

15 May 2009



SELECT COMMITTEE ON REGIONAL AND REMOTE COMMUNITIES

On behalf of the Chamber of Commerce Northern Territory I would like to make the following observations about the Federal Intervention and the effects that we have seen and had reported to us by our membership base across the Territory.

A serious concern to the majority of regional businesses was the implementation of the welfare quarantine system. Prior to the introduction of the Basics Card, the process of implementation and enforcement was not only cumbersome but completely impractical for many businesses to participate. This did have a detrimental effect on a number of regional businesses and on employment in some regional stores.

The introduction of the Basics Card has assisted the process although there are still a number of issues over the operation of the current card that can cause problems and registration for the card denies some businesses participation in the scheme while allowing other who offer a range of products, including those offered by the denied business, an opportunity to participate.

The practicality of the quarantining process, while sound in theory, does not necessarily mean that the desired outcomes will be achieved. There are still large numbers of indigenous children who are not attending school on a regular basis, even though their parent's welfare payments are quarantined. As with most of the original intervention proposals, what works on the ground bears little resemblance to the initiative developed by public servants too far removed from the reality to understand the processes involved.

Although the intervention called for the placement of Government Business Managers in each of the designated communities, there has been little or no discernable progress in generating economic development in indigenous communities. There are many reasons for this and it was recognised by many that this is a long term strategy but until there is discernable progress there is little likelihood of the business community looking to become engaged in remote communities.

The Federal Intervention did have an immediate impact on the housing and accommodation markets in most of the regional centres across the Territory. An already tight market became even more restricted and there also developed a shortage of tourist accommodation as a result of commonwealth public servants taking long term possession of available accommodation. This is particularly acute in places such as Alice Springs and Katherine.

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Finally there has been a distinct increase in the urban drift by indigenous people from outlying communities into the major population centres. This has placed increased pressure on town camp accommodation and has also brought with it a number of social problems that are having a negative impact on business community operations. Youth vandalism and alcohol related break and enters are just two of the issues being faced by the business community. Bad behaviour by intoxicated itinerants around shopping precincts is another. The increased police presence in the communities may be working a treat but it has led to an increased requirement for visible police resources in the urban centres.

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