



Speech by

**Hon. JUDY SPENCE**

**MEMBER FOR MOUNT GRAVATT**

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Hansard 20 June 2001

**COMMUNITY SERVICES LEGISLATION AMENDMENT BILL**

**Hon. J. C. SPENCE** (Mount Gravatt—ALP) (Minister for Families and Minister for Aboriginal and Torres Strait Islander Policy and Minister for Disability Services) (5.39 p.m.), in reply: I thank all members who spoke in support of the legislation before the House. The opposition spokesperson, the member for Gregory, acknowledged the opposition's support for this legislation. I was pleased to hear him say that he looks forward to his new role as shadow minister for Aboriginal and Torres Strait Islander Policy and that he wants to work constructively with the government to advance Aboriginal and Torres Strait Islander issues in this state. I look forward to working with him on these issues. I particularly look forward to working with the opposition in a bipartisan way over the 10-year partnership plan that the Department of Aboriginal and Torres Strait Islander Policy is currently developing with indigenous Queenslanders. I offer the opposition spokesperson the opportunity to work with the government on this partnership plan.

As the shadow minister acknowledges, this bill is about reforming the board of IBIS and addressing the council loans policy. I would like to say to members that the IBIS issue is a serious one. As the member for Gladstone acknowledged, it is big business. It has a turnover of \$26 million a year. The island board operates two supermarkets and 13 island stores. For these islands, the store is the only source of food. So it is important that the government does everything it can to ensure that the people of the Torres Strait have access to food, clothing and other essential items through the successful running of these stores.

Unfortunately, any of us who have followed the history of IBIS over the past decade or so know that this is not easy. At this point the financial position of IBIS is not good. In 1997 and 1998, the previous coalition government granted IBIS a \$4 million loan from the QTC to prop it up. The IBIS is now possibly going to ask for further loan money to get it out of its financial situation. One of the reasons that IBIS has fallen into this poor financial position has been that it has lacked experience in board management. Up to this point, the island board is currently made up predominantly of the chairs of the island councils, who do not necessarily bring business acumen to that role.

Tonight through this legislation we are proposing to restructure the board of IBIS to put it on a commercial footing and to ensure that future board appointments—and they are my board appointments as the minister—bring to that board some commercial or business experience. We believe that that will be one of the first steps towards ensuring that IBIS operates more successfully in a commercial environment.

Having said that, tonight I want to take the opportunity to pay tribute to the current board of IBIS. Over the past year, we have been in the fortunate position of having Mr Joseph Elu as the chair of the IBIS board. He has been ably assisted by a number of other board members. Over the past year, IBIS has made tough decisions to get it out of its unfortunate financial position. It has sold a lot of its land on Thursday Island. It has divested itself of some of its unprofitable commercial enterprises. More recently, it has made the very difficult decision to move its head office from Thursday Island to Cairns. I am sure that any members who understand the feeling of the people of the Torres Strait about their land and jobs for their people would have some understanding of how difficult those decisions must have been for the current board.

Despite that, the government is not prepared to allow the current composition of the board to go on forever. We realise that we have been fortunate in the past two years to have a board that has been prepared to make those tough decisions. But the next time we have council elections we undoubtedly

will have a different configuration on the board and we may not be as fortunate in the future as we are now. That is why we are proposing these changes to the legislation tonight.

I have discussed these legislative changes extensively with the IBIS board, and they are supporting the proposal that we are putting forward tonight. The legislative board changes that we are proposing do not rule out representation by Torres Strait Islander people. Under this proposal, the ICC—the Island Coordinating Council—will still be able to put up to me a number of names from which I will choose two future board members. So I think that it is important to acknowledge that what we are proposing tonight is good representation from Torres Strait Islander people as well as representation by people who will have commercial and business acumen who may or may not be resident in the Torres Strait itself.

The second major proposal that we are putting forward tonight is changing the policy by which Aboriginal and Torres Strait Islander councils have made personal loans out of council funds. In the past, the Auditor-General has criticised this policy. In fact, in any one year we have seen up to \$1 million loaned by councils in personal loans not collected. Obviously, from the past few years of that practice we are now carrying about a \$5 million debt in uncollected personal loans. As far as I am concerned, this cannot continue. That is why we are moving into this phase of ensuring that any council in the future which wants to lend council funds to individuals has a proper loans policy, which I as the minister will have to sign off.

Frankly, I am hoping that in the future councils will not go through this process and will not continue to make personal loans. I understand the reasons for those personal loans. Most councils tell me that they make these personal loans for funerals. When someone dies, family members do not necessarily have the money to conduct a funeral and the council lends them the money. I am suggesting to the Aboriginal and Islander councils that they set up a separate funeral benefit fund to which all members of the community would contribute rather than thinking that this money can come out of council funds. So while acknowledging the reasons behind these loans, the clear message tonight to indigenous councils in this state is that we agree with the Auditor-General that this policy cannot continue and that they must look at other ways of doing business.

Tonight the member for Gregory also talked about the situation in the Bidunggu community, which as some members might know is a Gregory outstation. Recently this issue has been in the news. The Bidunggu community ran out of fuel and, without asking the department, they chalked up \$7,000 of fuel costs at the local supplier and then asked the government to pay for it. I said no. I received Crown Law advice that we should not pay for it, even though we are holding some Century mine money for the Bidunggu community.

In the Century agreement it is clear that that money should not be spent to subsidise the day-to-day living expenses of the Bidunggu people. That money is meant to be spent on infrastructure, which is what we have spent it on—their housing, their roads, their water and other essential pieces of infrastructure. I make no apologies for sending a clear message to the Bidunggu people that we are not going to pay their day-to-day living expenses and that we will not tolerate them chalking up bills at local suppliers and then turning around and expecting the government to meet those bills.

One of the reasons we are holding this money is that in the early days of the Bidunggu community they had a habit of not paying their suppliers and we were forced into the position of meeting their suppliers' demands. So there comes a time when we have to be very clear about what we will and will not do and what we expect from these communities. This community ultimately wants to be self-supporting. We are saying, 'We will help you, but there comes a time when you have to support yourselves with your day-to-day living expenses.'

The member for Gregory has returned to the chamber. He did not hear the first part of my address when I said that I looked forward to working with him constructively on Aboriginal and Torres Strait Islander issues and that I particularly look forward to his bipartisan support of our 10-year partnership plan that we are developing with indigenous Queenslanders.

The member for Gregory has been critical of me because I would not pay the \$7,000 to the Bidunggu community. He suggested that I needed more understanding and compassion. I say to him that I do have understanding and compassion, but there comes a point when one has to make some tough decisions and send out some tough messages. Unfortunately, that is what the Bidunggu community has finally had to hear from the government.

**Mr Johnson:** I can say to the minister that I am not being critical of you. I think that this legislation addresses exactly what you are trying to do with the Bidunggu people. I support what you are saying. At the end of the day, we have to show some understanding of these people and, at the same time, you just can't keep throwing money after money after money at them. This hard stand that you took is a responsible stand, I grant you that. I am not one for throwing money away willy-nilly, but at the same time you have to show some understanding of those people in their every day purpose of generating water and power and addressing the problems. I support what you say.

**Ms SPENCE:** I think we would agree that it is important that we do not send mixed messages about accountability out to the Aboriginal and Torres Strait Islander communities. We must be consistent when we are talking about accountability.

While we are on this subject, another issue that the member has raised in the past and that I have not had the opportunity to debate in the chamber is a criticism of me for not appointing financial controllers to Aboriginal communities that get qualified audits. I acknowledge that the audit position is not good this year. In fact, while we have had progressive successes in the last few years in Aboriginal and Torres Strait Islander councils, this year we have seen a backward turn, for many reasons that I will not talk about now. A number of Aboriginal and Islander communities will get qualified audits this year. Appointing financial controllers in legislation that I introduced is not the answer for every community that gets a qualified audit.

A number of non-indigenous councils in the state also get qualified audits and I invite members to look at the Auditor-General's report each year and note the councils that get qualified audits. It is funny that the media never makes any mention of those. I also acknowledge that too many indigenous communities are still getting qualified audits, but if it was as easy as employing a financial controller, I would do it. Frankly, that is not an easy way to go. The few times that we have done it in the past it has not necessarily been successful. Finding good people who want to live in remote and isolated Aboriginal communities in the gulf and cape is very hard. We would prefer to continue to work with those communities until we are forced to find a financial controller, but I do not think it is as easy as that in the circumstances. Finally, I say to the member for Gregory that I look forward to working with him on indigenous policy in the years ahead.

Other speakers on the bill included the member for Bulimba, who showed a good understanding of Aboriginal communities. He brings a practical and refreshing view of these issues to the chamber. I thank him for acknowledging and clearly understanding the importance of the legislation that we are debating tonight.

I thank the member for Gladstone for her support. It is pleasing to see that she has a good understanding of the issues facing the Aboriginal community in the electorate of Gladstone.

I thank the member for Mount Ommaney, who has shown a great interest in Aboriginal and Torres Strait Islander communities and in the whole subject of reconciliation. The member for Mount Ommaney is on my legislative committee. I look forward to her valuable contribution on indigenous issues as our committee deliberates on policy. I thank all members for their support for the legislation. I commend the bill to the House.

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