Centre for
Indigenous People
and Work

Review of the National Agreement on Closing the Gap Review 2026

UTS Centre for Indigenous People and Work

Submission

Valuing Indigenous labour: From employment participation to meaningful work and careers

Table of Contents

1. About the Centre for Indigenous People and Work (CIPW) 3
2. Introduction and CIPW Position 3
   2.1 CIPW's position 4
   2.2 Evidence informing this submission 4
3. Government Language and Framing: From Deficit to Strengths (Priority Reform 3) 5
4. Valuing Indigenous Labour in Practice 5
   4.1 The Indigenous Pay Gap 6
   4.2 Systemic undervaluation of Indigenous cultural skills 7
   4.3 The hidden year of unpaid workplace demands 8
5. Workplace Racism, Cultural Safety and Sustainable Employment 10
   5.1 Racism remains a recurring workplace reality 10
   5.2 The cultural safety gap 11
   5.3 Racism undermines sustainable employment 11
6. Beyond Employment Participation: Closing the job quality and careers gap 12
7. From Reactive Complaints to Prevention 12
   7.1 Anti-racism measures reduce reported racism 12
   7.2 Moving from complaint-handling to prevention 13
8. Data, Measurement and Accountability (Priority Reform 4) 13
9. CIPW Recommendations 13
   Recommendation 1: Embed strengths-based approaches to employment 13
   Recommendation 2: Measure job quality alongside employment participation 14
   Recommendation 3: Introduce the Indigenous Pay Gap as a national metric 14
   Recommendation 4: Recognise and appropriately value Indigenous cultural skills and unpaid workplace demands 14
   Recommendation 5: Introduce a positive duty to prevent racial discrimination 14
   Recommendation 6: Strengthen public accountability for employment outcomes 14

1. About the Centre for Indigenous People and Work (CIPW)

The Centre for Indigenous People and Work (CIPW) is a self-determined, Indigenous-led research centre jointly established by the UTS Jumbunna Institute for Indigenous Education and Research and the UTS Business School.

CIPW conducts Indigenous-led research, leadership training, consulting and advocacy to:

- reclaim the Indigenous employment narrative, and
- help create fair and equitable labour and employment markets for Aboriginal and Torres Strait Islander people.

We work in partnership with other stakeholders in the employment community, focusing on workplace-based solutions, policy formulation, and law reform. Together, we aim to address systemic inequities experienced by Indigenous Australians in labour and employment markets, including racism, underemployment, and exclusion from leadership positions.

CIPW was established to fill a fundamental gap: the existence of an 'Indigenous employment' sector not informed by Indigenous insight, knowledge, perspectives or experiences. Our approach is guided by Indigenous Standpoint Theory, which recognises that knowledge about Aboriginal and Torres Strait Islander people is incomplete unless Indigenous people themselves drive the research agenda. As our research methodology affirms: *the people who live the story must be the ones who shape how that story is researched and told*.

We are governed by an external Indigenous Advisory Council.

We thank the Productivity Commission for the opportunity to contribute and note that CIPW does not purport to represent all Aboriginal and Torres Strait Islander people in this submission or in any of our work.

2. Introduction and CIPW Position

CIPW welcomes the Review as an important opportunity for truth-telling about whether governments have transformed the systems that shape Aboriginal and Torres Strait Islander peoples' lives. The Call for Submissions notes that previous reviews found limited evidence of system-level transformation, inconsistent power-sharing, weak accountability mechanisms and institutional racism as major barriers to progress.

These concerns are reinforced by the first independent Aboriginal and Torres Strait Islander-led review of the National Agreement, undertaken by the Jumbunna Institute for Indigenous Education and Research, within which CIPW is located, in partnership with the Coalition of Peaks. The Review identified the relationship between governments and First Peoples as a fundamental issue for Closing the Gap, calling for self-determination in action and transformation of the structures through which governments and First Peoples work together. Importantly for this submission, it also recognised the deficit framing inherent in the language of "Closing the Gap" and framed the National Agreement as an attempt to move away from assimilationist policy towards an approach grounded in First Nations self-determination.

CIPW's position is that these principles have direct implications for the employment of Indigenous people and related government policy. Government language, measures and institutional settings do more than describe Indigenous employment outcomes; they help

shape the conditions under which those outcomes are produced. Governments therefore have a powerful role in modelling a strengths-based, non-assimilationist understanding of Aboriginal and Torres Strait Islander peoples and in ensuring that the workplaces, services and institutions they fund, regulate and operate reflect that same approach.

In employment policy, the dominant focus remains whether Aboriginal and Torres Strait Islander people have a job. While important, employment participation alone is insufficient. It is one thing to be employed; it is another to have a quality job that is fairly paid, secure and culturally safe, is free from racism, supports career progression, and appropriately recognises and rewards Indigenous cultural skills and contributions. This distinction is directly relevant to Priority Reform 3. Transforming government organisations requires attention not only to Indigenous employment participation, but also to the systems, policies and workplace practices that shape the quality, fairness and cultural safety of that employment.

2.1 CIPW's position

CIPW's position in summary is that:

- Closing the employment gap must not mean assimilating Aboriginal and Torres Strait Islander people into workplaces that remain culturally unsafe or continue to undervalue Indigenous labour.
    - Australia's modern employment system has developed from an assimilatory industrial history in which deficit-based assumptions about Aboriginal workers and the value of their labour were embedded in employment and wage-setting practices. The Aboriginal Stockmen's Case (*Cattle Industry (Northern Territory) Award* (1966) 113 CAR 651) provides a powerful example: Aboriginal workers were formally brought within the regulated award system, while discriminatory assumptions about their capability and work value persisted. These historical foundations remain important to understanding and addressing the systemic undervaluation of Indigenous labour today (see Section 4.2).
- Employment inequality should be understood as the product of institutional design, systemic racism and work-value systems, rather than being attributed primarily to perceived deficits in Indigenous people's education, skills, experience or work readiness.
- Governments should be accountable for the quality, fairness and cultural safety of employment, not only participation rates.
- The National Agreement should measure indicators of job quality including in particular the Indigenous Pay Gap, alongside employment participation.
- A positive duty under the *Racial Discrimination Act 1975* is necessary to shift employers from reactive complaint handling to proactive prevention of racial discrimination – this will improve employment participation of Aboriginal and Torres Strait Islander people and the quality, fairness and cultural safety of employment.

2.2 Evidence informing this submission

Our Submission draws on findings from CIPW's own Indigenous-led research including:

- *Gari Yala (Speak the Truth) 2020* capturing responses from 1,033 Aboriginal and/or Torres Strait Islander workers,

- *Gari Yala 2 (Speak the Truth) 2026* (the second wave), collecting 1,158 responses from Aboriginal and/or Torres Strait Islander workers, updating and extending the 2020 findings,[1]
- *Towards Indigenous Pay Parity*, the first Indigenous-led analysis of pay outcomes for Aboriginal and Torres Strait Islander workers across the Australian labour market,[2]
- *Good Flex, Bad Flex: Designing flexibility for gender equality*, a national Working for Women Research Partnership research report, University of Sydney, University of Melbourne, and UTS CIPW,[3]
- research on the undervaluation of Indigenous cultural skills undertaken for the Fair Work Commission[4] and the Australian Education Union.[5]

3. Government Language and Framing: From Deficit to Strengths (Priority Reform 3)

The Review commits to strengths-based language and to centring Aboriginal and Torres Strait Islander ways of knowing, being and doing. CIPW strongly supports this commitment and considers that the same principle should extend beyond the Review itself to the governments implementing the National Agreement.

Indigenous employment policy has too often been framed through a deficit lens, treating employment gaps as reflecting shortcomings in Aboriginal and Torres Strait Islander peoples' education, skills, experience, motivation or work readiness. This framing directs attention towards changing and assimilating Indigenous people, while leaving largely unexamined the systems that recruit, develop, remunerate, promote, monitor and support workers.

A strengths-based approach shifts the focus from Indigenous 'work readiness' to **workplace readiness**. It recognises both the present and historic role of Aboriginal and Torres Strait Islander people as workers, professionals, leaders, knowledge holders and contributors to the economy. Rather than ignoring inequality, it changes the questions asked about it: from what Indigenous people need to change to what governments, institutions and employers can do to address racism and appropriately recognise and value Indigenous labour.

This is directly relevant to Priority Reform 3. Transforming government organisations requires governments to examine and change the institutional assumptions, policies and practices that reproduce inequity. Transformation cannot be achieved simply by adding Indigenous-specific programs to systems that otherwise remain unchanged.

The policy question should not simply be "How do we make Indigenous people ready for work?" but "How do we make Australian workplaces and the economy ready to value Indigenous people and their work?"

4. Valuing Indigenous Labour in Practice

CIPW's research provides practical examples of what a strengths-based approach to employment looks like. Rather than assuming unequal outcomes reflect deficits among Indigenous workers, this research examines how work is valued, rewarded and organised, and the structural conditions that shape Indigenous workers' experiences. Three areas are particularly important: pay inequality, the undervaluation of cultural skills, and unpaid

workplace demands. Together, these forms of undervaluation can compound over a working life, with substantial consequences for Indigenous workers' earnings, career progression and economic security.

4.1 The Indigenous Pay Gap

CIPW and Indigenous Business Australia's *Towards Indigenous Pay Parity* report provides an Indigenous-led economy-wide estimate of the Indigenous Pay Gap. Aboriginal and Torres Strait Islander workers earned an average of 84 cents for every dollar earned by Australian workers overall, representing a 15.9% average hourly pay gap and an 18.0% average annual income gap. The hourly gap was evident across all eight major occupational groups and in 75% of the 227 detailed occupations analysed.

Our descriptive analysis challenged common deficit-based explanations for this pay gap:

- Only 27% of the average hourly pay gap was due to Aboriginal and Torres Strait Islander workers being concentrated in lower paid jobs. Pay disparities persisted even within the same occupations.
- Differences in hours worked accounted for only 2% of the average hourly pay gap.
- Pay gaps in average annual income are evident across almost all age groups, suggesting that differences in age and experience do not adequately explain the disparity.
- Educational attainment is also unlikely to fully explain the pay gap, as average annual income gaps increase in highly qualified professional and managerial roles, and Aboriginal and Torres Strait Islander workers at almost every level of educational attainment earn less than other Australians.

Drawing on the broader research literature, the report identifies a range of structural and systemic factors that may contribute to the Indigenous Pay Gap, including:

- the legacy of historically discriminatory wage setting
- racial bias in recruitment, wage setting and promotion
- limited bargaining power in negotiating starting salaries, pay increases, and promotions
- unpaid (cultural) workplace demands not expected of non-Indigenous workers
- inflexible workplace practices that disrupt employment continuity and promotion prospects
- geographic labour market constraints
- greater employer discretion in higher paid roles.

While these factors were not directly measured as causes of the pay gap in CIPW's analysis, the evidence highlights the limits of explaining Indigenous pay inequality primarily through differences in occupations, hours, education or experience. Addressing the Indigenous Pay Gap therefore requires changes to how work is valued, paid, and managed—not simply changes to hours, occupations, or qualifications.

4.2 Systemic undervaluation of Indigenous cultural skills

CIPW's industrial relations research shows how Indigenous cultural skills can be highly valuable to employers and communities while remaining inadequately recognised in job classifications and remuneration systems. Cultural brokerage, community engagement, language knowledge, kinship awareness and culturally safe service delivery are often treated as informal, innate or merely desirable attributes rather than as recognised forms of skill, responsibility and work value.

The historical undervaluation of Indigenous women's caring and cultural work

CIPW's research, *A Hidden History of Aboriginal Women's Work in the Community Controlled Health Sector*, commissioned by the Fair Work Commission, documented the longstanding undervaluation of Aboriginal women's caring, domestic, community and cultural work.[6] The research traces a history in which Aboriginal women and girls were frequently required to undertake domestic and caring work that was unpaid or poorly paid, including under assimilationist policies that controlled their labour, wages and lives. It identifies links between this history and contemporary questions about how the work and cultural skills of Aboriginal and Torres Strait Islander women are valued within employment and industrial relations systems.

This history has particular relevance to feminised caring occupations. The research report found that Aboriginal and Torres Strait Islander health and care workers are expected to draw on both cultural and gender-based skills, while finding no evidence that these cultural and localised skills had been considered in fixing wages under the Award examined. It also identified the historical development of Aboriginal women's caring and domestic work as a likely contributor to the undervaluation of both cultural and gender-based skills.

Many contemporary roles undertaken by Indigenous women continue to draw extensively on cultural knowledge, leadership, community relationships and cultural brokerage. These capabilities can be essential to effective service delivery but may be treated as inherent or additional attributes rather than recognised forms of skill and work value. This is particularly important in occupations where cultural expertise intersects with caring work.

Historical patterns of control also provide important context for understanding contemporary experiences of work. CIPW's *Working for Women* research found that Aboriginal and Torres Strait Islander women experienced deep-seated managerial distrust and hyper-surveillance when accessing flexible work and cultural leave.[7] Some women avoided using workplace entitlements because of concerns about how their use would be perceived, while others experienced excessive scrutiny and documentation requirements. The evidence does not establish a direct causal line from historical controls to contemporary workplace practices, but it demonstrates the continuing importance of examining not only formal access to employment and entitlements, but the conditions under which Indigenous women are able to exercise them.

The historical undervaluation of Aboriginal pastoral workers

A related history of racialised work-value assumptions can be seen in the treatment of Aboriginal pastoral workers, who were predominantly men. The 1966 decision concerning the *Cattle Industry (Northern Territory) Award*, reported at (1966) 113 Commonwealth Arbitration Reports 651, removed provisions excluding Aboriginal workers from award coverage. While this represented a significant extension of formal industrial protection, it did not necessarily produce substantive equality.

CIPW's *Hidden History* research, drawing on Anthony (2007), notes that the Commission relied on arguments concerning the supposedly lower work value of Indigenous workers, allowing individuals to be classified as 'slow workers' and paid below-award wages. The decision also referred to the Commonwealth's assimilation policy.

The scale of this racialised undervaluation was substantial. Under the *Cattle Station Industry (Northern Territory) Award 1951*, Aboriginal stockmen could be paid only 30% to 70% of the wages paid to non-Indigenous workers. These work-value assumptions extended beyond lower rates of pay and the subsequent 'slow worker' classification. CIPW's *A Hidden History* report describes historical constructions of Aboriginal workers as having lower work value, including assumptions that their skills were natural or innate rather than acquired through learning and experience, and that they required greater supervision to perform their work. The review notes that these assumptions were intertwined with racialised ideas about Indigenous workers' capability and reliability.

The Stockmen's Case therefore illustrates an important distinction for contemporary Closing the Gap policy: formal inclusion in employment systems does not necessarily produce substantive equality if the systems through which work is classified, valued and remunerated continue to reflect discriminatory assumptions about Indigenous workers and their skills.

From historical undervaluation to contemporary work value

These two histories are different, but they reveal a common problem. Aboriginal women's caring and cultural work was frequently rendered invisible, unpaid or poorly paid, while Aboriginal pastoral workers were historically subjected to explicitly racialised assessments of their work value. In both instances, the issue was not a lack of Indigenous capability, but how institutions recognised and valued Indigenous labour. CIPW's *A Hidden History* report argues for attention to historical unpaid and underpaid work and its relationship with the undervaluation of Aboriginal and Torres Strait Islander workers, particularly in considering contemporary wage fixation.

CIPW's contemporary industrial relations work builds on this evidence. CIPW's work with the Australian Education Union has examined the recognition and valuation of cultural skills in work undertaken by Aboriginal and Torres Strait Islander teachers, leaders and education support staff. CIPW is also supporting the Australian Services Union's current work value matter through Indigenous-designed yarning circles examining workplace change and the valuation of Indigenous work.

Together, this work highlights the importance of ensuring that Indigenous cultural skills are appropriately identified, recognised and valued within employment systems. Governments can support this through their roles as employers, funders, purchasers, regulators and intergovernmental partners, including by encouraging consideration of cultural skills in job design, classification structures, workload allocation, dedicated roles, allowances and other remuneration mechanisms where appropriate.

4.3 The hidden year of unpaid workplace demands

CIPW's *Gari Yala 2* research found that many Aboriginal and Torres Strait Islander employees undertake substantial unpaid workplace demands that arise from their identity but fall outside their formal role. For example, this might include educating colleagues, contributing to or managing Reconciliation Action Plans, providing cultural advice and organising cultural events.

While such work has previously been described using terms including ‘cultural load’ and ‘colonial load,’ *Gari Yala 2* deliberately adopted the term **‘unpaid workplace demands’** to avoid framing Indigenous culture itself as a burden and to focus instead on the workplace systems generating this additional unpaid work. This shift in language reflects a strengths-based approach. It locates the problem not in Indigenous culture or cultural responsibility, but in workplace systems that rely on Indigenous employees’ cultural knowledge and contributions without adequately recognising, resourcing or remunerating them.

Unpaid workplace demands refers to additional unpaid work done by Aboriginal and/or Torres Strait Islander employees which:

- draws on their community, cultural and spiritual connections,
- is beyond the core responsibilities in their position description, and
- their workplace expects them to do.

Using a conservative estimate based on full-time Indigenous employees in mainstream organisations and non-identified roles:

- 55% reported undertaking at least one hour per week of unpaid cultural work, equivalent to an additional 48-hour working week each year
- 34% reported undertaking at least three unpaid hours per week, equivalent to more than three additional weeks each year
- 23% reported undertaking at least six unpaid hours per week, equivalent to around seven additional weeks each year.

These demands accumulate significantly over time. CIPW estimates that, over a 50-year career, one in two full-time Aboriginal and Torres Strait Islander employees is likely to undertake at least an additional year of unpaid workplace demands. Yet 75% of respondents reported that their organisation either had no formal mechanism to recognise or remunerate this work, or they did not know whether one existed.

These findings suggest that Indigenous cultural knowledge, community connections and cultural contributions are often relied upon by organisations without being formally recognised, resourced or rewarded, reinforcing broader concerns about the undervaluation of Indigenous labour.

5. Workplace Racism, Cultural Safety and Sustainable Employment

5.1 Racism remains a recurring workplace reality

Gari Yala 2 (2025) found that 58% of Indigenous employees experienced some form of racism at work at an average frequency of sometimes, often or very often. This aggregate measure was drawn from all nine forms of racism measured in the study.[8] Table 1 below compares the prevalence of each form in 2020 and 2025.

Table 1: Prevalence of Workplace Racism Experienced by Aboriginal and Torres Strait Islander workers, 2020 versus 2025 (Experience Very Often, Often, Sometimes)

Form of Racism	% Experience (2020)	% Experience (2025)
I get comments about the way I look or should look as an Aboriginal and/or Torres Strait Islander person (appearance racism)	58.1%	53.4%
People act as if they're better than me because I am Aboriginal and/or Torres Strait Islander	57.7%	53.3%
Non-Indigenous employees make inappropriate comments or assumptions about Aboriginal and Torres Strait Islander peoples	56.3%	52.8%
People act as if they think I am not smart because I am Aboriginal and/or Torres Strait Islander	52.0%	47.0%
I am ignored or not taken seriously by my boss because I am Aboriginal and/or Torres Strait Islander	41.1%	40.9%
I hear racial or ethnic slurs or jokes about Aboriginal and/or Torres Strait Islander people at work	44.2%	40.2%
I am treated unfairly because I am an Aboriginal and/or Torres Strait Islander person at work or on the job	37.9%	37.5%
People act as if they are afraid of me because I am Aboriginal and/or Torres Strait Islander	36.9%	35.0%
People act as if they think I am dishonest because I am Aboriginal and/or Torres Strait Islander	36.0%	32.8%

While most measures improved between 2020 and 2025, the changes were modest, generally representing reductions of between two and five percentage points over five years. For example, the proportion of respondents reporting inappropriate comments or assumptions about Aboriginal and Torres Strait Islander peoples fell from 56% in 2020 to 53% in 2025. Workplace racism therefore remains widespread.

At the observed rate of change in reports of racial slurs and jokes between the two surveys, CIPW estimates that it could take another 118 years before all Indigenous workers report never hearing racial slurs or jokes at work.[9]

5.2 The cultural safety gap

The prevalence of racism is reflected in a substantial cultural safety gap. *Gari Yala 2* defines cultural safety as an environment in which people can express, practise and maintain their cultural identity without fear of ridicule, discrimination or marginalisation.

Although 86% of Aboriginal and Torres Strait Islander employees surveyed said it was important to share their identity at work, only 40% reported working in a culturally safe workplace. A further 35% described their workplace as only moderately culturally safe and 25% as culturally unsafe.

For many Indigenous workers, therefore, employment participation does not necessarily equate to working in an environment in which cultural identity can be safely expressed and maintained.

5.3 Racism undermines sustainable employment

Gari Yala 2 shows that workplace racism has measurable consequences for both Aboriginal and Torres Strait Islander employees and their employers:

- **Job Satisfaction.** Indigenous workers who experience workplace racism are 3 times less likely to be very satisfied with their job – only 14% of those who experienced racism very often, often, or sometimes strongly agreed they were very satisfied with their job, compared to 41% of those who had never or only hardly ever experienced racism.
- **Turnover.** Indigenous workers who experience workplace racism are 3 times more likely to leave their organisation – 26% of those who frequently experienced racism said they were very likely to actively look for a new job in the next year, compared to just 7% of those who had never or hardly ever experienced racism.

CIPW's scenario modelling illustrates the potential economic scale of these harms and the broader undervaluation of Indigenous labour:

- **Cost to Indigenous workers.** The combined effect of the Indigenous earnings gap and unpaid workplace demands could amount to approximately **$20,188 a year**, or **$908,468 over an illustrative 45-year career**. This comprises approximately $676,845 in foregone earnings and $231,623 in unpaid workplace demands.
- **Cost to employers.** CIPW's modelling also suggests that workplace racism could cost Australian employers **$604 million to $1.21 billion each year through additional staff turnover**. This central estimate assumes that half of the additional workers who say they are very likely to leave because they experience more workplace racism actually do leave. It then estimates the cost of replacing those workers at between half and one year of the average Indigenous worker's annual income. Using more conservative or higher assumptions, the estimated annual cost ranges from **$302 million to $1.81 billion**.[10]

While these are illustrative scenario estimates, not forecasts or direct causal estimates, they demonstrate that workplace racism and the systemic undervaluation of Indigenous labour carry material consequences for workers, employers and the wider economy.

Workplace racism and cultural safety must therefore be treated as central to Closing the Gap employment policy. Increasing participation without improving the quality and conditions of employment risks overlooking the factors that undermine retention, progression, sustainable careers and lifelong economic security. Preventing workplace racism is not only a matter of

individual wellbeing; it is fundamental to building stable, productive and sustainable workplaces.

6. Beyond Employment Participation: Closing the job quality and careers gap

Employment participation is an important Closing the Gap outcome, but on its own it provides an incomplete picture of economic equality and self-determination. Whether a person has a job does not reveal whether that job provides fair pay, security, safe working conditions or opportunities for progression.

The preceding sections demonstrate why this distinction matters. Aboriginal and Torres Strait Islander workers can be employed while simultaneously experiencing pay inequality, workplace racism, cultural unsafety, the undervaluation of cultural skills and substantial unpaid workplace demands.

The OECD's job quality framework recognises that the quality of employment matters alongside the quantity of jobs, with particular attention to earnings, employment security and the quality of the working environment.

For Aboriginal and Torres Strait Islander workers, CIPW considers that a fit-for-purpose approach to job quality should also make visible:

- cultural safety and freedom from racism;
- recognition and remuneration of cultural skills;
- access to career development and progression;
- Indigenous-inclusive flexible work; and
- protection from unpaid workplace demands.

The Review should therefore consider whether the National Agreement's employment outcome and associated targets provide a sufficiently complete picture of Indigenous employment. Australia should measure not only whether Aboriginal and Torres Strait Islander people are employed, but also the quality, fairness and cultural safety of that employment.

7. From Reactive Complaints to Prevention

7.1 Anti-racism measures reduce reported racism

Gari Yala 2 provides evidence that workplace systems matter. Among respondents whose workplace had neither relevant anti-discrimination training nor a formal racism complaint procedure, 66% experienced racism sometimes, often or very often. This fell to 56% where at least one measure was present and to 40% where both were present.

The same pattern was evident in employees' perceptions of workplace support following racism. Among respondents who had experienced racism, 35% of those in workplaces with neither measure disagreed or strongly disagreed that they had received the support they needed. This fell to 26% where one measure was present and 17% where both were present.

These findings indicate that organisational systems can make a meaningful difference, but they remain inconsistently implemented.

7.2 Moving from complaint-handling to prevention

Despite existing racial discrimination protections, *Gari Yala* and *Gari Yala 2* indicate significant gaps in workplace prevention and response. In 2025, only 38% of Indigenous workers who experienced racism reported receiving the workplace support they needed.

Respondents also described the risks associated with reporting racism, including ineffective responses and concerns about retaliation. This points to a fundamental limitation of approaches that rely heavily on individuals identifying harm and pursuing complaints after it occurs.

CIPW therefore supports amending the *Racial Discrimination Act 1975* to introduce a positive duty requiring employers to take reasonable and proportionate measures to prevent racial discrimination and harassment. Such an approach would shift greater responsibility towards employers identifying and addressing risks before harm occurs and would align the Commonwealth's approach to racial discrimination more closely with the preventative framework established under the *Sex Discrimination Act 1984*.

8. Data, Measurement and Accountability (Priority Reform 4)

What gets measured shapes what governments prioritise and what institutions are held accountable for changing. The National Agreement's employment measures currently provide limited visibility of the experiences, quality and remuneration of Aboriginal and Torres Strait Islander people's employment. CIPW recommends addressing this gap by incorporating the Indigenous Pay Gap as a national metric, alongside data that demonstrates Indigenous workplace experience – for example, *Gari Yala* and Reconciliation Australia's Workplace RAP Barometer. This data should be given equal weight to employment participation.

Consistent with Priority Reform 4, the development, governance and interpretation of these measures should involve Aboriginal and Torres Strait Islander peoples and reflect Indigenous Data Sovereignty and Data Governance principles. Measurement should strengthen accountability without reproducing deficit-based representations of Indigenous employment.

9. CIPW Recommendations

Drawing on the evidence presented, CIPW makes the following recommendations to the Productivity Commission. These are grounded in CIPW's experience that Australian workplaces represent a critical and key site for social change in preventing and eliminating racism against Aboriginal and Torres Strait Islander people and so improve employment participation of Indigenous peoples and the quality, fairness and cultural safety of this employment.

Recommendation 1: Embed strengths-based approaches to employment

Governments implementing the National Agreement should adopt strengths-based, non-assimilationist approaches to employment policy, measurement, reporting and communication. This should shift attention from perceived deficits in Aboriginal and Torres Strait Islander people towards the institutional, structural and workplace factors that enable or constrain employment outcomes.

Recommendation 2: Measure job quality alongside employment participation

The National Agreement should expand its approach to employment to include measures of job quality, recognising that employment participation alone is not a sufficient indicator of economic equality or self-determination. Employment measures could consider for example fair pay, job security, cultural safety, freedom from racism, workplace flexibility and/or career progression.

Recommendation 3: Introduce the Indigenous Pay Gap as a national metric

The National Agreement should include the Indigenous Pay Gap as a national indicator of employment quality and economic equality. Regular Indigenous-led reporting should include hourly and annual pay gaps and appropriate disaggregation, governed according to Indigenous Data Sovereignty principles and supported by appropriate privacy protections.

Recommendation 4: Recognise and appropriately value Indigenous cultural skills and unpaid workplace demands

Governments should use their roles as employers, funders, purchasers and regulators to support appropriate recognition of Indigenous cultural skills and additional workplace contributions within employment systems. This should include consideration of job design, classification structures, workload allocation, remuneration and workforce planning where appropriate.

Recommendation 5: Introduce a positive duty to prevent racial discrimination

he Commonwealth should amend the *Racial Discrimination Act 1975* to introduce a positive duty requiring employers to take reasonable and proportionate measures to prevent racial discrimination and harassment.

The duty should shift emphasis from relying primarily on individual complaints after discrimination occurs towards proactive prevention and systemic change. An appropriate regulator should be empowered to monitor and enforce compliance.

Recommendation 6: Strengthen public accountability for employment outcomes

Governments should publicly report on employment participation and job quality, including pay equity and cultural safety, racism, and other employment outcomes relevant to Aboriginal and Torres Strait Islander workers.

Measures and reporting frameworks should be developed with Aboriginal and Torres Strait Islander peoples and organisations and informed by Indigenous Data Sovereignty principles.

The Commonwealth should also support nationally consistent measures that enable progress in reducing racism and improving the quality of Indigenous employment to be tracked over time.

Endnotes

[1] Centre for Indigenous People and Work (Young, N., Gilbert, J., Evans, O. and O'Leary, J.) (2026). *Gari Yala 2 (Speak the Truth) Report: Centreing the work experiences of Aboriginal and/or Torres Strait Islander Australians in 2025-2026.* Centre for Indigenous People and Work.

Jumbunna Institute for Indigenous Education and Research (Brown, C., D'Almada-Remedios, R., Gilbert, J., O'Leary, J. and Young, N.) (2020). *Gari Yala (Speak the Truth) Full Report: Centreing the work experiences of Aboriginal and/or Torres Strait Islander Australians.* Jumbunna Institute.

[2] Centre for Indigenous People and Work, & Indigenous Business Australia (Young, N., Shirodkar, S., Gilbert, J., Krakouer, I., & O'Leary, J.) (2026). *Towards Indigenous Pay Parity: Understanding and creating Indigenous pay parity in Australian workplaces.* Centre for Indigenous People and Work & Indigenous Business Australia.

[3] Cooper, R., Hill, E., Churchill, B., & Young, N. (2026). *Good flex, bad flex: Designing flexibility for gender equality*. Working for Women Research Partnership. https://doi.org/10.25910/4eqj-kx68

[4] Jumbunna Institute for Indigenous Education and Research (Young, N., Sherwood, J., Anthony, C., Gilbert, J., Gray, K., & McEwen, C). (2024). *A Hidden History of Aboriginal Women's Work in the Community Controlled Health Sector: A literature review considering the intersection of cultural skills and gender-based skills* (Jumbunna Institute for Indigenous Education and Research & UTS Business School). Fair Work Commission.

[5] Jumbunna Institute for Indigenous Education and Research & UTS Business School (2023). *Making Our Words and Actions Meet: Understanding the experiences of Aboriginal and Torres Strait Islander educators in the workforce.* Australian Education Union.

[6] Jumbunna Institute for Indigenous Education and Research (Young, N., Sherwood, J., Anthony, C., Gilbert, J., Gray, K., & McEwen, C). (2024). *A Hidden History of Aboriginal Women's Work in the Community Controlled Health Sector:*

[7] Cooper, R., Hill, E., Churchill, B., & Young, N. (2026). *Good flex, bad flex: Designing flexibility for gender equality.*

[8] Because the overall racism measure reflects the mean of nine items, dichotomising the scale captures cumulative exposure across different forms of racism. As a result, the proportion classified as experiencing racism sometimes/often/very often is higher than for any single item considered in isolation.

[9] 118 years estimate was calculated by using two survey observations – 26% of Indigenous workers reporting they never heard racial slurs in 2020, rising to 29% in 2025. We estimated the average improvement at +0.6 percentage points per year. Applying this rate as a linear trend would mean it would take another 118 years (71% divided by 0.6%) to reach 100% of Aboriginal and/or Torres Strait Islander workers reporting they never heard racial slurs. This illustrative trajectory: is of only one form of racism (i.e. racial slurs) not of workplace racism generally; is based on only two data points in time as no other chronological data points were available; and assumes uniform change though we're conscious real-world change can be non-linear, being policy-dependent.

[10] These full scenario modelling including the assumptions can be found on CIPW's website in one if its *Truth to Practice* research releases called *The Cost of Workplace Racism and Racial Inequity: What Indigenous Employees and Australian Employers Pay.*

The worker-cost estimate is illustrative current-dollar scenario modelling. It assumes current annual earnings differences and unpaid workplace demands continue across a 45-year working life. It does not adjust for inflation, wage growth, taxation or discounting.

The turnover estimate is scenario modelling, not a forecast or direct causal estimate. *Gari Yala 2* is a large national survey but not a probability sample. The association between racism exposure and turnover intention does not establish that racism caused the entire difference. The conversion of intention into departure and the turnover-cost assumptions are sensitivity parameters.

The figures should not be added together. They are presented side by side to show that workplace racism and racism-linked inequities create material costs for workers and employers through different pathways and over different timeframes.