NACCHO
National Aboriginal Community Controlled Health Organisation

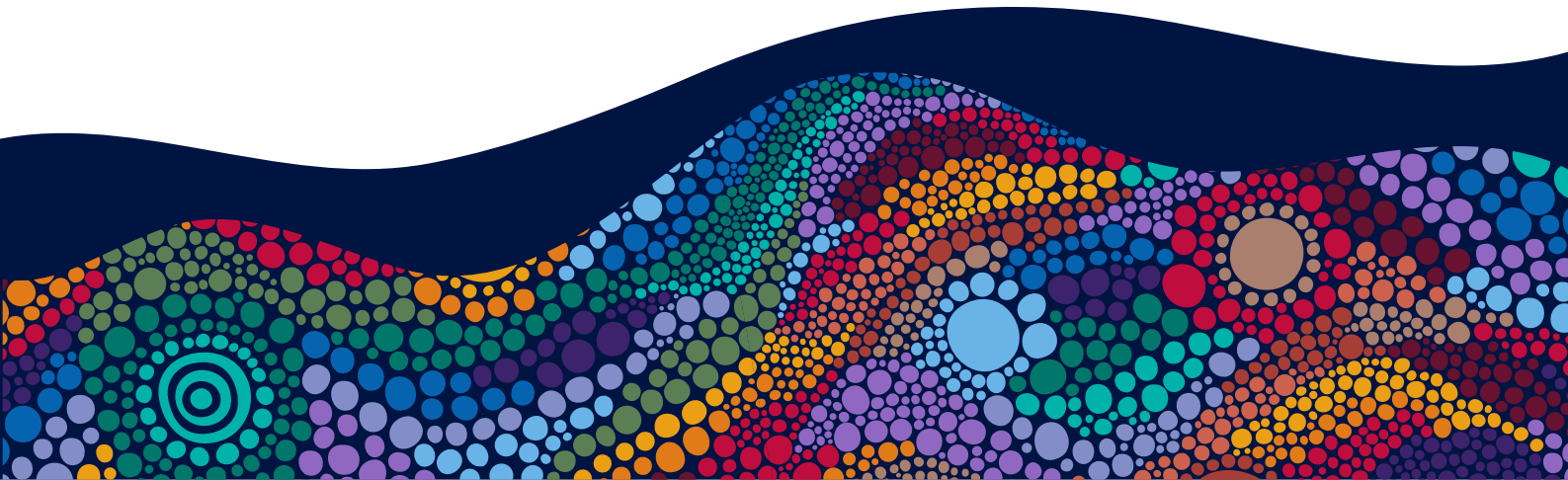
Productivity Commission interim report on the 5 pillars of productivity

Pillar 2: Building a skilled and adaptable workforce

Pillar 4: Delivering quality care more efficiently

Submission to Productivity Commission

September 2025



About NACCHO

NACCHO is the national peak body representing 146 Aboriginal Community Controlled Health Organisations (ACCHOs). We also assist a number of other community-controlled organisations.

The first Aboriginal medical service was established at Redfern in 1971 as a response to the urgent need to provide decent, accessible health services for the largely medically uninsured Aboriginal population of Redfern. The mainstream was not working. So it was, that over fifty years ago, Aboriginal people took control and designed and delivered their own model of health care. Similar Aboriginal medical services quickly sprung up around the country. In 1974, a national representative body was formed to represent these Aboriginal medical services at the national level. This has grown into what NACCHO is today. All this predated Medibank in 1975.

NACCHO liaises with its membership, and the eight state/territory affiliates, governments, and other organisations on Aboriginal and Torres Strait Islander health and wellbeing policy and planning issues and advocacy relating to health service delivery, health information, research, public health, health financing and health programs.

ACCHOs range from large multi-functional services employing several medical practitioners and providing a wide range of services, to small services which rely on Aboriginal health practitioners and/or nurses to provide the bulk of primary health care services. Our 146 members provide services from about 550 clinics. Our sector provides over 3.1 million episodes of care per year for over 410,000 people across Australia, which includes about one million episodes of care in very remote regions.

ACCHOs contribute to improving Aboriginal and Torres Strait Islander health and wellbeing through the provision of comprehensive primary health care, and by integrating and coordinating care and services. Many provide home and site visits; medical, public health and health promotion services; allied health; nursing services; assistance with making appointments and transport; help accessing childcare or dealing with the justice system; drug and alcohol services; and help with income support. Our services build ongoing relationships to give continuity of care so that chronic conditions are managed, and preventative health care is targeted. Through local engagement and a proven service delivery model, our clients 'stick'. Clearly, the cultural safety in which we provide our services is a key factor of our success.

ACCHOs are also closing the employment gap. Collectively, we employ about 7,000 staff – 54 per cent of whom are Aboriginal or Torres Strait Islanders – which makes us the third largest employer of Aboriginal or Torres Strait people in the country.

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Recommendations

1 **NACCHO recommends** any interventions to address building a skilled and adaptable Aboriginal and Torrs Strait Islander workforce align with the National Agreement and its four Priority Reform Areas.

2 **NACCHO recommends** a Training Needs Analysis is undertaken with the Aboriginal Community Controlled Health Organisations (ACCHO) to define sector requirements across health and care sectors to ensure that training packages, qualifications and pathways are fit for purpose for the sector.

3 **NACCHO recommends** the Productivity Commission review other reviews being undertaken to increase efficiency and effectiveness across workforce requirements and ensure recommendations and program objectives are complimentary of each other.

4 **NACCHO recommends** a mandatory requirement for RTOs to offer RPL processes to all students, noting a consistent funding approach must be provided to provide financial incentive for undertaking this process.

5 **NACCHO recommends** a workforce pathway model to be adopted to ensure recognition of student's prior experience and skills

6 **NACCHO recommends** flexible pathways including utilisation of RPL and support for workers entering or returning to their chosen sector including pathways between VET and university qualifications.

7 **NACCHO recommends** the NACCHO led ACCHO First Nations Health Worker Traineeship Program is expanded to include a Certificate level integrated care (aged care and disability) pathway and a higher education pathway in alignment with the University Accord and National Skills Agreement.

8 **NACCHO recommends** sustained, long-term funding for the ACCRTO sector to continue delivering high quality, culturally appropriate training.

9 **NACCHO recommends** a combined, simplified regulatory system across disability, aged care and primary healthcare.

10 **NACCHO recommends** that professional scopes of practice for Aboriginal and Torres Strait Islander Health Workers and Aboriginal and Torres Strait Islander Health Practitioners are revised and nationally standardised.

11 **NACCHO recommends** that medicines authorities are harmonised across all jurisdictions for Aboriginal and Torres Strait Islander health practitioners, aligned with the defines professional scopes of practice.

12 **NACCHO recommends** that micro-credential needs are reviewed and addressed based on health workforce plans and initiatives at state, regional and local levels.

13 **NACCHO recommends** that mandatory and ongoing Aboriginal and Tores Strait Islander led and developed cultural safety training is embedded into Continuing Professional Development for all health professionals.

14 **NACCHO recommends** that Indigenous mental health first aid training is extended to a wider range of staff across all health settings including administration, transport, aged care and other non-medical areas.

15 **NACCHO recommends** that incentivised programs to allow continuous progression within and across health, research and education to employment pathways are designed/redesigned.

16 **NACCHO recommends** funding for provision of health and care services to Aboriginal and Torres Strait Islander people, is transitioned from PHNs to the ACCHO sector, in line with Priority Reforms 2 and 3, and actions recommended under the Primary Health Care 10 Year Plan.

17 **NACCHO recommends**, in line with the National Preventive Health Strategy 2021-2030, that at least 5% of the total national health budget must be spent on preventive health.

Acknowledgements

NACCHO welcomes the opportunity to provide a submission to the Productivity Commission.

NACCHO supports the submissions to this consultation made by NACCHO Members and Affiliates.

National Agreement on Closing the Gap

Advocating for and securing the National Agreement on Closing the Gap was an historically significant act of Aboriginal and Torres Strait Islander self-determination. The National Agreement is evidence of a new era of engagement by and with Aboriginal and Torres Strait Islander people. It commits Australia to a new direction and is a pledge from all governments to fundamentally change the way they work with Aboriginal and Torres Strait Islander communities and organisations – to support self-determination and build the capacity of the community-control sector.

The reforms and targets outlined in the National Agreement seek to overcome the inequality experienced by Aboriginal and Torres Strait Islander people and achieve life outcomes equal to all Australians. Governments at all levels have committed to the implementation of the National Agreement's four Priority Reform Areas, which offer a roadmap to meaningfully impact structural drivers of poor health and social outcomes for Aboriginal and Torres Strait Islander people:

Priority Reform Area 1 – Formal partnerships and shared decision-making

This Priority Reform commits to building and strengthening structures that empower Aboriginal and Torres Strait Islander people to share decision-making authority with governments, and to accelerate policy making that centres Aboriginal and Torres Strait Islander voices.

Priority Reform Area 2 – Building the community-controlled sector

Recognising that community-controlled services achieve better outcomes, employ more Aboriginal and Torres Strait Islander people and are often preferred over mainstream services, this Priority Reform commits to building Aboriginal and Torres Strait Islander community-controlled sectors to deliver services to support Closing the Gap.

Priority Reform Area 3 – Transformation of mainstream institutions

This Priority Reform commits to systemic and structural transformation of government organisations to identify and eliminate racism, embed and practice cultural safety, deliver services in partnership with Aboriginal and Torres Strait Islander people, support truth telling about agencies' history with Aboriginal and Torres Strait Islander people, and engage fully and transparently with Aboriginal and Torres Strait Islander people when programs are being changed.

Priority Reform Area 4 – Sharing data and information to support decision making

This Priority Reform commits to shared access to regional data and information to inform local-decision making and support achievement of the first three Priority Reforms. This Priority Reform supports principles of Indigenous Data Sovereignty.

Despite some progress, the need for fundamental systemic reform remains evident. In its first review of the National Agreement on Closing the Gap, the Productivity Commission found that governments are not adequately delivering on their commitments. Despite support for the Priority Reforms and some good practice, progress has been slow, uncoordinated, and piecemeal.

The Commission noted that to enable better outcomes, governments needs to relinquish some control, share decision making and acknowledge that Aboriginal and Torres Strait Islander people know what is best for their communities. Aboriginal Community Controlled Organisations, must be treated as critical partners rather than

passive funding recipients, and trusted to design, deliver and measure government services in ways that are culturally safe and meaningful for their communities.

'Too many government agencies are implementing versions of shared decision-making that involve consulting with Aboriginal and Torres Strait Islander people on a pre-determined solution, rather than collaborating on the problem and co-designing a solution'[1]

NACCHO recommends any interventions to address building a skilled and adaptable workforce align with the National Agreement and its four Priority Reform Areas.

Overview

NACCHO welcomes the Productivity Commission's interest in building a skilled and adaptable workforce and delivering quality care more effectively. NACCHO notes that while the Productivity Commission appears to be focussed on building new systems and efficiencies relating to new technologies, productivity is more than this. There is a need to also leverage existing frameworks and plans, in order to create and maintain productivity.

In order to allow for a more productive future:

1. There is a need to further support the Aboriginal Community Controlled Health (ACCHO) sector. Under the National Agreement on Closing the Gap, all Australian governments have committed to improving economic and workforce participation outcomes for Aboriginal and Torres Strait Islander people. Although the ACCHO sector is the third largest employer of Aboriginal and Torres Strait Islander people in Australia, many ACCHOs remain critically understaffed.
2. The social determinants of health must be addressed. NACCHO reiterates that action to improve housing conditions would see benefits for health and social outcomes, education and employment as well as mental health and wellbeing and could contribute to significant progress toward Closing the Gap targets. Addressing food insecurity, poverty and creating meaningful job opportunities for Aboriginal and Torres Strait Islander people would also pay productivity dividends.
3. The ACCHO sector is currently facing a workforce crisis, with critical shortages in primary care workers such as doctors, nurses, Aboriginal Health Workers (AHWs), and Aboriginal Health Practitioners (AHPs). The remit of ACCHOs has also greatly changed over time, with increased focus on moving into providing human services, such as alcohol and other drug treatment services, and integrated care (aged care and disability) support. On top of frontline staff, ACCHOs also require finance, human resources and extensive administration support in a sector where it is not unusual for a service to receive funding across 50 different sources.
4. There must be a focus on local jobs for local people and a commitment to defining flexible training and career development pathways to ensure career progression across the sector including addressing entry roles.

The ACCHO workforce crisis has huge impacts on productivity. ACCHOs lose productivity as high levels of vacant roles impact service delivery. As the Aboriginal and Torres Strait Islander population grows and ages, there is increased need for a culturally appropriate, culturally safe health and human services workforce.

Workforce and Training programs delivered by NACCHO are designed to enhance the capacity and capability of Aboriginal Community Controlled Registered Training Organisations (ACCRTOs) to address the evolving needs of the Aboriginal and Torres Strait Islander health sector as well as working to address the sector's workforce shortages.

[1] Productivity Commission, Review of the National Agreement on Closing the Gap, Study Report, Canberra, 7 Feb 2024 https://www.pc.gov.au/inquiries/completed/closing-the-gap-review/report.

ACCRTOs play a vital role in supporting the delivery of culturally safe healthcare by ensuring a skilled and qualified Aboriginal and Torres Strait Islander workforce. These initiatives are essential to strengthening workforce training and supporting the sustainability of Aboriginal and Torres Strait Islander health services across Australia. They also have strong potential to play a critical role in ensuring successful pathways from VET into higher education. This is especially critical if we are to ensure more Aboriginal and Torres Strait Islander doctors, nurses and allied health professionals for example.

Despite the success of these programs, there is a lot more be done within the sector to upskill workers, particularly through multidisciplinary training to enable employees to work across the care economy (aged care and disability) and other health and human services related disciplines.

Case study: First Nations Health Worker Traineeship Program

NACCHO's First Nations Health Worker Traineeship (FNHWT) Program is designed to address the critical shortage of qualified Aboriginal Health Workers (AHWs) and Aboriginal Health Practitioners (AHPs) within the ACCHO sector. This program is essential for growing a skilled, job-ready workforce that can provide culturally safe and holistic health care to Aboriginal and Torres Strait Islander communities. Working directly with the ACCHOs as the employing organisation and Aboriginal Community Controlled Health Registered Training Organisations (ACCHRTOs).

In 24 months, the program has seen over 150 completions and over 500 enrolments across the Aboriginal and Torres Strait Islander Primary Health Care Qualification Training Package. The program is connecting real people to real jobs and working towards key employment outcomes.

The following key areas are critical to ensuring new policy or program initiatives are able to be implemented and productive for ACCHOs.

Review of short-term funding models

There are many efficiencies to be made in the funding of ACCHOs. While some funding comes through state and federal governments, many ACCHOs also rely on funding provided through grants and/or short-term programs. The reporting burden associated with short term grants and programs often outweighs the value of the funding. Some ACCHOs receive funding from as many as 70 different departments, agencies, and organisations, each with unique reporting requirements, often for relatively small funding amounts. Assuming each of these funding providers requires annual reporting, this would be an average of 1 unique report per 3.7 working days.[2] ACCHOs are service delivery organisations and are not resourced to manage this level of reporting.

Workforce Productivity, Training and Regulatory Requirement Linkages

Training is key to delivering the workforce the ACCHO sector needs. Access to culturally appropriate industry focused training remains a barrier for communities. ACCRTOs can support more localised training, and offer supportive, culturally safe wrap around care for their students. Early results of NACCHO programs have shown that this has had huge impacts on training retention and completion rates.

For Aboriginal and Torres Strait Islander students it is critical to ensure that cultural safety is embedded in training. The centrality of culture to health and wellbeing is a principle that Aboriginal and Torres Strait Islander peoples have lived for thousands of years. The National Agreement on Closing the Gap provides a definition of 'cultural safety' which highlights that this is not just locally contextualised, but also specific to each individual.

Businesses also play a role in working in partnership with Registered Training Organisations (RTOs) to ensure the training addresses the skills and knowledge required to successfully and confidently undertake the required work. A national Training Needs Analysis with employers is required to assist with innovative VET approaches such as a targeted training skill-sets and uptake of Recognition of Prior Learning, rather than sole focus on full qualifications, that meets industry needs. Moving employers away from in-house unaccredited training options

[2] Based on 260 working days per year, which does not account for public holidays.

currently used within organisations is encouraged to ensure transferability of skills for workers is recognised, thus reducing duplication in future workplace training.

ACCRTOs funding

Despite the success of the ACCRTO sector, much needs to be done to enable further work to meet sector training needs, including RPL processes. The sector still faces inadequate funding, based on projects instead of sustained investment. While TAFEs receive funding from their jurisdiction, ACCRTOs receive limited funding opportunities due to being classified as private RTOs and thin training markets. This has resulted in the sector being unable to build capacity to meet the rapidly growing workforce needs of the ACCHO/ACCO sector as they expand into human service front line delivery for example.

The instability of funding models in the ACCHO and ACCRTO sector create barriers for sustainable workforce development. Access to long-term, consistent funding which supports workforce training needs development would assist ACCHOs to plan and invest in work-related training solutions. Higher local productivity would also occur due to the preference of ACCHOs to build a local workforce that has job security. Peak bodies and employers have a role to play in designing work related training frameworks in partnership with the VET sector, including online and face to face options and working with RTOs to design such courses. The FNHWTP program led by NACCHO demonstrates the efficacy of this partnership approach and the cost efficiencies made through scalability measures afforded due to it being a national program.

Vocational Education and Training Reform

While Jobs and Skills Australia have developed the Australian Skills Classification, this is not reflected in the VET system. Reframing the direction of VET qualifications to remove occupational silos and create generalist and specialised skill sets would enable people to work flexibly across a range of industries or sectors. This will require further VET reform to refocus funding geared from qualifications to include skill sets rather than occupations while still meeting regulatory standards.

The VET system has the mechanisms to be adaptive and flexible, however it is currently not delivering that way. The VET funding model restricts innovative training to employment pathways and doesn't focus on the quality of training rather, on the numbers of enrolments. Critically, despite it being governed nationally, it continues to operate on State based funding models which poses barriers to ACCRTOs being able to deliver national training programs, such as the Diploma of Narrative Therapy offered by Nunkuwarrin Yunti in SA and the Diploma of Aboriginal and Torres Strait Islander Legal Advocacy offered by Tranby in NSW.

Moving to a skills-based student-centred training model will allow the creation of an adaptable and local placed based health and care workforce which will have a lasting impact on regional, rural and remote economies.

A skills focus would also support ACCRTOs to streamline capability building across the care and support sectors for the ACCHO workforce. The ACCHO sector is a strong example of integrated primary healthcare models combining multidisciplinary workforces to deliver high quality, person centred services to their communities.

This would also support Draft Recommendation 2.2 to increase work-related training rates in small and medium enterprises.

Pathways

Data on workforce in organisations funded by the Australian Government under its Indigenous Australians' Health Programme (IAHP) (the majority of which are ACCHOs) shows that the majority of clinical positions requiring higher education (doctors/general practitioners, nurses and midwives, dental care and other medical specialists) are filled by non-Indigenous people. There need to be VET to higher education pathways to allow for Aboriginal Health Workers and Aboriginal Health Practitioners to become nurses and doctors, where the ACCRTOs play a critical role in the student wrap around supports.

While NACCHO supports Pillar 2 Draft recommendation 3.2, which outlines the need to expand entry pathways into both VET and Higher Education. NACCHO further notes the work being carried out by Jobs and Skills

Australia, regarding a Tertiary Harmonisation Roadmap. However, NACCHO cautions that this work must be carried out carefully to help ensure the ACCHO sector is not disadvantaged. Any streamlining of qualification requirements must be carried out with VET to higher education pathways in mind.

VET and Higher Education pathways play a critical role in helping people acquire the skills, knowledge, and experience necessary to enter or progress within the workforce. These pathways align a person's interests and aspirations with relevant career opportunities while addressing the needs of employers, and in the case of some occupations, regulators. Workforce development pathways identify and highlight the systematic and holistic approaches available for a person to acquire the necessary skills, education, experience, and support to achieve their career goals. This approach emphasises the importance of personal and professional growth, adaptability, and lifelong learning.

We urge the Productivity Commission to ensure that Aboriginal and Torres Strait Islander Community Controlled sector is represented through the programs established through the delivery of the recommendations across all pillars of the 5 Pillars review.

Pillar 2: Building a skilled and adaptable workforce

The best resources to improve school student outcomes

Draft recommendation 1.1 | Invest in a single national platform for all teachers to access lesson planning materials

Investment in a single national platform would provide an opportunity to new and training teachers to access a resource library and build and hone their skills for resource development for their classrooms.

However, using this approach more broadly that this only provides a homogenous approach which does not address or build on learning diversities or different cultural requirements throughout Australia including Aboriginal and Torres Strait Islander communities.

A national platform must also further support VET in Schools and School Based Apprenticeships programs, where secondary students gain nationally recognised VET qualifications, skills, and credits towards their senior secondary certificates by completing accredited courses, apprenticeships, or traineeships at school. These programs provide a critical pathway to further education, training, or employment by offering hands-on, industry-specific experience and qualifications while students are still completing their senior schooling. NACCHO would like to see a specific health related VET in schools national program implemented.

NACCHO further notes the need for location specific data and information for use by Aboriginal and Torres Strait Islander communities, as outlined in Priority Reform 4 of the National Agreement.

Draft recommendation 1.2 | Lead national efforts to ensure equitable access to education technology (edtech) and artificial intelligence (AI)

As explored further throughout NACCHOs submission, accessibility is a major challenge for Aboriginal and Torres Strait Islander communities. Literacy, Numeracy and Digital Literacy (LLND) are also a major barrier for these communities which will not be addressed through increased technology platforms being inserted into communities without adequate training and funding models being implemented. Previous NACCHO submissions have highlighted the need to improve foundation skills, including adult literacy,[3] and the importance of digital literacy in accessing information communication and technologies.[4]

Education technology and artificial intelligence also rely on internet access. Digital inclusion ensures that everyone can readily access the online information and services that they need. Target 17 of the National Agreement is to, by 2026, Aboriginal and Torres Strait Islander people have equal levels of digital inclusion. It is unclear how this target is tracking.[5]

[3] NACCHO, Foundation Skills Study, April 2023, https://www.naccho.org.au/wp-content/uploads/2024/01/Foundation-Skills-Study-NACCHO-submission.pdf.

[4] NACCHO, Indigenous Digital Inclusion Plan – Discussion Paper, November 2021, https://www.naccho.org.au/wp-content/uploads/2024/01/NACCHO-Indigenous-Digital-Inclusion-Plan-Submission.pdf.

[5] Productivity Commission, Closing the Gap Information Repository: Socio-economic outcome area 17, viewed 11 September 2025, https://www.pc.gov.au/closing-the-gap-data/dashboard/se/outcome-area17 .

NACCHO notes its concerns about the use of AI in creating cultural content. In the words of leading Indigenous cultural and intellectual property lawyer Dr Terri Janke:

"AI can preserve languages, share stories, and connect generations. But without safeguards, it risks accelerating cultural exploitation, erasing context, and deepening the digital divide."[6]

Draft recommendation 2.1 | Move toward a national system of credit transfer and recognition of prior learning (RPL)

For this recommendation to work there must be a consistent approach adapted that is agreed across jurisdictions and training organisation including TAFE, other RTOs and the university sector to ensure RPL and credit transfer is utilised.

- RPL is already legislated within the RTO Standards (2025) however this is no incentive for the training sector to use RPL
- Linkage to Australia Tertiary Education Commission
- Utilising the Unique Student Identifier model – providing transcripts to prior learnings – accessibility to training providers?

By utilising an assessment-based approach for RPL students undertaking qualifications can demonstrate their transferrable skills, especially in circumstances where their employer may not be able to provide evidence requirements. Through an RPL matrix approach where additional requirements are added to the scope of a qualification through a training package upgrade, students may be able to undertake learning and assessment for one part of an Unit of Competency rather that attend the full block of learning.

Credit transfer & RPL are essential elements of the Aboriginal and Torres Strait Islander Health and Care Traineeship Framework developed by NACCHO. In partnership with the ACCRTO sector's national community of practice and the Human Skills Services Organisation (HSSO), NACCHO have designed an RPL Toolkit for a number of core units in the HLT Aboriginal and/or Torres Strait Islander Primary Health Care training package. This toolkit provides participating ACCRTOs with a nationally consistent approach to applying RPL.

There are a number of principles from the Framework that could be applied across the VET and university sectors. Students accessing training must be able to have their skills and experience recognised, prior to undertaking a full qualification. This model must be student-centred and is geared towards support and empowerment. Qualifications can be broken into skill sets which can be built upon leading to formal qualifications and moving into career specialisation pathways.

For Aboriginal and Torres Strait Islander students it is critical to ensure that cultural safety is embedded into these tools.

Pathways may also include structured or a series of less structured jobs and education experiences that help people acquire the skills, knowledge, and experience necessary to enter or progress within the workforce. These pathways aim to align a person's interests and aspirations with relevant career opportunities while addressing the needs of employers, and in the case of some occupations, regulators.

Workforce development pathways identify and highlight the systematic and holistic approaches available for a person to acquire the necessary skills, education, experience, and support to achieve their career goals. This approach emphasises the importance of personal and professional growth, adaptability, and lifelong learning.

Skills Assessment

[6] Terri Janke and Company: Lawyers and Consultants, AI Got No Dreaming: Defending Indigenous Rights in the Digital Age, https://www.terrijanke.com.au/post/ai-got-no-dreaming-defending-indigenous-rights-in-the-digital-age .

To gain an understanding of a person's existing skills, knowledge, experience, aptitudes, and interests. Evaluation and identification of existing strengths and areas for improvement can help guide a person toward possible career options. Recognition of Prior Learning (RPL) is a fundamental component.

Career Exploration

The concept of development pathways emphasises the importance of career exploration to allow people to understand different job roles, and potential growth opportunities. This exploration may involve job shadowing, conversations with colleagues, work placement or internships, enabling people to make informed decisions about their interest and suitability for future career paths.

Industry-Recognised Credentials

Many pathways offer the opportunity to earn industry-recognised credentials or certifications. These credentials validate a person's skills and competence in a particular field, enhancing their employability and demonstrating their commitment to professional development.

Guidance

Support or guidance from experienced professionals play a vital role in workforce development pathways.

Work-Based Learning

The best development pathways include work-based learning experiences. These experiences allow a person to apply their knowledge in real-world settings, gain practical experience, and establish valuable connections within the industry.

Career Advancement

Workforce development pathways address not only entry-level positions but also opportunities for career advancement. They provide people with a clear roadmap for progressing within their chosen field, outlining the skills, experience, and additional training required to move up the career ladder through both non-accredited and accredited training pipelines. Non-accredited training can link directly to skills based assessments for formal qualifications at both tertiary levels.

Lifelong Learning

The concept of workforce development pathways emphasises the importance of continuous learning and adaptability. In today's rapidly changing job market, people are encouraged to embrace lifelong learning, acquire new skills, and stay updated with emerging trends and technologies. This approach also encourages employers to consider the ongoing development needs their existing workforce. Including but not limited to refresher training, skills-gap training and continuous professional development

Draft recommendation 2.2 | Better target incentives to lift work related training rates in small and medium enterprises (SMEs)

Work-related training is a pivotal requirement across the ACCHO sector. Currently, it is delivered both formally and informally. Informally, this is from one staff member to another in the completion of a specific task, to upskill workforce quickly, or in lieu of the availability of formal training. Formal training occurs predominately through VET courses, led by the ACCRTO sector where available. In jurisdictions with limited access to the ACCRTO sector, the TAFE sector.

The application of incentives for SMEs which most of our ACCHOs can be defined as will only add another barrier to access work related training. To increase training rates the following barriers need to be addressed for Aboriginal and Torres Strait Islander Organisations including but not limited to:

- access to sustainable and ongoing funding models
- remoteness means limited local/regional opportunities for in-person place based training, or additional time and costs associated with travel to undertake training
- workforce shortages impact the ability to backfill positions and release staff for training without impacting service delivery

- lack of paid training opportunities for workers – this can be addressed through wage subsidies or the model implemented through the FNHWT Program
- limitations to online delivery for clinical requirements where in person training is more effective
- time and cost
- ongoing Continuing Professional Development requirements and regulatory training requirements may limit the ability to access other training opportunities
- limited training workforce, for example qualified VET facilitators
- ACCRTOs severely underfunded which limits scope of delivery and capacity to expand. This has resulted in the sector being unable to meet the rapidly growing workforce needs of the ACCHO/ACCO sector as they expand into human service front line delivery for example.
- lack of cultural safety in training materials, providers or training environment when working with mainstream providers

The instability of funding models in the ACCHO and ACCRTO sector create barriers for workforce development. Access to long-term, consistent funding which supports workforce training needs development would assist ACCHOs to plan and invest in work-related training solutions. Higher local productivity would also occur due to the preference of ACCHOs to build a local workforce.

Peak bodies and employers have a role to play in designing work related training including online and face to face options and working with RTOs to design accredited and non-accredited courses which build an ongoing development pathway for employees.

NACCHO recommends a Training Needs Analysis is undertaken with the Aboriginal Community Controlled Health Organisations (ACCHO) sector to define sector requirements across health and care sectors to ensure that training packages, qualifications and pathways are fit for purpose for the sector.

Fit for purpose occupational entry regulations

Draft recommendation 3.1 | Remove excessive occupational entry regulations that offer limited benefits

Draft recommendation 3.2 | Expand entry pathways and streamline qualification requirements for occupations

Draft recommendation 3.3 | Improve the regular reviews of occupational entry regulations

Draft recommendation 3.4 | Incentivise occupational entry regulation reform through National Competition Policy

NACCHO agrees that regulation plays a major role in work safety, quality assurance and technical knowledge requirements. State and Territory governments have a role to play here to ensure that regulations are consistent across states or clear training opportunities are provided to workers where regulatory requirements aren't met in instances where they transfer locations.

Front end processes from entry to compliance must be simplified for providers and data shared between departments and agencies as necessary.

Greater coordination and sharing of data across government departments and agencies is critical, as is simplification and integration of front-end systems and processes. Government must make it easier for people access and navigate the supports they need without having to understand government funding systems or processes to do so. The regulatory system must be streamlined and integrated.

This can be applied not only to health and care sectors but more broadly across other sectors.

By creating a shared regulatory framework, Aboriginal and Torres Strait Islander communities would be able to access jobs in a transitional environment.

Pillar 4: Delivering quality care more efficiently

Reform of quality and safety regulation to support a more cohesive care economy

Draft Recommendation 1.1 | The Australian Government should pursue greater alignment in quality and safety regulation of the care economy to improve efficiency and outcomes for care users

Regulation is vital to ensuring Aboriginal and Torres Strait islander people receive culturally safe and quality care. The commonalities across care sector regulatory systems lend themselves to integration, rather than alignment. A single regulatory system would increase service level productivity while still ensure standards for quality care were met. A single regulatory system would support more collaborative ways of working across government departments and agencies.

Significant benefits for Aboriginal and Torres Strait Islander people can be gained from a single set of aged, disability and primary healthcare regulations. Regulation harmonisation should align with the priorities of the National Agreement for Closing the Gap (National Agreement), and should be streamlined across jurisdictions. The benefits of a single system are multiple:

- Registration: Common registration requirements create greater synergies for screening processes, registration costs and breaks down barriers where workforce is in high demand but short supply.
- Administrative burden: Feedback from our members highlight the high administrative and cost burden to ensure all reporting and auditing requirements are met across multiple registrations. A single regulatory system would improve efficiency and free staff for other work.
- Continuity of care: Common regulations will assist in breaking down jurisdictional requirements where a person may need to access care services across state/territory borders, supporting consistency of care standards across jurisdictions.
- Cultural safety: Alignment of care sector regulations should also see the incorporation of cultural safety requirements such as those included in Aged Care sector reforms.
- Workforce training pathways: Harmonising regulatory environments helps to embed training pathways for people to change to focus of their career, for example an Aboriginal and Torres Strait Islander Health Worker moving into aged or disability care, or vice versa.

Greater coordination and sharing of data across government departments and agencies is critical, as is simplification and integration of front-end systems and processes. Government must make it easier for people access and navigate the supports they need without having to understand government funding systems or processes to do so. The regulatory system must be streamlined and integrated, nationally.

The Commonwealth government's Indigenous Australians' Health Programme is one of the multiple ways ACCHOS receive funding to provide core primary health care functions. As part of this funding, they are required to comply with a range of standards, including the National Health Standards, RACGP Standards and ISO standards. Yet, ACCHOs are unable to use their clinical governance frameworks in registering to deliver either aged, disability or veterans' care. Not only does this mean longer registration timeframes and costs, but the inability also to leverage existing registration in delivery of other care services means duplicative systems and processes must be created. Each of which deals with largely similar data and information.

Moreover, due to the poor alignment of regulatory systems between disability, aged care and primary healthcare, many ACCHOs are overburdened with maintaining regulatory requirements. The burden of

reporting and compliance across multiple systems is significant and the additional staffing needed to manage separate processes is generally not funded.

NACCHO recommends harmonisation of the regulatory system across disability, aged care and primary healthcare.

Front end processes from entry to compliance must be simplified for providers and data shared between departments and agencies as necessary. This is a large barrier to ACCHOs delivering care services in addition to primary healthcare.

The *National Aboriginal and Torres Strait Islander Health Workforce Strategic Framework and Implementation Plan 2021-2031* outlines a strategy for improving efficiency and outcomes within the care workforce. Based on the recommendations in this implementation plan:

NACCHO recommends that professional scopes of practice for Aboriginal and Torres Strait Islander Health Workers and Aboriginal and Torres Strait Islander Health Practitioners are revised and nationally standardised.

NACCHO recommends that medicines authorities are harmonised across all jurisdictions for Aboriginal and Torres Strait Islander health practitioners, aligned with the defines professional scopes of practice.

NACCHO recommends that micro-credential needs are reviewed and addressed based on health workforce plans and initiatives at state, regional and local levels.

NACCHO recommends that mandatory and ongoing Aboriginal and Tores Strait Islander led and developed cultural safety training is embedded into Continuing Professional Development for all health professionals.

NACCHO recommends that Indigenous mental health first aid training is extended to a wider range of staff across all health settings including administration, transport, aged care and other non-medical areas.

NACCHO recommends that incentivised programs to allow continuous progression within and across health, research and education to employment pathways are designed/redesigned.

Embed collaborative commissioning to increase the integration of care services

Draft Recommendation 2.1 | Governments should embed collaborative commissioning, with an initial focus on reducing fragmentation in health care to foster innovation, improve care outcomes and generate savings

The need for transition of funding from Primary Health Networks (PHNs) to the ACCHO sector is echoed in the Primary Health Care 10 year Plan. Under Action area C: Close the Gap through a stronger community-controlled sector, its short term (1-3 year) actions include:

- Move over time from PHN commissioning of Aboriginal and Torres Strait Islander services to direct funding of ACCHS, starting with areas of strongest capacity
- Scope and trial Aboriginal and Torres Strait Islander community-led commissioning models for urban, rural and remote areas.

It appears as though these actions have also been ignored.

Fundamentally, current PHN funding models do not align with the Priority Reforms of the National Agreement. PHN funding tends to favour large organisations and peak bodies and is predominantly awarded to non-Indigenous organisations. These organisations often deliver services that are not culturally safe or

have tokenistic attempts at cultural safety, and which are not carried out in partnership with Aboriginal and Torres Strait Islander communities. This draws funding away from ACCHOs and ACCOs, which are best placed to deliver appropriate services to their communities. Importantly, as one Affiliate noted, PHNs have no cultural mandate to commission Aboriginal health programs, including cultural programs. When funding is provided to ACCHOs through PHN commissioning arrangements, its value is often diminished due to lack of flexibility in how the funding can be utilised.

NACCHO recommends funding for provision of health and care services to Aboriginal and Torres Strait Islander people, is transitioned from PHNs to the ACCHO sector, in line with Priority Reforms 2 and 3, and actions recommended under the Primary Health Care 10 Year Plan.

ACCHOs are an excellent and longstanding example of 'integrated commissioning'. They deliver primary health care services to communities as well as preventive and population health activities, justice health initiatives, aged care and disability services, mental health, allied health, childcare and many other services. Programs commissioned by community-controlled peak bodies such as NACCHO understand the needs and challenges of the sector, and support flexible local level decision making to optimise service delivery and outcomes for Aboriginal and Torres Strait Islander people and communities.

A national framework to support government investment in prevention

Draft Recommendation 2.2 | Establish a National Prevention Investment Framework to support investment in prevention, improving outcomes and slowing the escalating growth in government care expenditure

It is important to for the National Prevention Investment Framework to continue to fund programs that demonstrate strong outcomes for communities. Short term funding cycles undermine good progress and diminish community trust in government. Entrenched issues require long term investment, not a status quo or band-aid approach.

Block funding models that seek outcomes rather than activities support community-led approaches which we know deliver better results. They allow ACCHOs to adapt to local needs. Fee for service models, for example the NDIS, are at odds with the ACCHO Model of Care and rarely work for the sector.

Investment in local economies is critical. This requires changes to tender processes to prioritise local organisations who are currently excluded due to the complexity of process due and their inability to compete with large companies. Where services such as housing maintenance are outsourced, companies must be required to invest in training local staff to deliver in regional, rural and remote areas, rather than utilising FIFO models of delivery. This creates local job and economic opportunities and means better access to services for local people.

The long-term health, social and productivity benefits of preventive approaches to health and care are well documented. Preventive and public health interventions yield high return on investment of $14 for every dollar invested.[7] Australia's health system is based on illness management rather than illness prevention. There is a lack of long-term vision and political will to implement the changes needed to refocus health systems toward primordial and primary prevention.

As such, there is an economic (as well as ethical) argument for sustained investment in primordial prevention – that is, the prevention of disease though addressing social and environmental determinants. This is critical, as is commitment to implementation of the Priority Reforms of the National Agreement. The structural changes engendered by embedding the Priority Reforms across the health system will have significant impact on health outcomes.

[7] Masters, R., Anwar, E., Collins, B., Cookson, R., Capewell, S. (2017) Return on investment of public health interventions: a systematic review. J Epidemiol Community Health, 71(8), 827-834. doi:10.1136/jech-2016-208141.

Concerted and consistent action on determinants of health would have wide ranging benefits for Aboriginal and Torres Strait Islander people. The evidence demonstrating the powerful links between housing and outcomes for health is abundant, for example. Action to improve housing conditions would see benefits for health and social outcomes, education and employment as well as mental health and wellbeing and could contribute to significant progress toward Closing the Gap targets.

As Australia moves towards establishing a Centre for Disease Control, we must continue to highlight the importance of investment in disease prevention. The National Preventive Health Strategy 2021-2030 outlines the need to dedicate at least 5% of the total national health budget to preventive health by the year 2030. This investment must include health peak bodies, public health and the health workforce to support preventive and public health for all, especially priority populations. Preventive health is key to circumvent disease and address health inequity.

NACCHO recommends, in line with the National Preventive Health Strategy 2021-2030, that at least 5% of the total national health budget must be spent on preventive health.

With its focus on whole-of-person, integrated, wrap-around care, the ACCHO sector is well placed to provide holistic services. ACCHOs are increasingly moving towards providing preventive health, addressing social determinants of health such as food security and housing. However, in order to continue this work our sector requires a sustainable, adaptable workforce.