Our ref: 222846

7 November 2017

Service delivery in Indigenous communities
Queensland Productivity Commission
112 George St
BRISBANE QLD 4003


Dear Commissioner,

SUBMISSION TO THE INQUIRY INTO SERVICE DELIVERY IN REMOTE AND DISCRETE ABORIGINAL AND TORRES STRAIT ISLANDER COMMUNITIES.

Please accept Cloncurry Shire Council’s submission into the Inquiry as detailed in the attached pages. Cloncurry Shire Council welcomes the opportunity to contribute to the Queensland Productivity Commission’s Inquiry into Services in Indigenous communities.

The key issues raised in Cloncurry’s submission are as follows:

- Access to ATSI State Government funding programs for predominantly indigenous communities located in Cloncurry Shire Council including Roads, Housing, Water and Sewer utilities;
- Affordable transport options for residents of these communities to access health and education services;
- Decentralisation of State Government departments from Mt Isa to Cloncurry;
- Community funding programs with defined outcomes.

Should you have any further queries please do not hesitate to contact me on 07 4742 4100.

Yours faithfully

Ben Milligan
Chief Executive Officer
About Cloncurry and Dajarra

Cloncurry Shire Council is a vast rural remote local government covering over 48,000 square kilometres. 20% of the population is indigenous.

Dajarra is a small aboriginal community within the Shire of Cloncurry. It is approximately 276km South West of Cloncurry. The population is approximately 191 people, of which 60% are indigenous.

The community has a State Primary School, a manned Police Station, a nurse station, Roadhouse, Hotel, an Aboriginal Housing Corporation and State Funded Housing.

Cloncurry Shire Council is heavily grant dependent (see chart below), with limited ability to fund operations from rate revenue. The state government currently earn $140 million per annum in royalties from mining operations located in Cloncurry Shire Council.

---

2017/18 Budget

- Rates, levies and charges: 34%
- Sales Contract Recoverable Work: 4%
- Grants, subsidies, contributions and donations: 62%
- Fees and charges: 1%

---

Cloncurry

Northern Territory
Cost of Transport

North West communities already isolated by distance, are further isolated by the high cost of transport that makes travel unaffordable for most low to medium income families.

The exceptionally high cost of transport to the Shire can be felt in a wide range of areas and has a disproportionate impact upon those in lower socio-economic groups:

- Cost to travel to access health services, which are limited within the region
- Cost to travel to access education;
  - Dajarra’s school finishes at Grade 6, requiring high school students to travel to and from boarding school or access distance education
  - Cloncurry’s school finishes at Grade 12. The limited options compared to coastal or city based schools requires some students to travel to boarding school.
- Liveability impacts as a result of high cost of travel for leisure
- Increased costs associated with engagement of contractors, external expertise, training and support services – all of which are regularly required but in limited supply within the region.

Air Transport

Return flights from Cloncurry to Townsville or Brisbane range in value from $500 - $1300 per person. The majority of seats are booked by government agencies or mining companies well in advance. This tends to relatively quickly escalate the price of seats for local users of these services.

Cloncurry to Townsville flight routes were de-regulated from 1st January 2015. The State Government advocated at that time that other operators can enter the market, encouraging lower and more competitive airfares for customers.

Unfortunately, Cloncurry residents have not had this experience. Costs for residents have increased and no other operators have chosen to fly this route. Our experience has been additional players will only enter the Cloncurry routes if they are underwritten by a mining company who reserve a minimum number of seats on the carrier.

There are no passenger flights to remote indigenous communities within the Cloncurry Shire. Flights to these areas are limited to RFDS or agricultural company aircraft.
### Qantas Flights – November 2017

**Choose your departing flight**

<table>
<thead>
<tr>
<th>Departing</th>
<th>Cloncurry to Townsville</th>
<th>Start again</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mon 6 Nov</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Tue 7 Nov</td>
<td>$239</td>
<td></td>
</tr>
<tr>
<td>Wed 8 Nov</td>
<td>$799</td>
<td></td>
</tr>
<tr>
<td>Thu 9 Nov</td>
<td>$799</td>
<td></td>
</tr>
<tr>
<td>Fri 10 Nov</td>
<td>$799</td>
<td></td>
</tr>
<tr>
<td>Sat 11 Nov</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Sun 12 Nov</td>
<td>N/A</td>
<td></td>
</tr>
</tbody>
</table>

Sort by:
- Direct flights

**Choose your returning flight**

<table>
<thead>
<tr>
<th>Returning</th>
<th>Townsville to Cloncurry</th>
<th>Start again</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mon 13 Nov</td>
<td>$799</td>
<td></td>
</tr>
<tr>
<td>Tue 14 Nov</td>
<td>$510</td>
<td></td>
</tr>
<tr>
<td>Wed 15 Nov</td>
<td>$519</td>
<td></td>
</tr>
<tr>
<td>Thu 16 Nov</td>
<td>$799</td>
<td></td>
</tr>
<tr>
<td>Fri 17 Nov</td>
<td>$799</td>
<td></td>
</tr>
<tr>
<td>Sat 18 Nov</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Sun 19 Nov</td>
<td>N/A</td>
<td></td>
</tr>
</tbody>
</table>

### Virgin Flights – November 2017

**Select your departing flight**

From Cloncurry, Australia to Brisbane, Australia

- Departing: 1:30 PM
- Arriving: 3:35 PM
- Flight VA461, Non-stop, 2 hr 5 min
- Operator: Alliance for Virgin Australia
- Economy from $630.00
- Business: Sold Out

**Select your returning flight**

From Brisbane, Australia to Cloncurry, Australia

- Departing: 6:05 AM
- Arriving: 9:55 AM
- Flight VA1712, 2 hr 55 min
- Operator: Alliance for Virgin Australia
- Stop 15A, Duration: 5 min
- Economy from $653.00
- Business: Sold Out
**Land Transport**

At present there is no transport service from Dajarra to major centres. A bus service operates between Mt Isa and Cloncurry but does not service isolated indigenous communities.

In practice, what occurs is a larger group will pool resources to travel by car to their intended destination. The group inevitably end up unable to make the return journey when issues arise such as differing priorities and timeframes, the vehicle breaks down and lack of finances. Visitors will then reach out to other indigenous families in the area to stay until they can find the required resources to return home. Inevitably this results in social issues linked to displacement and even homelessness.

Unsealed sections of road still exist on the Cloncurry to Dajarra State road. This strategic road services two major mining operations, one of the largest pastoral holdings in Australia and the indigenous community of Dajarra.

Finally, the isolation of this community and the high cost of transport results in limited opportunities to purchase and consume fresh fruit and vegetables. The community's nearest food store is in Mount Isa, 155km away via bitumen highway. The shortest route from Dajarra to Cloncurry is 170km and includes a 50km section of unsealed road which becomes unusable in wet weather conditions.

**Proposed solutions**

Council advocates the following solutions:

- Reducing the cost of transport to North West communities will increase parity for rural remote locations;
- Cost of airfares – an immediate reduction in the cost of airfares would provide great relief. This could be achieved in many ways:
  - Provide a subsidy for local passengers;
  - Make the subsidy means tested, to provide greater benefit to lower socio-economic demographic;
  - Make some forms of travel exempt from receiving subsidies (government and private enterprise passengers);
- Partnership with private enterprise - Engage with mining companies to understand what availability they have for excess seats on charter planes and provide a subsidy for local residents to access these services;
- Commit funding to seal the final sections of the Cloncurry to Dajarra Road;

**Improving Service Delivery Outcomes**

**Mt Isa Based Services**

Due to Mount Isa being closer and having all weather access most private services provided to Dajarra are sourced from Mount Isa rather than Cloncurry. Consequently, Dajarra people move between Mt Isa more so than Cloncurry socially and for external work opportunities.

At present, the majority of services provided by the state and NGO’s (non-government Organisations) are hosted in Mount Isa.
In theory, these services should be able to quite effortlessly extend their operations to include Cloncurry Shire residents. In practice the geographical divide is too great and it is rare to see these agencies within Cloncurry Shire Council. The result is these agencies are not considered to be a part of the community and have limited understanding of local issues.

Frequency of visits by agencies are haphazard at best, which results in residents not understanding what services are available, when they are planned to be in the region to be accessed and where they can find them. There is minimal understanding of what roles these agencies play, including which agency holds accountability for specific issues such as youth crime, homelessness, child welfare etc. Our experience is residents stop engaging with these agencies as they are not considered to be local, reliable or focussed on delivering specific outcomes.

It is not uncommon for Mt Isa based agencies to contact Cloncurry Shire Council or other agencies such as the police to discharge their duties on their behalf as they struggle to keep their commitment to have a presence in the community.

Relocation of Families

In recent times there have been state agencies that have taken an active role to relocate families from Doomadgee to Cloncurry. These agencies probably have the best of intentions to perhaps find a better life for these people.

These state agencies, who are not based in Cloncurry, do not take the time to consult with the residents or remaining organisations that will host these visitors from Doomadgee. In time, these Doomadgee community members find themselves isolated without a support base. At times there appears to be an expectation that local indigenous groups will take on a mentoring role to help support these people. This is a flawed view that does not consider the local dynamics, culture or ability to take on this role.

This movement of people has created considerable angst within the existing community with increased cases of domestic disputes, evidence of illegal transport of sly grog back to communities and youth crime occurrences, as children find themselves feeling safer on the streets rather than at home in a volatile, abusive environment.

Duplication of services

An interagency meeting is currently held monthly in Cloncurry. It is reported to be an opportunity for Mt Isa based agencies to meet in Cloncurry, discuss their services, and collaborate with other agencies to minimise duplication. In practice what we see is:

- constant turnover of officers which results in no continuity for the group in decision making;
- Duplication of services;
- Limited understanding or connection with the Cloncurry community of the issues that the community is facing;
- Reluctance to commit to action or deliver outcomes
- A willingness to delegate their issues to Council or the local PCYC to resolve

We are overburdened with bureaucracy but still suffer poor levels of essential services.
**Defined Outcomes**

There doesn’t appear to be a clear goal for each of these agencies and what outcomes that they are seeking to improve in Cloncurry. Cloncurry Shire Council have been lobbying heavily for the State to provide a youth worker to engage with youth at risk of offending and finding ways to divert their behaviour and create opportunities.

Minister Jones had committed to partnering with Cloncurry Shire Council to provide a full-time resource in Cloncurry and Council were requested to engage with representatives within the Department of Communities. At no point has Cloncurry Shire Council been requested to explain what outcomes we would deliver through the program.

The focus by agency officers have been to ensure that we develop appropriate policies to suit their specific program to demonstrate some form of governance and also to ensure that we undertake daily reporting.

**Proposed Solutions**

Council advocates the following solutions:

- Decentralise government services to provide a focus dedicated to Cloncurry and Dajarra;
- Consult with the community to understand what services are required and the expected outcomes;
- Define clear outcomes for delivery by agencies;
- Report back to the community on progress through local community forums.

**Improving outcomes non-discrete rural remote Indigenous communities**

Funding for designated Aboriginal Shire Councils is not made available to non-discrete local governments such as Cloncurry Shire Council, that nevertheless have a predominantly Indigenous population; even though that funding could be used to directly improve outcomes for Indigenous people.

It essentially means Cloncurry Shire Council is expected to provide services to indigenous communities with limited means to derive income to pay for the services. Not being recognised as an ATSI council effectively closes the door on being able to access funding for social programs, infrastructure, development and long term sustainability. Some examples of the impact may include:

- Road funding: Cloncurry Shire Council is required to contribute to local roads of regional significance, whereas ATSI councils are funded 100%;
- Water and Sewer: Cloncurry Shire Council is required to contribute to Department of Infrastructure Local Government Planning grant subsidies, whereas ATSI councils are funded 100%;
- Housing: State investment in social or public housing in Cloncurry Shire is negligible despite high perceived demand. As a result pressure exists for Council to serve as a de facto provider
of public housing. Council’s current housing operation runs at a loss with no prospect of full cost recovery in the short-medium term.

**Water and Sewer Systems**

Water and sewerage infrastructure and services underpin modern life. For communities such as Dajarra, they currently do not have access to a potable water supply. State government officers routinely apply pressure to Cloncurry Shire Council that they should be providing a contemporary water supply system that would be expected in metropolitan areas and commonly advise Council it has an obligation to act.

In addition, the standards for water quality have increased substantially in the last 20 years. The imminent implementation of health based targets, standards that will require various levels of treatment technology based on microbiological risk, will place additional pressures to provide even higher quality water. As water quality standards increase the operations and practices that were appropriate years ago become obsolete and insufficient.

The transition towards higher standards, without appropriate financial and training support poses a challenge for Cloncurry Shire Council. Unfortunately, the users of the system in Dajarra do not have any capacity to pay for the services.

**Rates and Utilities**

Indigenous community housing organisations in Dajarra routinely fail to pay their rates when requested. The capacity of indigenous organisations to manage their enterprise can at times be limited.

If Cloncurry Shire Council applied the provisions in the Local Government Act to force the payment of rates by selling community housing, two issues become apparent:

- The local real estate market does not ascribe any real value to these properties due to:
  - Limited employment opportunities;
  - Limited real estate market and perceived risk of not being able to on sell;
  - Banks not willing to finance the purchase of property in this location;

- The displaced people from community housing inevitably relocate to another property in Dajarra or alternatively be displaced to a regional centre such as Mt Isa to seek public housing opportunities;

It is very likely that the cost incurred by Cloncurry Shire Council to recover the rates will exceed the value of the property.

**Proposed Solutions**

- **TIDS**: enable non-ATSI local governments that are responsible for roads into ATSI communities with an exemption from the TIDS matching requirements and provide access to ATSI TIDS as well as regular TIDS for such roads

- **HOUSING**: provide non-discrete rural remote Indigenous communities with access to the funding opportunities that were recently announced in the QLD budget relating to
social/affordable housing, including $75m to progress home ownership in discrete ATSI communities as part of the $1.8bn housing strategy

- UTILITIES: provide non-discrete rural remote Indigenous communities with access to the funding opportunities that were recently announced in the QLD Budget relating to $120m for water, waste-water and solid waste infrastructure in Indigenous councils

- RATES: provide a mechanism to ensure indigenous organisations honour their rate obligations. Consider providing a mechanism to sell the property back to public housing stock.

**Economic Participation**

The region surrounding Cloncurry is rich in opportunity for employment. Dajarra is in close proximity of two major mining operations and a large pastoral company.

A real impediment to indigenous persons gaining meaningful employment relates to the current social housing and indigenous community housing models. It is common to hear of Dajarra residents gaining employment with the large mining operation in the area, only to resign shortly thereafter to avoid the prospect of losing their existing home.