

16 September 2009

Mr Brian Aarons
Manager NTER Unit
Department of FHACSlA

Facsimile: 08 8936 0450

Dear Mr Aarons

MAPURU NGATHA CO-OPERATIVE

We have received your report and the notice to refuse our co-op a licence to accept the Basics Cards from residents, and wish to provide you with our response.

We see this as a refusal to allow Mapuru residents the right to purchase food and other essential goods at their own, locally owned and managed co-op. There are a number of points here:

- If you deny us people the right to shop locally you will force residents to travel long distances by charter plane or boat in order to use their Income Managed (IM) funds. The travel costs alone - about \$400 - greatly reduce the funds our people have available to purchase food and other essentials. So your recommendation to refuse the co-op a licence means that our people will buy less food and essential items than they otherwise could. Therefore a direct consequence of your decision will be to reduce the standard of living and to lower nutritional standards in the community. This is the opposite of what the Intervention was supposed to achieve. Q 1. Is this what you and the Minister want?
- The Mapuru co-op is a unique organization. It's existence is the result of the initiative of community people to improve their situation – to improve the food they eat, to improve the self-sufficiency of our little community, to establish a life for ourselves which is free from junk food, free from drugs and alcohol and where we can look after the land and practice our culture. We have all put in a lot of hard work over the years, and have achieved success. Now your decision is putting this progress in jeopardy. Q2. Why are you punishing us: Is this what you and the Minister want?
- The nearest community store which will accept a Basics Card is Galiwin'ku. We know that place very well. It is the place where many people are sick and children are skinny from eating bad food; it is the place where people fight and argue; it is the place where almost no-one works; it is the place where kava and alcohol are

drunk; it is the place where a private take-away operates selling the worst type of junk food and cigarettes at very high prices. These are the reasons we left Galiwin'ku to set up Mapuru. Now your decision is forcing us back to this place. Q3. If you do this, our lives and those of our children will be worse: Is this what you and the Minister want?

- We believe the Minister has the responsibility to ensure that a policy does not negatively impact on the priority needs of individuals and communities. Q4. If you follow through with your proposal to refuse Mapuru residents the right to their Basics cards at the Mapuru Ngatha co-op, then it will have a negative impact on the health and wellbeing of individuals and on the spirit of the Mapuru community as a whole: Is that what the Minister wants?

One solution to this problem is for the Minister use her powers to revoke the determination that Mapuru is a declared relevant area, with the effect that the people of Mapuru will no longer be subject to the income management regime and thus able to use their Centrelink money in the most effective and convenient manner to meet their priority needs. We ask yourself and the Minister whether it is appropriate for Mapuru to be subject to a determination that it is a relevant declared area, and thus an income managed area, when - as I have explained above - it is clearly not feasible for the Secretary to take action to ensure people's priority needs are effectively met, as is required under the income management legislation.

Q5. Why you think it is appropriate that Mapuru be a declared relevant area under these circumstances?

Apart from revoking the determination that Mapuru is a relevant declared area, the next most obvious option is to approve the Mapuru Ngatha co-op as a Basics Card merchant, notwithstanding that a community store license is not in place. We do not believe that there is any legislation in place which actually requires a community store license as a precondition for Basics Card merchant status, rather, that this is simply a policy requirement that the Minister or Department has the discretion to disregard if they so choose. The legislative provision under which the Basics Card operates makes no mention whatsoever of a requirement for a FAHSCIA license (that is, section 123YE *Social Security (Administration) Act 1999*).

In addition we believe FAHCSIA 's two tier system of licensing Basics Cards merchants is discriminatory in that merchants in non-prescribed areas are NOT subject to the same requirements for stores in prescribed (Aboriginal) areas.

The co-op management seeks approval from FAHCSIA to accept funds through Basics Cards only - they do not seek a licence to receive IM funds, and agree with the report that to do so would hamper the 'ownership' of the co-op. It is most unreasonable that Mapuru should be refused Basics Card merchant status just because it is not a FAHCSIA approved store. We ask you to consider the reasons we have given for this request for

approval of Mapuru as a Basics Card merchant and provide us with a decision in relation to this proposal.

The government could support us by recognising the good things we are doing to be independent. The government shouldn't try to stop us. They shouldn't punish us because we are doing what they say.

Yours sincerely

Jackie Nguluwidi

Jackie Nguluwidi

PMB 62

Winnellie NT 0822