From:	Jon Altman
То:	Community Affairs, Committee (SEN)
Subject:	question on notice
Date:	Tuesday, 9 March 2021 1:42:39 PM
Attachments:	Submission 15.pdf

Hi

Senator Siewert asked the following question on notice if I understood her correctly: what is the impact of being required to look for 20 jobs per month as a mutual obligation requirement under JobSeeker and CDP

It is my understanding that providers have some discretion in shaping mutual obligation requirements

But in so far as Indigenous people are required to look for work in circumstances where there are few or no job vacancies (and certainly fewer than 20) such a requirement is counter productive in a number of ways

For a start it diverts the energies of the unemployed person from participating in productive work inside or outside the home, for payment or in kind

Examples that come to mind inside the home include the provision of caring for people in need; outside the home there are many forms of self-provisioning or informal income earning possibilities

In many situations unemployed Indigenous people might lack the literacy skills, confidence or means to navigate bureaucratic hurdles to both seek jobs and report such activity Hence they might not meet their mutual obligation requirements and be breached and lose income

Alternately, they might seek help from other people in their community who do have such skills But this in turn diverts them from their paid employment unless they are a job services provider We must not overlook that prior to activity testing, participants in the CDEP scheme worked extra hours, earned extra income and were better able to self-provision than those on welfare payments

Some of the issues that I raised with the Senators is contained in the attached submission from last year to the House of Reps Standing Committee on Indigenous Affairs They might find it of some use

All the best with the report writing to a tight deadline

Cheers

Jon

Emeritus Professor Jon Altman School of Regulation and Global Governance (RegNet) College of Asia and the Pacific The Australian National University Canberra ACT Australia 2600 CRICOS Provider: 00120C | ABN: 52 234 063 906 M 0419 223757 E jon.altman@anu.edu.au

See <a href="https://arena.org.au/category/arena-online/">https://arena.org.au/category/arena-online/</a>

# Submission to the House Standing Committee on Indigenous Affairs Inquiry into Food Pricing and Food Security in Remote Indigenous Communities

#### Emeritus Professor Jon Altman School of Regulation and Global Governance The Australian National University

Thank you for the invitation to make a submission to this potentially important Inquiry.

By way of background, for over four decades I have had an enduring research and policy focused interest in the wellbeing and livelihood of remote living Indigenous people. Of immediate relevance to this inquiry, I co-edited a report for the ACCC *Competition and Consumer Issues for Indigenous Australians* that included a chapter 'Indigenous community stores in the "frontier economy". In 2009 an earlier parliamentary inquiry by this Committee was undertaken into the complex issue of food prices in remote Indigenous stores that resulted in the comprehensive report *Everybody's Business Remote Aboriginal and Torres Strait Community Stores*. I made a submission (with my colleague Dr Kirrily Jordan) to this earlier Inquiry. <sup>1</sup> More recently I have undertaken research mainly in West Arnhem Land on Aboriginal people's efforts to make a decent livelihood in increasingly precarious times, with much of that precarity a direct result of unhelpful Australian government policy reform.<sup>2</sup> My most current research in this area is with the Centre for Conservation and Development Alternatives, an international consortium based at the University of McGill, Montreal, Canada where I am co-leader of a research theme 'Livelihoods, food sovereignty and coping with neoliberal growth'.<sup>3</sup>

By way of disclosure of interest of relevance to this Inquiry, I am a director of the not-forprofit company Uncle Jimmy's Thumbs Up that seeks to provide information on health and nutrition to remote Indigenous communities<sup>4</sup>. I am also a director of the Karrkad-Kanjdji Trust that raises significant philanthropic contributions via a partnership with Simplot Australia to provide a regular air charter service to deliver food, mail and medicine to three extremely remote Indigenous communities and ranger bases on the Arnhem Land Plateau.<sup>5</sup> These communities lack any access to a grocery store or other essential supplies. The views expressed in this submission are mine alone.

As I have engaged with the wide-ranging terms of reference for this Inquiry announced with some apparent urgency during the current COVID-19 pandemic, I have struggled a little to unpack the motivations and drivers for its establishment. The Inquiry's terms of reference highlight three important issues:

• the high price of foods (and necessities) at stores in remote communities whose majority populations are Aboriginal and Torres Strait Islander peoples;

<sup>&</sup>lt;sup>1</sup> Available at <u>https://caepr.cass.anu.edu.au/sites/default/files/docs/Altman\_Jordan\_Stores\_0409\_0.pdf</u> accessed 29 June 2020.

<sup>&</sup>lt;sup>2</sup> See <u>https://insidestory.org.au/living-the-good-life-in-precarious-times/</u> and <u>https://insidestory.org.au/making-a-living-differently/</u> accessed 29 June 2020.

<sup>&</sup>lt;sup>3</sup> <u>https://cicada.world/research/themes/livelihoods-food-sovereignty-and-coping-with-neoliberal-growth/</u> accessed 30 June 2020.

<sup>&</sup>lt;sup>4</sup> See <u>https://thumbsup.org.au/</u> accessed 29 June 2020; our mission is to provide health and nutrition education and to strive for excellence in health care for Indigenous Australians.

<sup>&</sup>lt;sup>5</sup> See <u>https://www.kkt.org.au/</u> accessed 29 June 2020; KKT's is an environmental organization but a component of our work focuses on the sustainability of remote ranger bases.

#### Inquiry into food pricing and food security in remote Indigenous communities Submission 15

- the issue of food security, which is directly linked to food prices, but is also directly linked to the availability of commodities for purchase at stores; people's cash income levels and accessibility essential for purchasing; and their ability to access foods outside store contexts, what is sometimes referred to as 'food sovereignty' especially when people exercise their native title rights and interests to access bush foods for domestic non-commercial purposes; and
- the issue of possible price gouging indicating concern that during the global COVID-19 pandemic crisis, acknowledged in Australia since early 2020, there might have been unethical or unconscionable increases in price at stores in remote Indigenous communities, mainly of goods in short supply.

The Minister for Indigenous Australians the Hon. Ken Wyatt clearly sees these three issues as directly linked, although his reference surprisingly does not mention the COVID-19 pandemic at all or the urgency of the Inquiry that has required rapid-response submissions in a month. In my view these three sets of issues need to be separated into a tripartite framing if they are to be systematically addressed. While there are clearly links between these issues, there are also conceptual, temporal and practical differences, with some being more amendable to government intervention than others. There is also a need to distinguish between the before-COVID and after-COVID periods.

The issue of higher **food prices** at remote Indigenous communities is primarily the consequence of long term and structural/systemic factors that include the historic establishment of these communities as missions and government settlements by colonial policy and practice, not market forces; the small size of these communities; and their extraordinary geographic isolation, mainly in desert and tropical Australia, among other highly localised factors. **Price gouging** on the other hand, where and if it occurs, is likely a short-term and incidental consequence of the COVID-19 pandemic and associated lockdown of people in remote communities under the Commonwealth Biosecurity Act 2015 (between March and June 2020) and panic buying that might have created acute shortages. The third issue of **food security** which is linked to longer term health and wellbeing is far more complicated, reflecting the dependency, deep poverty and associated disempowerment experienced by many Indigenous Australians living in remote circumstances.

I want to briefly address each of these issues in turn before making some recommendations for the Committee's consideration.

## Food prices

There is a great deal of empirical and historic information about the comparative prices at stores in Indigenous communities. The most comprehensive survey carried out over the past 19 years is the Northern Territory (NT) Market Basket Survey sponsored by the NT Department of Health that has recently (24 June 2020) reported outcomes from its 2019 survey that covered 58 remote stores (reduced from 71 stores in the 2017 survey).<sup>6</sup> The survey which I am sure the Committee will examine in great detail distinguishes a Healthy Food Basket (HFB) from a Current Diet Basket (CDB). Overall it shows that at remote stores the HFB was 56% higher in price than at an urban supermarket and 6% higher than an urban corner store, while the CBD was 40% and 8% higher. In all contexts surveyed the HFB was lower than the CBD, but at remote stores this differential was lowest at 8% higher. A recent review of all studies of 'healthy' food baskets found that they were 20–60% more expensive

<sup>&</sup>lt;sup>6</sup> See <u>https://data.nt.gov.au/dataset/nt-market-basket-survey-2019</u> accessed 29 June 2020.

in very remote situations.<sup>7</sup> A study that I was involved in included in this systematic review used point of sale data at 20 remote NT stores and found that products were on average between 60% and 68% higher than advertised prices in Darwin and Adelaide.<sup>8</sup>

The key issue is not whether prices in remote stores are higher, which they invariably are, but whether the differentials are 'reasonable'. This is a difficult question to answer for many reasons. The only official information that I am aware of on the number of remote stores remains the Community Housing and Infrastructure Needs Survey last conducted by the ABS in 2006.<sup>9</sup> The key salient features of this survey was that 1,112 of 1,187 discrete Indigenous communities (94%) were located in remote and very remote Australia (Australian Standard Classification Regions that cover about 86% of terrestrial Australia). Most of these communities today are located on Indigenous titled lands under land rights or native title regimes. In total just 175 of these discrete Indigenous communities (so defined because more than 50% of the population is Indigenous) hosted a public facility termed a store. Of these 1,187 communities, 865 had less than 50 residents and only 4 of these smallest communities (0.5%) had a store, with the proportion of communities with stores rising as communities became larger: 88% of communities with a population over 200 had at least one store with several of the 17 largest discrete communities with a population of over 1,000 having several store and food outlets.

Some abiding structural features of these communities invariably made their store-sourced products more expensive with remoteness and small size being paramount. Stores also varied in corporate form. The NT Market Basket Survey differentiates three types: community owned and managed, likely not-for-profit, stores; private, and likely for-profit, stores; and those managed or owned by a store group like Outback Stores, an Australian government funded company. The NT Market Basket Survey conducted between June and August 2019 (that is, before the COVID-19 pandemic) is data rich and deserves careful statistical analysis that the NT Department of Health or other submissions might provide the Inquiry.

Significantly, there is a difference of about 60% between the cheapest and most expensive stores which assuming similar levels of household income across the 58 surveyed communities is a wide range; and the number of Indigenous staff employed by stores varied from zero to 30, also a wide range. The NT Market Basket Survey gives detailed feedback to participating stores on their comparative performance. What is deemed to be an acceptable amount for a Healthy Market Basket ranging from \$680 a fortnight to \$1,150 a fortnight for customers who as I will show below are often deeply impoverished is difficult to determine. This is especially the case because point-in-time surveys of store prices are highly abstract instruments devised as in the NT Market Basket Survey, for a hypothetical family of six. This is a fundamental problem that has not been addressed despite a recommendation in the 2009 *Everybody's Business* report for the inclusion of Indigenous communities and an identifier in the Household Expenditure Survey, a recommendation that has not been taken up by the government or ABS.

<sup>8</sup> Ferguson, M., O'Dea, K., Chatfield, M., Moodie, M., Altman, J. and Brimblecombe, J. (2016). 'The comparative cost of food and beverages at remote Indigenous communities, Northern Territory, Australia',

Australia and New Zealand Journal of Public Health, 40 (S1): S21-S6.

<sup>&</sup>lt;sup>7</sup> Lewis, M. and Lee, A. (2016). 'Costing 'Healthy' Food Baskets in Australia - A Systematic Review of Food Price and Affordability Monitoring Tools, Protocols and Methods', *Public Health Nutrition* 19 (16): 2872–2886.

<sup>&</sup>lt;sup>9</sup> See <u>https://www.abs.gov.au/ausstats/abs@.nsf/mf/4710.0</u> accessed 29 June 2020.

It seems likely that many factors besides corporate and governance forms, community size and location could influence prices. Some that I am aware of from research with stores mainly in Maningrida include the additional costs of variable labour costs and availability of qualified staff; variable store lease payment arrangements that might in some cases be charged at commercial rates while stores operate as social enterprises; the number of communities in the region that have no stores and need to be remotely supplied; and the additional costs associated with the management of pilfering, mainly by kids who are likely hungry. The reasons for the variation in prices between remote stores is a potentially important area for urgent research that might provide guidance on best-practice to ensure prices are at the lower rather than higher range of the scales that have been documented.

#### Price gouging

The question of price gouging as noted is likely associated with acute shortage of supply linked to consumer stockpiling that can be managed ethically with quantitative limitations on items available per customer as has occurred in capital cities; or unethically and potentially illegally with excessive price rises to profiteer and stem demand. This is very much a COVID-19 crisis related issue.

It is unclear from publicly available information if this has been a significant issue for stores in remote Indigenous communities during the COVID-19 pandemic period. In the early days of community lockdown under the Commonwealth Biodiversity Act 2015 from March 2020 there was a report of extreme shortage and possible price gouging at Barunga in the Northern Territory. <sup>10</sup> On the other hand a report from Maningrida<sup>11</sup> and communications that I have had with Aboriginal colleagues and community staff including the CEO of the Maningrida Progress Association (MPA) report no price gouging or shortages, although there is a high degree of variation in local prices. Indeed, the CEO of the MPA anticipating panic buying, as seen in metropolitan centres, ordered additional supplies from wholesalers, including of toilet tissue, that was never required. This was despite expenditure at the store increased rapidly from additional income made available to welfare recipients and others from late March 2020.

It is noteworthy that on 30 March 2020 Health Minister Greg Hunt made price gouging for essential goods illegal under the Biosecurity (Human Biosecurity Emergency) (Human Coronavirus with Pandemic Potential) (Essential Goods) Determination 2020<sup>12</sup> but chose not to include basic foods in remote Indigenous communities (or elsewhere) in this determination. And the ACCC has made it clear that while it plays no role in setting prices in Australia, cases of extreme price gouging might be prosecutable as unconscionable conduct under Australian Consumer Law. <sup>13</sup> It will be interesting to see if any empirical evidence is tendered to the inquiry of price gouging.

## Food security

The most significant issue raised by this Inquiry relates to food security. As already noted, this is a complex issue that can refer to the availability of foods in stores; to the affordability

<sup>&</sup>lt;sup>10</sup> https://www.sbs.com.au/nitv/article/2020/04/01/remote-aboriginal-community-runs-out-supplies-one-daypanic-buying accessed 30 June 2020.

<sup>&</sup>lt;sup>11</sup> <u>https://arena.org.au/covid-comment-from-the-forgotten-corners-of-remote-australia/</u> accessed 29 June 2020.

<sup>&</sup>lt;sup>12</sup> https://www.legislation.gov.au/Details/F2020L00355 accessed 27 June 2020.

<sup>&</sup>lt;sup>13</sup> https://www.natlawreview.com/article/covid-19-australia-government-bans-price-gouging-exploitativeexports-personal accessed 29 June 2020.

of available foods; and to the broader issue of being able to secure access to foods not just from stores, but also by self-provisioning.

On the first issue of <u>food availability</u>, it needs to be reiterated as outlined above that over 800 discrete Indigenous communities, most with populations of less than 50 persons, have no store at all which clearly hampers availability to purchased food. Many of the residents of these communities need to travel to purchase food and essential goods at stores elsewhere; or are supplied on a regular or occasional basis by stores in larger communities via a hub and spokes model or by other means. At times such supply requires a price surcharge for additional transportation costs that is not evident in surveys such as the NT Market Basket Survey.

In terms of food availability, the 2019 NT Market Basket Survey indicates that aside from two outliers in central Australia, almost all stores surveyed had 90% plus availability of the Healthy Food Basket. The survey also indicates that there is a relatively high availability of healthy food, and there are few examples of fruit and vegetable quality being poor or mouldy/rotten with most being in good and fair condition.

A far more significant issue is whether the food that is available is <u>affordable</u>. There is a growing body of evidence from the census and surveys that the extreme poverty evident at remote and very remote Indigenous communities is likely to make much expensive store food inaccessible and unaffordable owing to lack of income for purchasing; and that this in turn is likely to result in hunger and poor health. These dire circumstances of extreme poverty can be readily demonstrated with statistics from the pre-COVID-19 period.

Francis Markham and Nicholas Biddle from the ANU show that in very remote Australia more than half Indigenous people live in households below the poverty line; in this jurisdiction poverty rates have increased in the last two intercensal periods 2006–2016. This is partly because the employment disparity between Indigenous and other Australians has grown. In very remote Australia, as the non-Indigenous employment rate has hovered about 80% between 2006 and 2016, the Indigenous rate has declined from nearly 50% to just over 30%. In remote Australia, not only is the disparity between Indigenous and non-Indigenous employment rates growing and the absolute rate of Indigenous employment has declined to the extent that only three in ten Indigenous adults are in paid work.<sup>14</sup> What is of great concern is that reform of government employment programs in remote Australia and especially the abolition of the Community Development Employment Projects (CDEP) scheme has exacerbated this situation. Furthermore, the Community Development Program introduced by the Abbott government from 1 July 2015 is deepening poverty by applying over 500,000 No Show No Pay penalties to Indigenous people who do not turn up for Work for the Dole or training activities.<sup>15</sup>

Much of this information was summarised by Francis Markham and me in a submission in 2019 to the Senate Standing Committee on Community Affairs Inquiry into the Adequacy of Newstart in Australia. We noted that for the first time since measurement began after the

<sup>&</sup>lt;sup>14</sup> All statistics from Markham, F., and Biddle, N. (2018). *Income, poverty and inequality* (2016 Census Paper No. 2). Available at Centre for Aboriginal Economic Policy Research, ANU website:

http://caepr.cass.anu.edu.au/research/publications/income-poverty-andinequality accessed 29 June 2020. <sup>15</sup> See Fowkes, L. (2019). *The application of income support obligations and penalties to remote Indigenous Australians, 2013–2018* (Working Paper No. 126) available at <u>https://doi.org/10.25911/5c6e71dd22f05</u> accessed 29 June 2020.

Henderson Poverty Inquiry in the late1970s, Indigenous poverty rates in very remote Australia in 2016 were above 50%. We also noted that this situation is likely to have been even further exacerbated since then by the continual application of financial penalties on unemployed people subject to the CDP scheme that further reduced incomes by a conservatively estimated 4.5%-6%.<sup>16</sup>

There are two dire consequences of this combination of high store food prices, where Indigenous welfare recipients must shop owing to income management measures like the BasicsCard and their extremely low incomes.

First people experience food insecurity and go hungry. This is something that is reported in the 2018–19 Aboriginal and Torres Strait Islander Health Survey where 43% of respondents reported that they had run out of food and could not afford to buy more in the last 12 months.<sup>17</sup> This has also been reported to me in research that I have undertaken in West Arnhem where for the first time since 1979 people have openly talked about food shortages; and I have observed people struggling to either purchase enough food from the store or procure enough food from the bush.<sup>18</sup>

Second, as Francis Markham and I noted in our submission to the Senate Adequacy of Newstart Inquiry using available epidemiological evidence it is estimated that between one-third to half of the life expectancy gap between Indigenous and non-Indigenous Australians in the Northern Territory is the result of poverty.<sup>19</sup> A reduction in the life expectancy gap between Indigenous and non-Indigenous Australians, a central plank of government policy, will not occur while Indigenous people in remote Australia live in such dire poverty and experience food insecurity.

Finally, there is the issue of <u>food sovereignty and self-provisioning</u>. Indigenous people in remote Australia have increasingly struggled to access bush foods and this has contributed to food insecurity. This is a complex issue that I can only summarise here.

There is no indication in the NT Market Basket Survey if locally produced foods are available at stores. Certainly, there are situations that I am aware of especially from my long-term fieldwork in the Maningrida region where locally produced wild foods including fish and bush fruits and vegetables are available in stores for purchase<sup>20</sup>; and historically and today a small number of local abattoirs provide meat to local and regional stores.

But there is very little current information available on the extent that people can selfprovision by deploying their native title rights under s.211 of the Native Title Act that allows hunting, fishing and gathering to satisfy personal, domestic or non-commercial communal needs. Nor is there reliable information available on the significance of such food sovereignty

<sup>&</sup>lt;sup>16</sup> Submission no. 77 at

https://www.aph.gov.au/Parliamentary\_Business/Committees/Senate/Community\_Affairs/Newstartrelatedpaym ents/Submissions

<sup>&</sup>lt;sup>17</sup> Data kindly provided by Dr F Markham who interrogated NATSIHS using Tablebuilder.

<sup>&</sup>lt;sup>18</sup> Altman J.C. (2018). 'The main thing is to have enough food': Kuninjku precarity and neoliberal reason'. In C. Gregory and J.C. Altman (eds) *The Quest for the Good Life in Precarious Times*, ANU Press, Canberra available at http://press-files.anu.edu.au/downloads/press/n4189/html/ch08.xhtml accessed 29 June 2020.

 <sup>&</sup>lt;sup>19</sup> Zhao, Y., Wright, J., Begg, S., and Guthridge, S. (2013). Decomposing Indigenous life expectancy gap by risk factors: A life table analysis. *Population Health Metrics*, 11 (1): 1. <u>https://doi.org/10.1186/1478-7954-11-1</u> accessed 29 June 2020.

<sup>&</sup>lt;sup>20</sup> See <u>https://maningridawildfoods.com/</u> accessed 29 June 2020.

either to dietary intake or the wellbeing and livelihood of individuals, families and households. The information that is available from the National Aboriginal and Torres Strait Islander Social Survey (NATSISS) tells us a little about self-reported participation in such activity, but nothing about the contribution of such self-provisioning to diets or well-being. The information on hand is now somewhat dated and indicates that 72% of adults in remote Australia participated in fishing, hunting or the gathering of wild foods in 2008; and 79% reporting such participation in 2014. It is noteworthy that statistical interrogation of the 2008 NATSISS indicated that such self-provisioning activity is significantly higher in remote (71.7%) than non-remote (41.5%) Australia and significantly higher for those employed in the CDEP scheme (81.9%) than employed elsewhere (53.6%) or not employed (45.2%).<sup>21</sup> The implication here is that access to resources and discretionary time are important to self-provisioning.

What is clear is that since the advent of the Community Development Program in 2015 its mutual obligation requirements that people worked 25 hours per week, five days a week (now reduced to 20 hours per week) year-round intentionally or unintentionally limits possibilities for self-provisioning on country. So the majority of Indigenous adults who do not have formal employment are caught in a destructive cycle: living in deep poverty and working-for-the-dole and purchasing expensive food from stores under mandatory income management regimes condemns them to bare life and simultaneously precludes possibilities to supplement food intake by self-provisioning. Such activity requires access to expensive transport (vehicles and boats) and hunting and fishing equipment as well as vehicle and gun licences. This inability to access bush foods is greatly exacerbated by the growing ambivalence of governments to support Aboriginal people living at outstations and homelands over the past decade.

The arrival of the COVID-19 pandemic in Australia has afforded the nation a rare moment to pause business as usual and reflect anew on the efficacy of policies and programs. This is a timely juncture for remote Indigenous Australia at the end of a decade when the policy instruments deployed to reduce measured disparities under the Closing the Gap framework have failed most spectacularly in these contexts.

The arrival of the COVID-19 pandemic initially raised grave concerns that Indigenous people in remote Australia would be especially vulnerable. But as I have noted in submission to the Senate COVID-19 Inquiry (along with a number other researchers now) these dire predictions have not eventuated, with the latest available information indicating that there have been zero COVID-19 cases notified among Aboriginal and Torres Strait Islander persons in remote and very remote Australia.<sup>22</sup>

Paradoxically, the food security situation in remote Indigenous Australia has improved markedly in the post-COVID-19 pandemic period as the Australian government has extended its economic support packages to Indigenous people as Australian citizens. So not only is there no COVID-19 in remote Australia (to date), but Indigenous community incomes have dramatically

<sup>21</sup> Altman J.C., Biddle, N. and Buchanan G. (2012). 'The Indigenous hybrid economy: Can the NATSISS adequately recognise difference?' in B. Hunter and N. Biddle (eds) *Survey Analysis for Indigenous Policy in Australia: Social Science Perspectives*, ANU Press, Canberra available at <a href="https://openresearch-repository.anu.edu.au/bitstream/1885/58709/13/ch091.pdf">https://openresearch-repository.anu.edu.au/bitstream/1885/58709/13/ch091.pdf</a> accessed 29 June 2020.
<sup>22</sup><a href="https://www1.health.gov.au/internet/main/publishing.nsf/Content/1D03BCB527F40C8BCA258503000302EB/">https://www1.health.gov.au/internet/main/publishing.nsf/Content/1D03BCB527F40C8BCA258503000302EB/</a> \$File/covid 19 australia\_epidemiology\_report\_18\_fortnightly\_reporting\_period\_ending\_7\_june\_2020.pdf
accessed 26 June 2020.

increased owing to the payment to welfare recipients of the one-off economic support payment of \$750 from late March 2020, the payment of the COVID supplement of \$550 per fortnight from late April 2020, and the availability of accumulated superannuation funds for some. On top of this, and despite early opposition from Minister Wyatt, social distancing requirements saw the cessation from March 2020 of onerous mutual obligation requirements for those on the Community Development Program that is limited in its geographic coverage to regional and remote Australia. This has liberated Indigenous people to return to homelands and participate in self-provisioning without risk of poverty-deepening penalties for breaching.

Communications that I have had with Indigenous and non-Indigenous residents of the remote community of Maningrida and its hinterland in Arnhem Land since March 2020 substantiate these observations. People report more income, more purchase of food, less hunger and less stress about having enough income for shopping. The CEO of the Maningrida Progress Association, one of three stores in the community, reports that in the three months from April–June 2020 store expenditures have increased by 35% over the same period in 2019. With reduced pressure to meet work-for-the dole and training obligations there are reports of enhanced residence at homelands, less pressure on housing in the township and greater access to bush foods. The destructive cycle that I described earlier has very quickly become a virtuous cycle with likely improvements in wellbeing that it is obviously too early to rigorously quantify. In my conversations and email communications there is a deep sense of relief even euphoria that what was feared as a potential human disaster has at least in the short-term ended up as greatly enhanced food security from the store and from the bush.<sup>23</sup>

In concluding our submission to the 2009 Inquiry into the price of food in remote stores, Kirrily Jordan and I noted a tendency for such Inquiries to focus on identified issues of legitimate policy concern, while at the same time overlooking the need for the holism that is required to address the politico-economic structural factors that are resulting in poor outcomes. Many of the issues raised in, and recommendations made by, the 2009 Inquiry have not been addressed to date. And at the same time other policy settings as I have outlined here have undermined prospects for food security and healthier outcomes in remote communities.

Looking to the future and focusing on the twin issues of poverty alleviation and food security, what are the prospects for better outcomes and what is the policy framing that will allow us to assess performance in these important areas? In 2018 the Closing the Gap policy framework with its seven targets expired with a lack of progress in reducing socioeconomic disparities in remote Indigenous Australia. Currently prolonged negotiations to renew this framework are underway but the Closing the Gap Refresh draft targets lack any reference to food security or poverty alleviation. On the other hand, Australia assisted in the design and is a supporter of the United Nations Global 2030 Agenda for Sustainable Development.<sup>24</sup> The 2030 Agenda is made up of seventeen Sustainable Development Goals (SDGs) and is a domestic and international agenda. SDG 1 is to end poverty in all its forms and SDG 2 is to achieve zero hunger by 2030. Clearly these two goals are not being adequately addressed in remote Indigenous Australia at present despite the nation's affluence in global comparative terms as I

 <sup>&</sup>lt;sup>23</sup> See <u>https://arena.org.au/the-deadly-virus-delivers-accidental-benefit-to-remote-indigenous-australia/</u> and <u>https://arena.org.au/covid-comment-from-the-forgotten-corners-of-remote-australia/</u> accessed 29 June 2020.
<sup>24</sup> See <u>https://www.environment.gov.au/about-us/international/2030-agenda</u> accessed 29 June 2020.

have outlined in an assessment elsewhere.<sup>25</sup> Both these goals are very pertinent to this Inquiry's focus and highlight the challenges Australia faces if they are to be addressed in the next decade, especially in remote Indigenous Australia.

The COVID-19 pandemic has demonstrated what can be done when there is a crisis and how governments can find billions of dollars overnight to address critical problems. Arguably the crisis in remote Indigenous Australia preceded the COVID-19 pandemic, but unless bold steps are taken that crisis will continue, even if and/or when a vaccine for the pandemic is available. The Prime Minister articulates a need for Australia to 'snap back' to the status quo before COVID-19, but this would be a disaster for remote Indigenous Australia. Simone Casey has recently described the return to Work-for-the-Dole and mutual obligation for those on Jobactive post-COVID as a timebomb.<sup>26</sup> It will be far worse for those in remote Australia subject to the more onerous Community Development Program, alongside proposals to stop paying the COVID income supplement in late September, it will mean less income, less freedom and more food insecurity again. Indigenous people with whom I have raised this prospect are deeply concerned that any 'snapback' will result in more hunger, more food insecurity and more stress; and less time at homelands and on ancestral lands exercising native title rights to hunt, fish and gather for self-provisioning.

This Committee is presented with an opportunity to make a real difference to the lives of remote living Indigenous people; and to atone for some of the policy missteps of the last decade by all governments. The challenge that the Committee faces is how to make recommendations that are enacted in a timely way to ensure that rather than snapping back, we move forward. It is of special concern that moves already under way to reintroduce onerous mutual obligation requirements from 6 June 2020 and a commitment has been announced by the government to end the COVID 19 Jobseeker supplement in late September 2020, a month before this Committee is scheduled to report. In my view some urgent early reporting to the parliament by this Committee is required to question the inevitably deleterious consequences of these proposals to remote living Indigenous people (and others).

Using my tripartite framework, I make the following recommendations for the Committee's consideration.

- 1 The price of food at stores in Indigenous communities in remote and very remote Australia will inevitably be higher than in urban centres for structural reasons. But there is also high variation evident between stores that cannot be explained just by size or remoteness. It is recommended that a study is sponsored by the Australian government to identify the factors that explain of stores best practice in relation to food prices. It is also recommended that the 33 recommendations in the report *Everybody's Business Remote Aboriginal and Torres Strait Community Stores* published eleven years ago are revisited by the Committee to see which have been implemented, which have been ignored, and why, and which remain relevant.
- 2 If empirical evidence of unethical price gouging is reported in this Inquiry, it is recommended that the Australian government provide communities with legal

<sup>&</sup>lt;sup>25</sup> See Altman JC 2018. 'Indigenous policy' in *Australia, Poverty and the Sustainable Development Goals*, Academics Stand Against Poverty Oceania available at <u>https://apo.org.au/sites/default/files/resource-files/2018-10/apo-nid197101.pdf</u> accessed 29 June 2020.

<sup>&</sup>lt;sup>26</sup> See <u>https://percapita.org.au/wp-content/uploads/2020/06/Mutual-Obligation-after-COVID19\_FINAL2-1.pdf</u> accessed 29 June 2020.

assistance to take perpetrators to the ACCC for potential breach of Australian Consumer Law.

3 Ensuring food security for residents of remote Indigenous communities will require some major restructuring of policy to alleviate poverty and enhance possibilities for self-provisioning. As an urgent first step, it is recommended that if the COVID-19 Jobseeker supplement is phased out as currently proposed from 1 October 2020, income support payments are increased to ensure that all recipients do not live in poverty. This recommendation echoes recommendation 27 made by the Senate Standing Committee on Community Affairs Inquiry into the Adequacy of Newstart in Australia. It is further recommended that the excessive mutual obligation requirements of the Community Development Program and its harsh penalties regime are abolished. Instead it is recommended that a participation income or living wage is paid to income support recipients in remote Indigenous communities that allows them to more exercise their native title rights and participate in a higher level of food self-provisioning. Some Indigenous communities, like the nation, are looking to enhance self-sufficiency in the aftermath of the COVID-19 pandemic and it is recommended that the Australian government support such aspirations by assisting the reoccupation and delivery of proper services to outstations and homelands, including of store-purchased foods and basic supplies and equipment.

The implementation of such recommendations will make food more available and affordable for remote living Indigenous people. This will result in reduced hunger, improved wellbeing and health and greater participation in self provisioning in difficult circumstances where there are few mainstream employment opportunities. Implementation will assist the Australian government to meet its domestic policy objectives to reduce socioeconomic disparities between Indigenous and other Australians; and to address international commitments to eliminate poverty and hunger, SDG 1 and SDG 2 of the UN Global 2030 Agenda for Sustainable Development—two serious problems that still exist in remote Indigenous communities today.