tourism

The Torres Strait is recognised as a spectacular and culturally important tourism region in Queensland and an important point of difference for the Queensland tourism industry. To support the development of tourism in this region the Government is working with industry to implement the Cape York and Torres Strait Tourism Development Action Plan. The key purpose of the plan is to provide a clearly defined and coordinated action plan for the development of a sustainable tourism industry in Cape York and the Torres Strait.

The Queensland Government suggests there be discussions with the Australian Government to determine complementary efforts to develop the tourism industry in the Torres Strait. This could include determining if there are tourism product development, tourism infrastructure or other opportunities that the Australian Government could fund that will benefit businesses, enterprises and organisations in this region.

It has previously been noted in this Submission that one way this could be encouraged is through the upgrade of the Horn Island airport.

5. HEALTH

Clinical and Public Health Issues

Increasing numbers of PNG nationals are accessing healthcare at outer island clinics in the Torres Strait, leading to growing use of a range of Queensland's health services including hospital services predominantly at Thursday Island and Cairns. More than 300 PNG nationals accessed the region's health services during the period July – October 2009. The estimated number of PNG presentations at Saibai and Boigu Island clinics during 2007-08 was 2350. The number of days spent in public hospitals in Queensland by PNG patients during 2007-08 was recorded as 3366.

The range of acute clinical presentations includes injuries, communicable diseases such as HIV and tuberculosis and exacerbations of chronic diseases. Queensland Health has developed treatment access guidelines for staff at the outer island clinics.

There are regular transfers of PNG patients from the outer island clinics to Thursday Island Hospital and hospitals in Cairns, Townsville and Brisbane (majority in Cairns). This can result in high transport and treatment costs depending on the nature of the condition: for example, the pharmaceutical costs for a single admission for the treatment of tuberculosis at Thursday Island Hospital in 2008 alone were \$24,588.

¹⁹ Information provided to the 18th Meeting of the Torres Strait Joint Advisory Council (JAC) 3 November 2009, Alotau, Papua New Guinea

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For many years the Commonwealth has provided funding to Queensland Health for treatment of PNG patients, currently around \$3.8 million.

Year to year costs are variable. In 2007-08 it is estimated that the funding provided met only a half of actual costs. Final estimates for 2008-09 are not available but the funding shortfall appears to be less for that year.

The major communicable disease issue is with multi-drug resistant tuberculosis (MDR TB). The presence of TB in the community arouses serious concern amongst Torres Strait Islanders about their exposure to the disease resulting from the presence of PNG nationals in the community.

In the interests of the affected PNG nationals and to minimise the risk of transmission to Torres Strait Islanders the cross-border management strategy has been for Queensland Health clinicians to treat PNG people with MDR TB at the outer island clinics. Those with TB amenable to usual drug treatments are expected to be managed by PNG doctors. PNG does not have the capacity to treat MDR TB.

With Commonwealth and PNG Government funding assistance communication officers on either side of the border have been established and a communication protocol developed. Australia and PNG are considering the option of permitting easier access for health practitioners visits across the border to facilitate better treatment and communication arrangements. Queensland is finalising a funding agreement with the Commonwealth which would allow PNG clinicians to travel to the Torres Strait clinics to increase knowledge and skills in TB management. Patients with MDR TB are also admitted to Cairns Base Hospital for intensive treatment.

The risk of transmission of HIV has been a major concern but to this point has proven not to be as significant as initially anticipated. A continuation or increase of unchecked movements of Torres Strait Islanders to PNG treaty villages may complicate the issue in terms of establishing points and/or causes of transmission in future cases.

Communication across the border remains an issue, with no telephones in the Western Province villages. Implementation and hosting of a High Frequency Radio/telephone interconnect is expected to improve the ability of clinicians on both sides of the border to interact.

The migration of *Aedes albopictus* mosquito from PNG into the Torres Strait represents a major health risk in the region and to mainland Australia. Previous work has demonstrated that eradication of this exotic mosquito would require a vast investment. Current strategies are to restrict ingress into Thursday and Horn Islands, with the goal of delaying its entry into mainland Australia. There is also ongoing mosquito control work in the Torres, using the *cordon sanitaire* approach developed by the Technical Advisory Group and funded by the Australian Government.

Recently cross-border movements were temporarily shut down due to concerns about the transmission of H1N1 influenza into Papua New Guinea. It was clear that there needs to be the opportunity for local clinicians on both sides of the border to be able to authoritatively communicate about cross-border pandemic management. Developing communication protocols in preparation for future pandemics is an area which needs to be addressed.

Current actions being undertaken to address outstanding issues include:

- building a new health centre on Saibai Island (Commonwealth funded)
- development of clinical protocols for the treatment of PNG nationals, including screening and treatment for diseases of public health significance.

The *Queensland Government* suggests that it is imperative that the Australian Government works cooperatively with the PNG Government to ensure that the proposed Health Package of Measures in PNG is well targeted and implemented to ensure optimum service outcomes in the PNG Treaty villages. This includes new or improved health services in those villages and building capacity and capability among the local people on the ground which can assist the reduction of health-related movements into the Torres Strait. The Australian Government could consider whether this is an appropriate area of action for AusAid.

6. COMMUNICATIONS AND BROADBAND TECHNOLOGY

Infrastructure limitations

Information and Communications (ICT) infrastructure in the Torres Strait is limited compared to mainland Australia. Boigu, Dauan, Saibai, Stephens, Darley, Yorke, Mer, Yam, Mabuiag, Warraber, Coconut, Badu, Moa, Hammond and Horn communities are supported by Telstra Microwave services in the Torres Strait. These islands connect back to the rest of Australia via a fibre optic connection from Bamaga on Cape York. Some of the larger islands, including Badu, Moa, Hammond, Horn and Thursday Island are serviced by Telstra Next G services. Others have no terrestrial mobile coverage of any kind.

Queensland Health and the Queensland Department of Education and Training provide services to Torres Strait Island communities with populations down to 53 people. Lack of reliable and affordable broadband services limits the extent to which Torres Strait Island communities can access a wider range of Queensland Government services that are available in many less remote communities. This shortcoming also limits the provision of tele-health and tele-education capabilities, which makes the overall cost of government service provision in the Torres Strait much higher than on the mainland.

Supporting Information and Communications Technology (ICT) facilities across the Torres Strait is logistically and technically very difficult. This has a direct impact on the quality of service that is provided from or to these communities. Informal measures, often at officer level, mitigate this by sharing expertise when making trips to and between islands.

A conclusion of the Regional Telecommunications Independent Review Committee was "Access to adequate, reliable telecommunications is important for Indigenous communities. Mobile telephony and public phones (community and payphones) have greater relative importance than fixed voice telephony and broadband services in remote Indigenous communities."²⁰

Current approaches to improving ICT infrastructure

The Queensland Government has entered into a Indigenous Public Internet Access National Partnership Agreement with the Australian Government to provide public internet access to twenty remote communities in the Torres Strait and Cape York. This agreement will rollout improved public internet services over the next eighteen months.

The Australian Government has also established a Community Phone program to increase the take-up of community phones in approximately 570 small, remote Indigenous communities across Australia. It also continues to help people living or

²⁰ <http://www.rtiirc.gov.au/Report> ; page 77.

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working outside of terrestrial mobile phone coverage to purchase satellite mobile phones.

Expansion of the availability of broadband and other information and communication technologies is of critical importance to ensuring all Queensland communities, including discrete Indigenous communities in remote and very remote locations, have equitable access to social and economic opportunities.

The *Queensland government suggests* ongoing support is required from the Australian Government to ensure that, irrespective of the cultural and economic difficulties in providing telecommunications services in the Torres Strait region, all Australians should have the same access to basic telecommunications services wherever they are in the nation (i.e the Universal Service Obligation and Australian Broadband Guarantee and in the future, National Broadband Network functionality).