

# Aboriginal Peak Organisations Northern Territory (APO NT)

Mr. Julian Leeson  
Chair  
House of Representatives Standing Committee on Indigenous Affairs  
Via email: [indigenousaffairs.reps@aph.gov.au](mailto:indigenousaffairs.reps@aph.gov.au)

Friday 7 August 2020

Dear Mr. Leeson,

**RE: APO NT's response to questions on notice from the Public Hearing on the Inquiry into food pricing and food security in remote Indigenous communities**

The Aboriginal Peak Organisations Northern Territory (APO NT) thanks the Committee for the opportunity to give evidence at the public hearing on 23 July 2020. At the request of the Committee, we would like to provide additional information on a number of matters.

## **1. Regarding recommendation 3(b) from our submission**

Our representatives took a question on notice from the committee regarding recommendation 3(b) from our submission.

*3. Undertake reform to support remote community stores to better provide for the needs of consumers, such as:*

*b. Improve the roll out of and access to ABA funding to support stores to increase the purchasing power and storage capacity of healthy food.*

This recommendation refers to the specific ABA Stores Infrastructure project that commenced in 2011.<sup>1</sup> APO NT recommends that any unspent money be made accessible to community-owned stores that are seeking to improve their infrastructure. Projects completed under this funding have shown improvements in store infrastructure and storage capacity can have significant benefits to the quality and quantity of healthy food sold in stores.

## **2. Improvements to store licensing**

The committee asked for additional details on the specific changes and improvements APO NT would like to see made to the current store licensing arrangements. APO NT is calling on the Australian Government to undertake an independent review of licensing so any reforms made through an extended licensing system are informed by past successes and failures documented

through that review process. APO NT does not have all the answers for an updated mechanism for licensing stores, but it is clear from submissions from all sectors that the current licensing measures need updating.

Whether NIAA retains the responsibility for store licensing or it shifts to a new or alternative entity, it is important that the licensing body is sufficiently resourced to be able to provide an effective service. NIAA is currently administering licensing with very few staff and limited resources. This, combined with the devolution of licensing monitoring responsibilities to regional NIAA offices with a range of other priorities, has limited NIAA's ability to have a regular presence in communities. Community visits, in order to both provide support to stores and check compliance against licensing requirements, are imperative to uphold the integrity of the licensing system.

Other considerations for strengthening store licensing:

- Implementation of recommendation 3 from the Australian National Audit Office 2014-15 food security in remote communities report.
- Creation of consistent nutrition and quality standards benchmarks for healthy foods across all stores and management structures
- Introduction of standardised opening hours, pay structures and employment conditions to reduce the incidence of independent store managers setting up their own arrangements requiring only the approval of their board of directors
- Clear definition of what constitutes “reasonable pricing” and enforce this in compliance checks
- Strengthening of governance measures in store licensing including providing initial independent training and ongoing development for store directors.
- Transparent reporting of store compliance with licensing measures back to communities

### **3. Government spending in remote communities**

APO NT's representatives at the hearing took a question on notice from the Chair, who asked why the government should consider increasing money spent in remote communities where many people already receive money from the Federal Government.

APO NT believes that regardless of the amount of money already being spent in remote communities, the suggested actions APO NT has put to the committee will lead to savings for the Federal Government in the long term. Investing in food security is imperative and will ultimately reduce costs incurred by reducing the incidence of diet-related disease and improving educational and economic outcomes. In very remote Australia more than half of Aboriginal people live in households below the poverty line and these rates have increased in the period between 2006 and 2016.<sup>ii</sup>

In APO NT's experience, people living in remote communities are not asking for more or different income management, they are asking for real employment opportunities in remote communities, especially for young people. If the Australian Government wants to improve livelihoods in remote communities without increasing welfare, then it is imperative to invest in job creation.

APO NT has developed a Remote Jobs Package proposal for the NT and encourages the Australian Government to implement this as a matter of urgency.

Key elements of the proposal:

- Establish 5000 wage packages equivalent to 20 hours per week at the minimum wage plus 30% for employment costs. This would be an investment of approximately \$130 million
- Local Aboriginal community-controlled organisations would apply for these wage packages in order provide jobs for local people in remote communities who are currently unemployed
- Local Aboriginal community-controlled organisations often tell APO NT they would like to take on more staff, but have lack of funds to do so. The proposed job package would help get more people into work and critically to provide experience and training to young people.
- Providing 5000 jobs would reach approximately 30% of the people currently undertaking activities under CDP
- Improve opportunities for local Aboriginal residents of remote NT communities to acquire skills and work experience needed to take up existing and emerging local job opportunities

APO NT is making a submission to the committee's concurrent inquiry into Pathways and Participation Opportunities for Indigenous Australians in Employment and Business that will provide more detail about this proposed Remote Jobs Package.

Providing people with meaningful work not only has health, economic and social benefits for that person, but these benefits flow on to the whole household and the wider community. These benefits are then seen at a national level through:

- Improved Indigenous health,
- Increased labour productivity
- cost-savings to governments through reduced need for expensive health interventions and reduced need for corrective services,
- Increased tax revenues on new Indigenous business ventures and
- the value of environmental and cultural protection outcomes to the wider community.

The economic impact of the current gap in Aboriginal health outcomes in the NT was estimated to be \$16.7 billion over a 5-year period, equivalent to 19% of the NT gross state product.<sup>iii</sup> The NT has the highest per capita rate of renal disease in Australia, with 40% Aboriginal people in the NT with chronic kidney disease compared to the national rate of 9%,<sup>iv</sup> and this gap is expected to grow due to the high rates of diabetes, high blood pressure and increasing levels of inadequate nutrition. If the underlying reasons for the high rate of chronic kidney disease are not addressed the current costs of \$124,492 per year per person to deliver dialysis services for people in remote communities in the NT<sup>v</sup>, will continue to grow into the future.

The long term potential for closing the gap by overcoming poverty, reducing the disadvantages associated with remoteness and developing local economies are significant.

#### 4. Access to clean, safe drinking water

Representatives from Thumbs Up Pty Ltd gave evidence to the inquiry on 23 July 2020. The witnesses suggested that safe, filtered drinking water should be provided for free at community stores, as part of measures to reduce the intake of sugary drinks purchased at stores.

APO NT agrees that clean, safe drinking water is a big concern in remote communities. The NT needs stronger drinking water legislation that does not privilege urban populations over remote populations. Specifically, we suggest Safe Drinking Water legislation similar to that of South Australia; ensuring that palatable and safe water is a guaranteed and affordable option for residents in remote communities.<sup>vi</sup> The Federal Government must join APO NT in requesting that the NT Government acts with urgency to legislate on this matter.

Please contact the APO NT Coordinator, Brionee Noonan on (08) 8944 6672 or via email: [brionee.noonan@amsant.org.au](mailto:brionee.noonan@amsant.org.au) should you wish to discuss further the details of APO NT's response to the questions on notice.

Yours faithfully,



John Paterson  
on behalf of the APO NT Governing Group

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<sup>i</sup> ANAO, 2014, Food Security Audit Report <https://www.anao.gov.au/work/performance-audit/food-security-remote-indigenous-communities>

<sup>ii</sup> Markham, F., and Biddle, N. (2018). Income, poverty and inequality (2016 Census Paper No. 2) <http://caep.cass.anu.edu.au/research/publications/income-poverty-andinequality>

<sup>iii</sup> Zhao, Y, Vemuri, S, R, & Arya, D. 2016. The economic benefits of eliminating Indigenous health inequality in the Northern Territory. Retrieved from <https://www.mja.com.au/journal/2016/205/6/economic-benefits-eliminating-indigenous-health-inequality-northern-territory>

<sup>iv</sup> NT Department of Health. 2017. Northern Territory Renal Services Strategy 2017–2022

[https://digitallibrary.health.nt.gov.au/prodjspu/bitstream/10137/1438/3/DoH\\_RenalServices\\_Strategy.pdf](https://digitallibrary.health.nt.gov.au/prodjspu/bitstream/10137/1438/3/DoH_RenalServices_Strategy.pdf)

<sup>v</sup> Gorham, G., Howard, K., Zhao, Y. et al. 2019. Cost of dialysis therapies in rural and remote Australia – a micro-costing analysis. doi:<https://doi.org/10.1186/s12882-019-1421->

<sup>vi</sup> Government of South Australia. (2020). *Safe drinking water legislation*. Retrieved from [sahealth.sa.gov.au/wps/wcm/connect/public+content/sa+health+internet/about+us/legislation/safe+drinking+water+act](http://sahealth.sa.gov.au/wps/wcm/connect/public+content/sa+health+internet/about+us/legislation/safe+drinking+water+act)