



Australian Government

**COMBINED AUSTRALIAN GOVERNMENT RESPONSE
TO TWO SENATE COMMUNITY AFFAIRS REFERENCES
COMMITTEE REPORTS ON

PETROL SNIFFING IN INDIGENOUS COMMUNITIES**

***PART A: BEYOND PETROL SNIFFING: RENEWING HOPE FOR INDIGENOUS
COMMUNITIES (2006)***

***PART B: GRASPING THE OPPORTUNITY OF OPAL: ASSESSING THE IMPACT
OF THE PETROL SNIFFING STRATEGY (2009)***

COMBINED AUSTRALIAN GOVERNMENT RESPONSE TO TWO SENATE COMMUNITY AFFAIRS REFERENCES COMMITTEE REPORTS ON PETROL SNIFFING IN INDIGENOUS COMMUNITIES

Introduction to combined response

The Australian Government welcomes the Senate Community Affairs References Committee reports on Petrol Sniffing in Indigenous Communities: *Grasping the opportunity of Opal: Assessing the impact of the Petrol Sniffing Strategy*, and its companion 2006 report, *Beyond petrol sniffing: Renewing hope for Indigenous communities*. This document combines the government's response to both reports.

The Petrol Sniffing Strategy forms the Australian Government's response to the devastating effects of petrol sniffing in Indigenous communities. Funding for this Strategy is now ongoing and this year's Budget has provided \$38.5 million over four years to further strengthen the roll-out of Opal fuel. This proposal has been developed in the context of findings that Opal significantly reduces the incidence of petrol sniffing in communities where it has been made available.

The government understands the importance of providing significant lead time to fully address the complex issues surrounding petrol sniffing and other forms of substance abuse in remote Indigenous communities. In this context, it is pleasing to note the Senate Committee's acknowledgement of the good work that has been achieved to date, as well as its proposals for moving forward that build on many of these successes. Together, the Committee's reports suggest an approach for undertaking further work in this significant policy area, clearly identifying a number of important strategic and program options for the government's consideration.

Responsibility for the government's Petrol Sniffing Strategy is shared across four departments, including the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA), the Department of Health and Ageing (DoHA), the Attorney-General's Department (AGD) and the Department of Education, Employment and Workplace Relations (DEEWR). FaHCSIA is the lead agency for overall coordination of this strategy. As partners in the Petrol Sniffing Strategy, these departments work closely together to ensure a collaborative, integrated and complementary approach to delivering key initiatives across the Eight Point Plan (see Attachment A at the end of Part A of this document), drawing on the strengths of each portfolio area.

The success of the Petrol Sniffing Strategy, however, is not solely dependent on the government's efforts. It is important to recognise the assistance and support that is provided by a wide range of stakeholders, including State and Territory governments, local councils and shires, non-government providers such as the Central Australian Youth Link-Up Service and NPY Women's Council and Indigenous communities themselves. Collectively, these groups ensure a multifaceted response is in place that works across a broad front, to achieve effective and sustainable results within a complex and ever-changing policy environment.

Since September 2005, the Australian Government has contributed a total of \$86.3 million to combat the effects of petrol and other substances on individuals, families and communities in the remote central Australian tri-state zone of Western Australia, South Australia and the Northern Territory, the East Kimberley region in Western Australia, and Mornington Island and Doomadgee in Queensland.

This funding has supported a wide range of initiatives, including:

- the rollout of Opal fuel, as a highly effective supply reduction measure;
- a crackdown on the trafficking of petrol and other substances through improved intelligence gathering and policing activities; and
- the strengthening of vulnerable communities through the provision of targeted youth diversion activities, treatment and rehabilitation support, family and community development services and local infrastructure projects.

This funding is in addition to other complementary programs that have also been implemented by the government to strengthen and build the capacity of remote Indigenous communities, particularly in the Northern Territory.

The government's investment to date has achieved a number of notable successes in the battle against petrol sniffing and other forms of substance abuse:

- as at 30 April 2010, there were 129 sites receiving or registered to receive Opal fuel across regional and remote Australia. This includes 80 communities, 37 service stations/roadhouses, seven supporting organisations and five pastoral properties;
- a demonstrated decrease in petrol sniffing in regional and remote communities. The Evaluation of the Impact of Opal Fuel, completed in 2008-09, measured a 70 per cent reduction in petrol sniffing across the sample communities between baseline and follow up data collections;
- eleven new houses and three temporary accommodation complexes have been provided to support the employment of youth workers in the high need priority communities of Finke, Docker River and Imanpa in the Northern Territory, and Wanarn, Jameson, Warburton, Warakurna and Blackstone in the Ngaanyatjarra Lands;
- a new recreation hall has been built in Finke, at a cost of just under \$2 million, and two existing halls in Docker River and Imanpa refurbished;
- a new major substance misuse treatment facility in Amata, South Australia, has also been constructed, with the Australian Government contributing just over \$3 million and the remaining funds provided by the South Australian Government together with ongoing operating costs of \$1.4 million a year;
- there has been a significant expansion in youth services and activities across the Petrol Sniffing Strategy zones, including the employment of two senior youth workers and local Anangu trainee youth workers in each of the central Australian communities of Finke, Docker River, Imanpa and Mutitjulu, 17 youth workers in the Ngaanyatjarra Lands and East Kimberley in Western Australia, a range of sporting and recreational activities being provided by these workers, and other initiatives such as the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands Regional Partnership Agreement in South Australia; and

- there have also been substantial reductions in the trafficking of petrol, illicit drugs and alcohol across the Petrol Sniffing Strategy zones, following successful operations by the Alice Springs and Katherine Substance Abuse Intelligence Desks.

However, more work is needed to achieve fully effective, long-term and sustainable solutions to the inter-generational cycle of substance abuse that continues to prevail in many remote Indigenous communities.

The Australian Government will continue to identify opportunities to consolidate and expand development and implementation of programs that address the debilitating effects of petrol sniffing and other substance abuse amongst young Indigenous Australians living in communities of high need, particularly in remote locations. These opportunities will be developed in the context of important reforms the government is currently putting in place to improve the way governments work with Indigenous people, through strengthening local service planning processes and fostering more effective working relations with State and Territory governments.

PART A: Australian Government response to

Beyond petrol sniffing: Renewing hope for Indigenous communities

Report of the Senate Community Affairs References Committee (2006)

June 2010

Background

On 5 October 2005 the Senate referred the following matters relating to petrol sniffing in remote Aboriginal communities for inquiry and report:

- the effectiveness of existing laws and policing with respect to petrol sniffing in affected Indigenous communities;
- the effectiveness of diversionary initiatives and community level activities; and
- lessons that can be learned from the success some communities have had in reducing petrol sniffing, including the impact of non-sniffable Opal petrol.

The Committee's report on the inquiry was tabled in Parliament on 20 June 2006. Part A of this document contains the government's response to the recommendations of the 2006 report.

A second Senate Inquiry was announced on 17 June 2008. The Senate referred the following matters to the Community Affairs References Committee for inquiry and report:

- the ongoing effectiveness of the eight-point plan in combating petrol sniffing in Central Australia;
- the extent of the roll-out of Opal fuel;
- the delivery of youth services in affected areas;
- the effectiveness and adequacy of resources provided to address petrol sniffing and substance abuse in Central Australia; and
- what more needs to be done to effectively address petrol sniffing.

The Committee's report, *Grasping the opportunity of Opal: Assessing the impact of the Petrol Sniffing Strategy* was tabled in Parliament on 19 March 2009. The report reaffirms a number of the recommendations made in the 2006 Report and the response is contained in Part B of this document.

A number of the recommendations contained in this combined report have led to significant policy development, review and evaluation activity on the part of the agencies involved. These include a cost-benefit analysis of a proposal to mandate the supply of Opal fuel, published online at the following Department of Health and Ageing website: <http://www.health.gov.au/internet/main/publishing.nsf/Content/health-oatsih-pspp-reports>.

FaHCSIA also commissioned an independent review of the Central Australian Petrol Sniffing Strategy Unit (CAPSSU) which was completed at the end of 2009, an independent review of inconsistent legislation (completed in March 2010), and exploratory work in the context of PSS communications issues which was finalised in February 2010. These three reports have been published at: <http://www.fahcsia.gov.au/sa/indigenous/pubs/evaluation/Pages/default.aspx>

The outcomes of this activity, and of significant policy work associated with a strengthened roll-out of Opal fuel to begin later in 2010, have informed the content of this combined report.

As the lead agency, FaHCSIA has coordinated the combined response to the two Senate Committee Enquiries. The Department of Health and Ageing (DoHA), the Department of Education, Employment and Workplace Relations (DEEWR) and the Attorney-General's

Department (AGD) have provided input to responses in cases where recommendations relate to their respective portfolio areas.

Recommendation 1

That the Council of Australian Governments (COAG), as a matter of urgency, revisit the recommendations of the Royal Commission into Aboriginal Deaths in Custody in order to:

- prioritise the recommendations that have not been implemented; and
- establish as a standard item on the COAG agenda the implementation of these recommendations.

Response

The government notes this recommendation.

The Royal Commission into Aboriginal Deaths in Custody (RCIADIC) made recommendations to lessen the extent of substance misuse by Indigenous people. These recommendations concerned data collection and research into substance misuse, the promotion of health strategies targeted at substance misuse, the establishment of early intervention programs in areas with a high incidence of substance misuse, the employment and training of Indigenous drug and alcohol community workers, and the provision of adequate cultural awareness and skills training for all workers involved in substance misuse programs¹.

Recommendation 286 referred to petrol sniffing in particular, suggesting more effective coordination of petrol sniffing measures across Australian, State and Territory governments and non-government agencies².

The government believes that the current measures to address petrol sniffing, as detailed throughout this response and the government's response to the 2009 Senate Community Affairs References Committee report *Grasping the opportunity of Opal: Assessing the impact of the Petrol Sniffing Strategy*, are meeting those recommendations of the RCIADIC that relate to this issue.

In 2007-08 COAG agreed to a number of ambitious targets to close the gap in Indigenous disadvantage.

The Closing the Gap agenda was developed in response to concerns raised with governments by Indigenous and non-Indigenous people, including through the Close The Gap Campaign and the National Indigenous Health Equity Summits.

The COAG National Indigenous Reform Agreement, agreed in November 2008:

- commits all jurisdictions to achieving the Closing the Gap targets;
- defines responsibilities and promotes accountability among governments;

¹ Johnston, E, QC, 1991, *Royal Commission into Aboriginal Deaths in Custody: National Report Overview and Recommendations*, Australian Government Publishing Service, Canberra, pp 45-6 and 93-4.

² Ibid, p. 94

- provides a roadmap for future action;
- notes the significant funding provided through Indigenous-specific National Partnerships to assist in meeting the targets; and
- links to other National Agreements and National Partnerships which include elements that will address the targets.

In 2008, COAG committed \$4.6 billion in Indigenous specific funding over 10 years to drive fundamental reforms in remote housing, health, early childhood development, jobs and improvements in remote service delivery.

The Commonwealth, State and Territory Governments are committed through COAG to the Closing the Gap agenda and this partnership, underpinned by effective engagement with Indigenous Australians, establishes a genuinely national approach.

Recommendation 2

That COAG, as a matter of urgency:

- reaffirm petrol sniffing as a priority area under the National Framework of Principles for Delivering Services to Indigenous Australians; and
- establish a Standing Committee of COAG to monitor and evaluate programs addressing petrol sniffing and to report annually to COAG on progress.

Response

The government notes this recommendation.

The government considers that the existing PSS governance arrangements and PSS Eight Point Plan adequately allow for periodic review and refinement of monitoring and evaluation mechanisms. A coordinated approach to updating the existing PSS Evaluation Framework, and further refinement of evaluation and data collection methodologies across the Eight Point Plan, including the roll-out of Opal Fuel, continues to be overseen and strengthened by the PSS SES Steering Committee in collaboration with FaHCSIA's Office of Indigenous Policy Coordination. The 2010-11 Budget has provided funding to establish an ongoing annual surveillance system to monitor the incidence and prevalence of petrol sniffing and transference to other substances. This annual data collection will also assist to evaluate the effectiveness of the Opal fuel program and other interventions that affect petrol sniffing prevalence.

Reducing the incidence and impact of petrol sniffing and other substance abuse in Indigenous communities is a significant priority for the government. Between the launch of the Petrol Sniffing Strategy in September 2005 and April 2010 the Australian Government contributed \$86.3 million to this strategy

The rollout of Opal fuel is the only element of the Petrol Sniffing Strategy Eight Point Plan (see Attachment A) that is specific to petrol sniffing. All other elements of the strategy are fundamental to reducing not only petrol sniffing but also broader substance abuse issues. COAG has specifically acknowledged the importance of tackling the effects

of substance abuse on Indigenous Australians and the impact this will have on closing the life expectancy gap³.

COAG has therefore provided funding through a number of complementary measures to address substance abuse. Consistent with the comprehensive approach taken under the PSS Eight Point Plan, this includes funding for drug and alcohol treatment and rehabilitation services in regional and remote areas through the following initiatives:

- 2006 Council of Australian Governments – *Addressing Violence and Child Abuse in Indigenous Communities – Drug and Alcohol Treatment and Rehabilitation Services for Indigenous Australians in Remote and Regional Communities*; and
- 2007 Council of Australian Governments – *Closing the Gap – Indigenous Drug and Alcohol Services*.

Youth diversionary activities have also been funded in the Northern Territory through a range of measures. As part of the Northern Territory Emergency Response, the government has spent some \$18 million over two years on FaHCSIA's *Youth Alcohol Diversion* measure to support projects across targeted Northern Territory communities.

Further funding of \$28.4 million over three years was announced in the 2009-10 Budget as part of FaHCSIA's *Youth in Communities* measure, to enhance the quantity, quality and cohesion of youth services in Northern Territory Indigenous communities. This funding will continue the important work commenced under the *Youth Alcohol Diversion* measure, with just under \$9 million allocated in 2009-10 to improve recreational infrastructure, fund more youth workers and provide diversionary programs targeting young people aged between 10 and 20 years.

The government has also invested considerable funding in a range of sporting activities that promote healthy lifestyle choices and provide positive role models and mentoring support to Indigenous youth. Examples include:

- a funding contribution towards the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands Multi-Sports Activities Regional Partnership Agreement (RPA). The RPA provides for structured inter-community sports competitions across APY communities including a very successful and popular inter-community Australian Football League (AFL) competition, regular multi-sports activities for young people throughout the year, and recreation activities such as horse riding, BMX and motocross;
- joint funding of an AFL Club Fostership Program and AFL Ambassadors for Life Mentoring Program with the Australian Football League in 2007, to promote healthy, active lifestyles and increased school attendance for youth in selected Indigenous communities (mainly in the Northern Territory), and to provide mentoring from Indigenous Australian Rules players, as positive role models to over 100 Indigenous youth from around Australia; and
- funding to expand AFL activities in the East Kimberley region of Western Australia, through the employment of a Community Development Officer, an administrator to

³ According to ABS experimental life tables for Aboriginal and Torres Strait Islander peoples Australia 2005-7 3302.0.55.003 the current life expectancy for Indigenous males is 11.5 years and for females is 9.7 years. The change from the previous calculation of 17 years should be treated with caution and may reflect a change in calculation method only.

manage football activities in the region, and two AFL Indigenous trainees to help deliver schools-based programs.

Recommendation 3

That the Aboriginal and Torres Strait Islander Social Justice Commissioner be funded to conduct a review of the implementation of the Royal Commission and Coroners' Recommendations in twelve months time and every twelve months following until the Commissioner can report that the recommendations have been sufficiently addressed.

Response

The government notes this recommendation.

The Aboriginal and Torres Strait Islander Social Justice Commissioner's independent statutory functions include reviewing the impact of laws and policies on Indigenous peoples, reporting on Indigenous social justice and native title issues and promoting an Indigenous perspective on issues. In addition, the Commissioner monitors the enjoyment and exercise of human rights for Indigenous Australians.

The Commissioner is already required by law to produce an annual Social Justice and a Native Title Report regarding the exercise and enjoyment of human rights by Australia's Indigenous peoples. This allows the Commissioner to make recommendations as to action that should be taken to safeguard such enjoyment.

Recommendation 4

That the Australian Health Ministers' Advisory Council through the Standing Committee on Aboriginal and Torres Strait Islander Health and the National Advisory Group on Aboriginal and Torres Strait Islander Health Information and Data work to improve data collection on substance abuse, including petrol, by Indigenous people as a matter of priority.

Response

The government accepts this recommendation, noting that improved data collection on Indigenous health including substance abuse is a long-term national priority.

The Standing Committee on Aboriginal and Torres Strait Islander Health no longer exists. Work around Indigenous health data, including substance abuse, is being progressed through the National Advisory Group on Aboriginal and Torres Strait Islander Health Information and Data. This committee provides broad strategic advice on the improvement of the quality and availability of data and information on Aboriginal and Torres Strait Islander health and service delivery.

The government has undertaken considerable work to improve the quality and consistency of data being collected on petrol sniffing and other substance abuse. A coordinated approach to updating the PSS Evaluation Framework, and further refinement of evaluation and data collection methodologies across the Eight Point Plan, including the roll-out of Opal Fuel, continues to be overseen and strengthened by the PSS SES Steering

Committee. The \$38.5 million funding provided in this year's Budget to strengthen the delivery of Opal fuel will also cover establishment of an ongoing annual surveillance system to monitor the incidence and prevalence of petrol sniffing and transference to other substances. This annual data collection will also assist to evaluate the effectiveness of the Opal fuel program and other interventions that affect petrol sniffing prevalence.

Recommendation 5

That State and Territory Registrars of Births, Deaths and Marriages require that, where abuse of petrol or other inhalant is a contributing factor to a death, the inclusion of inhalant abuse and the type of inhalant used be recorded on death certificates as recommended by the Northern Territory Coroner in 1998.

Response

The government accepts this recommendation in principle, noting that information recorded on death certificates is a matter for State and Territory governments to consider. The recording of inhalants as a contributing factor to death would provide important data which could be used to more fully assess the health impacts of petrol sniffing. The government will write to State and Territory governments, bringing this matter to their attention.

Recommendation 6

That the Commonwealth evaluate, as a matter of urgency, the effectiveness of Indigenous Coordination Centres' implementation of the whole-of-government policy with a view to improving coordination of government programs.

Response

The government accepts this recommendation.

The government is committed to improving the coordination of programs and services to Indigenous Australians and notes the new model of service delivery associated with the National Partnership Agreement on Remote Service Delivery and the role of the Regional Operations Centres and Boards of Management in coordinating activity across governments.

The National Partnership Agreement on Remote Service Delivery is one of six Indigenous National Partnership Agreements. It commits the Australian Government and the relevant States and Territories to investing \$291.2 million over six years in the 29 priority communities to build community capacity, test new service delivery models and harness the benefits of funds and initiatives provided through the other National Partnerships. In identifying where to concentrate initial investment, the Remote Service Delivery investment principles were considered, including the following criteria:

- significant concentration of population;
- anticipated demographic trends and pressures;
- the potential for economic development and employment;

- the extent of pre-existing shortfalls in government investment in infrastructure and services; and
- where possible, investment will also build on other significant investment already in progress.

To implement the new Remote Service Delivery arrangements in each jurisdiction, the Commonwealth and State/Northern Territory Governments have established Regional Operations Centres. Working in these centres are officials from the Commonwealth and the relevant State and Territory governments.

Each Regional Operations Centre provides support to locally-based government staff, who live in and work with the community. One of their main functions is to work across government with local Indigenous people and other stakeholders to develop the Local Implementation Plans and ensure they are implemented in a timely way.

The development of Local Implementation Plans with each of the 29 priority communities and the role of the Coordinator-General for Remote Indigenous Services will ensure oversight of the activity of governments and that governments are held to account for delivering on their commitments.

This commitment is also reflected in the service delivery principles for programs and services for Indigenous Australians, agreed to by COAG. All governments have agreed to increase collaboration between and within governments at all levels, their agencies and funded service providers to effectively coordinate programs and services.

Recommendation 7

The Committee notes that the Eight Point Plan is being developed for a designated area of Central Australia and considers that this is an important step in addressing petrol sniffing. The Committee considers that, as a matter of urgency, the plan must be implemented more widely and that effective community consultation must be part of the implementation process. The Committee recommends that:

- the Commonwealth and State and Territory Governments, as a matter of urgency, commit to the implementation of the Eight Point Plan in all areas across Australia that have a substantial petrol sniffing problem;
- a transparent strategy be developed for the plan's further implementation including timing, evaluation and adaptive management processes; and
- effective consultation be undertaken with Indigenous communities before the plan is implemented.

Response

The government accepts this recommendation, noting that the Petrol Sniffing Strategy Eight Point Plan (see Attachment A to Part A of this document) has been implemented in four priority zones including:

- the remote cross border region of Central Australia covering the Ngaanyatjarra Lands in Western Australia, the Anangu Pitjantjatjara Yankunytjatjara (APY)

Lands in South Australia and the communities of Docker River, Imanpa, Mutitjulu and Finke in the Northern Territory;

- an extended region of Central Australia in the Northern Territory covering the communities to the west and north of Alice Springs;
- Doomadgee and Mornington Island in the southern gulf area of Queensland; and
- the East Kimberley in Western Australia.

Responses to petrol sniffing outbreaks outside these priority zones are carried out through tailored solutions developed in consultation with community leaders, local police and service providers.

Implementation of the PSS Eight Point Plan is carried out through the PSS Senior Executive Service (SES) Steering Committee attended by each agency with an interest in the PSS, guided by a comprehensive workplan (including timelines) which is currently being updated.

A comprehensive PSS Evaluation Framework, including extensive consultation with Indigenous stakeholders, forms one of the elements of the PSS Eight Point Plan, and is overseen by the Office of Indigenous Policy Coordination (OIPC) in FaHCSIA. OIPC is also represented on the PSS SES Steering Committee. Under this Framework, a review of the first 12 months of the Plan's operation was completed in July 2008. Component evaluations of the Eight Point Plan were carried out in 2009-10, and a coordinated approach to updating the PSS Evaluation Framework, and further refinement of evaluation and data collection methodologies across the Eight Point Plan, including the roll-out of Opal Fuel, continues to be one of the key focuses of the PSS SES Steering Committee.

The government recognises that successful implementation of the strategy requires ongoing collaboration and coordination with all levels of government, service providers and communities. Local implementation plans have been agreed across all of the Petrol Sniffing Strategy zones, which have been developed in close consultation with a range of stakeholders including State and Territory governments, local service providers and Indigenous communities.

In line with Recommendation 4 of the Senate Committee's 2009 report *Grasping the opportunity of Opal: Assessing the impact of the Petrol Sniffing Strategy* an independent review of the Central Australian Petrol Sniffing Strategy Unit was commissioned in mid-2009. The *CAPSSU Review Report*, which was finalised at the end of 2009, and an internal response to that Report, developed between partner agencies (including CAPSSU) and overseen by the PSS SES Steering Committee, is now in the implementation phase. This Report has been published on the following site: <http://www.fahcsia.gov.au/sa/indigenous/pubs/evaluation/Pages/default.aspx>

Recommendation 8

That the Commonwealth and State and Territory Governments address the sporadic nature of funding and disruption of successful programs by:

- committing to longer term funding models;

- actively assisting communities to access government programs and meet the governance requirements; and
- providing long term support to successful programs in Indigenous communities.

Response

The government accepts this recommendation in principle, noting that long-term funding is already being provided up to 2014 under the Petrol Sniffing Strategy and through complementary programs.

The Northern Territory Integrated Youth Services Project, for example, was funded over three years (April 2007 – March 2010) through a single funding agreement with FaHCSIA, the Attorney-General’s Department and DEEWR. It was the primary youth diversion and community development project under phase one of the Petrol Sniffing Strategy. The provision of three year funding allowed these departments to work with the provider, Mission Australia, to put in place a coordinated and complementary response to the problems of petrol sniffing in Finke, Imanpa, Docker River and Mutitjulu. The services provided under this contract were transitioned to the NPY Women’s Council in April 2010, with funding provided until 2012 under the *Youth in Communities* (YIC) measure.

The YIC measure is an investment of \$28.4 million over the next three years (2009-10 to 2011-12) to develop a comprehensive youth strategy in the Northern Territory. This builds on the \$18 million that has already been provided under the Northern Territory Emergency Response *Youth Alcohol Diversion* measure. As a complementary program to the Petrol Sniffing Strategy, YIC funding will provide longer term planning certainty in seeding the development of a sustainable network of youth services in the Northern Territory. It will also enable the government to work in closer partnership with the Northern Territory Government in establishing the broad directions, service principles and type of projects to be funded under this strategy.

The government is also implementing flexible funding arrangements to make it easier for communities to respond to emerging priorities, flowing from local planning processes. The Indigenous Capability and Development Program administered by FaHCSIA, for example, provides a mechanism for developing flexible solutions and opportunities through better coordination and targeting of funding to locally identified priorities. A number of service streams under this program, such as the Indigenous Communities Strategic Investment (ICSI) Fund, also fund projects that extend beyond a single year. Indigenous Coordination Centre Managers can also approve the release of funding from ICSI locally.

Recommendation 9

The Committee, in concluding that the importance of consistent policing strategies in the effective regulation of volatile substance abuse in Indigenous communities cannot be understated, recommends that each State and Territory Government ensure that legislation is in place that empowers police and justice officials to intervene and prevent petrol sniffing.

Response

The government notes this recommendation.

The government recognises that inconsistent legislation and policing practices across jurisdictions can be an impediment to the effective regulation of volatile substance abuse in Indigenous communities, particularly in the Central Australian tri-state area. Some community stakeholders have reported a concern that legislative variations between jurisdictions may give rise to inconsistent treatment of the same behaviour and to different treatment protocols depending on where the behaviour takes place.

While policing and criminal justice issues are primarily the responsibility of State and Territory governments, the Commonwealth continues to play an important research and coordination role in identifying and assisting to address any difficulties caused by inconsistent legislation and policing practices, as evident in the response to Recommendation 10 below.

Cross-border justice agreement

As an example of a successful cross-jurisdictional initiative to counter the effects of inconsistent legislation and policing practices, the Cross-border Justice Scheme (a cooperative arrangement between the Australian, Northern Territory, South Australian and Western Australian governments) allows officials to deal with offenders from any one of the participating jurisdictions where the offender has a connection to the cross-border region. This will streamline the delivery of justice services and improve public safety in the cross-border region.

State and Territory legislation relating to this agreement has been passed by all three jurisdictions. The government amended the *Service and Execution of Process Act 1992* (Cth) in 2009 to support the effective operation of the cross-border justice scheme.

Substance Abuse Intelligence Desks

In support of better-aligned policing practices across jurisdictions, the government has also provided funding for three Substance Abuse Intelligence Desks (SAID) in Marla, Alice Springs and Katherine targeting drug trafficking, including the trafficking of petrol and kava. These Intelligence Desks are staffed by Northern Territory Police (and, in the case of Marla, South Australian Police) and work collaboratively with Western Australian police to gather intelligence, to educate communities, roadhouse operators and local police and to conduct joint enforcement activities.

For example, the Australian Government is supporting the Western Australian Police's efforts to disrupt trafficking and use of illicit substances throughout Western Australia's goldfields district, including Esperance, Kimberley and Pilbara, providing \$300,000 over two years to enable Western Australian officers to further target abuse of drugs, alcohol, petrol, kava and other licit and illicit substances in remote communities.

As part of the strategy, the Crime Intelligence and Coordination Units in each Western Australian Police District will specifically target substance abuse in remote communities, working with the existing Substance Abuse Intelligence Desk and Dog Operations Units located in the Northern Territory and South Australia. Information sharing that

currently exists across Western Australia, the Northern Territory and South Australia will culminate in a series of targeted multi-jurisdictional operations and patrols.

Cross-jurisdictional initiatives allow officials to deal with offenders from any one of the participating jurisdictions where the offender has a connection to the cross-border region. This will streamline the delivery of justice services and improve public safety.

Recommendation 10

That the Attorney-General's Department, with the cooperation of the State and Territory Governments, conduct an audit of current legislation used to police and combat petrol sniffing with a view to ensuring a consistent and cooperative approach in legislation across all jurisdictions by 2008.

Response

The government accepts this recommendation. The government commissioned an independent report (the *Shaw Report*) which involved community consultation and was finalised in March 2010. The *Shaw Report* found that the range of legislative approaches adopted in various jurisdictions, while different, were not necessarily inconsistent; and that this did not impact significantly on service delivery or policing. The need for consistent legislation was not identified as a key priority by stakeholders, who were more urgently concerned with the need for better coordinated service delivery. The *Shaw Report* has been published at <http://www.fahcsia.gov.au/sa/indigenous/pubs/evaluation/Pages/default.aspx>

Recommendation 11

The Committee recognises that the violent acts of petrol sniffers are at times being directed towards vulnerable community members and considers that community safety and personal protection are the right of all people. The Committee therefore recommends that Commonwealth, State and Territory Governments commit to:

- continuing to implement strategies as a matter of priority to achieve a permanent police presence in all Indigenous communities;
- recruiting Aboriginal Liaison and Community Officers;
- establishing and supporting community night patrols; and
- considering multi-functional police centres as a best practice strategy.

Response

The government notes this recommendation.

The government agrees that all Australians have a right to community safety and personal protection. Community safety is a State and Territory responsibility, and the Australian government has provided significant support to State and Territory initiatives aimed at achieving this objective.

On 14 July 2006, COAG announced a \$130 million package of initiatives including \$47 million over four years for a policing review, audit of the number of police officers in remote Australia, and improved policing infrastructure including:

- Northern Territory - a permanent police station and multifunction facilities including officer accommodation at Galiwinku
- Queensland - construction of police housing at Hope Vale, Aurukun, Woorabinda, Lockhart, Pormpuraaw, Doomadgee and Mornington Island
- South Australia - construction of permanent police station and multifunction facilities at Amata and Pukatja on the APY Lands; and
- Western Australia - construction of multifunction police facilities, staff housing and visiting officers' quarters at Burringurrah, Looma and Blackstone, and additional visiting officers' quarters at Bidyadanga.

The independent review into policing levels in remote Indigenous communities in Queensland, Western Australia, South Australia and the Northern Territory was used to assist in identifying priority locations for the construction of police infrastructure under this COAG initiative.

In response to the South Australia Commission of Inquiry report, *Children on the APY Lands* (Mullighan Inquiry) report, the Australian Government provided an additional \$15 million to provide police facilities to Mimili on the APY Lands and additional accommodation for police officers and child protection workers in the three communities with new police stations.

Through the Northern Territory Emergency Response, the government has also provided significant funding to increase the police presence in Indigenous communities in the Northern Territory. In 2007-08 and 2008-09, a total of \$36 million was provided for the establishment of 18 temporary Task Force Themis police stations, the deployment of additional police, and the construction of infrastructure including visiting officers' accommodation, upgrades to police stations and the Northern Territory Police College.

In 2009-10 under the Closing the Gap in the Northern Territory National Partnership Agreement (NPA), the government will provide \$156.6 million over three years to continue the remote policing and substance abuse initiatives implemented under the Northern Territory Emergency Response. Funding will be used to maintain the increased police presence, replace five temporary police facilities with permanent stations and continue substance abuse activities including the SAIDs and Dog Operation Units, alcohol management plans, licensing inspectors and signage.

In the 2009-10 Budget the government announced further funding of \$34.6 million over three years as part of the Closing the Gap in the Northern Territory measure, to promote ongoing engagement with Indigenous communities, with a particular focus on Northern Territory Emergency Response prescribed communities.

In November 2009, all Australian Governments endorsed the National Indigenous Law and Justice Framework (the Framework). One of the issues that mark the interaction between Indigenous Australians and the justice systems is the strong link between substance abuse, including petrol sniffing, and offending. In recognition of this, Goal 4 of

the Framework outlines strategies and actions to increase safety and reduce offending by addressing alcohol and substance abuse.

Night patrols have been established in 72 of the 73 prescribed communities identified by the Northern Territory Emergency Response. Consultations are continuing with the remaining community. Night patrols are funded under the Closing the Gap in the Northern Territory budget measure, which provides \$80.2 million over three years from 2009-10 for law and order initiatives. Other activities under this measure include interpreter services, legal assistance providers and the Welfare Rights Outreach Project.

State and Territory initiatives aimed at improving community engagement include the establishment of Aboriginal Community Police Officer positions within the Northern Territory Police, Community Constables and Police Aboriginal Liaison Officer positions within the South Australian Police, and Police Liaison Officer positions in Queensland.

Recommendation 12

Community safe houses provide an appropriate place to temporarily house users of volatile substances and other drugs who threaten the safety of other community members. The Committee recommends that the Commonwealth conduct an audit of existing safe houses, identify Indigenous communities in need of safe houses and, as a priority, provide additional funding to establish safe houses in these communities.

Response

The government notes this recommendation.

Community safe houses are a State and Territory responsibility. The Northern Territory, Queensland, Victoria and Western Australia have legislation in place which enables a police officer or, in some cases, another authorised person, to temporarily place an intoxicated person in protective custody if they pose a danger to themselves or others. Persons apprehended are not under arrest and no criminal charges are laid. The purpose of apprehension and detention is to protect that person or to protect other people from the risk of harm, while the person is intoxicated. An important safeguard is that in no jurisdiction can a child be detained in a police lock-up or cell, except in exceptional circumstances.

Since 2007, the government, in partnership with the Northern Territory Government, has provided funding to establish safe houses under the Northern Territory Emergency Response Family Support Package. This Package has supported the establishment or expansion of 22 Safe Places in 15 remote communities as well as Alice Springs and Darwin; the formation of a Mobile Child Protection Team; and the recruitment of Remote Aboriginal Family and Community Workers.

Of the 22 safe places, 13 are safe houses for women and children, and nine are cooling off shelters for men.

Safe houses provide an essential refuge for women and children away from family violence, while men's cooling off shelters provide a safe place for men offering family violence education and programs on dealing with alcohol. Safe places also act as a link to

other services including counselling, legal and support services such as well-being programs and cultural healing programs.

Sobering up shelters are also available in communities, as a safe place for people to sleep off the effects of acute intoxication. Whilst the government does not provide dedicated program funding for sobering-up shelters, it is providing capital works funding to support improvements to sobering-up shelters in Tennant Creek and Katherine in the Northern Territory under the COAG drug and alcohol measures.

The government, through DOHA, also funds a range of Indigenous-specific substance use services nationally, delivered through residential and non-residential rehabilitation services and primary health care services.

Recommendation 13

Women and children who are at risk of harm from intoxicated adults and sniffers need safe places to protect them from violence, hurt and abuse. The Committee recommends that the Commonwealth provide additional funding to establish safe houses, in addition to the safe houses in the previous recommendation, for women and children at risk in Indigenous communities.

Response

The government accepts this recommendation, noting that safe houses are a State and Territory responsibility. Protecting children and families and helping to build stronger and safer communities are key COAG priorities fundamental to Closing the Gap between Indigenous and non-Indigenous Australians.

The government has a national leadership role to stop the abuse and neglect of women and their children, and is working in collaboration with State and Territory governments, community service providers and Indigenous people to tackle this problem. In May 2008 an 11-member National Council was appointed to advise on strategies for reducing violence against women and their children. The National Council has conducted a number of consultations with members of Indigenous communities across Australia and held an Indigenous Forum at Parliament House. After consulting with more than 2,000 Australians the Council presented to the Australian Government a comprehensive report, *Time for Action to Reduce Violence against Women and their Children*.

The government has committed to immediately progressing 18 out of the 20 priority recommendations from the National Council's report and to giving effect to the National Framework for Protecting Australia's Children, as endorsed by the Council of Australian Governments.

The government remains committed to building stronger and safer communities for all Australians and this means working to address issues and provide opportunities at the local community level.

Recommendation 14

The Committee strongly supports the development of community-based programs and recommends that State, Territory and Commonwealth Governments provide long-term funding for community-based programs and when providing funding ensure that:

- strong agency support is provided;
- programs are established which build the capacity of community members such as training in youth work and training that builds skills of program management and governance;
- appropriate levels of funding are made available to ensure the operation of youth programs during times of need, for example into the evenings and during school breaks when petrol sniffing is more prevalent; and
- adequate resources are provided for trained, skilled and committed staff to be retained in communities on a permanent basis rather than a fly-in-fly-out roster system.

Response

The government accepts this recommendation. State and Territory governments have primary responsibility for funding of community based programs for youth at risk. The Commonwealth's role is complementary to State and Territory funding. The government acknowledges both the merits of community based programs, particularly those aimed at transferring skills and knowledge and building local capacity to deliver key community services, and the limitations imposed by budget cycles and changing political priorities.

This recommendation is consistent with the remote service delivery principles agreed by COAG, and the longer-term implementation issues associated with translating these principles into standard program practice are under consideration by program and policy areas across government.

Notable examples of relevant recent initiatives that have been funded by the government under the Petrol Sniffing Strategy include:

- Provision of \$12 million towards the establishment of the Northern Territory Integrated Youth Services Project (IYSP), as the primary community development and youth diversion project under the Petrol Sniffing Strategy. Mission Australia was funded for three years to March 2010 under this Project to deliver holistic youth services to the four central Australian priority communities of Finke (Aputula), Imanpa, Docker River (Kaltukatjara) and Mutitjulu, comprising:
 - the employment of two full-time youth workers (one male and one female) and relief staff in each community, to deliver a comprehensive youth service available 24 hours a day, seven days a week;
 - the employment, training and supervision of local Aboriginal people, to fill up to two full-time equivalent youth worker positions on each community; and
 - the establishment of appropriate governance arrangements in these communities.

Projects funded under the IYSP have been transitioned to the Ngaanyatjarra Pitjantjatjara Yankunytjatjara (NPY) Women's Council through funding made available under the *Youth in Communities* measure.

- Infrastructure funding of \$4 million was also provided through the IYSP to build much needed youth worker accommodation in the communities, as well construct a new recreation hall at Finke and refurbish two existing halls in Imanpa and Docker River.
- Under the Northern Territory Emergency Response *Youth Alcohol Diversion* measure, the government funded a pilot initiative involving several West MacDonnell communities in the Northern Territory Expanded Petrol Sniffing Strategy Zone, to provide part-time employment, training and supervision to local Anangu people as youth workers. This project is being managed by the MacDonnell Shire Council.
- The APY Youth Engagement Program was funded to engage 70 young Indigenous people aged 12 to 20 years who are disengaged from education and at risk of substance abuse. The program provides Indigenous youth with accredited training, work experience and support through case management and mentoring.

The government recognises the importance of providing youth services at critical times, particularly outside school hours and during school holiday periods. Various projects were funded under the Northern Territory Emergency Response *Youth Alcohol Diversion* measure to encourage and support youth engagement and participation in school. Funding has also been provided for a number of school holiday programs, which aim to keep children in their communities during the holiday breaks, so that they are available and ready to return to school at the commencement of the new term.

Recommendation 15

The Committee recognises that there are some elements that are critical to the success of community programs and recommends that:

- government funded programs must provide for these critical elements including community ownership, the involvement of families and youth in their development and combined with the provision of essential support and expertise;
- the Commonwealth identify, evaluate and provide ongoing support to allow the continuation and further development of those community-based programs that have proven particularly successful; and
- the Commonwealth develop and implement a communication strategy that facilitates information sharing and the development of such programs in other communities.

Response

The government accepts this recommendation, recognising that successful implementation of the PSS requires ongoing collaboration with key stakeholders, including Indigenous communities.

Community engagement is a key element of this Strategy. Under the PSS Northern Territory Integrated Youth Services Project (NT IYSP), for example, Mission Australia was required to establish appropriate governance arrangements and links to communities, families and young people to ensure effective and responsive service delivery. It should be noted that the success of this approach depends on a range of factors including community leadership and capacity.

As discussed in the response to Recommendation 7 above, evaluation is one of the components of the PSS Eight Point Plan. A comprehensive PSS Evaluation Strategy was developed in 2009 to support a whole of government approach to evaluating the PSS, as well as separate evaluations of each of the components of the Eight Point Plan. Component evaluations (2009-10) assess the achievements and lessons learnt from key projects implemented under the PSS, including the extent to which community members were involved in their design and delivery. In January 2010, the PSS SES Steering Committee agreed to commission a complementary PSS Monitoring and Evaluation Plan to refine data collection and monitoring capability and to streamline the existing PSS Evaluation Framework, in alignment with data collection requirements arising as a result of the strengthened roll-out of Opal fuel. The outcomes of these evaluations will inform future program development under the PSS as well as other relevant programs, for instance those funded under the *Youth in Communities* measure.

Similarly, communication forms one of the elements of the PSS Eight Point Plan. FaHCSIA recently received an independent report identifying and mapping communication strategies and messages used by relevant youth and substance abuse programs in the PSS Zones. This completes the first stage in the development of a range of communication strategies and resources, together with key messages and target audiences, to achieve a more consistent, integrated and community-focused approach.

Communication issues were the subject of recommendations made as part of the *CAPSSU Review Report*. These are further discussed in the government's response to the 2009 Senate Committee Report (see response to Recommendations 2 and 4).

Recommendation 16

The Committee acknowledges the success of Yuendumu programs including the Mt Theo outstation and while recognising that this model will not fit for all communities, recommends that the Commonwealth provide long term funding and support to assist other interested communities to develop similar programs.

Response

The government accepts this recommendation in principle. The government acknowledges the success of the Mt Theo program and has a long history of providing recurrent funding to Mt Theo through DOHA's Substance Use Program. FaHCSIA also invested \$2 million in funding for the Mt Theo program through the Northern Territory Emergency Response *Youth Alcohol Diversion* measure.

Under the PSS Evaluation Framework, component evaluations have assessed the full range of projects being implemented under this Strategy. The lessons learned from these evaluations will inform the design and development of future projects carried out under or aligned with the PSS.

Recommendation 17

The Committee notes that as part of the Eight Point Regional Strategy for Central Australia, the Commonwealth is undertaking an assessment of the most feasible options for rehabilitation facilities for petrol sniffers. The Committee considers the provision of rehabilitation facilities for petrol sniffers a priority and recommends that Commonwealth, State and Territory Governments urgently provide adequate levels of additional funding for new and existing rehabilitation facilities.

Response

The Australian Government accepts this recommendation noting that a number of initiatives have provided funding to Indigenous substance use treatment and rehabilitation since this recommendation was made in June 2006.

DOHA provided additional funding of \$3.89 million over three years from the 2007 COAG substance use measure to new and existing services that provide petrol sniffing programs. The funding enhanced service delivery through increased bed occupancy and/or increased scope and reach of services for young people in Central Australia and the Top End of the Northern Territory.

The additional funding provided under the 2007 COAG substance use measure was a whole of government initiative requiring joint consideration from the Commonwealth and Northern Territory Governments.

The Office for Aboriginal and Torres Strait Islander Health (OATSIH) Northern Territory Office in collaboration with the Northern Territory Government will continue to monitor the demand for services and need for additional funding in Central and the Top End of the Northern Territory.

The Australian Government through DOHA currently provides ongoing funding to services through the Substance Use program, COAG funding and the Northern Territory Emergency Response measures to organisations for residential and non-residential rehabilitation services in the Central Australia Zone (that includes the Northern Territory, South Australian and Western Australian areas of Central Australia):

- Warlpiri Youth Development (Mt Theo);
- Drug and Alcohol Services Association Alice Springs Incorporated (Northern Territory);
- Ilpurla Aboriginal Corporation (Northern Territory);
- Bush Mob NT (funded by OATSIH through Northern Territory Government over two years);
- Central Australian Youth Link-up Service (CAYLUS);
- Sunrise Health Service Aboriginal Association; and
- Miwatj Health.

Recommendation 18

That the Commonwealth, State and Territory Governments establish priorities for extending the roll out of Opal fuel to the current production capacity of 20 million litres. The strategy should include:

- the identification of critical roadhouses and townships in close proximity to Opal communities;
- promotion of the Petrol Sniffing Prevention Program to roadhouse and townships; and
- identifying and combating barriers that prevent a complete roll out of Opal throughout the Central Australian region.

Response

The Australian Government accepts this recommendation noting that the rollout of Opal fuel has extended beyond a production capacity of 20 million litres per annum, having secured increased production capacity for up to 40 million litres per annum in 2006.

As at 30 April 2010, there were 129 sites receiving or registered to receive Opal fuel across regional and remote Australia. This includes 80 communities, 37 service stations/roadhouses, seven supporting organisations and five pastoral properties.

This recommendation is closely linked to Recommendation 8 of the recent Senate Community Affairs References Committee Report *Grasping the Opportunity of Opal: Assessing the Impact of the Petrol Sniffing Strategy*.

Please refer to the Australian Government's response to that recommendation, which identifies current priority regions and sites being targeted for the Opal fuel rollout.

Recommendation 19

That the Commonwealth and Queensland Governments agree on a complementary subsidy approach that ensures Opal can retail in Queensland for the same price as regular unleaded.

Response

The Australian Government accepts this recommendation, noting that it has already been implemented.

The Queensland Government's Revenue Legislation Amendment Bill (No. 2) 2006 received royal assent on 10 November 2006 and took effect on 1 December 2006. This means that unleaded Opal fuel is now a standard retail fuel product attracting the fuel subsidy in its own right, therefore effectively ending the Queensland Opal Trial.

Recommendation 20

That Commonwealth and State and Territory Governments develop systems to secure premium and other sniffable fuels at key roadhouses and townships which can then be applied in larger centres such as Alice Springs.

Response

The Australian Government accepts this recommendation, noting that it has already been implemented.

Recommendation 21

That the Commonwealth:

- undertake a study with BP Australia to determine the potential to increase the current 20 million litres production capacity at Kwinana; and
- approach other refineries to use their existing production capacity to produce Opal.

Response

The Australian Government accepts this recommendation, noting that it has already been implemented.

In May 2006, BP Australia advised that it has increased its capacity to enable production of up to 40 million litres of Opal fuel per annum from their refinery.

The Australian Government continues to work with key stakeholders to ensure the availability of low aromatic fuel, however no other fuel refiners have committed to producing Opal fuel or an equivalent.

Recommendation 22

That the Commonwealth Government discuss with BP Australia what role they may have to assist the distribution of information on Opal and the distribution of Opal identification stickers.

Response

The Australian Government accepts this recommendation, noting that it has already been implemented.

As a part of its *Opal Fuel Communication Strategy*, DOHA is working closely with BP Australia to develop consistent and credible messages and branding about Opal fuel for a range of target audiences, including tourists.

Recommendation 23

That the Commonwealth and State and Territory Governments examine the procedure at Maningrida whereby contracts are used to prevent contractors bringing regular unleaded petrol into their communities and facilitate the adaptation and spread of this technique to other communities.

Response

The government will give further consideration to this recommendation, noting that the Senate Community Affairs References Committee reaffirmed it in Recommendation 7 of its 2009 report *Grasping the opportunity of Opal: Assessing the impact of the Petrol Sniffing Strategy*. The government understands that a number of State and Territory governments have included or are planning to include similar clauses in their contracts.

A number of significant legal and operational issues would need to be addressed before this recommendation could be implemented. These include:

- ensuring the clause is consistent and applicable across all Australian Government contracts and funding agreements that may be operating within a designated area;
- whether the clause should be made mandatory, and the implications of this for monitoring compliance and enforcement;
- how best to define “areas where petrol sniffing is a problem” in a way that is legally meaningful for the purposes of a contract, particularly in circumstances where a contract may apply across a broad area or where the nature of petrol sniffing is sporadic and opportunistic; and
- the extent of the obligations that should be imposed on service providers to prevent regular unleaded petrol entering a community.

Attachment A

Eight Point Plan

Petrol Sniffing Strategy

The Petrol Sniffing Strategy takes an integrated regional approach to addressing the problem of petrol sniffing in Indigenous communities and is implemented through an Eight Point Plan.

The Petrol Sniffing Strategy Eight Point Plan was announced in September 2005. Initially funded for three years this Plan consists of the following components.

1. A consistent legal framework
2. Appropriate levels of policing
3. Further roll out of Opal Fuel
4. Alternative activities for young people
5. Treatment and respite facilities
6. Communication and education strategies
7. Strengthening and supporting communities
8. Evaluation.



Australian Government

**COMBINED AUSTRALIAN GOVERNMENT RESPONSE
TO TWO SENATE COMMITTEE REPORTS
ON PETROL SNIFFING IN INDIGENOUS COMMUNITIES**

PART B: Australian Government response to

*Grasping the opportunity of Opal: Assessing the impact of the
Petrol Sniffing Strategy*

Report of the Community Affairs References Committee (2009)

June 2010

Recommendation 1

Given that DoHA provides assistance with the supply of Opal fuel to any community that requests it, and that there was no evidence given to the Committee to indicate that communities were aware of this, the Committee recommends that the department actively promote this option in a way that is accessible and well understood by Indigenous people and their communities.

Response

The Australian Government accepts this recommendation. Given that the rollout of Opal fuel is now undertaken in a more targeted and regional approach, the Australian Government will re-examine how it promotes the availability of Opal fuel.

When Opal fuel first became available in 2005 there was rapid uptake of the product. During the 2005-06 and 2006-07 financial years **66** new sites commenced receiving Opal fuel.

The majority of these sites had significant issues with petrol sniffing or were located in close proximity to a community experiencing petrol sniffing. The introduction of Opal fuel offered an immediate solution to reduce the impact of petrol sniffing on their communities. Most of these sites were aware of the assistance provided to supply Opal fuel because they approached the government to receive the product.

Following the initial growth of the Opal fuel initiative and after securing increased production capacity for up to 40 million litres per annum in 2006, the rollout to new sites is managed in a more targeted way with a focus on supplying Opal fuel across a region.

Communities and sites are identified to supply Opal fuel with the assistance of Indigenous Coordination Centres, DoHA state offices, Government Business Managers, State and Territory governments and non-government organisations. The introduction of Opal fuel is only undertaken after a consultation process with local stakeholders where communication needs are identified and fuel distribution is organised.

To ensure the availability of Opal fuel and its impact are more effectively communicated to Indigenous communities, DoHA will examine options to improve internal communications with Indigenous Coordination Centres and Government Business Managers who provide vital intelligence and linkages at the local level.

Recommendation 2

That any future rollout of Opal fuel be accompanied by an appropriate communication strategy that is implemented well in advance of the rollout. As such, the Committee urges the government as a matter of priority to finalise the revised communication strategy before the next phase of the rollout of Opal fuel. The Committee does not consider that this should cause any delay to the further rollout of Opal fuel.

Response

The Australian Government accepts this recommendation, noting that a communication strategy to support the ongoing rollout of Opal fuel has been finalised in the context of ongoing PSS Communications activity being developed and carried out as part of the PSS Eight Point Plan.

The additional \$38.5 million over four years provided for Opal fuel by the Australian Government in the 2010 Budget includes funding for the implementation of the communication strategy.

A key component of the rollout of Opal fuel to new sites is a communication strategy that addresses the need to educate residents, key stakeholders and tourists about the effectiveness and reliability of Opal fuel, and that overcomes any negative perceptions about the product.

As communication requirements vary from site to site due to locality and demographic, a broad overarching communication strategy has been developed. The *Opal Fuel Communication Strategy* provides a framework for research, supporting communication activities and materials, community and stakeholder engagement, a media strategy, advertising and web based communications. This framework will be adapted and applied to individual sites and regions as Opal fuel is introduced or if the need for renewed communication messages is identified in areas that already supply Opal fuel.

As a part of the *Opal Fuel Communication Strategy*, DoHA is working closely with BP Australia to develop consistent and credible messages and branding about Opal fuel for a range of target audiences, including tourists.

Recommendation 3

That Western Australia, South Australia and Queensland provide similar mechanisms to those in place in the Northern Territory which empower individual communities to ban the importation, supply and sale of regular petrol and other volatile substances in a designated local council or shire area.

Response

The Australian Government notes this recommendation.

The government recognises the importance of local solutions to substance misuse problems. Measures empowering communities to regulate volatile substances in a designated local council or shire area fall within State and Territory responsibility and are currently in place in Western Australia, Queensland and South Australia. Specific regimes are as follow:

Western Australia: Section 206 of the *Criminal Code 1913* (WA), which creates an offence of supplying an “intoxicant” (including volatile substances) to a person likely to abuse it. It applies both to the sale or supply of such substances. In addition, under the *Aboriginal Communities Act 1979* (WA), the council of an Aboriginal community is permitted to make by-laws dealing with a number of matters, including “the prohibition, restriction or regulation of the possession, use or supply of alcoholic liquor or deleterious substances”. The term “deleterious substances” is not defined.

Queensland: Section 23 of the *Summary Offences Act 2005* (QLD), which makes it an offence to sell a “potentially harmful thing” to another person if the seller:

- “knows or believes, on reasonable grounds, that the other person—
- (a) intends to inhale or ingest the thing; or
 - (b) intends to sell the thing to another person for inhalation or ingestion whether by that person or someone else.”

In addition, Aboriginal councils may make by-laws and subordinate by-laws about any matter, so long as they follow the procedure set down in Part 7 of the *Community Services (Aborigines) Act 1984* (QLD) for the making of by-laws.

South Australia: The *Controlled Substances Act 1984* (SA), which contains three separate offence provisions, covering the sale or supply of volatile solvents, the purchase of volatile solvents at the request of another person, and the sale or supply of petrol to a person under 16. In addition, under section 42D of the *Anangu Pitjantjatjara Yankunytjatjara Land Rights Act 1981* (SA), there is a specific offence of sale or supply of a “regulated substance” on the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands, knowing or with reason to suspect that the person to whom it is sold or supplied will inhale or consume it. This includes participation in or possession for the purpose of sale or supply. “Regulated substance” is currently defined to mean petrol. This offence carries a maximum penalty of \$50,000 or imprisonment for 10 years.

The government will continue to monitor progress on these matters.

Recommendation 4

While the Committee recognises the importance of a local ‘on the ground’, coordinated presence for the effective implementation of the Eight Point Plan, it is concerned about CAPSSU’s ability to effectively implement the Petrol Sniffing Strategy. The Committee recommends that the Commonwealth government immediately commission an independent review of the role and function of CAPSSU, specifically:

- its capacity to implement the strategy effectively;
- whether its current location in the Alice Springs ICC as part of FaHCSIA delivers the requisite level of accountability and governance standards;
- processes in place for the effective ongoing monitoring, evaluation and reporting of the Unit’s role;
- its ability to effectively engage and consult with Indigenous people and communities; and
- the effectiveness of the tri-state whole of government approach including the staffing and collaboration between departments.

Response

The government accepts this recommendation and notes that it commissioned an independent review of CAPSSU in 2009. That review report was received at the end of 2009. The review found that CAPSSU has made a significant contribution to the

implementation of the PSS, particularly in the area of diversionary activities for young people.

The review also identified several opportunities for enabling CAPSSU to draw on the full range of resources available in the community, in achieving a better-integrated implementation of the PSS. These include:

- addressing the barriers to cooperation and collaboration, to reaffirm CAPSSU's role as the body with oversight of the Petrol Sniffing Strategy in the Northern Territory and across State and Territory borders;
- better aligning CAPSSU's work with parallel activities within the broader volatile substances area; and
- strengthening the governance arrangements and program frameworks within CAPSSU, to provide greater transparency, program logic and accountability to the work of the unit.

The government welcomes the key findings and recommendations of the report and significant whole-of-government work in response to the report is underway under the supervision of the PSS SES Steering Committee and in consultation with CAPSSU. This will inform the next phase of the Petrol Sniffing Strategy, and build on the strategy's significant outcomes to date in reducing sniffing rates in remote Indigenous communities.

Recommendation 5

Given the continuing resistance to Opal fuel by some retailers across all jurisdictions in central Australia, the Committee recommends that the Commonwealth government complete, as a matter of priority, the necessary work to determine whether legislation is both possible and practicable. If these retailers do not voluntarily agree to supply Opal within six months, and if it is established that there are no legal impediments to the implementation of Commonwealth legislation, the Commonwealth government should immediately commence the drafting of legislation to mandate the supply of Opal fuel within the petrol sniffing strategy zone.

Response

The Australian Government accepts this recommendation in part.

In June 2009, DoHA engaged the South Australian Centre for Economic Studies to undertake a cost-benefit analysis of the legislative options to mandate the supply of Opal fuel and control the sale of PULP in designated regions of Australia.

The study examined the voluntary roll out of Opal fuel in three different analysis areas, and considered the long and short term outcomes and costs of the program, balanced against benefits to individuals, communities and governments. The legislative options for mandating supply of Opal fuel were also examined.

A broad range of stakeholders were consulted including: Indigenous communities; fuel retailers and distributors; health organisations, non-government organisations and government officials (including community-based government officials and police).

The final report of the study was received in January 2010 and is now available on DoHA's website at

<http://www.health.gov.au/internet/main/publishing.nsf/Content/health-oatsih-pspp-reports>

The cost-benefit analysis concluded that the community benefits exceeded the costs, both in the short and the long term. However, the study also noted that the conclusions were based on limited data on the prevalence of petrol sniffing and that fuel storage and distribution issues needed to be addressed to enable a full roll out of Opal fuel in northern Australia.

The Australian Government has provided \$38.5 million, over four years, in the 2010 Budget to enhance the current voluntary roll out of Opal fuel. This funding will be used to:

- establish new storage facilities for Opal fuel in Darwin and northern Queensland. These new facilities will enable Opal fuel to be delivered to 39 new sites in the East Kimberley of Western Australia, the Top End of the Northern Territory and the Gulf of Carpentaria region in Queensland. In addition, the storage facilities will also ensure a more reliable supply of Opal fuel to Indigenous communities already receiving Opal fuel;
- implement a communication strategy both with the roll out of Opal fuel and to sites already receiving Opal fuel; and
- implement a surveillance system to collect data on the impact of Opal fuel and the broader Petrol Sniffing Strategy. This monitoring system will collect information on the prevalence of petrol sniffing, switching to other substances and individual and community behavioural changes.

The information collected through the surveillance system will be used by the government to inform future decisions regarding the value of an additional legislative approach once the full voluntary roll out of Opal fuel has occurred in 2012-13.

There are currently only a small number of retailers refusing to supply Opal fuel. The new funding will address the reasons some of these retailers have given for not supplying Opal fuel. This includes initiatives to ensure:

- increased communication about Opal fuel to address myths about the fuel's reliability;
- communication about Opal fuel targeted at tourists to address concerns that the fuel is bad for tourism; and
- the roll out of Opal fuel occurs on a regional basis in northern Australia to address concerns that individual retailers will be disadvantaged if they supply Opal fuel.

Recommendation 6

In the event that the introduction of Commonwealth legislation is not possible, the Committee recommends that State and Territory governments introduce legislation to mandate the supply of Opal within the petrol sniffing strategy zone.

Response

The Australian Government notes this recommendation.

Please see comments in response to recommendation 5 above.

Recommendation 7

Given that the Committee in its 2006 report recommended that all governments replicate the procedure used in Maningrida to prevent contractors bringing regular unleaded petrol into communities by making it a term of contract, the Committee reaffirms this recommendation and recommends that contracts for service in areas where petrol sniffing is a problem contain terms which prevent regular unleaded fuel entering the community and require that all other volatile substances and inhalants be locked away when not in use.

Response

The government will give further consideration to this recommendation and understands that a number of State and Territory governments have included or are planning to include similar clauses in their contracts.

A number of significant legal and operational issues would need to be addressed before this recommendation could be implemented. These include:

- ensuring the clause is consistent and applicable across all Australian Government contracts and funding agreements that may be operating within a designated area;
- whether the clause should be made mandatory, and the implications of this for monitoring compliance and enforcement;
- how best to define “areas where petrol sniffing is a problem” in a way that is legally meaningful for the purposes of a contract, particularly in circumstances where a contract may apply across a broad area or where the nature of petrol sniffing is sporadic and opportunistic; and
- the extent of the obligations that should be imposed on service providers to prevent regular unleaded petrol entering a community.

The government notes that preventing contractors from bringing regular unleaded petrol into communities is just one of a number of measures that may be employed to control the supply and use of petrol in areas where petrol sniffing is a problem.

Other measures that would complement this strategy include the use of alternative low aromatic fuels such as Opal, council by-laws and relevant State and Territory legislation

such as the *Volatile Substance Abuse Prevention Act 2005* (NT). By way of example, this Act already enables communities in the Northern Territory to create area management plans to manage the possession, supply and use of volatile substances in a particular area defined by the community. It is a criminal offence under the Act for a person to contravene an approved community management plan. The government understands that a number of communities in the Northern Territory have approved community management plans in place.

Recommendation 8

The Committee reaffirms its previous recommendation that the Commonwealth, State and Territory governments revise and agree upon priorities to consolidate and extend the rollout of Opal fuel to utilise the current production capacity of 40 million litres per annum. The immediate focus should be on:

- delivering a comprehensive exclusion zone in central Australia;
- the option of establishing a bulk storage facility in Darwin in order to provide a sustainable long-term distribution system in northern Australia; and
- actively expanding the rollout of Opal fuel to the far west coast region of South Australia and Arnhem Land in the Northern Territory.

Response

The Australian Government accepts this recommendation and notes that its current priorities for the rollout of Opal fuel align with the Committee's recommended focus.

Delivering a Comprehensive Exclusion Zone in Central Australia

To deliver a comprehensive exclusion zone in central Australia, the areas surrounding the central desert region are being targeted for the rollout of Opal fuel. The immediate focus is the rollout to Laverton and the Goldfields region of Western Australia and Coober Pedy in South Australia.

Discussions have commenced with fuel distributors servicing Laverton and the Goldfields area (located further west of the existing Central Desert Region) regarding a broader rollout of Opal fuel to this region. The comprehensive rollout in Laverton and the Goldfields could see an additional nine sites commence supplying Opal fuel. This will help reduce the amount of regular unleaded petrol being taken onto the Ngaanyatjarra Lands including Warburton.

To support the rollout in this region, the Australian Government is working with BP Australia to establish bulk storage for Opal fuel in Kalgoorlie, announced in March 2010. Establishing storage in the area will help guarantee continuity of supply to the region.

This rollout will occur in the 2010-11 financial year with a targeted communication campaign to support Opal fuel's introduction.

The town of Coober Pedy has been approached to supply Opal fuel to prevent the continued trafficking of petrol into the APY Lands for sniffing purposes and also to limit the migration of sniffers to Coober Pedy to access regular unleaded fuel. Initial

discussions have commenced with local government and key stakeholders in the community. To date these groups have given support to the rollout to all service stations in the town. A communication strategy informed by community and stakeholder consultation will be implemented to support the rollout of Opal fuel to this town.

Bulk Storage Facility in northern Australia

The 2010 Budget has provided an additional \$38.5 million to continue the current voluntary rollout of Opal fuel by addressing storage and distribution issues. Under the new measure, storage facilities for Opal fuel will be established in the Top End of Australia including Darwin in the Northern Territory and Northern Queensland. Establishing these facilities will enable Opal fuel to be provided to an additional 39 sites surrounding 11 Indigenous communities with known petrol sniffing issues.

The storage facilities are expected to be ready for use in 2012-13.

Expanding the Rollout of Opal Fuel to the Far West Coast Region of South Australia and Arnhem Land in the Northern Territory

Yalata and Nullarbor Region

The community of Yalata is approved to receive Opal fuel but does not currently have a working fuel pump. A working group lead by the Indigenous Coordination Centre in Ceduna is assisting Yalata Community Council with a project to establish a supply of Opal fuel to Yalata. The Commonwealth Government together with the South Australian Government is providing funding to obtain a stand alone fuel unit to supply Opal fuel to the community. This project is being undertaken as a trial of this facility in a community.

The project timeframes have been extended due to a number of complexities surrounding approval of the site for the fuel unit. The extension also ensures that the project is implemented in line with Yalata Community's requirements and in a way that makes certain that this project remains viable in years to come.

The immediate priority in the region is the provision of Opal fuel to the Yalata Community. The further rollout of Opal fuel to the Nullarbor region will be considered following the supply of Opal fuel at Yalata and whether a need for the introduction of Opal fuel beyond Yalata is identified.

Arnhem Land

The majority of communities in this region participated in the Comgas Scheme and switched to Opal fuel shortly after its introduction in 2005. There are currently **13** sites receiving Opal fuel in Arnhem Land.

To support the existing sites in Arnhem Land, Opal fuel will be introduced to surrounding regions including Katherine/Mataranka and Kakadu National Park/Jabiru. The establishment of a storage facility in Darwin will provide a reliable and sustainable supply chain for Opal fuel to this region allowing these rollouts to progress.

Initial conversations with fuel retailers and other local stakeholders in these regions produced a generally positive response to the introduction of Opal fuel, with the proviso that all retailers agree to switch.

It is anticipated that Kakadu National Park/Jabiru will introduce Opal fuel in 2010-11 under interim distribution arrangements with sites in Katherine/Mataranka being added in 2011-12.

The rollout of Opal fuel to these regions will be supported by a communication campaign informed by the results of community consultation.

Recommendation 9

The Committee considers that the *Guidelines for the Responsible Sale of Premium Unleaded Petrol* are a necessary response to the availability of sniffable premium fuel and recommends the Commonwealth government finalise and distribute the guidelines without delay, making sure that adequate support is provided to ensure their implementation.

Response

The Australian Government accepts this recommendation.

The *Guidelines for the Responsible Sale of Premium Unleaded Petrol* were printed in March 2009 and are now being disseminated to service stations that supply both premium unleaded petrol and Opal fuel, and also to Opal fuel distributors.

Initial dissemination of the Guidelines has been targeted to service stations and roadhouses in Alice Springs and the Central Desert Region that supply premium unleaded petrol. An officer from DoHA has conducted site visits to a number of these service stations to explain the Guidelines and to provide assistance with their implementation.

Through funding provided by DoHA, the Central Australian Youth Link-Up Service (CAYLUS) will also assist with the Guidelines' implementation by working with fuel retailers to encourage and support their introduction. This is similar to work already undertaken by CAYLUS around the responsible sale of solvents.

Recommendation 10

That twelve months after the distribution of the *Guidelines for the Responsible Sale of Premium Unleaded Petrol* the Commonwealth government undertake an audit of both the uptake and effectiveness of the guidelines in reducing access to premium fuel for the purpose of sniffing.

Subsequently, if the audit finds that these guidelines are not proving effective, the Committee recommends that, while conscious of the potential commercial costs, consideration is given to subsidising the development of an Opal equivalent substitute for premium fuel.

Response

The Australian Government notes this recommendation and will continue to monitor and review the uptake of the Guidelines in new and existing regions where Opal fuel and premium unleaded petrol are sold side by side.

The Australian Government is not presently considering the option to fund the development of low aromatic premium unleaded petrol. In the event that a suitable substitute is developed and presented to government, options to subsidise this product's production and distribution may be considered.

No fuel supplier has indicated an ability to produce a low aromatic premium substitute to date. Information from BP Australia suggests that the low volume of premium unleaded fuel sold in the designated petrol sniffing zones means that any premium substitute would have to be heavily subsidised by the Australian Government. The subsidy is likely to be considerably higher than the subsidy paid currently to BP for Opal fuel.

Recommendation 11

That the Commonwealth government, as a matter of priority, expand current efforts to improve data collection on the prevalence and trends over time in relation to petrol sniffing and substance abuse in Indigenous communities so as to collect comparable data across all jurisdictions.

Response

The Australian Government accepts this recommendation and notes that significant progress has been achieved to date in improving the quality and consistency of data being collected on petrol sniffing and other substance abuse. Recent initiatives include the following.

- A set of indicators to monitor petrol sniffing prevalence and effects commissioned by DoHA from James Cook University in December 2006. These indicators were used to collect baseline prevalence, health and social outcomes data relating to petrol sniffing in 74 remote Indigenous communities that had recently begun using Opal fuel.

The final report was not available for public release due to the sensitivity of the community information. However, a summary of the report, including key findings, was publicly released on 1 May 2008 and is published at the following site: <http://www.health.gov.au/internet/main/publishing.nsf/Content/health-oatsih-pspp-reports>.

- DoHA contracted James Cook University to undertake data collection from the East Kimberley region, and the Tangentyere Council to undertake data collection in Alice Springs Town Camps. All of the data collection projects employed the same methodology to ensure data consistency.
- DoHA commissioned from James Cook University an impact evaluation of the roll-out of Opal fuel to:

- identify the impact of the roll-out in contributing to changes in the prevalence of petrol sniffing and other outcomes, including any potential unintended consequences; and
- identify and analyse the range of factors that determine the success or otherwise of the outcomes of the Opal fuel roll-out.

The evaluation included a second round of data collection on the prevalence of petrol sniffing from a sample of 20 communities where baseline data was previously collected. The selection of 20 communities provided a representative sample across jurisdictions where petrol sniffing has been a problem and of the different manifestations of petrol sniffing. This data collection utilised the same methodology to ensure the full impact of Opal fuel was measured.

The *Evaluation of the Impact of Opal Fuel* was finalised in October 2008 and the report's Executive Summary is publicly available on DoHA's website at <http://www.health.gov.au/internet/main/publishing.nsf/Content/health-oatsih-pspp-reports>.

The Evaluation's conclusions pointed to an overall decrease in the number of people petrol sniffing and the frequency of sniffing in 17 out of the 20 communities in the data collection sample. Across the whole sample there was a decrease of 431 (70 per cent) in the number of people sniffing between baseline and follow up. Of particular significance is the finding that:

“Central Australia and the APY Lands are the regions with the largest decreases in petrol sniffing, with 94% and 93% decreases respectively.”

DoHA will be collecting petrol sniffing prevalence data annually. This data collection will use the same sample and methodology that was used in the *Evaluation of the Impact of Opal Fuel*, and it will monitor the prevalence and frequency of all volatile substance use.

- FaHCSIA has also completed Baseline Community Profiles in a number of communities across the PSS Zones, including communities in the East Kimberley. FaHCSIA will continue to develop further profiles over the next 12 months. These profiles examine a range of aspects in communities including housing, health, early childhood, education, employment and substance abuse. Baseline data on the instances, prevalence and frequency of petrol sniffing for the Central Desert Region was collected at the commencement of the PSS.
- As part of the review of the Central Australian Petrol Sniffing Strategy Unit (CAPSSU) referred to in the response to Recommendation 4 of this Part, an appropriate methodology will be identified to help CAPSSU take on a stronger coordinating role in the future, in monitoring the prevalence and trends over time of petrol sniffing and other substance abuse in Indigenous communities. This methodology will allow data to be compared across jurisdictions and will be linked with the data collection processes of other agencies (such as DoHA), to ensure the full impact of petrol sniffing problems and interventions are measured.

The 2010-11 Budget has provided funding to establish an ongoing annual surveillance system to monitor the incidence and prevalence of petrol sniffing and transference to

other substances. This annual data collection will also assist to evaluate the effectiveness of the Opal fuel program and other interventions that affect petrol sniffing prevalence.

Recommendation 12

That the Commonwealth government, in partnership with State and Territory governments, provide adequate resources to enable the extension of quality youth services and the employment of a male and a female youth worker for each community in the Petrol Sniffing Strategy zones.

Response

The government notes this recommendation. State and Territory governments have primary responsibility for funding of youth services. The Commonwealth's role is complementary to State and Territory funding. The government acknowledges the importance of sustainable youth services to effectively address the underlying causes of petrol sniffing and other forms of substance abuse in remote Indigenous communities.

The government has to date provided considerable funding and support for youth services through the PSS and complementary Australian Government programs that cut across a number portfolio areas. Notable examples of projects that have direct relevance to PSS Zones include the following.

- \$12 million over three years (April 2007 – March 2010) to fund the Northern Territory Integrated Youth Services Project, the primary youth diversion and community development activity in central Australia under the PSS. The Project provided integrated structured youth services to Finke (Aputula), Docker River (Kaltukatjara), Imanpa and Mutitjulu and included \$4 million in supporting infrastructure. These projects have been transitioned to the NPY Women's Council under funding awarded through the Closing the Gap in the Northern Territory *Youth in Communities* measure (a total of \$27 million for the measure) in early 2010.
- \$18 million over two years (2007-08 and 2008-09) under the Northern Territory Emergency Response *Youth Alcohol Diversion* measure to fund a wide range of diversionary activities and youth focused infrastructure projects throughout the Northern Territory. The measure complements the PSS by providing additional resources to address youth substance abuse in Indigenous communities. Funded projects include the development of a Northern Territory Youth Development Network in the West Arnhem and Daly River regions and medium to large scale youth diversion projects and recreational infrastructure in central Australia. A number of these projects have been developed in partnership with Local Government Shires and the Northern Territory Government.
- Funding to provide youth worker accommodation and other supporting infrastructure including:
 - \$3.4 million in 2008-09 from the Aboriginals Benefit Account was provided to the Central Australian Youth Link-Up Service (CAYLUS) (under the auspice of Tangentyere Council) to fund infrastructure projects in the Expanded Central Australian Petrol Sniffing Strategy Zone, including the construction/refurbishment of recreation halls in seven communities and the construction of youth worker accommodation in four communities.

- \$2.7 million (2006-07 and 2007-08) to construct five duplex units to house youth workers in Warburton, Warakurna, Wanarn, Jameson and Blackstone in the Ngaanyatjarra Lands in Western Australia. This allowed for the expansion of the Shire's youth network through the engagement of additional youth workers.
- Funding of \$1.34 million in 2008-09 for the CAYLUS Youth Wellbeing Program. This Program provides education, prevention and diversionary activities to Indigenous communities, with a focus on inhalant misuse including petrol sniffing, and has received DoHA funding since 2001. Following positive evaluation results in 2007, DoHA has committed to fund the CAYLUS Youth Wellbeing Program until the end of the 2011-12 financial year.
- A contribution of approximately \$2.4 million (2008-09 and 2009-10) towards the development of the Shire of Wyndham-East Kimberley Youth Network and the Halls Creek Youth Services Network Coordination Hub. Both of these projects expanded existing youth services, identified service delivery gaps, implemented new youth activities and facilitated capacity building to support ongoing activities in several East Kimberley communities including Kununurra, Wyndham, Kalumburu, Oombulgarri, Halls Creek, Halls Creek town camps, Balgo, Mulan, Bililuna, Warmun and Ringer Soak.

In addition to these initiatives, the government is also investing in a range of sporting activities, particularly in remote areas. Examples include:

- a funding contribution towards the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands Multi-Sports Activities Regional Partnership Agreement (RPA). The RPA provides for structured inter-community sports competitions across APY communities including a very successful and popular inter-community Australian Football League (AFL) competition, regular multi-sports activities for young people throughout the year, and recreation activities such as horse riding, BMX and motocross;
- joint funding of an AFL Club Fostership Program and AFL Ambassadors for Life Mentoring Program with the Australian Football League in 2007, to promote healthy, active lifestyles and increased school attendance for youth in selected Indigenous communities (mainly in the Northern Territory), and to provide mentoring from Indigenous Australian Rules players, as positive role models to over 100 Indigenous young people from around Australia; and
- funding to expand AFL activities in the East Kimberley region of Western Australia, through the employment of a Community Development Officer, an administrator to manage football activities in the region, and two AFL Indigenous trainees to help deliver schools-based programs.

In the May 2009 Budget, the government announced funding of \$28.4 million over three years under FaHCSIA's *Youth in Communities* (YIC) measure, to support the establishment of a comprehensive youth strategy for the Northern Territory. The government has worked in consultation with the Northern Territory Government to develop the broad directions, service principles and projects to be funded through this strategy, and to oversee delivery of the initiative over the next three years. For more information about the YIC measure, please see the response to Recommendation 15 of this Part (below).

Improving the coordination of youth services is a high priority for the government.

The Australian Government released the National Strategy for Young Australians in April 2010. This Strategy sets out a vision for all young people to lead safe, healthy and happy lives. It provides a framework to guide Australian Government investment in young people, highlights what the Australian Government is already doing to support young Australians as well as the areas where Government can and will do better.

The government is committed to developing youth service models that are sustainable, appropriate and relevant to individual community needs. Building the capacity of local people to run diversionary activities is particularly important, and is already occurring in a number of funded projects such as the Mt Theo Substance Abuse Program and the Northern Territory Integrated Youth Services Project. Pilot projects are also being funded to provide important training and employment opportunities for local Aboriginal people in youth work.

Recommendation 13

The Committee reaffirms Recommendation 17 from its 2006 report which called upon Commonwealth, State and Territory governments to provide additional funding to new and existing rehabilitation facilities in order to provide a quality service while meeting current demand.

Response

The Australian Government accepts this recommendation.

DoHA provided additional funding of \$3.89 million over three years from the 2007 COAG substance use measure to new and existing services that provide petrol sniffing programs. The funding enhanced service delivery through increased bed occupancy and/or increased scope and reach of services for young people in Central and the Top End of the Northern Territory.

The additional funding provided under the 2007 COAG substance use measure was a whole of government initiative and as such required joint consideration from the Commonwealth and Northern Territory Governments.

The Office for Aboriginal and Torres Strait Islander Health (OATSIH) Northern Territory Office in collaboration with the Northern Territory Government will continue to monitor the demand for services and need for additional funding in Central and the Top End of the Northern Territory.

The Australian Government through DoHA currently provides ongoing funding to services through the Substance Use program, COAG funding and the Northern Territory Emergency Response measures to organisations for residential and non-residential rehabilitation services in the Central Australia Zone (that includes the Northern Territory, South Australian and Western Australian areas of Central Australia):

- Warlpiri Youth Development (Mt Theo);
- Drug and Alcohol Services Association Alice Springs Incorporated (Northern Territory);
- Ilpurla Aboriginal Corporation (Northern Territory);

- Bush Mob NT (funded by OATSIH through the Northern Territory Government over two years);
- Central Australian Youth Link-up Service (CAYLUS);
- Sunrise Health Service Aboriginal Association; and
- Miwatj Health.

Recommendation 14

The Committee considers the provision of successful programs in remote Indigenous communities to be a highly specialised area for which mainstream programs and ‘one size fits all’ solutions are not necessarily appropriate. The Committee recommends that in order to maximise local ownership and effectiveness of programs, the awarding of contracts in remote Indigenous communities must take into consideration a tenderer’s:

- on the ground presence, reputation and standing in the region;
- existing relationships, networks within the region and support or endorsement from communities; and
- ability to provide tailored programs to individual communities or groups of communities in response to the diverse cultural expectations, kinship systems and protocols of the region.

Response

The Australian Government accepts this recommendation in principle.

The government agrees with the principle of ensuring that appropriate knowledge and abilities are taken into account in any procurement or funding process, particularly those involving remote Indigenous communities with specialised needs that do not readily fit into mainstream programs. Program funding is awarded to providers through competitive application processes (either open or selective) undertaken as prescribed under the Commonwealth *Financial Management and Accountability Act* (FMA).

Specific requirements under the FMA include the need to ensure that any spending proposal is an efficient, effective and ethical use of Commonwealth resources that is not inconsistent with the policies of the Commonwealth.

The policy requirements are set out in the *Commonwealth Grant Guidelines* (CGGs), as well as other relevant policies and legislation relating for example to privacy, anti-discrimination and social inclusion. These guide assessment panels in awarding funding to providers who have submitted applications.

In particular, the CGGs set out key principles for grants administration. These include probity and transparency, and achieving value with public money.

Under the internal guidance given to officials conducting tender processes involving program funding, high-level principles must be applied in any government selection process.

In December 2009 Northern Territory State Office and CAPSSU hosted an information session for agencies and non government organisations who wished to submit tenders for

funding under the *Youth in Communities* measure. This allowed the prospective tendering agencies the opportunity to ask detailed questions regarding the process and what information needed to be in tender documents to satisfy the tender requirements. Positive feedback was received from the participant agencies and consideration will be given to providing information sessions of this nature for future tender processes.

Recommendation 15

The Committee reaffirms the recommendation of its 2006 report that the Commonwealth, State and Territory governments immediately provide long term flexible funding, especially for successful programs already operating in communities, to address the sporadic nature and short term focus of current funding models.

Response

The government accepts this recommendation in principle, noting that funding for the Petrol Sniffing Strategy was made ongoing in 2007; and that long term funding is also being provided through complementary programs.

The Northern Territory Integrated Youth Services Project, for example, was funded over three years (April 2007 – March 2010) through a single funding agreement with FaHCSIA, the Attorney-General's Department and DEEWR. It was the primary youth diversion and community development project under phase one of the Petrol Sniffing Strategy. The provision of three year funding allowed these departments to work with the provider, Mission Australia, to put in place a coordinated and complementary response to the problems of petrol sniffing in Finke, Imanpa, Docker River and Mutitjulu. The services provided under this contract were transitioned to the NPY Women's Council in April 2010, with funding provided until 2012 under the *Youth in Communities* measure.

Longer term youth funding was also provided under the Northern Territory Emergency Response. In the May 2009 Budget, the government announced that it will invest \$28.4 million over the next three years (2009-10 to 2011-12) under the *Youth in Communities* measure, to develop a comprehensive youth strategy in the Northern Territory. This builds on the \$18 million that has already been provided under the Northern Territory Emergency Response *Youth Alcohol Diversion* measure. As a complementary program to the Petrol Sniffing Strategy, *Youth in Communities* funding will provide longer term planning certainty in seeding the development of a sustainable network of youth services in the Northern Territory. It will also enable the government to work in closer partnership with the Northern Territory Government in establishing the broad directions, service principles and type of projects to be funded under this strategy.

The government is also implementing flexible funding arrangements to make it easier for communities to respond to emerging priorities, flowing from local planning processes. The Indigenous Capability and Development Program administered by FaHCSIA, for example, provides a mechanism for developing flexible solutions and opportunities through better coordination and targeting of funding to locally identified priorities. A number of service streams under this program, such as the Indigenous Communities Strategic Investment (ICSI) Fund, also funds projects that extend beyond a single year. Indigenous Coordination Centre Managers can also approve the release of funding from ICSI locally.

Recommendation 16

That governments, and departments within governments, work to design application and accountability processes which avoid duplication and reduce the number of contracts that service providers are required to enter into and aspire to a single contract where possible. This is to minimise the reporting and administrative burden on service providers. The Committee notes that governments should aspire to providing a single contract where possible.

Response

The government notes this recommendation, acknowledges the benefits for an organisation of a single agreement and recognises the challenges involved in creating one. Work is being progressed to reduce and streamline reporting requirements and the administrative burden on Indigenous organisations funded by the government.

The Cross Agency Working Group on Indigenous Funding and Governance Reform, formerly under the auspice of the Secretaries Group for Indigenous Affairs and now overseen by the Executive Coordination Forum for Indigenous Affairs (ECFIA), has identified a number of areas where significant progress can be made to improve the interaction between government funding processes and Indigenous organisations.

DoHA consistently reviews its risk assessment and monitoring processes in an endeavour to reduce the impact on Indigenous service providers. In 2008, DoHA undertook a minor review of its risk assessment framework. This review resulted in a reduction to the frequency of risk assessments for organisations with “low” or “medium” risk ratings, from annual to biennial. DoHA is also considering reducing the information that is required as part of the risk assessment for those organisations which have been accredited under organisational/management accreditation standards, such as the Quality Improvement Council or International Organisation for Standards.

In addition, the Office for Aboriginal and Torres Strait Islander Health (OATSIH) within DoHA is moving forward with reforms of its reporting requirements, and in May 2009 undertook further consultation with key stakeholders based on the directions proposed in the *Consultation Paper: Review of Reporting Requirements for OATSIH funded Organisations* (available on DoHA’s website at <http://www.health.gov.au/internet/main/publishing.nsf/Content/health-oatsih-pspp-reports>.) The revised reporting requirements for OATSIH service providers will include a streamlined set of questions, with the phased implementation of a web-based reporting tool and improved reporting back to service providers. Feedback from the latest round of consultations is currently being reviewed, and will be used to guide implementation of the key elements of the framework, which are aimed at reducing the reporting and administrative burden on service providers.

FaHCSIA is also progressing work on the development of a standard data collection framework to ensure a consistent approach to data collection, including data for use across multiple programs.

In addition, FaHCSIA is progressing work to reduce the number of funding agreements administered through its mainstream program areas. This is being achieved through the use of header agreements and the amalgamation of projects into one schedule per

program. This initiative was introduced from 1 July 2009. DEEWR also currently uses header agreements for programs under the Indigenous Education Targeted Assistance Act 2000. Each funded organisation has one agreement with one or more schedules (depending on the number of projects being delivered by the provider).

In partnership with non-government agencies, the government finalised in February 2010 a National Compact with the Third Sector. This compact will ensure that the complementary roles of government and non-government stakeholders are fully aligned in order to maximise service delivery outcomes.

Through these measures, the government aims to reduce the administrative burden for Indigenous organisations, to facilitate more streamlined funding and reporting arrangements and to foster genuine partnerships in the delivery of services to Indigenous Australians.

Recommendation 17

That additional resources be provided for adult education classes in communities where the reduction in petrol sniffing has created a need for these services, and that appropriate adult education engagement and training methodologies are used, delivered by qualified adult educators.

Response

The government accepts this recommendation, noting the many benefits of adult education that addresses the multiple barriers faced by people previously involved in petrol sniffing and the long term disengaged. These barriers may include ongoing mental health issues, low self-confidence and low literacy and numeracy levels.

Under the PSS, the government has funded five diversionary education and training projects in the PSS Zones. These projects are based on the needs of individual communities and target disengaged people aged between 11 and 25 years. The projects help to address multiple barriers faced by young Indigenous Australians, including those who have been previously caught up in substance abuse, and to support them through a range of complementary interventions to engage with other programs and services.

Some projects, such as the Mornington Island Parents as First Teachers Project, specifically target young adults, including people who have formerly misused volatile substances, who are unable to engage with mainstream schooling due to barriers such as their age. These projects provide participants with basic literacy, numeracy, support and pathways to help with their re-engagement with education.

In the 2009 Budget the government announced that a further \$21.6 million would be invested in the Workplace English Language and Literacy (WELL) program, to complement broader reforms to the Indigenous Employment Program which aim to make employment and training services more responsive to the specific needs of Indigenous job seekers.

This funding is in addition to the commitment already made by the government through DEEWR under programs such as:

- *Training Initiatives for Indigenous Adults in Regional and Remote Communities (TIFIARRC)*: This program operates in Queensland, Western Australia, South

Australia and the Northern Territory. The government has committed \$21.4 million over four years (2008-11), with state jurisdictions jointly managing the program and providing matched funding. TIFIARRC provides funding to attract, engage and support Indigenous adults in regional and remote communities to access vocational education and training opportunities, including the Australian Government's additional training places as part of the *Skilling Australia for the Future* policy. Funding is also available for projects to build the capacity of Indigenous training providers or develop new community-based providers. Preference is given to training that results in, or is linked to, Certificate Level II or above qualifications.

While not specifically targeting petrol sniffing communities, the program has funded the delivery of Certificate II in Community Services Work and Certificate III in Aged Care Work to Community Development Employment Program and Home and Community Care kitchen workers on the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands in South Australia. The Waltja Remote Youth Worker training project in the Alice Springs region also delivered accredited training in youth services for adults from up to six communities, comprising on the job learning and training tools developed with cultural advisors.

- *Language Literacy and Numeracy Program (LLNP)*: This program delivers language, literacy and numeracy training to assist job seekers, including Indigenous Australians, to improve their language, literacy and numeracy skills so they can better achieve sustainable employment, education or training outcomes. In the Northern Territory Central Desert region, Structured Training and Employment Programs (STEP) Training is contracted to deliver LLNP training and assessment services.
- *Indigenous Employment Program (IEP)*: The IEP offers tailored solutions to assist employers to recruit, train and provide sustainable employment for Indigenous Australians.

Other DEEWR programs that provide Indigenous people, including those from remote communities, with the ability to engage with accredited training or university include:

- *The Indigenous Youth Mobility Program (IYMP)* supports Indigenous youth who wish to move away from their home community to gain the qualifications they need to have a greater chance of obtaining sustainable employment in either their home community or elsewhere.

While IYMP is aimed primarily at 16–24 year old Indigenous young people from remote areas to take up an apprenticeship, or to undertake a VET or university course, young people from major towns and cities are also encouraged to apply to participate. They may, however, be required to relocate to an alternative host location, rather than the one nearest to their home. The program operates in 17 locations across the country.

- *Away from Base for 'mixed mode' delivery (AFB)*, provides funding to cover travel costs including fares, meals and accommodation, for eligible Indigenous students studying approved 'mixed-mode' courses, when they are required to travel away from their permanent home for a short period of time to undertake approved activities. This includes students required to attend short courses, field trips, occasional residential schools or practical placements. Eligible providers in the Higher Education and Vocational Educational and Training sectors administer this funding.

Where it is more cost effective to do so, AFB funding can also be used to meet the travel costs of lecturers who travel to the home communities of students to deliver the face to face component of an approved 'mixed-mode' course.

The primary objective of AFB is to increase access and participation by Indigenous students from rural and remote areas in tertiary study (higher education and Vocational Education and Training), leading to increased enrolments and retention, improved educational outcomes and improved employment prospects, life choices and quality of life for Indigenous people.

A 'mixed-mode' course is a nationally accredited course that is delivered through a combination of distance education and face-to-face teaching for students who are based in their home communities and undertake occasional intensive study periods on campus.

A complementary program, ABSTUDY AFB, is administered by Centrelink.

- The *Youth Connections Program* provides a holistic approach to servicing young people at risk including support for individual young people and the broader community. The Youth Connections program is available to eligible young people who are most at risk of disengaging, or already disengaged from education, family and/or the community. Service delivery will be characterised by flexible and individualised case management to young people to remain engaged or re-engage them with education and/or further training, and to improve their ability to make positive life choices. Youth Connections Providers will also work to strengthen and better coordinate services in their regions and build the capacity for key stakeholders.

The government will continue to promote these programs, and the benefits of adult education to these communities, including those where there has been a reduction in petrol sniffing. Any potential additional investment targeted to these communities, should continue to focus on addressing the multiple barriers faced by young Indigenous people.

Recommendation 18

The Committee reaffirms Recommendation 3 of its 2006 report that the Commonwealth government provide adequate additional resources to the Aboriginal and Torres Strait Islander Social Justice Commissioner to monitor and report annually on the progress towards implementing the above mentioned recommendations until the Commissioner can report that all recommendations have been sufficiently addressed.

Response

The government notes this recommendation.

The government notes that the Aboriginal and Torres Strait Islander Social Justice Commissioner currently monitors and reports on issues arising from petrol sniffing and substance abuse in the annual Social Justice reports.