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Official Committee Hansard

HOUSE OF REPRESENTATIVES

STANDING COMMITTEE ON ABORIGINAL AND TORRES
STRAIT ISLANDER AFFAIRS

**Reference: Community stores in remote Aboriginal and Torres Strait Islander
communities**

WEDNESDAY, 29 APRIL 2009

FREGON

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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**HOUSE OF REPRESENTATIVES STANDING
COMMITTEE ON ABORIGINAL AND TORRES STRAIT ISLANDER AFFAIRS**

Wednesday, 29 April 2009

Members: Mr Marles (*Chair*), Mr Laming (*Deputy Chair*), Mr Abbott, Ms Campbell, Mr Katter, Ms Rea, Mr Kelvin Thomson, Mr Trevor, Mr Turnour and Mrs Vale

Members in attendance: Mr Marles, Mrs Vale

Terms of reference for the inquiry:

To inquire into and report on:

The operation of local community stores in remote Aboriginal and Torres Strait Islander communities, with a particular focus on:

- food supply, quality, cost and competition issues;
- the effectiveness of the Outback Stores model, and other private, public and community store models; and
- the impact of these factors on the health and economic outcomes of communities.

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Subcommittee met at 3 pm

STEVENS, Mr Robert, Vice-Chairman, Kaltjiti Store Committee; and Community Elder, Kaltjiti Community

TREGENZA, Mr John, Coordinator, Mai Wiru Stores Policy Unit, Nganampa Health Council

CHAIR (Mr Marles)—Robert, I invite you to open the meeting.

Mr Stevens—I welcome you mob to the Kaltjiti community. I open the meeting.

CHAIR—Thank you, Robert. I also welcome people to this meeting of the House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs in our inquiry into remote community stores in remote Aboriginal and Torres Strait Islander communities. I start by acknowledging the traditional custodians of this land and pay our respects to elders past, present and future. The committee also acknowledges the Aboriginal people who now reside in this area. The committee is particularly thankful to the Kaltjiti community for receiving us today and allowing us to hold this hearing in their community today.

There is a formal side to this hearing. This hearing is a formal proceeding of the Commonwealth parliament. Everything that is said before the committee should be factual and honest. It can be considered a serious matter to mislead the committee. Having said that, I invite people who would like to give evidence to make comments which will assist in our inquiry to try to improve the way in which the government administers community stores in remote communities.

This hearing is open to the public. A transcript of what is said will be placed on the committee's website. If you would like further details about the transcript or the inquiry, you can approach the committee staff who are present here at the meeting today.

At the conclusion of the formal part of the meeting today we will be conducting an open forum. That is really an opportunity for anyone who is here to make a contribution and have their say about how the community store is running here in Kaltjiti. If you are interested in doing that, approach the secretariat staff. First, we will introduce ourselves personally.

Mrs VALE—My name is Danna Vale. I am the federal member for Hughes, which is in New South Wales just south of Sydney. My electorate goes between Liverpool and Sutherland. The traditional owners of my area are the Dharawahl people and also the Gandangarra people of the Illawarra. It is a real privilege to be here today and to work on this committee. We really do hope to be able to inform the government on the availability of good-quality nutritional foods for especially the women and grandmothers here in this area to feed to their children.

CHAIR—My name is Richard Marles. I am the chair of this committee and the member for Corio, which is an electorate based in Geelong in Victoria. Mr Stevens, what would you like to say to the committee today about the way in which the community store in Kaltjiti operates? Do you think the store is working well?

Mr Stevens—The store is working well. We are looking at getting the bad food out and putting good food in.

CHAIR—How is the store run? Is the store owned by the community? Is that correct?

Mr Stevens—The store is run by its own corporation. It is run by the store committee, which makes the decisions on whatever they do.

CHAIR—Who sits on the store committee?

Mr Stevens—The store committee has seven or eight members on it.

CHAIR—Do you sit on the store committee?

Mr Stevens—I work for Mai Wiru, so I support the committee when they need me and want me.

CHAIR—So you work for Mai Wiru. How often does the store committee meet?

Mr Stevens—Probably about every two or three months.

CHAIR—Have there been many store managers over the last few years? Have you had a turnover of store managers here?

Mr Stevens—We had one store manager for maybe five or seven years. He was there for a while, then he left and the store committee got BJ and his wife.

CHAIR—So it has been relatively stable. You have had one store manager for a while and you have had a handover in the last two months?

Mr Stevens—Yes.

CHAIR—Are you happy with the range of products which are contained in the store?

Mr Stevens—We are happy but we have to look at some of the things and how we are going to get rid of them. There are some good and some bad.

CHAIR—Can you give an example of that?

Mr Stevens—Sugar and other sweet things, like Coca-Cola, are bad for diabetics. The other thing we have to get rid of one day is smokes or cigarettes. It is very important for everybody.

CHAIR—How do you go about changing those products?

Mr Stevens—They are changed by the committee and sometimes they take it to a general meeting. Sometimes they have their own general meeting and then talk to the people and from that the community decides for the committee which way they are going.

CHAIR—So when the store committee meets do you often talk about whether or not you should stock a particular thing like Coca-Cola or cigarettes? Is that a discussion you would normally have at a meeting?

Mr Stevens—Not yet. One day we will get rid of all those sorts of things.

CHAIR—Has there been some suggestion of doing that here?

Mr Stevens—We are thinking about it.

CHAIR—What would you say about the quality of the fresh food—the fruit, vegetables and meat—here?

Mr Stevens—Fresh food is very important. We have those things in our refrigerator. It is very important.

CHAIR—Are you happy with the quality of the fresh food at the store?

Mr Stevens—Yes.

CHAIR—As for prices, do you feel the store is cheap or expensive?

Mr Stevens—Pricing is very important in the store and we have to look at which way to do it. If we put the price down, the money goes down, so we have to make it level. Otherwise, if we make the price go down, everything falls down because there is no other government money supporting the store. It has to make it on its own. It goes around in circles.

CHAIR—So the store runs at a profit—it covers its costs?

Mr Stevens—When the store makes a profit, the profits go back to fix the refrigerator or the air conditioning or something like wastage.

CHAIR—Who makes the decision about how the profits should be spent?

Mr Stevens—The store committee.

CHAIR—There was some reference in our notes to the profits having been spent on the purchase of, I think, a plasma TV which is in the store. That was a decision of the store committee?

Mr Stevens—I missed the first part. Please ask that again.

CHAIR—I understand that the store profits previously were spent on purchasing the television in the store. Was that a decision of the store committee?

Mr Stevens—It was a decision of the store committee. It is written down in the constitution that goes to committee donation.

CHAIR—Have you noticed an improvement in the way the store operates since the Mai Wiru policy came about?

Mr Stevens—Things are improving. When Mai Wiru started we talked to the store committee whenever we travelled throughout the community to make sure that the store manager is doing things in a proper way.

CHAIR—In your role at Mai Wiru, do you see other stores around the region?

Mr Stevens—Mai Wiru gives support. We travel throughout the community.

CHAIR—But do you personally get to see those stores?

Mr Stevens—Yes.

CHAIR—And how do you feel the store here compares to other stores in the region?

Mr Stevens—Some stores do it their way.

CHAIR—If the community wants something to be stocked in the store, is there an ability to do that? If people make complaints, is there an ability to handle that? How do you engage with the community, how do you consult with the community?

Mr Stevens—Sometimes they ask for something and we say there is not enough money. If we spent that money no money will go there and the store will fall down. Then everyone will end up in a bigger store. We have to make sure to keep the store strong.

Mrs VALE—Thank you very much for giving evidence today. Does the committee have access to legal advice or financial advice if you want it? Does the government provide any opportunity for you to get advice on financial aspects of how the store is run?

Mr Stevens—That is what has happened with the store committee, not the community. The committee office or the council run it separately. They are a corporation and the store run it by themselves. So whenever a problem is caused by a manager or someone then we deal with that one.

Mrs VALE—You have the ability to deal with that, do you?

Mr Stevens—Yes.

Mrs VALE—And do you get any advice from any government agency about financial advice or legal advice about how you can proceed? What I am asking is whether there is anyone you can go to for assistance in that regard if you have a problem with a manager that you feel is not appropriate.

Mr Tregenza—You are asking a specific question about legal advice.

Mrs VALE—I just wonder whether the committee has available to it anyone that can advise it on legal issues or on financial matters if it has a problem.

Mr Tregenza—Yes. The committee has advice through the Mai Wiru unit. We have engaged lawyers before on behalf of the community, and Robert is referring to a specific case here where we got a lawyer to chase a store manager and got him to make restitution of over \$150,000 plus the legal costs. That was done through Mai Wiru. That is how we supported the committee in that instance.

The other way they can get advice on the figures is that, as with all the stores under Mai Wiru, we get a quarterly statement from the accountants that our retail manager peruses and then I take it out to the committees and explain to them how they are going. We can also get monthly exception reports if we think something is going wrong. So we then take that information to the community, to the governing body, because we found in the past that not always does that financial information get to the governing bodies; it may stay with the manager. As one of our roles in Mai Wiru, we take that financial information to the owners of the store and explain to them how they are going. Very often, if the store is going down, it might be because prices have not been put up or it might be for whole lots of other reasons. In some cases it is because of embezzlement.

Mrs VALE—Who makes the decisions? On the basis that you have had perhaps an incident of embezzlement, in the general scheme of things when a store is doing well with a good manager, how does the committee make decisions about how you are going to spend any of the proceeds? Do you get together and have a meeting to make those decisions?

Mr Stevens—Yes we do. Sometimes there is a store committee meeting and they make a decision on that.

Mrs VALE—Could you tell the committee about what things in the community proceeds from the store have been spent on? Do you put it into children's education, sport, infrastructure improvement in the store or sporting fields? What happens with the money that normally comes as a profit if it comes back to the community?

Mr Stevens—Sometimes the council will write a letter to the store committee if they want to get council things like football. We usually write a letter to the store committee, and the store committee decides if they have enough money there, not from the store money but from different money.

Mrs VALE—What do you normally spend it on? Can you think of any recent things that it has been spent on when you have had money?

Mr Stevens—Sometimes the committee will help with buying stuff such as jumpers and trousers—

Mrs VALE—The money goes back to the community to spend on clothing; is that what happens?

Mr Stevens—Yes, but not outside or on motor cars. No way.

Mrs VALE—I was just curious to know how it happened and if there was any process. With the committee, is there any mechanism where you can go to the manager of the store—especially, might I say, the womenfolk of the community—and ask the management of the store for certain food items that they feel would be better for their children? Is there any mechanism with the committee whereby the women can come and have their needs met?

Mr Stevens—I have lost you; please talk slowly.

Mrs VALE—Is there any way the women of your community can have an input into what is available for them to purchase for their family, like fresh fruit and vegetables or good-quality food that has good nutrition value? Is there any way the women here have a say about what is available in the store?

Mr Stevens—Yes. Sometimes Mai Wiru put a sign out for people to go to get good food, not bad food, and vegetables. They go in and get it—and for the kids too. You see it on that photo there. People can look at the photos and then where to go and get that food.

Mrs VALE—Okay. I think I had better ask some of the women that, because I understand that they were very instrumental in getting rid of Coca-Cola from the stores and only having Diet Coke. I just wondered how that mechanism worked then and if it is still working now. Do you understand what I am asking, John?

Mr Tregenza—The Kaltjiti store committee is actually half female and half male. The chairperson is actually a woman so they have an input at the first line and Robert was talking about other methods that they used.

Mrs VALE—As long as they do have an input, that is what we need to hear.

CHAIR—Thank you, Robert.

[3.20 pm]

JOHNS, Mr Peter, Manager, Kaltjiti Community Store

CHAIR—Would you like to make an opening statement or would you just like us to ask you questions about the store?

Mr Johns—I would just like to say, perhaps to half answer a question that was previously asked of Robert, that it is impractical to have store committee meetings at the drop of a hat for every small issue. What we have found works well, particularly with the women and my wife, Eileen, is that we are both very approachable, particularly Eileen, about any small issues of items not stocked or that they would prefer to have stocked—especially for the babies and kids. I think that the community has noticed perhaps in the last five or six weeks that we have increased the range of things like products specifically for babies and infants—in the way of food, that is. We are open to suggestions, and rather than have them come officially from a store committee, small issues like that I think we can address at a managerial level and make decisions from week to week. It is just a matter of ordering stuff that we think will be sold readily in the store and will be beneficial to the majority of people in the community.

CHAIR—Is there a pretty constant dialogue with members of the store committee?

Mr Johns—Yes, various members we see more or less on a daily basis, unofficially, as we do with most of the community. Most of the community are in the store almost daily so we do have communication with them. There are constant queries and questions asked and we do our best to answer them. We go through with most requests, if they are reasonable.

CHAIR—Do you think that the store committee has a sense of ownership over the store?

Mr Johns—Yes, I believe so. That is the case anyway—it is obviously a community owned store. But the committee is there as the spokesperson, rather than 150 people. Obviously it is six or seven people who have that role and they are very much in it. We try to keep various members informed, either the chairperson or various other committee members, if we see them on a daily basis and if things look like happening or changing that do not necessarily mean there is the need to call a meeting. There is just general discussion throughout the course of business during the week.

CHAIR—Do you provide financial statements and reports to the store committee?

Mr Johns—In the time we have been here we have only had one official meeting of the store committee, and that was more or less called to determine whether we would be accepted as permanent managers. We did start here as only relievers two months ago. That meeting was about four weeks ago and that is the only meeting we have had. At that time there were not any figures available to present. I have been speaking to the accountant fairly regularly and I am getting some older figures tomorrow. In the future, now that we have been accepted as permanent managers, that is the sort of thing that we will keep an eye on for liaison with the accountant and keeping people informed as to the financial situation of the store.

CHAIR—Which people?

Mr Johns—The store committee and through them, obviously, the community as a whole.

CHAIR—Who is the accountant?

Mr Johns—Our accountant at the moment is Karen Aucote, who lives and works in Alice Springs.

CHAIR—Has the firm that she works for been the accountant for the store for a while?

Mr Johns—No. She has only been involved since about February this year.

CHAIR—Are the accounting services provided to the store organised through Mai Wiru?

Mr Johns—To be honest, I do not know. The previous store manager was involved in it, but whether that was just to—

CHAIR—But in any event it is your intention to report the financial statements to the store committee.

Mr Johns—Certainly. Obviously, we need to know how the store is going. The idea is that we will cut off any problems, if there are any, before they get too big.

CHAIR—It has only been a month, but does the store appear profitable?

Mr Johns—Yes. It feels that way, but I have no figures at all to back that up, really.

CHAIR—Fair enough. How do you manage the prices of particular problems? For example, do you try and make the prices on the fresh food cheaper? Do you have a lesser mark up on that? Do you subsidise it with other products?

Mr Johns—At the moment, we have basically three levels. We have fresh fruit and vegetables, which we get a shipment of every week. Fresh fruit and vegetables have the smallest mark up in the store. Then we have general grocery lines, whether that be dry food, frozen food or other general grocery lines. That is another level. The third level, which has the greatest mark up, is hardware items and so-called luxury items—anything that we would deem as not a necessity. In other words, all food is marked up at the first two levels.

CHAIR—Can you tell us what the mark up is for those three levels?

Mr Johns—The mark up for fruit and vegetables is 50 per cent. The margin for general dry goods and other groceries is roughly 40 per cent, which equates to about a 65 per cent or 66 per cent mark up against margin.

CHAIR—And the third one?

Mr Johns—The third one depends on the value of the goods. We generally start at around about a 80 per cent mark up. It could be as high as 100 per cent. On the higher value goods, we tend to reduce the actual mark up to keep the prices down a little bit.

CHAIR—What about less healthy foods—for example, coke? Do you put those things at the highest level of mark up?

Mr Johns—I missed some things in that first answer. Generally, high sugar content soft drinks and potato chips are marked up at a slightly higher rate. I cannot give you an exact figure, because what we are doing is continuing the pricing that existed when we took over. What we plan to look at is things like sugar-free drinks and water, obviously—healthier options—and perhaps reducing the price on those and maybe subsidising that. We are prepared to take advice from Mai Wiru on this, as we are with everything to do with the store. We could subsidise the more nutritional drinks—that is what we are talking about in this case—by increasing the margin on the higher sugar content drinks.

CHAIR—Turning to the issue of freight, can you explain how that works? How frequently are you supplied?

Mr Johns—We are supplied weekly because we order weekly. That is the way the system works. Because of things like fresh fruit and vegetables and some perishable products—such as dairy products—you have to order weekly, because you only get seven, eight or nine days in which to sell dairy products, for example. For other items, we could perhaps stretch out a bit further, but the way we do it at the moment is that we order weekly. The freight rate is a concern. It has made me stop and think and try to tailor my ordering so that perhaps I am not ordering from every supplier every week, because we get charged per pallet space on the truck, regardless of the weight of what is on that pallet. If we can reduce the number of pallet spaces that the order takes up on the truck each week, that will obviously reduce our cost, which means that our profitability will be helped.

CHAIR—Maybe it is too early for you to be able to give an answer, but do you have a sense what percentage freight from Alice is of the cost that people are paying for products here?

Mr Johns—No. I really could not say. For example, I did an exercise the other day. We order bread. There are 12 loaves to the carton. Because the bread comes from one supplier, generally that will come out on a separate pallet, and therefore we will be charged a full pallet rate for that. If we do not order enough loaves of bread, for example, the freight component of that could be as much as a dollar per loaf. It is very difficult to reduce it much below that because bread, being light, stacks four or five cartons high and it will not stack much higher than that anyway. Anything less than that, and obviously your per unit cost becomes very high.

CHAIR—How do you do your purchasing? It sounds as though there is more than one wholesaler that you are dealing with in Alice.

Mr Johns—We have one main supplier, a wholesaler of general grocery items. They keep a wide range.

CHAIR—Who is that?

Mr Johns—That is the Independent Grocers in Alice Springs. We purchase our bread products from a bakery in Alice Springs, the Stuart Bakery. We purchase meat from a wholesale butcher in Alice Springs.

CHAIR—Which is?

Mr Johns—Prime Cut Meats. Coca-Cola are our biggest single supplier of soft drink through that Coke range and their various branded products. We get various odds and sods from smaller suppliers from time to time as required. But most grocery lines we get through Independent Grocers. We get small quantities from Smimac, who are wholesalers in Alice Springs. But Independent Grocers is our main supplier.

CHAIR—Again it may be too early to tell, but are you in a position to vary your orders according to what people want? Are there particular items that people want stocked here as compared to elsewhere?

Mr Johns—Yes. With our past experience on other communities, roughly 90 per cent of the lines are the same in all communities—well, I can speak about the three that I have been involved in. You will find that some communities have certain likes or dislikes of particular brands of products. That will be unique to one community. But as a rule they are mostly the same. We at times introduce new things that we think that the community would like—things that are perhaps better value than what has previously been purchased. Looking at stuff with better nutritional value, we would certainly provide that if there is an alternative to an existing item. What you have to be aware of it that people traditionally buy certain items and certain brands and it can be very difficult to persuade them to buy others.

CHAIR—Okay. I am keen to understand how you relate to Mai Wiru and its day-to-day influence over the store. I notice that you have quite a lot of posters up in the store with information about healthy foods. Can you talk about how the relationship with Mai Wiru works? Do you talk regularly? Do you have a copy of the policy on hand? How does all that work?

Mr Johns—We certainly have a copy of the policy. Our main contact is with the Mai Wiru nutritionist—they are a qualified nutritionist. We talk to them fairly regularly. She makes fairly regular personal visits to all stores, including ours. She will bring out posters et cetera in the language of the area, which is always very helpful. She is always available to talk to by phone, email, fax or whatever. Eileen and I find it very helpful to liaise with her. We are not nutritionists, obviously, and I have quite often asked her questions comparing products. While the labels these days have most of the information on them about nutritional value, sometimes you still have to actually turn that into plain English and she is always readily available for advice on that.

CHAIR—Mai Wiru sought out preferred suppliers. Are you are using those suppliers?

Mr Johns—We certainly do. We are not restricted wholly and solely, but there is a financial incentive to do that.

CHAIR—Can you explain what that is?

Mr Johns—Not in detail, but I am aware there is some sort of rebate that the store will achieve on an annual basis—and it depends on volume of purchase—by using those suppliers with which there is an agreement. Sometimes a particular supplier may not have the lines that you need or they may be out of stock for a period of time. Therefore, we have alternative suppliers we can go to, which helps with continuity of stock in most cases and just means you can keep up with the stuff. Another supplier may have the same line at a special offer, a cheaper price, so occasionally we might purchase that just to help profitability and keep the prices down.

CHAIR—Do Mai Wiru come and do any kind of audit? Do they walk up and down your shelves and have a look at what is on the shelves in the store? Is there any inspection of that kind that occurs?

Mr Johns—Once again, the nutritionist has been involved in that. We have only recently received the results of the basket survey that they do through the six stores they have control of at the moment. I find that very useful because it gives you an idea of how your prices compare with those of other stores on like lines. At times we also get feedback from the nutritionist as to what our most popular lines are, which is something you eventually get a feel for yourself. But that tells you what you are selling most of unit-wise, which can help with making decisions in the future on purchases et cetera.

Mrs VALE—I am very mindful of the fact that you have not been here very long. In your experience as a store manager in remote communities, have you always had the ability to work with a nutritionist, or is it just something that has happened in recent times, especially with the Mai Wiru initiative?

Mr Johns—This is our first stint as managers. We have worked as assistants or just store workers in other communities. I was assistant manager at Amata for 13 months. That was a Mai Wiru store and Ros, the same nutritionist, was involved and also available there. Previous to that I was at Lajamanu, where there was an autonomous store. That was different because the managers had the run of the store and made most of the decisions.

Mrs VALE—So there was not a conscious decision as far as nutrition based products were concerned there—it was a commercial store.

Mr Johns—Not really. They were very experienced people and we learnt a lot from them. They were very experienced and professional. It was a community owned store, so it was the same idea, but there were quite a few different circumstances surrounding the store. We were talking earlier about subsidising high nutritional products. They brought a policy in where they would reduce the price of some staple items in a selected number of lines and have special discounts and perhaps increase prices on some non-essential items to complement that. That was a decision made by the managers at that time. But, yes, I have found Mai Wiru nutritional advice very handy.

Mrs VALE—And there is more of an emphasis on good quality food and nutrition than perhaps what you have noticed before in stores.

Mr Johns—Yes, I think so. Amata is the same. We were only there for 13 months, so it was a fairly short term. But it is certainly aimed at nutritional value in foods and drinks. We will

certainly take as much advice as we think we need to. As I said, neither of us are trained nutritionists, so we do rely on that advice. That is the one side of it. The other side is the community being educated and advised themselves so that they know. We can buy it and we can stock it, but we cannot put it in people's trolleys.

Mrs VALE—And the reverse is true, too—the government can spend an amount of money on teaching, especially mothers and grandmothers, about good nutrition, but people also have to have the opportunity to purchase that when the time comes. We have actually found in the committee's hearings how important the store is for local communities. It is not just a place that provides food and household necessities; it also provides a bank, it has Centrelink facilities and it provides a very important social function in the community. It may be a bit too early to ask you this, Peter, but I was wondering whether, on the basis that Nganampa Health say that diabetes is on the increase in APY lands because of people gaining weight and poor food choices, it has been your experience that the store has been able to provide people with diabetic conditions any advice on choosing the right foods.

Mr Johns—At Amata, for example, we were advised of a particular individual who had a bit of an intellectual problem, and did not seem to have a lot of help in purchasing his daily needs et cetera, and we took that on board and made an exception in refusing sometimes to sell bottle after bottle of Coke, which is what he wanted. It is a rare occasion that we would do that. We can advise people not to buy something, and suggest that they should perhaps buy something else, but we cannot go too far.

Mrs VALE—So you see a need for better education for people with respect to their food choices?

Mr Johns—I think perhaps some of the people who are already diagnosed and who may know that they are quite ill, through the health service, are probably told what they can and cannot consume before they even get to the store. It probably starts with younger people who get attracted to the high sugar drinks.

Mrs VALE—Would you say there is a preference for people to buy high salt, high sugar content foods than other, good and healthy foods?

Mr Johns—I have noticed here in Kaltjiti that we do sell quite a few of the diet style drinks, with no added sugar. But without putting a figure on it, I would think the full sugar drinks would be our biggest sellers.

Mrs VALE—But you do see an impact from the nutritionist who has been here?

Mr Johns—I probably have not been here long enough to notice that. It is the sort of thing that would only be seen in actual sales figures. I know that at Amata, for example, approximately 12 months ago, when the community decided to withdraw the sale of full-strength Coke, the community accepted that quite readily. But, even so, after 12 months Nganampa Health might be able to give some figures on what effect that has had. But, of course, you can take something away, but people are still going to buy something. It depends what they buy—whether they buy a diet drink in place of it or something with sugar in. That is the issue.

Mrs VALE—Maybe I have to ask some of the women this, but I was wondering about the ability of women to prepare food at home. Do you know whether they have proper cooking facilities within their homes here?

Mr Johns—No, I really cannot answer that.

Mrs VALE—Okay. Perhaps some of the other questions I might have to ask them. Do you employ local people within your store? Is there any opportunity for you to do that?

Mr Johns—We do not have anyone permanently employed. From time to time we employ people to help out, to do various odd jobs et cetera. We have not been approached by anyone wanting to work permanently. Our staff at the moment is me, Eileen and two other permanent storekeepers. We would always be willing to employ any locals that wanted to work, but at the moment there is perhaps not enough work to be done other than the odd job here and there.

Mrs VALE—Do you receive any assistance or training in implementing the Mai Wiru policy in the store?

Mr Johns—Not really. I guess it is up to us to thoroughly investigate and understand the policy and, once we have a full understanding of that, to implement it. Of course, people are just on the end of the phone so if we have any questions we can always inquire.

Mrs VALE—Have Nganampa health monitored what you have in the store at all since you have been manager of the store?

Mr Johns—No, we have not been advised of anything apart from the odd thing. We have had suggestions about stocking a bit more baby food—there was hardly any there when we started—and things like that and about making sure there are choices for people, especially on the nutritional side. But there has not been too much definite stuff given to us.

Mrs VALE—So you see it as your role as the store manager to inform yourself about the Mai Wiru, ‘good food’, policy and try and implement it?

Mr Johns—Yes. Certainly part of it is up to us. As we get more experience, I am sure we will implement that to our best ability.

Mrs VALE—John, do you have the capacity to answer whether there is any training available for store managers in Peter’s position to actually implement this good food policy?

Mr Tregenza—We do not have a lot of capacity for that. We do have the retail support manager, who deals with the wholesale side, in direct communication with the store managers. As Peter said, he has been here just for two months. It really hots up when the quarterly reports come out, which is at the end of March, so they are due to come out now. Our other main area of work is with the committees as the governing body. We try and ensure that they are up to speed on what is happening in the store because we do not run the stores; the committee do. We encourage them to have dialogue with their store managers about any issues that might be raised and we have joint meetings with the committee and the store managers.

Mrs VALE—How often does that happen, the dialogue with the committee and the store managers?

Mr Tregenza—Last year, 2008, we would have had six to eight meetings in this community alone, and it is similar in the other ones.

CHAIR—Peter, this is the third community that you have worked in in a community store?

Mr Johns—That is correct.

CHAIR—How did you come to work in this area?

Mr Johns—Initially we decided to apply in 2002 and were accepted as store workers at Lajamanu. As husband and wife, we just decided to look for a change in our lives.

CHAIR—Had you had experience in retail prior to that?

Mr Johns—Yes, both of us had bits and pieces of retail experience, not specifically with groceries. Other than that, we had also both spent quite a bit of time in the Northern Territory, in Darwin in particular, so we were reasonably familiar with the area—Lajamanu being of course in the Top End.

CHAIR—Where were you at the time that you saw the advertisement for Lajamanu?

Mr Johns—We were in Port Lincoln, South Australia.

CHAIR—How did you see that ad? Where was it?

Mr Johns—It was just in the Saturday *Advertiser*, in 'CareerOne', the employment section. It was just a general classifieds ad.

CHAIR—In the experience that you have had since 2002, are there any general observations you would like to make about what makes a community store, what are the critical ingredients of it working well?

Mr Johns—Generally in most stores you will find people are employed as couples, managers and store workers. It is a lot easier for two people. Let me put it this way. I think one of the biggest threats to the viability of community stores is probably unscrupulous store managers. There are a lot of stories—fables or whatever; anyone can tell you about things that have happened in the past. I believe that is the biggest threat. On the other side to that, store managers with integrity are probably one of the biggest things, because, from what I have seen, some store managers can be a law unto themselves, to be honest with you. Let's face it, in a lot of cases you are five or six hours from the nearest town. You are a manager anyway but you do not get a lot of direct supervision, perhaps, from anyone in the organisation that employs you. To me, that is very important. When we first started we had more or less zero understanding of Aboriginal culture, but that is not hard to learn. You have just got to be prepared to understand and learn and to realise that living in an Aboriginal community is different from living anywhere else in Australia. You have got to be able to adjust to that and live with the people and realise, too, that

you need to give people as much choice as you can. Comparatively speaking, just as you can walk into a Woolworths in Adelaide or Sydney, there is no reason why people out in Kaltjiti or Amata, who have certainly not got the same range of choice, should not be able to have similar choices, and they should be able to buy things at reasonable prices.

CHAIR—Thank you. They are really useful comments. We really appreciate the evidence you have given today, Peter, and thank you very much for letting us have a look around the store earlier today. That brings us to our next witness.

[3.53 pm]

RAINOW, Mr Stephen, Public and Environmental Health Officer, Nganampa Health Council

CHAIR—Welcome, Mr Rainow. Do you have anything to add about the capacity in which you appear?

Mr Rainow—I have been in my position for 20 years.

CHAIR—Which community do you live in?

Mr Rainow—I am based in Alice Springs. At the moment I am working at Mimili doing some environmental health work but I have come across for this. I travel regularly to the lands.

CHAIR—Would you like to make an opening statement? Then we might ask you some questions.

Mr Rainow—Absolutely. I have something I would like to read out. I am unfamiliar with the processes here and was not aware of the time that was available, but I have a written piece to read out and then I am happy to take questions.

My role with respect to Mai Wiru has been, in a sense, a bit of a manager role for the overall project. It comes under the public and environmental health portfolio, in a way, because in 2000, when the resolution was made that communities wanted a health based stores policy, the only likely organisation that could auspice the development of that policy was Nganampa Health Council, so I was assigned the task of trying to pull it all together, in a way. I will read this out, if that is okay.

CHAIR—Sure.

Mr Rainow—Stores, in the context of the APY lands, are an essential service. If the store fails then all the other investments in health, education, housing, power, water, sewerage et cetera will be lost. A store can only remain shut for three days, after which the community population will move to where food is available on a daily basis. The nutritional status of the people is determined by the store. It is a key determinant. Medical information relevant to the APY lands is telling us—and this is a quote from our medical director:

... the rates of obesity and insulin resistance syndromes in our communities are now so high that the majority of the adult population over 35 years will be effected. This provides a situation in which we are not aiming to target a subset or at risk group of the population with a nutrition strategy but—

rather—

our whole population is both at risk and suffering disease. This is why an effective and sustainable stores service will be an essential prerequisite for changing the health profile in this region.

I was interested in one of your questions about capacity to store prepared cooked food in people's houses. Data from the current national Fixing Houses for Better Health program funded by FaHCSIA, which we have currently just run on the land as well, shows kitchen function rates on the APY lands as being between zero and 20 per cent. Nationally the average figure over 7,000 houses is five per cent—that is their capacity to store, prepare and cook food when they go home. This is why the stores play a pivotal role, as they act as the kitchen for the community. People tend to access the store three times a day.

Gross turnover of the Mai Wiru stores amounts to approximately \$9 million per year. Total gross turnover estimates for all the stores on the APY lands, including Mintabie and including, in our case, Pukatja and Watinuma, is approximately \$16 million. Without any form of regional oversight, this current cash economy of the lands is highly susceptible to fraud and ongoing deprecations. Clearly there is a need to regulate this cash economy.

Relative and absolute poverty, according to the Henderson definitions, is routinely experienced by the APY population, and poverty is a major contributor to ill health. Poverty also corrupts man's impulses. Various historical income studies have demonstrated the link between poverty and food accessibility. The nature and extent of this poverty has not been defined for the APY lands. There is a range of administrative checks and balances, policy guidelines and regulatory procedures that police the income that is received either through Centrelink or CDEP payments. It also appears that there are restrictions placed on people on CDEP working more than 28 hours per week, which limits their capacity to earn money. And for people on Centrelink payments there is no WorkCover, which limits their capacity to earn extra income. These are major disincentives for people seeking to increase their income earnings capacity and as a consequence limit the cash turnover in the stores. There are limited or no checks and balances that regulate the remote economy on the APY lands within which people spend their income on a daily basis.

I think in our submission we gave you a series of recommendations. I do not think I will read them out now. Basically, in summary, 10 years ago it was understood that a nutrition policy would play a key role in health. As the situation progressed it became apparent that food security was a critical issue. Now, however, it has got to the point that the future of communities is at risk. The failure to have a policy and plan for the maintenance of stores in communities will pose a major risk for all government investments in schools, health services, infrastructure and service provision. There is an immediacy to resolve these issues.

CHAIR—Did you want to make any specific comments in relation to Mimili? I may have that wrong. There is a note in here about Mimili. It might just be that that is where you have come from today.

Mr Rainow—I have come from Mimili. Perhaps there needs to be a bit of clarification as to the situation that Mimili finds itself in now that it is under administration. In the first instance, I think in early 2007—the years melt out here; it is hard—but, anyway, well over 18 months ago in February, when we came back from leave, it became apparent that there was a problem at Mimili as a result of activities that were taking place in the community office. Basically, there was a particular non-Aboriginal person in that community at that time who was filling out purchase orders and, in some cases, not even purchase orders but in fact A4 sheets of paper. They were a type of purchase order requesting that the store provide food—\$100, \$150—to

certain people in the community. This happened over the Christmas period. Basically, the store was then owed over \$90,000. Then it took a further 12 months. We arranged with the community to get a loan. The community had some funds in something they called a little rock hole account, and we organised for those funds to be transferred because our stores cannot carry that type of debt. They need to bring money in to purchase supplies and pay the managers et cetera. So the money goes round and round in the business.

It took well over 12 months before that particular person left. They got him out of the community, but in the meantime he realised that he could not get any position in the community in community management, and the store was in his sights. We realised that, in order to protect the store from this particular person, we needed to advise the store committee to bring in the administrator. Essentially that was the reason. It was not because the store was insolvent. It was not because of a failure of store management. It was a problem elsewhere in the community that created this issue.

Mrs VALE—Is there any opportunity at all of getting that money back, Stephan, or is it just lost now?

Mr Rainow—It is basically a debt of the store. They did get up to \$80,000, I understand, from the rock hole account. These stores go through a survive and bust cycle. It is not boom and bust; it is survive and bust. When we came on the scene, when we were doing policy development funded by FaHCSIA in 2001 and 2002, I think, that store was already \$170,000 in debt as a result of poor management on the part of the current store managers and for other reasons. They clawed themselves out of that debt, and it is a credit to the Mimili Maku Store Committee and those particular managers at the time. Then it looked to us like it was heading into another serious debt, and that is where we became concerned. As I said, it was not the result of insolvency of the store itself; it was other problems in the community.

CHAIR—What has been the involvement of Outback Stores in Mimili?

Mr Rainow—Outback Stores were called in by the administrators. My understanding is that they put in an expression of interest, or a proposal, to run the store. They were in for four months, essentially, in my understanding.

CHAIR—They ran it for four months?

Mr Rainow—They are still there at the moment.

CHAIR—I see. But the administrators called them in.

Mr Rainow—They appointed them in the first place and now they have put out expressions of interest for any other party that wishes to take on a retail management role with that particular store.

CHAIR—Okay. So—I am clarifying—the administrators called in Outback Stores to run it on a temporary basis on the understanding that there would be a tender for whoever would end up operating it. Is that right?

Mr Rainow—That is correct.

CHAIR—I think your comments are really interesting and I thank you for making them, because they are a very good overview of both the importance of community stores to health outcomes and the issues surrounding community stores.

Both your comments and Peter's comments were about the risk of 'unscrupulous managers'—I think that was Peter's term—and I think you talked about the need for some regional oversight. Correct me if I am wrong. I guess I would like you to expand a little bit more on that. What is the answer, do you think, in terms of trying to provide some regulation which makes it more difficult for unscrupulous managers to play a part in community stores?

Mr Rainow—When we first kicked off with trying to establish the Mai Wiru store support unit we realised that none of us knew anything about retail, which is often the case out here. You are asked to give advice on a whole range of things that you were not really qualified to give. So we sourced two particular people—one who was a retail professional who ran three stores. One of the first things he said was, 'You need to get some systems in place so that if something is going wrong some lights will flash and some whistles will blow.' That is essentially through having standardised management systems and standardised accounting systems—some practical systems like that—in place. Nevertheless, he did say to us that—he had three stores in Adelaide—in one of his stores he was the godfather of the manager's child but that particular manager still managed to get away with \$80,000. And that was with him doing till-ups twice a day. So there is a lot of scope for that.

Essentially, what we have done is to standardise the management systems. We have put in standardised point of sale systems. I have been advised that we are receiving funds from DoHA to put in a better point of sales system, so that we have a central hub in Alice Springs and we can monitor what is going on in the stores a lot better and centrally control prices, which is a critical thing. Plus we can do the voluntary income management scheme that we want to introduce on the lands.

The other thing, in terms of trying to regulate the stores, is the agreements that were made back in 2001 that Mai Wiru needed to be put into a bylaw for the APY lands. APY lands has a capacity to make bylaws and there was a resolution from a general meeting that a bylaw should be drafted. We have gone through the process with the South Australian government. They have made the regulation. That is the box the bylaw can sit in. We are just going through some final drafts of a bylaw. So at one level, at least in terms of some regulatory mechanism, there will be a bylaw.

Also, we will be travelling around the lands to look at two main things. One is a regional governance model for all the stores. So there will be a regional Anangu board that is a governance model for all the stores. The second is that we will be looking at the options for a regional retail management body. So if we build those sorts of structural things we hope that we can close at least some of the loopholes.

CHAIR—Why do you think centralised pricing is so important?

Mr Rainow—Basically, there is a fixed income that comes into the lands. I said before there is about \$16 million cash turnover that comes through our stores. We do not have a lot of other outside income coming in in the form of, say, hundreds of tourists flocking through and spending money in the store or things like that. In a way it is difficult for us to create more of an income. Now the other reason—

Mrs VALE—Excuse me, is that \$16 million a year?

Mr Rainow—That is what we estimate is the cash turnover—

Mrs VALE—In your stores on an annual basis?

Mr Rainow—No, it also includes the stores at Mintabie, which are outside our influence. About \$4 million leaks out of the Anangu cash economy on the lands to Mintabie every year. And those figures are based on ASIC and ORIC information.

Mrs VALE—But that \$16 million is money that—

Mr Rainow—It goes through the stores.

Mrs VALE—goes through the stores. And that is not profit. That is money that goes through the stores.

Mr Rainow—There is some terminology that I would like to correct here.

Mrs VALE—It might help.

Mr Rainow—First of all, all of our stores are incorporated as public benevolent institutions. So if there is talk about profits being generated then I am certain that the Australian Tax Office might take an interest in that for starters. Secondly, what might be called profit we prefer to call operating surplus—a different term.

Mrs VALE—Fair enough, we will call it operating surplus. But I just want to understand—that \$16 million is your throughput; that is not your operating surplus?

Mr Rainow—No, absolutely not.

Mrs VALE—I just wanted to clear that for the record and for me.

Mr Rainow—No, that is the money that comes out of Umawa pockets spent in the store.

CHAIR—So you are basically saying that there is a fixed income; there is not really a capacity to—

Mr Rainow—Yes, a cost of living study done in 1998-99 showed that there was a \$1,000 per person per year shortfall in their capacity to purchase the nutrition that they needed out of the

store. Obviously, that is why our Mai Wiru policy talks a lot about fixing prices of the essential personal health hardware items. So yes, we think there is a need to control prices centrally.

CHAIR—I understand the benefits of that, and I understand the need to try and create consistent systems so that there are bells and whistles that go off if anything is going wrong. Presumably, also, you get some buying power associated with that as well. But is there a risk of reducing the power of the store managers? Presumably there are good store managers out there—that being able to manage a particular store makes a big difference?

Mr Rainow—In the last six months, our retail support manager—and one of our roles is to help with recruitment in stores—has been party to recruiting over 13 different people into 13 different positions. So there is a high turnover.

CHAIR—Across how many stores?

Mr Rainow—That is across the eight stores that we originally started off on. So there is a high turnover of store managers.

CHAIR—And that was in 13 months, did you say?

Mr Rainow—No, 12 positions have been recruited in the last six months. And this high staff turnover is common not just in stores; it is common in those communities as a whole. So whilst we can have really good store managers, we still think that in terms of continuity and good practice et cetera it needs to not necessarily be just at the whims of the individual store managers of the day. It also needs to be understood that many of our store managers are not necessarily retail professionals. They have been caravan park managers or worked in a butcher's shop or something like that. So they are necessarily up to speed with retail management requirements and practices.

CHAIR—Given that so much seems to turn on the quality of the store manager, what efforts have you engaged in, or are you aware have been engaged in in other places, around the issue of training? When you recruit somebody to a store, what sort of training do you give them, particularly if they have not had a background in retail?

Mr Rainow—We do not have any capacity to do any training other than informal training—taking them out, getting them up to speed with systems and being somewhere where they can yell for help. We do not have that sort of capacity. Outback Stores has that capacity, but we do not. We have never had it.

CHAIR—In terms of this committee making recommendations about how things can be done better, do you think training is a key issue that needs to be addressed?

Mr Rainow—We would obviously in the first instance like to recruit people who are retail professionals. Then, obviously, we would like to have the ability to do some level of training, particularly in relation to the Mai Wiru stores policy and working in a remote community et cetera. Hopefully we would get to a position where we would have people who are actually retail professionals. That would be the first good cab off the rank for us.

CHAIR—But how do we do that? Presumably it is an issue of the interest out there in doing these jobs and from what you have just said it sounds like there is not a queue of retailers out there to take on these positions.

Mr Rainow—There are probably other pools that we could try to recruit from. It may be that we could enter into some sort of dialog with the Australian Retailers Association. There are industry bodies out there that we have never had the opportunity to have a dialog with. It may be that we could talk to TAFE colleges where people are coming out with retail certificates III and IV and we could look at some of the people fresh out from those courses. But we do not have the capacity to pursue those sorts of avenues because we are not a big serious concern; we are basically there to be a support unit for the stores and to try to get better health outcomes.

CHAIR—Would you like to venture a view about Outback Stores and whether you think it is a good model or whether it is working effectively?

Mr Rainow—In terms of the model, last week I met with Stephen Bradley and I have had meetings with John Kop. We have had some discussions and, in fact, when Outback Stores first kicked off the first place they came to was our office in Alice Springs—this is when IBA was Ian Harvey and John Kop—and talked with us about what our model was. Our model was based on the advice we received from Peter Franklin from Adelaide and from John J David, who owned Davids Holdings and sold it to Metcash. The latter also attended a committee meeting here at Umuwa and provided us with advice, which we followed. It involved preferred supplier agreements, working out the freight, the whole issue of rebates and how we could actually get money back into the community so that it would be another body of money that was not seen as profit or some sort of dividend that the store had to pay out; it would actually be a separate body of money that could pay for those sorts of things that classically, normally or historically communities expect to get out of stores. So that is the sort of advice that we were getting in. What was your question again?

CHAIR—I was just wondering what your feeling is about the idea of Outback Stores.

Mr Rainow—A lot of their model is based on the model that we have had. Secondly, I think there is a lot rhetoric—and there is rhetoric and there is reality. I would like to see them operational for at least another 12 months or so before I make any sort of real assessment. I have had contact with them and they are very keen to come to the Lands. I have been advised that it is the preferred government position because one of the purposes of our meeting with Jeff Harmer and Jane Halton this time last week was to determine whether the federal government actually did have a policy position on sustaining store services in remote communities. It was clear to us that Outback Stores is seen as the preferred model and part of the process that we are going to engage in over the next few months with involve Outback Stores having the opportunity to present their model across the Lands. We do not have a choice.

CHAIR—What do you mean by not having a choice.

Mr Rainow—Nganampa Health Council funding basically ceases on June 30 this year. We are going for another 12 months worth of funding and I have reason to believe that we will get that, but the key objectives now—and this is a requirement of government as well as us being keen on it—is that Nganampa Health does not want to continue to work with the store issue over

a long period of time. We were simply meant to be a starter motor to kick off something that could then be taken on by another regional organisation. So our committee and our senior management have said: 'Okay. We will put in a proposal for another 12 months, but the key objectives need to be to get the bylaw in place, get a regional governance model in place across the Lands and then look at what sort of regional retail management body can operate across all the stores or on the Lands.'

There are two ways you can go about this. One is what we call outside the fence, and that is the Outback Stores model. That is essentially outside the Anangu fence on the lands. The other way is inside the fence, which would be like an ALPA—I do not know if you have been up in Arnhem Land—

CHAIR—We have not yet, but we are—

Mr Rainow—It would be a smaller version of ALPA basically. That would require another incorporation, the recruitment of personnel and the provision of vehicles, administration systems and telephones—the whole kit and caboodle—to get that sort of thing going. Our job as Mai Wiru is to go around—and we have basically got until October because October is when governments decide what they can set aside for the 2010-11 financial year—and present the pros and cons of both models and see which way Anangu will decide to go.

There are good things and bad things about both models, and we need to present that fairly impartially and then people can decide. At this stage the information I have got as a result of a meeting last week is that at the end of the day I suppose you could say that FaHCSIA regard Outback Stores as being the preferred supplier. If these communities decide that they want Outback Stores to manage the stores they have also advised us then that extra money can come in, for instance, to upgrade the store manager's house or for other capital requirements in the store. Other funds can be brought in to deal with that. That is the indication I have got.

CHAIR—Are you aware of Ninti?

Mr Rainow—I am aware of Ninti.

CHAIR—Is that another alternative?

Mr Rainow—My understanding is that they are in transition to FaHCSIA at the moment. Outback Stores is still receiving funds from government and will continue to receive them. Ninti is a private company that needs to generate income for itself and as a result manages stores in a certain way to generate income.

The other thing I should say about Outback Stores, because I have had occasion to meet with some of the other board members, is that there is tension between the retailers and what they call the wellbeing people. The wellbeing mob are basically the nutritionists. A retailer who does not know anything about nutrition is more than happy to put full-strength sugar drinks in the store because they generate sales and generate profit. When the wellbeing people come in and say, 'We think you should limit the stock of this and that,' the retailer can see his turnover dropping. There is this tension.

Outback Stores have one nutritionist to cover the Northern Territory. I argue that there needs to be a strong nutritional presence in the stores to get information back to people in the community as to what they are purchasing. We know, for instance, over \$1 million is now spent on cigarettes per year. Previously, when all the stores were fragmented, single operations, we could not get that information. The information that prompted the Amata Community Council to withdraw the full-strength sugar drinks came through a nutritionist and having a standardised point of sale system that we could get the information off—\$193,000 and 4.3 tonnes of sugar. Once that information is presented to community members they then can act on it. It is similar with tobacco. I did a bit of work at Amata on that a couple of years ago and they were shocked by the amount of money.

That helps change people's behaviour. We have already seen over the short period when we have had our nutritionists working a change in the top 10 sellers. If you look at the historic top 10 sellers, there has been a shift. We have seen more fruit and veg being purchased. We have seen in one store Franklins mineral water being in the top 10 sellers. There has been a shift. People will respond, perhaps a lot better than in the mainstream. You are well aware that obesity is a huge issue not just in Aboriginal communities but right across the board. I think we have seen a capacity out here for people to change their behaviour. For instance, when we took over Mai Wiru at Pipalyatjara there were 400 lines that the store manager stocked in the store. These stores are now carrying up to 900 or 1,100 product lines. That store manager was determining what people ate, basically. He used to say to us: 'They won't eat vegetables. They don't like vegetables.' They talk like this, but in fact once we got weekly deliveries of fruit and veg the uptake increased. They would not eat them because they were not there. So people's behaviour has changed, and I am heartened by that.

Mrs VALE—Thank you very much for your very useful evidence. If you had three things that you would like to tell government, what would you like to tell government on this particular issue? You have outlined very clearly many of the challenges. What do you see are some of the solutions?

Mr Rainow—I know that there is a lot of emphasis on closing the gap at the moment, and certainly given the poor health outcomes that we are getting at the moment, and the income levels, I would like to see a couple of things. One is an adequate and proper cost of living study based on the fact that the people in these areas are economically vulnerable—I think that is a term that has been used by a Senate committee of inquiry looking at pensioners. I would argue that these people out here are economically vulnerable. We would like to have a proper income or economic study done by appropriate people with the right sorts of qualifications and knowledge.

At the end of the day I think a subsidy needs to be applied. We were the highest ranked applicant and received a \$65,000 grant from the University of Canberra, which we then handed over to the National Centre for Social and Economic Modelling to do a study on food and stuff. I would have thought that, given the current climate of trying to inject dollars into economies to keep them afloat, a subsidy on healthy food would have been good for these remote communities, because it would not be going into people's pockets, which then means they save it; it would actually be going straight back to the store and would have kept this going a bit.

It is very difficult to raise income levels. Prices globally are going right up for food. Transport costs are going right up. So I still think there will be a need for some form of subsidy, whether it is on food or whether they finally regard the store as an essential service, which brings it into the whole range of what they call MUNS funding—municipal funding. It may be possible to get store managers paid, and that would be a subsidy on the stores, which means we could then drop prices. We would not have to draw the store manager's salary—

Mrs VALE—I understand that the South Australian government does consider remote stores as essential services.

Mr Rainow—We had a meeting with the state managers of FaHCSIA and DoHA a few weeks ago, and the state government was there. They all agreed that it is an essential service, but I do not think it is as yet a policy position that the departments in Canberra themselves take. When I asked about that they said, 'We're waiting on the results of the House of Representatives inquiry into remote stores.' That is what I was advised.

Mrs VALE—My goodness.

Mr Rainow—That is why I am talking now.

Mrs VALE—Is there anything else you would like to add to that? I am sorry—I did not mean to interrupt your flow.

Mr Rainow—I guess the main message for us is that what we are trying to do is to improve health outcomes. We do not see stores as enterprises or some sort of commercial exercise. That is a furphy. We see them as an essential service and we still see the need for some form of subsidy to close the gap.

Mrs VALE—I will just be the devil's advocate here for a moment. Of course, you know we only give recommendations on this committee, but say the government may be of a mind perhaps to provide some subsidy, especially for healthy foods. But nothing is free, is it? Say there were conditions attached to that subsidy that certain foods would not be sold in remote stores, such as those high in sugar or salt. How do you think that would be received?

Mr Rainow—What we are asking for is a subsidy on pretty much those same sorts of items that come under, for instance, the BasicsCard and the ALPA FOODcard. It would not be a subsidy on full-strength sugar drinks or chocolates and sweets.

Mrs VALE—Yes, but if the government is providing subsidies so that good-quality fresh fruit and vegetables and highly nutritional foods are available for the families but, by the same token, the store still has Coca-Cola and other high-sugar drinks such as cordials, which are notorious, and high-salt goods still available, it does affect the choices that people can make. They are still available to be purchased. What I am saying to you is: if the government did decide to subsidise high-nutritional-value foods such as good-quality fresh fruit and vegetables and good meat products, but at the same time says that the store is not going to be able to sell Coca-Cola anymore, how do you think that would go down? Nothing is free in this world, is it? I am just asking for your opinion.

Mr Rainow—On the one hand, you would get one body of people who would be jumping up and down saying, ‘This is freedom of choice.’ We have had that argument when we have argued for certain items to be withdrawn from the store. On the one hand you would get people arguing that.

Mrs VALE—We are looking at health outcomes here. Also, you were talking—I found it concerning, but I can understand how it exists—of the tension between the people who run stores on a commercial basis and those who are there with the focus on wellbeing, the nutritionists. That is a tension; it is something we have to address when we look at remote stores. We know the impact on health; it is really negative. It is one of the reasons government has asked this committee to look at the health and wellbeing of the people in remote communities. We are going to have to, perhaps, look at education; we are going to have to look at a lot of aspects. There is no one solution to this. What I was asking was: what if there were a government subsidy? South Australia already considers outback stores—not with a capital O and B but just normal remote community stores—an essential service. I understand there are no policy ramifications that have flowed from that, but based on the submissions I have read they do consider it an essential service. But if the government is going to provide taxpayer funding for any kind of subsidy then there has to be a trade-off.

Mr Rainow—If there is a subsidy applied to a healthy basket of goods—let us use that terminology—which means we can keep the prices at a reasonable level, that in itself will promote a higher uptake of those items. What we have done through our community development approach is bringing information back to people. Not all our stores sell Coca-Cola, for instance. I was at Mimili yesterday and there is no coke. People who have the capacity to do so—this is what Robert alluded to earlier—would like to replace some of the other product lines in these stores. I think that that is in some ways a better approach.

Mrs VALE—I think, Robert, that your evidence is that an informed choice—that is what you are saying—is very valuable.

CHAIR—Thank you very much, Stephan. That was really useful.

[4.33 pm]

CEDRYCH, Ms Julie, Fregon Anangu School

JOHNS, Mrs Eileen, Manager, Kaltjiti Community Store

JOHNS, Mr Peter, Manager, Kaltjiti Community Store

KAYIPIPI, Mr Roger, Private capacity, speaking in Pitjantjatjara language through Mr John Tregenza, interpreter, Coordinator, Mai Wiru Stores Policy Unit, Nganampa Health Council

McDONALD, Mr Dean, Fregon Anangu School

RAINOW, Mr Stephan, Public and Environment Health Officer, Nganampa Health Council

ROBINSON, Mr Tony, Fregon Anangu School

STEVENS, Ms Fairy, Kaltjiti Store Committee, speaking in Pitjantjatjara language through Mr John Tregenza, interpreter, Coordinator, Mai Wiru Stores Policy Unit, Nganampa Health Council

TREGENZA, Mr John, Coordinator, Mai Wiru Stores Policy Unit, Nganampa Health Council

CHAIR—We have had a number of people indicate that they would like to speak, so we will work through that list. We have a little time left. I think the next person who was interested in speaking was Fairy Stevens. Fairy, what role do you have in the community?

Ms Stevens—I am on the council and have been for three years. I will speak in my language, and Mr Tregenza will translate into English. In the past the store had bad food and people were really getting very sick, including all the kids and the women. After Mai Wiru came along there was better food and the people are now eating better and getting better and this is making people happy. We are happy now with Mai Wiru speaking in Pitjantjatjara language policy and the store. There is now a lot of good fruit and vegetables in the store. Before, we were getting sick and the food was not so good. Now the fruit and vegetables are much better and we are happy about it. This is happening not only here in Fregon, it is also happening in all the communities from Indulkana right through to Pipalyatjara. The people who had been eating bad fruit from before have become ill and have had to go away.

We really want all of our children to be healthy into the future. We want them to be able to eat good food and to go to school and be happy. We do not want it to be like it was in the past. We like to speak like this and encourage the children and tell them to eat well and to eat good food, to listen to their grandparents—their grandmothers and grandfathers—telling them to eat good food so that they will grow up and be strong and pass this information on to the next generation

so that everyone will be healthy into the future. That is all I have got to say and I hope you heard it well.

CHAIR—Fairy, can we ask you some questions? You said that some members of the community got sick and they then had to go away. Where did they go?

Ms Stevens—The ones who got sick before went into hospital and then onto dialysis, and there are other people similarly sick in the community now.

CHAIR—And when they go into hospital, do they go into Alice Springs or Adelaide? Where do they go?

Ms Stevens—Some have already gone into Alice Springs. Others have gone down to Adelaide, and some who have just gone into Alice Springs have had X-rays and things and have come back to the community.

CHAIR—Fairy, do you have a position within Mai Wiru?

Ms Stevens—No, I don't. I listen to what is being said and I understand that and that is why I speak like this.

CHAIR—Is there an ability for the community to talk to Mai Wiru about the way the policy is working or to change the policy and, for example, make sure the policy is enforced? How does Mai Wiru consult with you?

Ms Stevens—I understand about good food and health. I understand that I have got to teach my family. I teach my children. When I go to the doctor I get told what I am supposed to be eating, because I am ill. I learn all this and I understand that that is what I have got to do. I want to teach this to my children and grandchildren.

CHAIR—Do Mai Wiru hold consultations with the community about the policy?

Ms Stevens—Yes, they talk to us and they explain why we should be eating good food. We have meetings and explain that we need to be strong and healthy from eating good food, and that is where we hear it.

CHAIR—My only other question is: how do you get kids to stop drinking Coke?

Ms Stevens—Some people like to drink Coca-Cola; some people do not want to drink Coca-Cola. For my part, I know that it is bad for your teeth. I have just taken two of my grandsons into Alice Springs. I have had to have their teeth done. Now they have also learnt that they should not be drinking that much Coca-Cola because it is bad for them. That is how they learn.

CHAIR—Do you think that with the adverse effects on health that people are experiencing the message is getting through about the way products like Coca-Cola affect your health?

Ms Stevens—Some are listening and are therefore eating good food. Some are not listening and they are eating bad food and they are the ones who are becoming ill.

CHAIR—Thank you, Fairy, for giving us that evidence, and thank you, John, for translating. The next group of people we have who would like to speak before the committee are from the Fregon school. There are three representatives. What positions do you hold in the school?

Mr McDonald—I am a teacher.

Mr Robinson—I am the administration finance officer.

Ms Cedrych—I am the junior primary teacher.

CHAIR—Do one or each of you want to make a statement to the committee?

Mr Robinson—Having come in late, I am not 100 per cent sure of what has been happening, but I guess we would like to talk about it from a school perspective. For the last two or three years the school has been working very hard on nutrition and health. We get support from Adelaide. People have come up from UniSA and talked to the children, the teachers and everybody else about how to cook healthy food and about what is healthy and what is not healthy.

We run a breakfast program. Students who arrive in the morning eat breakfast every day. That food is provided by the Red Cross, so luckily we do not have to pay for that. They even pay for freight, which is even better. It is basically cereal, fruit juice and fruit. That is what we provide for them in the mornings. We also provide them with lunch every day. Three times a week it is a hot meal and twice a week it is sandwiches. For the hot meals we did some research and it was people from UniSA, I think, who recommended that we use a company called Galipo Foods—you have probably heard of them—in South Australia. We order food from them that is already prepacked and we bring it up frozen. The food we use is vegies, fish and chicken. What else do we have, guys? Help me out here.

Mr McDonald—Pasta.

Mr Robinson—Yes, pasta. There is all sorts of stuff. Three times a week we give them a hot meal. As I said, the other times we give them sandwiches. We do things like egg sandwiches or ham and cheese sandwiches, just for variety. It costs the school lot of money to provide this. It actually comes directly out of our funds, but luckily last year the store committee generously approved us \$5,000, which helped considerably towards the cost of Galipo Foods. It almost covers it for a year. We are hoping somewhere along the line to do the same thing this year, but with the new owners and the new managers we have not got around to that yet. We did get support from them to do this.

We have also had—well, I have, anyway—informal talks with the new managers at the store, prior to the holidays; we have only just come back today from holidays. I believe they are staying now; I have heard that on the grapevine—the grapevines are great—and they are really keen to work with us in relation to nutrition and healthy foods. We talked about what they can provide as to what we can provide and all that sort of thing. As a school, we see it as: it is not the store that needs to do things about nutrition, it is everybody, from this office to the school to the clinic, and we are trying to work collaboratively.

We are not going to say that the food we provide is fantastic and it is 100 per cent nutritious, but it is better than the alternative, which could be pies and pasties, chips and Coke. So we do provide an alternative. It is cooked, and we give them vegies every day with their meal. There are sandwiches. And, as I say, breakfast is pretty good. The school has been committed for a number of years to trying to educate the children, which is a good place to start. But we have only got them from nine until 3.30, so what they have for tea is beyond our control. Coming the other way, with the store and everybody working together, I am sure we can do a better job.

CHAIR—Can I ask you some questions about the food you are providing. Breakfasts are supplied by the Red Cross. Are they freighted in from Alice Springs?

Mr Robinson—From Adelaide.

CHAIR—How often does that food come?

Mr Robinson—We usually do an order once a term. So we get the Weet-Bix in, and we get a heap of skim milk because they will not provide full-cream milk.

CHAIR—What is that—long-life milk?

Mr Robinson—It is Devondale long-life milk.

Mrs VALE—Skim milk is not suitable for children.

CHAIR—So Red Cross do not provide full-cream milk?

Mr Robinson—No, they will not.

Mrs VALE—Why not?

Mr Robinson—Good question. We asked them and they said, no, they are only allowed to provide skim.

Mrs VALE—Even on the side of the skim milk packet, it says it is not suitable for children and babies.

Mr Robinson—I know. It is something to do with it being higher in calcium or something.

Mrs VALE—But it has increased sugar.

Mr McDonald—I have heard that it is more nutrient dense because they have taken away the fat.

Mrs VALE—Yes, but they add more sugar to skim milk.

Mr McDonald—I am not aware of that.

Mrs VALE—Trust me—I am on a diet; I know! Actually, I have gone back to fat milk—if I can call it that—for that reason, because it still has the calcium content but it does not have the sugar content. Tony, how many children do you have in the school?

Mr Robinson—We have an enrolment of 45 to 50. If we get half, we are really pleased. In the first term, I do not know how many breakfasts we were doing—maybe a dozen—for the children. We can only do breakfasts for so long and then we have to close it down. But if we can get the children there on time we will feed them all. So we feed anywhere from 15 to 20 children.

Mrs VALE—Is the fact that the children are being fed breakfast and lunch encouraging any better attendance?

Mr Robinson—We would like to think so, but we cannot quantify that. But we would hope so, yes.

Mrs VALE—What about on your hot-food lunch days? Perhaps you cannot tell that.

Mr Robinson—This year, no. It has been a weird year with attendances, I must admit. They have been a lot lower than last year and a lot lower than we have had before, and we do not know the reason. Normally, you can say, ‘Oh, there is a funeral,’ or ‘There is an inma,’—there is something—but it has been a hundred different things and it has just been a bit weird. But I know that last year the hot food, especially coming up to term two or term three when it is a little bit cooler, was a big hit. I know that last year we were doing 35, 40 or even 45 lunch meals. Bear in mind as well that these guys—Dean McDonald and Julie Cedrych—do all the work. So we are not only teaching the kids, we are cooking their breakfasts and their lunches as well. It is a really huge school commitment, and we are determined to see it through and get it right. We know we can work with these new managers at the store, and by the end of the year I think there will be a huge improvement here.

Mrs VALE—How long have you been here, Tony?

Mr Robinson—I came to Fregon at the start of last year, so this is my second year here.

Mrs VALE—Perhaps you are not the right person to ask whether there has been any history of a community garden or anything in this community.

Mr Robinson—I am not aware of any.

Mrs VALE—When I came into town I saw that somebody had a back garden full of what looked like cabbages or something. Do you know who—

Mr Robinson—No.

Mrs VALE—Is that the CDEP people? I should ask John whether there has been any history of growing vegetables in this place or of having chickens or pigs. Some communities we have been to have had a history of that in the past but, for whatever reason, have let those community gardens lapse or have not pursued the abattoir or whatever.

Mr Robinson—I know that has happened. It starts off well but then it does not get watered or whatever.

Mrs VALE—Without wanting to load your teachers with any more work, some of the schools in my community, which is urban Sydney, have their own school community gardens. Would that be something that you could do? Often if you teach young kids how to grow things when they are little, even carrots or tomatoes or something, it is something they continue to do.

Mr Robinson—It is a good idea. We have done a tree planting off the side a bit. We bought over 100 native trees and we have planted them over the last 12 or 18 months. But we go on holidays three times a year for two or three weeks and over Christmas for six or seven weeks and the problem is in getting somebody to look at it when we are not here, because basically we go home—to our real homes.

Mrs VALE—What about a water supply? Is there sufficient water to grow a market garden?

Mr Robinson—I am not really sure. Maybe you should ask some of these guys. I know the water is all right but I do not know how much we have got.

CHAIR—In terms of the meals you provide, where do you get the products for the sandwiches?

Mr Robinson—Through the store.

CHAIR—Are they made at the store?

Mr Robinson—No, we make the sandwiches.

CHAIR—So you get the produce from the store and you make them.

Mr Robinson—Yes.

CHAIR—Are the prepacked hot meals delivered every term?

Mr Robinson—When needed. I think last year we ordered twice. We get 2,000 or 3,000 bucks worth of food.

CHAIR—Obviously they are coming up frozen.

Mr Robinson—Yes.

CHAIR—Are they kept at the store?

Mr Robinson—No, we have a number of freezers at the school. That is adequate to freeze them. When I say prepacked, they are not like TV dinners. There will be a box of 24 pieces of fish and a big bag of veggies. We heat them and put them on plates for the students.

CHAIR—Thank you very much for your input today.

Mr McDonald—One of the things that Tony has not mentioned is that we provide healthy meals but, as Tony has alluded to, all we as teachers can do is what we do at school. It is really important to work with the store and have the same aims about nutrition. For example, at break times the kids often come back to the class with a pie or something like that. It is a matter of us all working together.

CHAIR—When the vegetables are provided in the meals, do the kids eat them?

Mr McDonald—We have come up with a really good way for the kids to eat them. We put the meatballs and vegetables in the pasta sauce and then they get eaten. They do eat them—but maybe not all of them, though.

Ms Cedrych—I agree with what Tony and Dean have said. I think the main thing is working with the store, because the kids do come back after break times with ice blocks, chips and all those sorts of things. Even though we are providing food, it is obviously not doing everything that it should be—I do not know what the solution is—because they do still go to the store to buy all sorts of other food.

CHAIR—In other places there are at least suggestions that kids will not be served during school hours. Do you think that might make a difference?

Ms Cedrych—Yes, something like that, or just spending some time with the store managers in discussing what can be done together. A whole community approach to it really.

Mrs VALE—We have also learned that in many of the homes there are not the proper facilities for preparing food. Would you say that that limits the range that the mothers and grandmothers can offer the children?

Ms Cedrych—Yes. I have heard from other teachers that kids have come around with a cake or a pizza, saying, ‘Can I put this in your oven?’ I think that would help.

Mrs VALE—So the lack of proper appropriate cooking facilities is one of the obstacles that the families have to face.

Ms Cedrych—Yes.

Mrs VALE—I am told also that they do not have proper freezing facilities on refrigerators or things like that.

Ms Cedrych—Tony might be able to answer that better, but as far as I know that is correct.

Mr Robinson—You are right. I think they have been provided but for one reason or another they are not working or broken or that sort of stuff. So you are right on the mark there.

Mrs VALE—When houses are provided for families, do you know how well equipped they are with those types of electrical items, if they do have them or not? Maybe I should ask Stephan that.

Mr Rainow—Housing for health is one of my main areas of work. The capital cost of a house includes the provision of a stove. I have been party to a national trial of stoves. We can show that stoves are operating about 6½ hours a day. Australian governments, including the Federal government, spend about \$30 million a year on Electrolux stoves. We have been back to Electrolux and they have said, ‘We only design our product to operate five to six hours a week.’ We are trying to get improvements in stoves on the basis of the \$30 million the states and the Commonwealth spend on repairing and replacing Electrolux stoves. We have not had much luck at the moment. They supply stoves, houses get supplied with stoves. They do not get supplied with refrigerators. In the past we have been able to get them supplied with standardised commercial grade washing machines, because that is our second-highest healthy living practice, the capacity to wash clothes and bedding. That is about it.

Mrs VALE—What about microwaves? Are they not supplied with a microwave oven?

Mr Rainow—The only thing that is supplied as part of normal public housing criteria is a stove. There is a hot water system, obviously.

Mrs VALE—So they do not supply washing machines or refrigerators.

Mr Rainow—We had in the past. They keep changing their acronyms, but when we got stoves they used to be called the South Australian Aboriginal Housing Unit. We talked them into providing washing machines. But we have gone back since then. I was just called out to a community two weeks ago to ask why washing machines were not supplied in the new lot of Commonwealth funded houses. I have been back to the state government agency and they said currently it is in the hands of their policymakers.

Mrs VALE—Okay. Why are stoves here in these communities used five and six hours a day?

Mr Rainow—One of the major reasons is that we have what is called overcrowding in houses. We can have populations of 15 to 20 people in a house.

Mrs VALE—So individual people use the stove for their own individual needs; there is not somebody in the home that does the cooking, for example.

Mr Rainow—Exactly. Bear in mind that there is high unemployment in this area and people spend a lot of time around the house. When you are employed you go out, you go to work, you come home and you cook a feed. But people are around the house quite a bit. It also does get used for heating because it goes to minus temperatures here in winter.

Mrs VALE—So the stove is used as a heating source?

Mr Rainow—Exactly.

Mrs VALE—Do they turn it on and open the door or something?

Mr Rainow—Yes.

Mrs VALE—Really?

Mr Rainow—Yes, the temperatures get to minus. This is the desert. It gets very cold.

Mrs VALE—So there is no other heating facility within the house at all?

Mr Rainow—In the past we collaboratively developed designs with the South Australian mob, and now—I do not know if you are aware—there is a *National Indigenous housing guide*. I have a copy here if you would like to take it with you. You can see exactly what is happening with heating and cooling nationally. In the past we have put in fireplaces and then there is the issue of how you keep the firewood up to it. We have also put slow combustion stoves in, but there is an issue of not only how you keep the firewood there but also how you get it in small enough pieces to fit inside the slow combustion stove. We have tried. Generally, when winter comes people go to the store and buy bar heaters and they put them in all the rooms and then we have the problem of the generator not having enough charge.

Mrs VALE—They are a very inefficient form of heating.

Mr Rainow—Yes, and we would like to see a whole lot more R&D on better, energy efficient wall heaters.

Mrs VALE—Who provides the heat of whatever kind? Do the people have to buy it themselves? So these people on Centrelink benefits are given a home and a stove in the home and nothing else? Is that right?

Mr Rainow—That is right.

Mrs VALE—So they have to provide for all those kinds of electrical service costs out of their Centrelink benefits?

Mr Rainow—Yes.

Mrs VALE—But the amount of money they get does not quite provide for the food.

Mr Rainow—This is why I keep talking about defining the poverty out here and doing a cost-of-living study.

Mrs VALE—Okay.

Mr Rainow—I did an exhaustive survey of houses in one community back in 1992. Part of the work involved mapping every item that was in that house over a 12-month period. We could not find enough utensils to feed more than four people.

Mrs VALE—This is having dinner sets or knives and forks and spoons.

Mr Rainow—There is no mashed potato maker, salad bowl or cutting board. There are not more than four pannikins or plates.

Mrs VALE—What about tables and chairs?

Mr Rainow—Tables and chairs are very rare. People still sleep on the floor, on mattresses.

Mrs VALE—So, if the families are only getting Centrelink benefits, where was the expectation that they would provide all those things?

Mr Rainow—Good question.

Mrs VALE—I think I am getting a very strong picture.

Mr Rainow—This literature is published. If you are interested, later on I could email you information on where you can get these documents. This is evidence based. We went into houses and around the yards and we mapped all this. We talked about all this years ago back in 1992 when we had a big discussion with Jocelyn Newman, so this is a long story that we have been battling with. Families do not have the wherewithal when they go home to do those things, and store, prepare and cook food is our No. 4 healthy living practice.

Mrs VALE—There is no way the government is providing them with the utensils or the utility to do that.

Mr Rainow—But it becomes relevant for the nutritionists—for instance, NATSINSAP. The national bodies need to know that when they are designing nutrition programs they cannot assume that people can go home and cook up the three veg and the two fruit. How does a young girl make mashed potato and pumpkin? How does she mash it all up a nice little bowl to start feeding the little baby?

Mrs VALE—That is one of the questions that I have been asking—what do they do from when children come off the breast to transit to food. What transitional food choices are there for mothers? Except for Farex, Weet-Bix and commercial baby food, there does not seem to be a great deal of food available. Everybody knows that vegetables that you can boil up yourself in a pot—even if it is in one pot—and mash up are far better for the child than food from a can. It is a much deeper problem than just nutrition, isn't it, Stephan? That is the surface.

CHAIR—I want to ask a question of anyone who might want to answer it. Perhaps those who have spoken—Robert or Fairy—might answer it. To what extent is people's intake of food supplemented by hunting or finding food outside of the stores? Does that happen at all? Does any of that activity occur?

Mr Kayipipi—My name is Roger Kayipipi. I am here from Kaltjiti. I grew up in the bush. I am used to hunting in the bush. I used to go out hunting with spears and that is how I grew up. I used to go out hunting rabbits, wild cats and wild dogs and make fires without matches. That is how we used to live out in the bush. I am used to living and hunting out in the bush.

CHAIR—How much do people eat bush food in this community?

Mr Kayipipi—Now I get a lot of food from the store but I like to go out and get bush turkey and kangaroo. I go out and get turkey and kangaroo and teach the grandsons how to do it.

CHAIR—How frequently do people hunt?

Mr Kayipipi—I do not actually live in town. I go out bush, and when I am going out there and when I am going home I look around. I live out in the bush.

I am still working in the bush. I am still working wild camels. I have a lot in the yard. I am a bushman. That is where I live—in the bush. I am really a bushman. I am working with wild camels. I catch camels. I have some in the yard at the moment and will be trucking them next week. Although I do that, I am really a bushman.

Mr Rainow—Back in the late seventies and the early eighties we used to only get a store truck say once every six weeks. There used to be a lot of rabbits around and a lot of men had riffles. There are two things that have impacted on people's capacity to get bush food these days. The first one is the calicivirus, which has successfully knocked out the rabbits. Women used to dig, men used to go hunting rabbits and kids would throw rocks at rabbits. Rabbit was eaten a lot. But then that virus came through. It knocked out the rabbits. That had a big impact. The second thing was the Port Arthur massacre. That led to the national gun laws and basically this population of men were disarmed. Under the current national gun laws it is very difficult for them to get a licence and to have the capacity to fulfil all the requirements for getting a gun licence these days. It was not uncommon in the late seventies and the eighties that if you went anywhere in a vehicle with any of the Wadeye then there would be a riffle behind the seat and there would be bullets in the ashtray. But they do not have guns any more and the rabbits have gone. Those are the two biggest impacts.

We estimate that they sourced about 80 per cent of food from the bush in the late seventies and the eighties and say 30 per cent from the store. Now it is the other way around. I hope I do not upset Roger here but with the camels coming through one of the things that the men are saying is that the camels are actually chasing the kangaroos out. So there are not that many kangaroos around any more. Then there is the price of fuel. I think at Mimili it is \$2.06 a litre for fuel. Things like this impact on the capacity to source bush food.

Mrs VALE—What does Roger do with the camels?

Mr Kayipipi—All the big bulls are sent down south for slaughter and the young cows and young males are sent overseas. They are trucked out from here.

Mrs VALE—So there is an export trade in camels?

Mr Tregenza—There is but in terms of the number of camels around it is a very small operation.

CHAIR—Thank you. We are going to have to wind this up because we are going to need to take off pretty soon as the sun goes down.

Mr Johns—As store manager I have noticed one thing of concern to me, and I have only noticed it in the last couple of months since the ATM rules have changed. It has changed to direct charging. So now, no matter what your situation is with your own bank, in using a foreign ATM everyone has to pay a \$2 fee. What I have noticed is that the people who can least afford to pay any bank fees are the ones who are paying the most—for example, the people who are on Centrelink benefits. I have seen instances of people doing a balance check of their account through an ATM, which incurs a \$2 fee, two or three times a day. If the money is not there the first time then they will try again a little bit later and keep trying again until their benefit is actually in their bank account. I would be horrified to see the bank statements of some of these people who live in these communities because the ATM is the only way of getting their money, apart from the few who still get paid by cheque from Centrelink. That is an issue where I would imagine some people will be paying many dollars a week or a fortnight just to access their own money. That is money that is just lost to the community in total.

CHAIR—Thank you, that is a very good point. I thank everyone for attending today. We really appreciate the time you have given us. The contributions you have made today help us in our inquiry into remote community stores. To give you a bit of a sense of where that is going, this is an inquiry that began in December of last year. We have had a number of hearings in Canberra with various government departments but we are doing three trips within Australia. We did one about a month ago to the Torres Strait and the top of Cape York. This week we are in central Australia. In July we will be going to the Top End in the Northern Territory and Western Australia. We will be reporting back to the parliament around September this year. It will be a matter then for the government as to whether or not they take up the recommendations that we make. The transcripts of today's hearing will be on the parliamentary website, which is www.aph.gov.au. Ultimately when we give our report to the parliament that will also be posted on the parliamentary website so you will be able to have access to what we recommend at that point in time.

Resolved (on motion by **Mrs Vale**):

That this subcommittee authorises publication, including publication on the parliamentary database, of the transcript of the evidence given before it at public hearing this day.

Subcommittee adjourned at 5.22 pm