VACCHO

Selwyn Button & Angela Jackson, Commissioners
Australian Government Productivity Commission
ctg.review.2026@pc.gov.au

23 October 2026

Dear Commissioners,

Re: Initial Submission - Closing the Gap Review 2026

The Victorian Aboriginal Community Controlled Health Organisation (VACCHO) welcomes the opportunity to provide an initial submission to the Productivity Commission's Closing the Gap Review 2026. VACCHO has previously responded to Productivity Commission inquiries and would note not a lot of change has happened since those. VACCHO would encourage the Productivity Commission to refer to our previous responses to gain further insight into Victoria.

Established in 1996, VACCHO is the peak Aboriginal health and wellbeing body that represents 36 Aboriginal Community Controlled Organisations (ACCOs) across Victoria.

While we value the achievements of the National Agreement on Closing the Gap, the national Closing the Gap framework continues to be misaligned with Aboriginal ways of knowing, being and doing. This is evident in the deficit-based and silo driven approaches and the inability to adapt the targets to the local context. In the 2025 Aboriginal and Torres Strait Islander Review, VACCHO called for a comprehensive, holistic approach to system reform that centres Aboriginal ways of knowing, being and doing at the centre of improving health and wellbeing outcomes. VACCHO stands by this as something that is still needed.

At a jurisdictional level, Victoria has made some progress:

- *Barring yana-ngali gadhaba* – The Victorian Closing the Gap Implementation Plan 2026-2031 was finalised and publicly released on 22 September 2026
- Gellung Warl, the First Peoples' representative body was operationalised on 01 May 2026, this includes:
    - The First Peoples' Assembly of Victoria; comprised of democratically elected First Peoples representatives
    - Nginma Ngainga Wara; an independent oversight and accountability mechanism
    - Nyerna Yoorrook Telkuna; a truth-telling, healing and community education mechanism

Barring yana-ngali gadhaba stipulates that Nginma Ngainga Wara "will conduct inquiries to evaluate and monitor how effective the state government is in achieving better

outcomes for Aboriginal people". Combined with the powers of Gellung Warl to hold biannual representation meetings with Cabinet, annual engagement hearings and briefing meetings with Ministers, Secretaries and the Commissioner of Police; this could be powerful monitoring and accountability infrastructure.

The upcoming Victorian election will be a determining factor in whether Victoria has the opportunity to test the new powers of Gellung Warl. The upcoming Victorian election will determine the future of Gellung Warl as the Liberal National Coalition has committed to repealing the Statewide Treaty legislation which resources and gives powers to Gellung Warl. They say they will focus on Closing the Gap instead of Treaty- but to do this and repeal the key mechanisms of shared decision making and accountability that have been determined by Community is incongruous with Closing the Gap.

Consultation fatigue and rushed timelines are continued evidence of a CtG framework that was built without adequate consideration of Aboriginal ways of knowing, being and doing. The development of *Barring yana-ngali gadhaba* was an almost two-year process that exasperated the consultation fatigue and tight turnaround times that the sector experiences when working with Government. If we choose to not engage in this inadequate process, then our voice and contributions are missed.

Victoria's investment in Closing the Gap is in a precarious position. There is currently no ongoing commitment to Closing the Gap funding beyond the 30 June 2027. This includes resources for ACCO participation, no investment into Victoria's endorsed Latrobe Valley place-based partnership or for the implementation of *Barring yana-ngali gadhaba*. This means that this is yet another implementation plan that has not been resourced. Unless funding is secured to progress the actions, there is a high risk that implementation will fail. The consequence is that Victoria risks maintaining the status quo and does not deliver on its commitments to Closing the Gap.

In Victoria, Aboriginal Governance forums are a key mechanism through which government agencies engage with the ACCO sector to understand our priorities and concerns while being able to provide input into government agendas including Closing the Gap. VACCHO sits on seven Victorian Governance forums and a total of 33 related Koorie Caucus' and working groups. Many of our Members also sit at the same tables.

Through these forums it has become apparent that some Departments are more collaborative, receptive and committed to self-determination than others.
For example, the Victorian Department of Health has given VACCHO unprecedented access to the State budget process, challenging Cabinet-in-confidence conventions. This has resulted in budget business cases being written by VACCHO and the sector and resulted in more than $105 million of new investment into the sector over the past three years of the partnership approach. It is clear when Aboriginal expertise is allowed into the

budget process, we are able to get better outcomes for ACCOs and Community. This does however need to become a whole-of-government approach.

However, at the same time, there are also Departments who are clawing back $1,000 underspends from ACCOs across the State. The level of commitment to self-determination is highly variable and relationship dependent. The system needs to enable self-determination; it shouldn't be a choice.

The Victorian Closing the Gap Partnership Forum has demonstrated that there continue to be challenges with shared decision-making between the Department of Premier and Cabinet and Ngaweeyan Maar-oo, the Koorie Caucus of the Forum. Too often the Department is bringing matters to the Forum with a plan or proposal that has not been co-designed. An example of this is the Department putting a proposal up for endorsement to stand up a Closing the Gap Implementation Working Group, without prior consultation of Ngaweeyan Maar-oo in the design of this group.

Ngaweeyan Maar-oo is committed to ensuring that the architecture of implementation is correct, in part, because the monitoring and evaluation of progress against the Priority Reform actions and Socio Economic targets has lacked transparent monitoring and evaluation to date.

VACCHO is cautiously optimistic that Victoria will start to make progress under Closing the Gap now that *Barring yana-ngali gadhaba* is in place and Gellung Warl is establishing their mechanisms. Resources must be committed if Victoria wants to deliver on its Closing the Gap commitments under the National Agreement.

We look forward to providing a fulsome response to the Commission's draft report in April 2027.

Yours Sincerely,

J O'Shea

Jim O'Shea
Acting Chief Executive Officer
Victorian Aboriginal Community Controlled Health Organisation