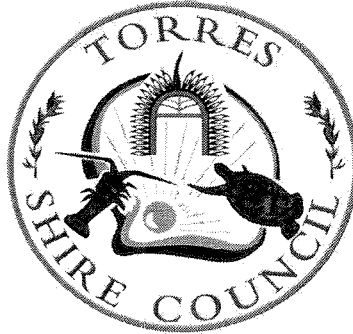


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Submission No 87

MS

TORRES SHIRE COUNCIL

Submission to Community Stores Inquiry

Thursday Island
Public Hearing
Monday 30 March 2009

Venue: TSRA, Level 1 Torres Strait Haus, 46 Victoria Parade, Thursday Island

1.

Introduction

The Shire of Torres is the northernmost Queensland local authority, and it comprises all of the State lying north of latitude 11 degrees south. The Torres Strait islands area covers 48,000 square kilometres. This includes the northernmost part of Cape York Peninsula, together with the inhabited inner islands (viz. Thursday, Horn, Prince of Wales, Friday Islands) and all uninhabited islands of Torres Strait. The Shire's administrative centre is located on Thursday Island, which provides the primary service centre for the region.

Torres Shire is the only Australian local government which abuts an international border (Australia and Papua New Guinea) and is in close proximity to the Indonesian province of Irian Jaya. This alone places the people of the Shire in a unique part of the country.

The two other newly amalgamated Councils, Torres Strait Island Regional Council (TSIRC) and Northern Peninsula Area Regional Council (NPARC), are located within the Shire area referred to above. TSIRC includes the 15 island communities of the Torres Strait with its administrative headquarters located in Thursday Island. NPARC includes 5 Cape York communities administered from Bamaga.

Opportunity to Present Evidence

Torres Shire Council thanks this Inquiry for the opportunity for the Mayor, Councillors, local residents and businesses to personally address the members of the Committee and outline the real, practical problems that are encountered in sourcing quality food and general grocery items at a reasonable price. The operation of local community stores in remote Indigenous communities is seen as a vital and essential resource for local residents to purchase food to sustain themselves and families.

Stores – Torres Shire

Within Torres Shire, the following stores are operated:

Thursday Island - one large supermarket, 2 small IBIS shops, and one privately operated store

Horn Island – One privately operated store

2.

- **Link between the quality and cost of food and other supplies to the health and economic outcomes of remote Indigenous communities.**

The availability of nutritious good quality food at affordable prices is absolutely essential for the health of the residents of Torres Shire. The availability of food consistent with the Australian Guidelines for Healthy Eating increases a person's ability to maintain good health. Fruit and vegetables are available but their quality is not always consistent. It is not unusual to purchase these items at expensive prices and discover that they are of poor quality and have deteriorated beyond eating due to damage through transport and over display at the local supermarket and stores. The cost of food is a large proportion of local resident's low incomes and this is exacerbated when included with the other high cost items of housing, travel, fuel, freight, etc.

The low socio-economic base of the Torres Strait must be taken into account when considering the purchase of food through the local stores. A high unemployment rate and low average income continues to exist.

- **The food security and cost of living pressures of remote Indigenous communities like the Torres Strait which may go some way to close the gap between Indigenous and non-Indigenous Australians on life expectancy, educational achievement and employment opportunities.**

Health authorities continually emphasize the fundamental relationship between the limited availability of fresh fruits and vegetables in remote communities and the 17 year life expectancy gap between Indigenous and non indigenous Australians.

It is paramount that this affordable food commodity be made more readily available to better address the health and life expectancy gap.

Government assistance is needed to assist in achieving this basic but extremely important gap. Good quality food should be a basic right for all Australians; particularly indigenous people.

3.

- **Food supply, quality, cost and competition issues;**

The price of groceries and fruit and vegetables is kept at a high level by the existence of only one freight company, Sea Swift P/L. With no competition the freight prices are kept at high levels and included in the high price of food and all other items transported to Horn and Thursday islands. For many years Torres Shire has lobbied that a freight subsidy similar to that provided to Tasmania by the Federal Government should be implemented for the Torres Strait region. It must be stated that Tasmania with a population of 400,000 and much closer to its supply States, mainly Victoria and New South Wales, is in a much better position to afford its respective freight prices.

More assistance for Torres Strait communities, growing some of their own fresh fruit and vegetables, deserves to be fully explored with adequate funding and training being assisted by Government.

- **The effectiveness of the Outback Stores model, and other private, public and community store models;**

IBIS, the Torres Strait stores operator, is a non-profit organization under the Aboriginal and Torres Strait Islander Communities Act 1984. It operates as a monopoly within the vast Torres Strait region including the Northern Peninsula Area. Thus with the lack of competition there is no incentive for the minimization of prices and the need to provide improved quality and a wide range of food types.

A review of IBIS in its management, operation and purchasing policies may be appropriate to ensure that it services the needs of the Torres Strait in the most relevant and effective ways.

Best practice customer service should be offered at all stores at all times. Proper training of staff should be provided with the stores accessing maximum government training funds. Where required, local training provider TAFE should offer appropriate courses which IBIS will encourage their employees to attend.

4.

- **The impact of these factors on the health and economic outcomes of communities.**

It is most important to recognise the availability of good quality and affordable food in view of the ongoing health problems of the Torres Strait, such as:

- Obesity in the Torres Strait is 55% higher than the Australian average.
- Diabetes – the highest national incidence of type 2 diabetes exists throughout the Torres Strait Islands.
- Consumption of fast foods and high sugar drinks is a major concern within the Torres Strait.

One contradictory factor is that while people in remote areas pay significantly more for food, the price of cigarettes and tobacco products is still similar to the prices of larger mainland centres.

- **Surveys have shown it can cost up to \$150 more for a basket of 44 standard items on Thursday Island than it does in Cairns.**

There have been a number of organisations and residents who have conducted price surveys throughout the Torres Strait. These surveys have demonstrated that the price of a basketful of standard items can cost up to almost double the price of the same items purchased in Cairns.

- **Major price differences are costing people's health and well being.**

It is essential that significant efforts are made to help close the gap between Indigenous and non-Indigenous Australians. One major issue to be addressed is the availability and affordability of groceries. Good health and quality of life are the consequence of good quality food. Young people should not be denied the necessary food for their proper development in their early years and beyond.

5.

- **Affordable groceries are a critical step in developing meaningful solutions to the cost of living pressures being faced by remote communities.**

Besides food; the extensive range of high cost items in remote areas includes fuel, freight, telecommunications, household goods, house rentals, appliances and everyday personal items. The capacity of residents within this Shire to meet the cost of basic human needs has grown to a critical domestic issue, with regional purchasing being devalued to increasing harmful proportions. Although Torres Shire is an integral component of Queensland and Australia's security ; the Shire and region suffers the tyranny of remote geographical location, a negligible manufacturing base, high dependence on sea transported imports and limited real term permanent job opportunities.

6.

Recommendations

Torres Shire urges that changes be made to the current system including:

- Freight subsidisation by government to maintain lower and affordable prices is urgently needed. The high cost of living in the Torres Strait is a significant burden particularly on the lower income residents and thus they struggle with being able to purchase healthy food.
- Review of IBIS Stores operations to provide the best food supply model for the region; including greater variety, quality and pricing.
- Ensure that all products are clearly priced with specials being provided at maximum frequency.
- Review of pricing policies to provide a deterrent for the high consumption level of unhealthy tobacco, high sugar content and high fat content products.
- Increased funding and more effective delivery of sport and recreation services to improve the participation of Torres Strait Island people in a fit and healthy lifestyle.
- A substantial increase in Sport and Recreation Queensland funding to enable the direct employment of sport and recreation officers throughout the Torres Strait region is paramount to enhance the more healthy lifestyle across the board would greatly assist in diminishing the enormous health expenditure presently being incurred by government.
- Increased market and community garden projects on the islands to supplement the lack of healthy food variety. Government funding and training is essential to enable the success of these projects.
- Education of Torres Strait school children is required to teach them better healthy eating and sport, recreation & fitness participation.
- Increased promotion of health improvement of adults and older residents through more proactive healthy living initiatives.
- Ongoing review of healthy food products provided by all school and Council operated kiosks.

Summary

Torres Shire Council is unanimous in its desire to move positively towards achieving an independent evaluation of the harsh economic circumstances which peg our community living standards with exorbitant prices to levels which are unacceptable elsewhere in Queensland and which suffocate our potential for economic stability and growth with a heavy overburden of high priced basic living costs.

Council seeks the support of both Federal and State Governments for a bipartisan approach to fully examine the adverse economic circumstances confronting our families, through the mechanism of this Inquiry into Community Stores.

Council appreciates that this major and social economic issue has become highly visible and is now becoming known in a transparent and independent public arena through your Inquiry's mechanism which carries the force and logistical support of the Parliament and all the resources and professional advice available to it.

Council trusts that the outcome of this inquiry will be an avenue through which positive and economical economic reform for the Torres Shire and region can be delivered.

Your full and urgent consideration of Council's submission is sought and hopefully your support and positive outcomes will provide a welcome degree of hope and encouragement for our communities.

***Mayor Pedro Stephen and Councillors,
Torres Shire Council***

30 March 2009