

Food Prices and Food Security in Remote Indigenous Communities


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Dietitians Australia is the national association of the dietetic profession with over 7,500 members and branches in each state and territory. Dietitians Australia is the leading voice in nutrition and dietetics and advocates for food and nutrition for healthier people and healthier communities. Dietitians Australia appreciates the opportunity to provide feedback to the House of Representatives Standing Committee on Indigenous Affairs regarding food prices and food security in remote Indigenous communities.

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DIETITIANS AUSTRALIA INTEREST IN THIS CONSULTATION

As the leading organisation of nutrition and dietetic professionals in Australia, Dietitians Australia (DA) supports reforms to food policies, food pricing, food systems and food environments in remote Indigenous communities to improve food security and elevate the nutritional health and wellbeing of Aboriginal and Torres Strait Islander people living in remote locations.

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- Indigenous Nutrition Interest Group (INIG)
- Public Health & Community Nutrition Interest Group (PHCNIG)
- Reconciliation Action Plan Working Group (RAPWG)
- Northern Territory Engagement and Development Committee (NT EDC)

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- Helen Tran
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RECOMMENDATIONS

Recommendations ranked in order of importance:

1. Australian Government to develop and implement a 'National Food and Nutrition Security Strategy', with a particular focus on remote communities and inclusion of the local voice in the development of any food security and food pricing response.
2. Elevation of remote community stores to the status of an 'essential community service', with a strong focus on community involvement and support for remote community retailers from government, health and social agencies at a local, state and national level.
3. National Licencing Standards for remote community stores to be strengthened and expanded to takeaway foods within stores, with adequate funding provided for effective monitoring and enforcement processes.
4. Store nutrition policies to be made publicly available so communities and key stakeholders can hold stores accountable for policy implementation.
5. Implementation of a mandatory reporting system for pricing of staple food products in remote community stores. This information should be publicly available to consumers to improve transparency and competition in the market.
6. A nationally standardised food availability, quality and pricing survey to be completed annually across stores in remote communities, regional centres and capital cities in Australia. Results should be publicly available to allow transparency, accountability and comparison to occur within and between regions.
7. Australian Government to routinely measure and report on the prevalence and severity of food insecurity, particularly in remote communities.
8. Ensure that community store boards, particularly those run by management groups, have complete transparent access to pricing structure of their store and store boards are given the capacity to adjust their store's pricing structure if desired, in negotiation with their management group.
9. Investigate regulation options for minimum trading hours for remote community stores, in consultation with remote Indigenous communities.
10. Increase Remote Area Allowance for recipients of social security payments (particularly those living in very remote locations) to adequately compensate for the higher cost of living associated with residence in remote communities.
11. Australian Government to provide funding for health services to employ qualified nutrition professionals (Accredited Practising Dietitians) alongside a well-supported and resourced Aboriginal and Torres Strait Islander community nutrition workforce to develop and deliver culturally relevant, community owned nutrition programs to increase demand for healthier choices in remote community stores.
12. Australian Government to provide funding for health services to engage traditional ecological knowledge holders alongside a well-supported and resourced Aboriginal and Torres Strait Islander community nutrition and horticultural workforce to increase the supply of healthy and culturally acceptable food choices in remote community stores.
13. Business support to be provided to local food producers in remote communities (e.g. small business training/modelling and HACCP certification) with pathways established for these businesses to sell their products in remote stores.

14. Australian Government to draw on the findings from quality research conducted on (a) community-based and community-led local food production projects in remote communities; and (b) food security and food affordability in remote communities and continue to fund research in this area so as to achieve self-determination of a healthy diet in remote communities.
15. Australian Government to increase funding for infrastructure in remote communities to support safe, cold and reliable drinking water and electricity to households, for food storage and food preparation.
16. Australian Government to increase funding to improve housing and associated cooking / meal preparation / food storage facilities for people living in remote communities to support overall nutritional health and wellbeing.

DISCUSSION

The environment in which remote community retailers operate

The environment in which remote community retailers operate is challenging. Remote stores are confronted with higher freight costs, reduced economies of scale and other factors, all of which impact on the availability, affordability and quality of fresh food.

Three significant barriers to having a reliable supply of affordable fresh and healthy foods in remote communities include distance, climate and store viability:

- Distance – excessive travel distances from the point of collection to drop-off means perishable foods like fruits and vegetables are often in poor condition by the time they arrive in the community. Degradation of fruits and vegetables worsens with temperature fluctuations, with observational feedback from several dietitians that fresh produce delivered to remote stores by road transport results in a lower food quality than delivery by train or barge. One DA member provided a personal example in which a remote community store was visited and mouldy tomatoes were being sold for over \$10/kg. The poor quality and high price was replicated for other fruit and vegetables, with patients living in this remote area routinely reporting food to be in poor condition by the time it arrived in the store. In Central Australia, many stores that are further from regional centres tend to get fortnightly deliveries due to the high cost of freight. This tends to mean freshness of healthy foods such as fruit and vegetables is not maintained. More recently, a resident on Palm Island (east coast of North Australia) shared a photo on social media of frozen Australian lamb loin chops (with a high percentage of lamb fat, as typically sold in remote stores) being sold for \$38.99/kg. So the 2.1kg tray of fatty meat cost over \$82.00, a price which is almost double the average price of lamb chops sold in mainstream supermarkets.
- Climate – pricing and accessibility of foods can be impacted by the Australian climate and associated natural disasters (e.g. floods, bushfires, cyclones) due to transportation difficulties and access to the local community. In Northern Australia, many remote Indigenous communities are inaccessible during the wet season. While the majority of communities plan for this, access to food can be compromised if the wet season is longer than usual. Cape York faces the challenge of food supply being impacted during the wet season, where

communities may become inaccessible by road for up to 5 months of the year and fresh produce needs to be flown in, without government support (1). Some Top End West communities (e.g. Palumpa) and many communities in the Northern Western Australia Coast and Arnhem Land (e.g. Nitjipurru (Pigeon Hole) and Bulman) also experience extended periods with no fresh produce during the wet season. In the Northern Territory (NT) during the wet season, especially after a cyclone, supermarkets in Darwin often run short on key food supplies due to road damage and/or delays in road/rail transport of food. Since most NT communities are supplied through Darwin, this shortage is exacerbated in these communities. The impact of climate change is amplified in remote communities and so any increase in natural disasters (e.g. bush fires, cyclones etc) is only going to exacerbate the problem of food transport to remote stores.

- Store viability – store viability compounds the disadvantage of distance. Smaller stores, due to a reduced turnover of product, often rely on fortnightly or longer delivery cycles. The result of these longer delivery cycles, compounded by longer door to door freight times, means it is untenable for store managers to keep a wide range of fruit and vegetables on display and in acceptable condition for the length of the delivery cycle.

Other common issues affecting grocery supplies in remote communities include wholesaler shortages of high-demand foods (which has been commonplace during the COVID-19 pandemic); varying/unpredictable times between the placement of grocery orders and the arrival of orders (which can mean food runs out before it is restocked); and the ability/skill of store managers to plan for adequate food stocks, which in many cases are to last several months (or more).

Research consistently shows that food prices are significantly higher in remote Indigenous communities compared to regional/urban centres:

- The [Northern Territory 2019 Market Basket Survey](#) (2) results revealed that on average, a Healthy Food Basket in remote stores was 56% more expensive than in district centre supermarkets and 6% more expensive in district centre corner stores.
- The [Queensland 2014 Healthy Food Access Basket survey](#) (3) showed food in remote stores is 27% more expensive than in Brisbane.
- Australian research (4) regarding household expenditure on food showed that in remote Anangu Pitjantjatjara Yankunytjatjara (APY) lands in South Australia, 39% of household income was required to purchase a healthy diet vs the accepted benchmark of 30% household expenditure. Research by Ferguson and others (5) suggests that this may be up to 60% when you consider top selling lines in remote NT communities.

Remote stores make up approximately 2% of the national Australian grocery and food market (as mentioned by the NIAA CEO in the first Hansard report), which significantly impacts buying power and the ability to negotiate on price with manufacturers and wholesalers (6). The reduced buying power means it is impossible for remote stores to compete with giant supermarket chain prices (e.g. Coles and Woolworths). Whilst some remote community stores have pricing policies in place to support healthy purchases, this is limited by the need to sustain a viable store within a challenging environment with high operating costs (5).

In addition to inflated food prices, a lack of food variety is very common in remote stores, likely due to accessibility and demand. As an example, one dietitian working in the Northern Territory had a patient ask her to phone the remote Indigenous community store she frequents to ask for wholegrain bread and a low fat milk option to be stocked to assist in the management of her

diabetes. The patient reported that she had asked the store owners multiple times to stock these items, without success. More recently, while working in remote areas of Queensland, this same dietitian has experienced limited food variety at first hand and routinely has patients report on the lack of variety in basic grocery items. Remote local grocery stores do not consistently stock varieties of milk (full cream milk only), bread (white bread only), fresh fruit and vegetables (a very limited range is offered), lower fat meat options (fatty cuts of meat are standard) and health-specific foods (e.g. no gluten-free products are available). This is often due to a lack of nutrition policy requirements and pressures by management to reduce store wastage. Many niche products which are new to a community may have a slow uptake and therefore there can be pressure to not restock these items.

Remote community stores are often the main source of food supply in communities and therefore it plays a key role in influencing the availability and affordability of healthy food choices and subsequently the health and wellbeing of people living in remote locations (7,8). As such, the responsibility for ensuring a store meets the needs of the community shouldn't just lie with the store managers/store group.

It is recommended that remote community stores are elevated to the status of an 'essential community service' – similar to health and education services – rather than treated as a small business (9). DA asserts that strong community involvement is vital to the success of Remote Community Stores, with support needed from government, health and social agencies at a local, state and national level to support efforts in creating affordable, healthy food environments.

Recommendation: Elevation of remote community stores to the status of an 'essential community service', with a strong focus on community involvement and support for remote community retailers from government, health and social agencies at a local, state and national level.

The licensing and regulation requirements and administration of remote community stores

AND

The governance arrangements for remote community stores

Community stores licencing was implemented in the Northern Territory (NT) in 2007 as part of the *Northern Territory National Emergency Response Act* (NTNER 2007, "The Intervention") (10) and renewed under the *Stronger Futures in the Northern Territory Act* (Stronger Futures Act 2012) (11) in 2012. Due to the lack of competition and choice available for consumers in remote areas, the licensing scheme was designed to improve food security in remote communities by setting standards that stores need to meet around availability, quality and promotion of reasonably priced healthy foods, as well as financial, retail and governance processes. A store is required to be licensed if it is an important source of food, drink or grocery items for an Indigenous community.

Licensing requirements are monitored by the National Indigenous Australians Agency (NIAA), and sanctions and penalties may be applied to stores which do not meet the standards. Community stores licensing does not currently apply to stores in major cities and regional centres in the NT

(Darwin, Palmerston, Katherine, Tennant Creek, Alice Springs and Nhulunbuy) or in other jurisdictions in Australia (8).

Since the introduction of stores licencing in the NT in 2007, the average number of varieties of fruit sold in remote community stores has increased (from 8 to 12 between 2007-2017), as has the average number of varieties of vegetables (from 14 to 18 between 2007-2017) (12). The average number of varieties of healthy food products in other categories (including breads, breakfast cereals, lean meats and canned and frozen vegetables) has also increased over the same time period (12). There has however been a slight decline in the percentage of fresh fruit and vegetables rated as 'good', and the cost of the healthy food basket in remote communities has been higher than projected using annual Consumer Price Index increase between 2007-2017 (12).

National Standards for stores and take-away outlets, as well as a National Quality Improvement Scheme to implement the standards, has previously been proposed (and piloted in 10 places) under the COAG National Strategy for Food Security in Remote Indigenous Communities (13), part of the National Indigenous Reform Agreement 2009-2012 (14). The strategy was audited in 2014 however, and it was found that resourcing was poor and few outcomes had been achieved (15).

A review of the Stronger Futures Act found that the response of stakeholders to stores licencing reforms in 2012 has been broadly positive (16). Current licencing standards in the NT may need to be adapted to be applicable nationally to avoid the imposition of unnecessary operational and stock requirements, which can create additional costs for stores (16), but should include a minimum range for healthy food products and health hardware, and encourage nutrition policy, pricing policy, indigenous employment policy and financial reporting requirements.

To be effective, licencing requirements should be strengthened around pricing and quality, and concentrate on raising standards in the operations of stores to help promote better health outcomes along with better accountability and transparency of store practices. It should also include the regulation of takeaway foods sold within the store, focusing in the balance between wholesome foods and those energy-dense nutrient-poor (EDNP) foods that often dominate the menu.

Regular licencing checks and follow up with non-compliant stores needs to be completed. A review of the Stronger Futures Act from 2016 shows the number of monitoring and assessment visits has declined, from 134 in 2013-14 to 66 in the 2015-16 financial year, however this is thought to be due to a more targeted, risk-based approach to monitoring and assessment (16).

DA asserts that adequate funding needs to be allocated to allow monitoring, enforcement and support for stores to occur. DA also considers it important to support community control and provide greater support for store committees to work with the National Indigenous Australian Agency (NIAA) to play an active role in the implementation of stores licencing.

Recommendation: National Licencing Standards for remote community stores to be strengthened and expanded to takeaway foods sold within stores, with adequate funding provided for effective monitoring and enforcement processes.

Comparative pricing in other non-Indigenous remote communities and regional centres

Market Basket Surveys (MBS) that report on the affordability, availability and quality of food in remote communities and regional centres have been completed regularly in the Northern Territory (NT) since 2000 (annually from 2000-2015, and biennially since 2017). The current NT MBS looks at the price of a 'Healthy Food Basket' (HFB) to feed a family of six for a fortnight, which is based on the foods in the Australian Guide to Healthy Eating. The price of a 'Current Diet Basket' (CDB) to feed a family of six for a fortnight is based on the most recent survey of dietary patterns of Aboriginal and Torres Strait Islander people in Australia (2). The NT is currently the only jurisdiction to consistently have collected and reported on this type of data. This data provides significant insight into trends in food cost and variety over time, pricing differentials between recommended and current diets, differences between geographic districts, and regional and remote locations. Regular Market Basket surveys have also been conducted in Queensland (3) and ad hoc surveys have been conducted in Western Australia (17,18) and South Australia (19).

Market Basket Survey data is a valuable advocacy tool, however there is currently no transparency of results – individual store data is not published, so community members and store managers are unable to compare how their store is performing against other similar stores. Currently each store receives their own data compared to the aggregated remote district averages and local regional centre supermarket only. Participation in the Market Basket Survey is also currently optional, so store managers and committees can decline participation, which can result in incomplete data and also has potential to create selection bias (as stores with higher prices or poorer ranges may be more likely to decline). Lack of staffing/staff ability to collect results is another reason for incomplete data. Additionally, while food availability surveys have been completed in other remote communities and/or regional and urban centres in Australia, different survey tools are used in different states and regions which does not allow results to be compared nationally.

A standardised protocol to assess, compare and monitor the price, price differential and affordability of healthy (recommended) and current (unhealthy) diets in Australia has recently been developed in line with the 'International Network for Food and Obesity / non-communicable diseases Research, Monitoring and Action Support' (INFORMAS) optimal approach to monitor food price and affordability globally. This has been named the 'Healthy Diets Australian Standardised Affordability and Pricing' (Healthy Diets ASAP) method (20). Implementing a standardised protocol such as this would support benchmarking, comparison and monitoring of all components of food security (i.e. including availability, affordability, accessibility, acceptability) across remote communities, regional and urban centres nationally.

Recommendation: A nationally standardised food availability, quality and pricing survey to be completed annually across stores in remote communities and regional centres in Australia. Results should be publicly available to allow transparency, accountability and comparison to occur within and between regions.

AND

Recommendation: Australian Government to routinely measure and report on the prevalence and severity of food insecurity, particularly in remote communities.

Barriers facing residents in remote communities from having reliable access to affordable fresh and healthy food, groceries and other essential supplies

Store Trading Hours: There is significant variability in store trading hours between different remote communities, with some older data showing stores could be open for anywhere between 22 to 45 hours per week (21). While there is little published data on this, experience of people living and working in remote communities confirms that trading hours can still be limited in many communities, including stores being closed for 2 hours over lunch or closing prior to 5pm (which limits access for those who are employed), trading for only short periods (e.g. 3 hours) on weekends or public holidays, and some community stores not trading at all on Sundays (which can mean in some cases, from 12pm on a Saturday until 9am on a Monday, entire communities cannot purchase food).

In addition, some stores are closed without notice at the discretion of the store manager/board (for example, as a punitive measure in response to community disruptions, proclamations being placed on the site, or poor staff attendance). A proclamation being placed on a site may mean that staff feel unsafe at the store and are able to go home until this is lifted. All of these situations have a profound impact on people's ability to access food and essential supplies.

Limited and unreliable store trading hours in what is often the sole retail outlet for a community quite clearly is a significant barrier to accessibility of food and essentials, which needs to be addressed to ensure communities rights to access these basic needs are protected.

Recommendation: Investigate regulation options for minimum trading hours for remote community stores, in consultation with remote Indigenous communities.

Income: Income is a major determinant of food security, and can be a significant barrier to being able to afford food and other essential supplies.

In 2014–15, 52% of Indigenous Australians aged 15 and over received a government pension or allowance as their main source of personal income (22). The proportion of Indigenous Australians whose main source of income was a government pension or allowance was highest in remote areas, at 65% in very remote areas compared with 43% in major cities (22).

There is anecdotal evidence that some remote community residents, who are eligible to receive social security support do not actually receive such support, as the social security process is very complex for people with English as a second language.

The Remote Area Allowance is payable to recipients of a social security pension, allowance or benefit living in remote areas, and exists to help meet some of the higher costs of living and reduced access to services associated with living in particularly remote areas (23). Despite this, the median personal income among Indigenous Australians decreases with remoteness, with the lowest incomes seen in very remote areas (\$286) - around half (55%) the median income of those living in major cities (\$513) (22).

Remote Area Allowance payments have not increased in 20 years, with the current fortnightly payment being just \$18.20 for singles and \$15.60 each for couples, with an additional \$7.30 payable per dependent child (23). However, 2019 Market Basket Survey results from the NT show a 'Healthy Food Basket' in remote stores is on average 56% more expensive than in district centre supermarkets (2). It has also been shown that low-income households need to spend proportionally more income on food than those on average or higher incomes, with a healthy food basket for a family of 6

requiring 34% of the average household income in a remote community – more than double the national household average of 14% income spent on food (24), and well shy of the proposed “Close the Gap” target of 90% of Indigenous families being able to access a Healthy Food Basket for under 25% of their income by 2018 (25).

There is a clear discrepancy between income and cost of food for Indigenous Australians living in remote communities who are reliant on government allowances. The remote area allowance needs to be significantly increased to rectify this, and should increase annually in accordance with Consumer Price Index at a minimum.

Recommendation: Increase Remote Area Allowance for recipients of social security payments (particularly those living in very remote areas) to adequately compensate for the higher cost of living associated with residence in remote communities.

Housing and infrastructure: Additional factors affecting food accessibility include issues with overcrowded housing and inadequate housing / kitchen infrastructure which can impact on the safe storage, preparation and consumption of food. Housing and basic essential amenities (e.g. electricity and water) must be considered as part of any strategy to improve food insecurity. Lee and others (2009) reported that improved housing and associated cooking / meal preparation / food storage facilities are required to improve the nutritional health and wellbeing of Indigenous people (26).

Feedback from dietitians working in remote Indigenous communities is that some communities avoid drinking tap water due to concerns about its safety and/or taste. Safe water is an essential human right, however quality of drinking water in remote communities in the NT is a significant area of concern, with many communities having minerals (e.g. nitrates, uranium) above recommended levels (27). This makes tap water in these communities unsafe for infants who are formula fed, and bottled water is required to be supplied for these families. Also in the Northern Territory, due to its climate, much of the tap water is hot and in some communities it is unpalatable. Anecdotally this pushes purchases towards bottled drink products, including sugar sweetened beverages. Access to cold, safe, reliable, palatable drinking water, which provides a free choice to that of sugar sweetened beverages, may assist to support overall health and wellbeing.

Recommendation: Increased Government funding for infrastructure in remote communities to support safe, cold and reliable drinking water and electricity to households, for food storage and food preparation.

AND

Recommendation: Increased Government funding to improve housing and associated cooking / meal preparation / food storage facilities for people living in remote communities to support overall nutritional health and wellbeing.

The availability and demand for locally produced food in Remote Communities

Community garden projects are often implemented to improve food security. In some cases these projects have been a success and in other cases they have failed, especially where there has been a lack of community ownership, sporadic funding and poorly defined business objectives (28).

An example of a successful sustainable garden project is that of the Utopia Homelands Food Gardens (Merne Murde project) (29). Predominantly home/family based-gardens (rather than whole of community gardens) this garden project included funding for a horticulturalist and an ongoing community-based position to support this work, as well as regular involvement of the visiting dietitian.

Observationally, failed kitchen/community garden projects are started by an individual service provider and due to staff turnover are not carried on when this individual leaves, therefore having limited effect on the food supply in remote communities.

In order for local food production to have long term success, a community driven approach with a strong business foundation, real employment and ongoing investment of farming/horticulture expertise is required (29-35). A well-supported and resourced Aboriginal and Torres Strait Islander community nutrition and horticultural workforce and traditional ecological knowledge holders are required to develop and deliver culturally relevant, community-owned and community-led programs to increase supply of healthy and culturally acceptable food choices in remote community stores.

Small scale local farms may be an option in remote communities, however above factors need to be considered, and may be more appropriate in some geographical areas than others (36).

For any locally produced food, Aboriginal and Torres Strait Islander businesses need to be prioritised and supported, which includes identifying pathways for these businesses to sell their products to remote stores and other businesses. Support for small business training/modelling and HACCP certification are just two ideas on how local food producers could be supported. A link with relevant cooking/nutrition education and skills building is very important as well so that the community become familiar with the foods that are grown and know how to use them in their everyday meals.

Recommendation: Australian Government to draw on the findings from quality research already conducted on community based and led local food production projects in remote communities and continue to fund research in this area, so as to achieve self-determination of a healthy diet in remote communities.

AND

Recommendation: Australian Government to provide funding for health services to engage traditional ecological knowledge holders alongside a well-supported and resourced Aboriginal and Torres Strait Islander community nutrition and horticultural workforce to increase the supply of healthy and culturally acceptable food choices in remote community stores

AND

Recommendation: Business support to be provided to local food producers in remote communities (e.g. small business training/modelling and HACCP certification) with pathways established for these businesses to sell their products in remote stores.

The role of Australia's food and grocery manufacturers and suppliers in ensuring adequate supply to remote communities

Food affordability could be improved by policies targeted at manufacturers, wholesalers and/or major supermarket chains (6). There appears to be great potential for Australia's food and grocery manufacturers and suppliers to support price equity for remote community residents. Remote community stores are unable to access the same promotional pricing funded by manufacturers and supply of generic products that customers who shop at urban/large supermarkets can access (6).

The relationships between large/urban supermarkets and manufacturers contributes to the disparity in prices between remote stores and supermarkets, with remote community stores unable to compete with the large grocery giants. Strategies to improve the affordability of healthy food in remote stores/communities needs to consider the relationship of manufacturers, wholesalers and remote community stores and more work in this space needs to occur.

Some examples of ways that food affordability could be improved include:

- Manufacturers could offer promotional deals to remote stores on healthy packaged grocery products, similar to what is seen in urban centres. This could generate savings that could be passed on to customers.
- An exploration of retail partnerships to increase supply and promotion of low cost yet nutritious products. An example may be gaining leverage from a private industry (national supermarket chain and or manufacturer) to offer buying power/prices obtained similar to what the national supermarkets can buy healthy product lines.
- Use the stores groups from Outback Stores to form a large group buying with community owned and run stores in the NT and other jurisdictions where they operate.
- Establishment of co-ops between independent stores in a similar region to be able to access improved buying power, sharing of freight costs, etc.

The effectiveness of federal, state and territory consumer protection laws and regulators in (a) supporting affordable food prices in Remote Communities, particularly for essential fresh and healthy foods and (b) addressing instances of price gouging

Remote community stores commonly hold a high degree of local market power due to either having the food supply monopoly, or being one of few providers to the community and surrounding areas, such as outstations (37). There is currently no external regulation of pricing of food or essential items in remote stores.

Mandatory fuel price reporting has been implemented by consumer affairs and fair-trading regulatory bodies in several jurisdictions (including Queensland, Western Australia, New South Wales and the NT) in an effort to prevent price gouging, improve transparency and create increased competition in a virtual market. All fuel retailers are required to register and report their fuel prices, which are updated in real time and are publicly available to consumers via website or an app so they can make an informed choice about where to purchase fuel. If fuel prices are incorrectly reported, retailers can be reported to consumer affairs (38).

A similar model for mandatory reporting of the price of a small range of staple food products (for example, a loaf of bread, a litre of milk, a kilogram of apples, a dozen eggs, a tin of infant formula etc) in remote stores could be implemented as a measure to identify (and/or prevent) price gouging, as well as to help keep the price of core healthy food products competitive. It should be ensured that these products are 1) available at all times and not just a product that the store has on file and is not stocked and 2) available to the whole community at that price – not priced differently for certain people within the community (which has been an issue observed in the past).

This pricing data could also be used for monitoring, and add to that produced by Market Basket or other food availability surveys (which include more food products, as well as extra detail on quality and range of healthy food products) by providing rich information on pricing trends over time. Pricing trends could look at seasonal pricing variation, average regional prices and comparisons or benchmarking against other similar stores (with stores potentially stratified on factors such as community/market size, distance from the nearest regional centre, freight methods, etc to allow for differences in logistics). It could also highlight business models which are effective in keeping pricing competitive in the remote setting, so as to inform and improve practices in other remote community stores.

Recommendation: Implementation of a mandatory reporting system for pricing of staple food products in remote community stores. This information should be publicly available to consumers to improve transparency and competition in the market.

Several stores management groups have their nutrition policies publicly available (21), such as The Arnhem Land Progress Aboriginal Corporation (ALPA) (39). Outback Stores (OBS) is a Commonwealth owned company with an independent Board of Directors which provides consultancy for the management of remote stores on a fee for service basis. OBS was established in 2006 due to poor governance and build up on debt in remote stores (37), and aimed to improve store management and develop greater buying power to lower prices.

OBS has a Nutrition Aim - to improve the health of Indigenous people living in remote communities by improving access to a nutritious and affordable food supply, which is underpinned by the implementation of their Health and Nutrition Policy across all stores (40). However this policy is not publicly available, despite one of the values of OBS being accountability and transparency (40). Communities cannot hold their store to account if they are not privy to the standards their store is expected to meet.

Recommendation: Store nutrition policies to be made publicly available so communities and key stakeholders can hold stores accountable for policy implementation.

Store pricing is determined by the buy price, the mark-up and the freight costs. Products are usually grouped together into product groups (e.g. dry goods, fresh produce, merchandise). Mark-up and freight costs are usually charged to the product group as a whole and there is limited ability to affect a particular unit's sell price. The limiting factors to this can be the merchandise system that the group uses and personnel resources within the organisation.

In store management groups, the pricing structure can often be a one-size-fits-all across all stores under its management. In addition, the buy prices, mark-up and freight costs may not be shared with store boards.

To enable community store boards to control their own narrative regarding the pricing of foods within their community, we recommend store management groups provide detailed information to store boards on the pricing structure (including buy price, mark-up and sell price of items). In addition, we recommend that community store boards are given the capacity to set the sell prices of certain items and are provided support to understand the financial and health implications of such actions on their communities.

We also recommend that an allowance for this is made within the budget of unviable stores who are financially underpinned by Commonwealth entities.

Recommendation: Ensure that community store boards, particularly those run by management groups, have complete transparent access to pricing structure of their store AND store boards are given the capacity to adjust their store's pricing structure if desired, in negotiation with their management group.

Other relevant factors

It is well established that significant health inequities exist for Indigenous Australians, who experience a burden of disease that is 2.3 times the rate of non-Indigenous Australians (41). Chronic diseases, many of which are diet-related, account for almost two thirds (64%) of the total disease burden and 70% of the gap in disease burden between Indigenous and non-Indigenous Australians (41). Five of the seven estimated leading contributors to the health gap between Indigenous and non-Indigenous Australians relate to diet: obesity, high blood cholesterol, alcohol, high blood pressure, and low fruit and vegetable intake (41).

There is significant scope for improving health and wellbeing among Indigenous Australians by improving dietary intakes. The 2018-2019 National Aboriginal and Torres Strait Islander Health Survey (42) revealed:

- The proportion of people aged 15 years and over who had consumed the recommended number of serves of fruit per day declined for those living in remote areas from 49% in 2012–13 to 42% in 2018–19.
- Sugar sweetened drinks were usually consumed every day by around one-quarter (24%) of people aged 15 years and over.

Nowadays, the majority of food consumed in remote communities is purchased at the local community store (43), with some estimates indicating this could represent up to 95% of food eaten in Aboriginal communities (37). It has been found that vegetable intakes are lower, while intakes of discretionary (junk) food and sugary drinks are higher among Aboriginal and Torres Strait Islander people than among non-Indigenous Australians (44). As the store is now the major source of people's dietary intake in remote communities, support is required to help promote and shift market demand toward more healthy food choices.

Structural disadvantages, such as the lack of genuine employment opportunities and limited full-time care options for children aged 0-5 years means that people in remote communities who are dependent on the welfare system have 50% of their income quarantined on a basics card which cannot be spent on alcohol, tobacco, illicit drugs and gambling. Yet analysis of remote store sales data early in the implementation of income management found that this policy provided no beneficial impact in relation to purchasing of tobacco, soft drink or fruit and vegetables (36).

To support and encourage people to make healthier food choices from remote community stores, effective community-based programs are required that adopt a multi-strategy approach, across the whole health continuum, including:

- preventive community interventions;
- public health nutrition policy actions;
- nutrition promotion; and
- quality clinical nutrition and dietetic services (36).

National education programs such as the Aboriginal and Torres Strait Islander component of ‘Go for 2 & 5 fruit and vegetables’ promotion campaign, lacked community involvement in the development and implementation and were not evaluated (36).

Programs that address health issues based on community-led principles and are developed and delivered by local community members have been shown to have a greater effect on health outcomes (36). It has been identified by multiple reviews that there is a need for greater investment into a trained, well-supported and resourced Aboriginal and Torres Strait Islander nutrition workforce delivering community led interventions that increase knowledge and understanding of healthy food (36, 45, 46).

Programs such as Strong Women, Strong Babies, Strong Culture and Tackling Indigenous Smoking have shown that when these programs are developed and well-resourced they can deliver positive outcomes in health and more broadly throughout the community (36, 47). DA members have indicated that remote stores with an in-house nutritionist (e.g. Outback Stores and Arnhem Land Progress Aboriginal Corporation) appear to have more reliable access to affordable fresh and healthy food, groceries and other essential supplies.

Role definitions for health staff working within Aboriginal and Torres Strait Islander communities need to be broader and include the essential role of food security work. It has been found both store-based interventions combined with health promotion had the most promising positive impacts of health outcomes (45).

Recommendation: Funding be provided for health services to employ qualified nutrition professionals (Accredited Practising Dietitians) alongside a well-supported and resourced Aboriginal and Torres Strait Islander community nutrition workforce to develop and deliver culturally relevant, community owned nutrition programs to increase demand for healthier choices in remote community stores.

Support for research is vital

Valuable research is currently underway to better understand ways to improve availability and affordability of healthy food options in remote communities. For example, the University of Queensland, Apunipima Cape York Health Council and the Central Australian Aboriginal Congress have recently secured a 3 year NHMRC grant to look at improving food security and investigate food affordability in remote Cape York and Central Australian communities (48). This study will trial a direct to consumer food subsidy scheme (specifically for women and young children) and analyse how price discounts, offered via loyalty cards, impact on affordability of a healthy diet. Phase two will capture participants’ experiences through photos, and use these to develop a framework of solutions that can

be translated to health policy. This valuable research will increase understanding of strategies to improve food security and translate to improved services and policy.

Some other important research that has been done in this area include:

- [SHOP@RIC Stores Healthy Options Project in Remote Indigenous Communities](#): a store-based price reduction intervention was used to promote the purchase of fruit, vegetables, low joule soft drinks and water and to reduce the purchasing of sweetened soft drinks among residents in remote Aboriginal communities in the Northern Territory.
- [A randomised controlled trial to reduce purchases of discretionary food and beverages in remote Indigenous community stores](#): an intervention was used to reduce sales of discretionary products, in collaboration with the Arnhem Land Progress Aboriginal Corporation (ALPA), which operates 25 stores in very remote Australia, by reducing their merchandising and substituting with core food products in remote communities.

DA considers it vital that the Australian Government draw on the findings from quality research already conducted on food security, food availability (including availability of traditional foods) (49) and food affordability in remote communities and continue to fund research in this area, so as to achieve affordability of a healthy diet in remote communities.

Recommendation: Australian Government to draw on the findings from quality research already conducted on food security, availability and affordability in remote communities and continue to fund research in this area, so as to achieve affordability of a healthy diet in remote communities.

Reporting on Inquiry Outcomes

Dietitians Australia lodged a submission regarding the inquiry into remote community stores in Aboriginal and Torres Strait communities in February 2009. Many of the recommendations made in this submission are similar to and relate to those proposed in 2009.

Dietitians Australia has also worked with the Public Health Association of Australia, Australian Red Cross, National Heart Foundation of Australia, Indigenous Allied Health Australia and Victorian Aboriginal Community Controlled Health Organisation to develop a 'Joint Policy Statement on Food Security for Aboriginal and Torres Strait Islander Peoples' (50) and an accompanying 'Background Paper' (51). This paper provides relevant background on the determinants of food insecurity and the health inequities that result from the current situation, which are also very relevant to this inquiry.

Given the proven need for a national food security response, yet the lack of action to date, Dietitians Australia considers it important that the Australian Government develops and implements a 'National Food and Nutrition Security Strategy', with particular focus on remote communities and inclusion of the local voice in the development of any food security and food pricing response.

Increased transparency and communication about the outcomes of Parliamentary Inquiries is needed in order to adequately engage with the stakeholders invested in food pricing and food security in remote Indigenous communities. Therefore, stakeholders who have invested resources to this inquiry should be privy to any proposed plans for a food and nutrition security strategy, in order to have input.

Recommendation: Australian Government to develop and implement a ‘National Food and Nutrition Security Strategy’, with a particular focus on remote communities and inclusion of the local voice in the development of any food security and food pricing response.

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