

QUEENSLAND GOVERNMENT RESPONSE TO QUESTIONS TAKEN ON NOTICE

Inquiry into matters relating to the Torres Strait Region Senate Committee hearing – Thursday, 25 March 2010

Formal identification methods for PNG inhabitants and IDC discussion

Queensland understands the question of identification for traditional inhabitants using the free-movement provisions of the Treaty has been raised at IDC meetings over a long period of time, but only in a general way, and not as a stand-alone agenda item requiring the IDC's consideration and action.

Crime statistics

Refer **attachment 1**.

Reducing the cost of freight via the supply chain

The Queensland Government is currently investigating the potential role of supply chain improvements in reducing the cost of food in the Torres Strait. Key areas of the supply chain that could potentially be improved include:

- avoiding unnecessary double handling and re-consolidation of goods being transported from Brisbane to the Torres Strait;
- sourcing goods at lowest cost possible; and
- reducing losses and wastage.

Initial indications are that establishing a collaborative supply chain arrangement between major suppliers to the region could be an effective way of achieving cost savings. These findings are consistent with the Parliamentary Inquiry on remote stores, which recommended the establishment of a national Indigenous food supply chain coordination office to:

- support individual communities or regional groupings of communities to develop supply models by examining the possibilities appropriate to them;
- facilitate the establishment of cooperative arrangements including transparent cross-subsidisation models, if appropriate;
- assist to develop supply models that deliver healthy perishables to remote communities weekly where possible; and
- disseminate information on options for supply models to remote Indigenous communities.

The Queensland Government looks forward to the Australian Government response to this recommendation and would welcome the opportunity to work together on this issue.

Fisheries

There are four inter-related problems with Torres Strait fisheries management from the Queensland Government's perspective:

- significant under-utilisation of a potentially valuable resource, in part due to the economic realities of fishing in a remote area, but it also represents the impact of the management arrangements in place;
- there is a distinct lack of trust on behalf on the Traditional Inhabitant sector regarding what the Protected Zone Joint Authority (PZJA) is endeavouring to deliver in the TSPZ – that is, sustainable allocation of resources in a manner in line with the Torres Strait Treaty and *Torres Strait Fisheries Act 1984*;
- a stalemate over continued claims by Traditional Inhabitants to regain full ownership of TSPZ resources; and
- a convoluted governance arrangement under the PZJA.

Solutions to these problems requires a package of measures involving:

- acknowledgement of the Traditional Inhabitants' aspirations in a way that provides for continued economic development based on sustainable harvesting of a natural resource;
- fisheries management arrangements that enable harvesting of fisheries resources at levels closer to maximum sustainable yields, with product going into the most profitable available supply chains; and
- more streamlined governance arrangements to support the above.

One body – why Queensland suggests this approach

A single fisheries management body could provide:

- clearer accountability;
- more streamlined decision-making;
- a single contact point for stakeholders;
- greater consistency between fisheries management in the Torres Strait and other fisheries; and
- more efficient operations that are currently provided by some 30 full time staff spread across 4 state and Commonwealth departments, costing approximately \$6.5 million for a comparatively small fishery (i.e. gross value of production being approximately \$18.7 million in 2009).

The PZJA itself does not need to be reconstituted to achieve these aims – it has adequate powers of delegation under its existing legislation – the problem has been that those powers have not been exercised. A proposal along these lines will be considered by the PZJA in the near future. The proposal is for the PZJA to operate in a manner analogous to the Australian Fisheries Management Authority (AFMA) Commission, with the PZJA retaining responsibility for strategic directions but delegating operational matters, with associated accountability arrangements, to AFMA.

TSRA governance arrangements

The reference in the Queensland Government submission to “the governance arrangements of the TSRA” should not be interpreted as a criticism of the TSRA. Rather, it is a factual statement that the collegiate decision-making process quite properly required by the TSRA is not consistent with a successful commercial operation.

If the economic potential of the Torres Strait fisheries are to be fully realised – in terms of both production levels and of supplying the most lucrative markets – there will need to be one or more commercially-oriented entities operating on behalf of the Traditional Inhabitant sector. A number of models could be considered for this.

The Queensland Government has no view on which of the available models would best achieve this aim, and believes that all the options should be identified and worked through as part of the development of improved fishery management arrangements.

Tension between different groups, and a possible solution

The main tension between different groups is over the aspiration by Traditional Inhabitants for 100% ownership of the tropical rock lobster resource. For other fisheries, 100% ownership has either already been achieved (e.g. finfish), or has not been claimed (e.g. trawl).

As the PZJA has not provided a pathway to the achievement of this aspiration, this has created resentment on the part of Traditional Inhabitants which has, in turn, led to their supporting the continuation of unnecessarily restrictive arrangements on the non-traditional operators in the fishery. Those restrictive arrangements are one of the reasons for the under-performance of the fishery.

The relationship with the Torres Strait Treaty derives from the fact that the Treaty provides for a level of access by PNG fishers to the resource in the Torres Strait. While still well below the levels provided in the Treaty, that access is increasing. While not a direct threat to the sustainability of the fisheries on either economic or sustainability grounds, this access does highlight the ownership issue in the minds of Traditional Inhabitants.

Basis for concern about commercial viability of TRL fishery

At an ownership level of 53% of the Australian share of the TSPZ tropical rock lobster fishery, the Traditional Inhabitant sector is able to demonstrate the capacity for continued continuity of product supply. However, the nature of their fishing activities (Traditional Inhabitants fish only inshore reefs from small dinghies with no refrigeration on a

day-to-day basis) means that there is little ability to supply live product – the Traditional Inhabitant sector has therefore focussed on delivering lobster tails to the market place.

However, the highest returns are available from a stable supply of quality, live product. Without significant infrastructure investment and the necessary commercial orientation on the part of Traditional Inhabitant operators, the continued supply of product from the Tropical Rock Lobster fishery would be both unreliable and inconsistent. This would result in significant consequential losses of economic value from the fishery.

To date, even with the assistance of the TSRA, the Traditional Inhabitant sector has been unable to establish any truly commercial fishing operations that utilise either live tanks or larger offshore vessels, a factor that will significantly inhibit their ability to guarantee increased levels of product supply in the future.

Experience with the finfish fishery – which has experienced a significant decline in effort and catches – is consistent with this concern.

The Queensland Government's preferred solution is a package of measures for the tropical rock lobster fishery involving:

- recognition of the indigenous aspiration for ownership of their resources;
- removal of unnecessarily restrictive management arrangements; and
- development of a fishery management plan that provides appropriate incentives and controls for maximising the economic yield on a sustainable basis.

It should be noted that a package of measures along these lines is under development for consideration by the PZJA.

Collated health data (primary healthcare and acute care data; costs and quanta; specialist mobile unit presentations)

Data on the number, cost and presenting conditions of Papua New Guinea (PNG) nationals treated at Queensland Health facilities

Refer *Cost Data (attachment 2)* – this information is more current than information supplied in November 2009, reflecting that new data was extracted in January 2010 and a more rigorous data analysis undertaken. Queensland is of the view that this information reflects a very conservative estimate of the costs of service delivery to PNG nationals, and actual costs are likely to be higher.

Refer *Condition Sheet (attachment 3)* – this sheet lists the types of health conditions affecting ineligible PNG nationals presenting at Queensland Health facilities throughout the state.

Patient travel data/cost

Refer *Cost Data (attachment 2)* – includes a conservative estimate of transfer costs between Thursday Island and Cairns, and is likely to significantly underestimate the true cost of PNG ineligible patient transport. Queensland Health incurs significant additional costs from the transfer of ineligible PNG nationals to other facilities, and is undertaking a review of PNG ineligible patient transport costs to better capture the actual costs of this type of transport to Queensland.

Availability of data on presentations to specialist mobile units

Queensland Health collects patient demographic and medical information on clients accessing the mobile health units that visit the Torres Strait. The data indicate that over 99% of clients presenting to the clinics are PNG nationals.

Isolation arrangements

Queensland Health is currently undertaking an infrastructure assessment of several regional and remote locations including Thursday Island. Site assessments commenced the week of 12 April 2010. Details of planned infrastructure upgrades will be available in late 2010.

Queensland Health is also undertaking early design work for a new Primary Health Care Centre (PHCC) and new staff accommodation on Saibai. The new PHCC will replace an existing facility and will include a designated area for a tuberculosis (TB) clinic to enable isolation of clients with TB.

New Queensland Health policy regarding managing PNG citizens

Refer **attachment 4**.

Horn Island Airport

The Torres Shire Council (TSC) in December 2008 submitted an application for funding to the Department of Transport and Main Roads (DTMR) under the Regional Airport Development Scheme (RADS) toward the upgrade and extension of the runway at Horn Island Airport, then estimated to cost \$12 million. The revised project scope includes strengthening the runway, apron and taxiway, estimated at \$7.2 million, comprised of:

Funding Organisation			Amount
<u>Torres Shire Council</u>			
	Reserve Allocation	\$260 000	
	Loan	\$500 000	
	Additional Loan	\$500 000	\$1 260 000
<u>Federal Government</u>			
	Election commitment	\$340 000	
	Regional and Local Community Infrastructure Program	\$100 000	
	Torres Strait Regional Authority	\$400 000	\$840 000
<u>State Government</u>			
	Regional Airport Development Scheme allocation	\$2 000 000 000	\$2, 000 000
<u>Joint Federal/State Government Announcement</u>			
	FAHSCIA/Dept of Infrastructure and Planning		\$3 100 000
		Total	\$7 200 000

QantasLink are currently the sole operator of scheduled passenger air services from the Torres Strait (Horn Island) to Cairns under a regulated, but unsubsidised contract with DTMR. West Wing provides commercial (un-regulated and un-subsidised) scheduled passenger air services from the Outer Torres Strait Islands to Horn Island to connect with the QantasLink service and amenities on Thursday Island.

In 2009 operational restrictions were applied at Horn Island airport because the deterioration of the runway surface prevented the landing of the 74 seat Q400 aircraft. It has been replaced by the 50 seat Q300 aircraft (operating at a lower capacity of 40 seats) which is able to continue operations to the airport, but has reduced the seat availability each month on the route by about 2000 as well as restricting carriage of freight, baggage and mail.

SKM has completed the design phase of the project for the tender process and the TSC is currently assessing tenders to undertake the airport upgrade works. Major construction works are scheduled to begin in late August 2010 with project completion after asphalt curing in November/December 2010.

During construction, Qantaslink Q300 services will operate as normal, with all work scheduled to be undertaken at nighttime and available for aircraft use during the day.

Once complete, the runway strengthening will allow the return of Q400 services into Horn Island Airport