

Submission No 96

RECEIVED
31 MAR 2009
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To: Jim Turnour Hon. Member Leihardt

Re: House of Representative Standing Committee on Aboriginal and Torres Strait Islander Affairs to:

Inquire into and Report on Community Stores in remote Aboriginal and Torres Strait Islander Communities

The inquiry focuses on :

1. Food supply, Quality, Cost and Competition;
2. Effectiveness of Outback Stores model;
3. Other Private, Public and Community Store models, and;
4. Impact of these Factors on the Health and Economic Outcomes of communities.

This submission is from the St Pauls Community on Moa Island. There is only one store on the community and that is owned and operated by "IBIS" or "IIB" as it is now under the Local Government Act.

1. Food Supply/Quality

As I understand the IIB store orders through their upline which is either in Thursday Island or in Cairns. The stock which come into the store is always inadequate and there is never any variety. We have recently moved from Cairns to St Pauls Community, on first arrival the store was always out of stock because of the recent floods in Ingham and Townsville, that was understandable. Now it has reached an unacceptable standard where basic supplies such as milk and bread, which is frozen are unavailable after the first couple of days after the cargo arrives. Why is there never enough ordered? I was told that the order is always reassessed in the head office after it leaves here. Most of the stock is black and gold brand and you still pay double the price as in Cairns, so what is the purpose of getting black and gold as it is no cheaper than name brands. A lot of the stock goes out of date really quickly it seems that we are always sent goods that is nearing the end of its shelf life.

At this present moment the St Pauls Community IIB Store has a rat infestation which is affecting the food supply, a lot of goods have to be written off because the rats have eaten through the goods and what we do purchase off the shelves has the smell of rat urine on it. Numerous complaints have gone into all Departments Health, Quarantine, Tropical Public Health, IIB CEO, by various peoples in the community but it seems to no avail which is unacceptable if I were living on the mainland in either a regional or a major city area. Also recently we had the opportunity to shop on Thursday Island and the quality of the local IIB fresh produce was not up to the standard you would enjoy in major centres.

Inquire into and Report on Community Stores in remote Aboriginal and Torres Strait Islander Communities

30th March, 2009

Cost

I was recently on Thursday Island and a packet of Sao biscuit at IIB cost \$4.05c and at one of the private shops it was \$4.55c in Cairns this same packet of biscuit would have cost me approx \$2.50c. At St Pauls IIB store I bought a 1kg bag of Steggles cooked chicken/diced skinless meat which cost me \$28.00, the second time I bought this item it cost me \$24.00 and I would have bought it in Cairns for \$12.88. Two loaves of bread and a 2 Lt bottle of milk in Cairns - \$7.50 approx, here \$16.00. That's more than 100% mark up. This problem is compounded by the high fuel costs we pay \$2.80 at "IIB" again which is supposed to be our local community store model. At Badu Island the cost of petrol is \$1.60 p/litre non "IIB". From the 1st of July, 2009 the Department of Housing will be taking over all the housing in the Torres Strait and the rent will go up as mainstream housing is assessed. That is 25% of the total income into a particular household. The average wage earned in this community is \$420.00 p/fortnight . The cost of electricity is also expensive. We have been here for 7 weeks and we have purchased a \$50.00 power each week so we have already paid \$350.00. In Cairns our electricity bill comes every three months and we average \$300.00 for 3 months - here comparison 3 months \$600.00. On average a couple living in a Department of housing rented home would pay per fortnight, rent \$105.00, electricity \$100.00, food(very basic) \$150.00 with only \$65.00 left. In our community there is certainly no competition for anything therefore people have no choice but to utilise the services that are here.

2. Effectiveness of outback store model

We are not certain of the IIB store model but if it is a model for the remote communities then we are certainly not supporting it, because it still works out cheaper if one orders their groceries from Cairns even with freight. Therefore it is not an effective model for the Torres Strait Communities. IIB has the monopoly on stores in the region and also on the service provided by SeaSwift, as we are being told that if IIB pulls out then SeaSwift will not have the business in the Torres Strait as IIB is their largest contributor.

There is no incentive for the ordinary community person to go into business, to set up as a competitor for IIB.

- ÿ An option of a model would be to scope out a franchise from one of the greater supermarkets on the mainland, to develop firstly incentive, economic and social sustainability within the community.
- ÿ Option 2 - a model was developed by the mainland Torres Strait Islanders to purchase no brand products and give our own name brand then distribute to outlets in each of the communities. This project requires teamwork between the mainland Torres Strait Islander, and the homeland people, creating employment in both distribution and retail. In addition the freight service must also be reflective of Torres Strait Islanders. Then a percentage of the profits would be distributed within the community on community owned projects.

Y Option 3 - On the larger Island (Moa) build a shopping complex with a major supermarket, and other retail outlets such as butcher, bakery, news agency, clothing outlets, hardware, etc. All these services would be leased out and a percentage of the profits to be utilized in the development and ongoing maintenance of community infrastructure and projects.

Freight

It is worth noting that freight services to this region has a compounding effect on the socio economic status within the community. An alternative to this issue is to develop and implement a freight rail system from Cairns to the Northern Peninsula Area. This will create long term employment and a sustainable economic environment within the region.

4. Impact of these Factors on the Health and Economic Outcomes of communities

The impacting factors on the Health and Wellbeing outcomes of our community is the situation of infestation of rats. As we all may recall the spread of bubonic plague in England was spread by rats as disease carriers which decimated the population of people. Here we have a situation which requires the attention of government institutions to respond and actually intervene and effectively control the situation. Community members have been calling for different government bodies to act decisively including the authority of the Island Industries Board. Their response to the situation was to send out a pest control person who only set traps and bait to control an infestation of vermin. The other action was to have their local staff set bait in the ceiling, which is not in their job description. If this were to happen in an urban site surely there would be a major response by all who are responsible to close until the infestation is no longer a threat to the health and wellbeing of the customers.

We the customers of IIB on St Pauls Community have the right to be treated the same as any other Australian whether we live on the mainland in an urban/major city, rural area or living in the Torres Straits.

The food in the store has been eaten by rats, and are written off, who will be paying for the shortfall. Other damaged goods (other than rat eaten), and out of date goods are written off and dumped. The IIB is now facing a major financial loss hopefully not at the expense of the customers, however the prices now reflect their major shortfalls.

All Torres Strait Islander employees within the community are receiving CDEP. All government departments local, state and commonwealth take advantage of this situation and only fund minimal hours. For example all teachers partners in the community are employed and paid by Education Queensland, whereas all the Torres Strait Islander employees whether they are the Teacher Aide or the Janitors only get paid a few hours a fortnight and the rest is topped up by CDEP. Another example is the transition of the Torres Strait Island Regional Council, the staff on the Islands remain on this same wage structure of being paid

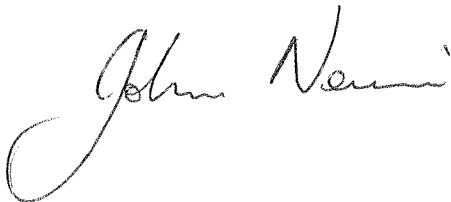
part CDEP and top up.

Other amalgamated Shires have the capacity and funds to be able to pay their employees the award wage. Why is there a different rule for those in major centres as opposed to the indigenous employees living and working in the Torres Strait Regional Council area. The average fortnightly wage is \$420.00. The question is what will happen when CDEP is finally dissolved from the communities. What will the government have to depend on then?

None of the government departments take the responsibility of paying the award wage to the people who live in the outer Torres Strait Islands as sanctioned by the Arbitrary Commission on Award Wages which other Australians enjoy and take for granted. It seems to reflect the previous system which was in operation not so long ago under the State Department of Native Affairs where we were also denied the rights to the appropriate wages.

The Prime Minister of Australia the Hon Kevin Rudd and his Minister for Families, Housing, Community Services and Indigenous Affairs the Hon Jenny Macklin MP have publicly voiced their concerns about “bridging the gap” of the life expectancy between the wider Australians and both the indigenous peoples. To enable “bridging the gap” in health and economic outcomes within the Torres Strait Islander communities, the salary and wages must be brought up to par with the rest of Australia. Incentives such as subsidies for fuel, freight, housing, and businesses etc would be a stimulus in the overall health, wellbeing and socioeconomic status of our people.

Concerned citizens of St Pauls Community



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