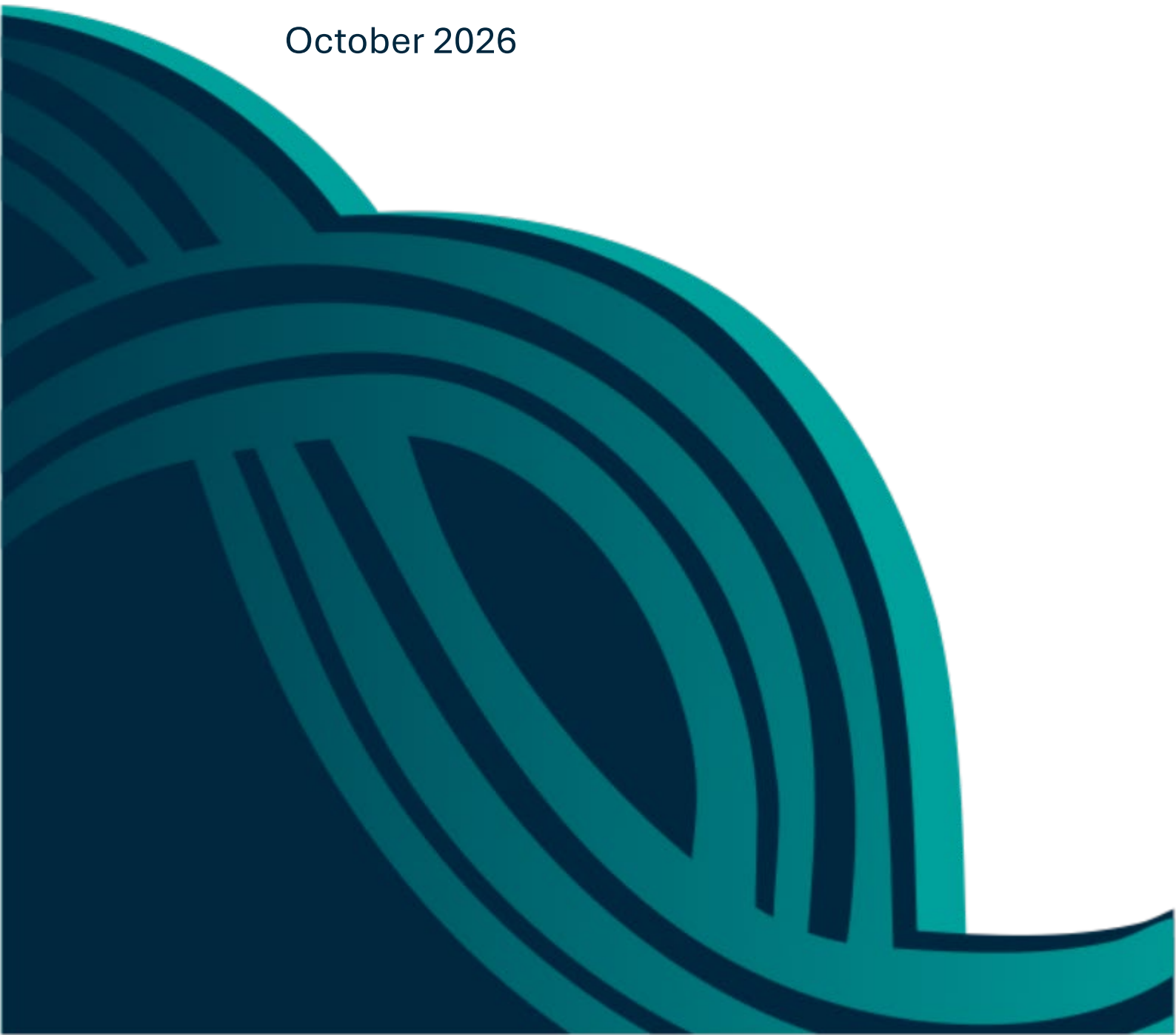
The Alliance
THE NATIONAL INDIGENOUS
EMPLOYMENT & TRAINING ALLIANCE

Review of the National Agreement on Closing the Gap 2026

Response by the National Indigenous Employment and Training Alliance

October 2026



The Alliance
THE NATIONAL INDIGENOUS EMPLOYMENT & TRAINING ALLIANCE

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Acknowledgment

The Alliance acknowledges the Traditional Owners of Country throughout Australia and recognises their enduring connection to land, waters, skies and communities. We pay our respects to all generations of Aboriginal and Torres Strait Islander peoples, their unique cultures and sovereign nations, and to Elders past and present. We honour the generations of Aboriginal and Torres Strait Islander peoples who have long advocated for justice, self-determination and representation in decisions that impact their lives. Their grassroots leadership has paved the way for progress, and their courage continues to guide our work. As an advocacy organisation, we stand on the shoulders of those who came before us. We express our deep gratitude to the trailblazers whose legacy of resistance, truth-telling and strength inspires our ongoing commitment to equity and reconciliation. We are all on this journey together.

About The Alliance

The Alliance is an Aboriginal Community Controlled Organisation and the national peak body for the Indigenous employment and training sector. We formed in 2023 after a national gathering of more than 50 sector leaders on Gadigal Country and are governed by an elected majority-Indigenous board with regional representation. Our members include community-controlled registered training organisations, employment service providers and other Aboriginal organisations. We sit on the Australian Government's Employment Services Reform Advisory Group and the Inclusive Employment Australia advisory body and publish the First Nations Employment Index.

Executive Summary

The National Indigenous Employment and Training Alliance (The Alliance) welcomes the Productivity Commission's second review of the National Agreement on Closing the Gap (the Agreement). We respond to the questions in the call for submissions that relate to employment, training and economic participation (Targets 6, 7 and 8), in the order the Commission set them out.[1]

The Commission's 2024 review and the Independent Aboriginal and Torres Strait Islander-led Review found that most departments still work much as they did before 2020.[2,3] We do not repeat those findings. We set out what they mean for employment and training, and ask the Commission to examine three issues.

- **Sector peak bodies outside the Coalition of Peaks have no clear path for engagement.** The Alliance is a community-controlled peak body. Our application to join the Coalition of Peaks has been pending since 2024, and in the meantime we have no clear way to contribute or stay informed.
- **Limited understanding and accountability across government.** Many agencies, including those responsible for employment, skills and procurement, do not understand the Agreement or how it applies to their portfolio, and are not held accountable for it.
- **Confusion between the Priority Reforms and the targets.** The Agreement is complex and hard to follow. Target 8 (employment) is on track, but the Priority Reforms have played little part in that result, and progress on a target is being read as progress on the Agreement.

Our three recommendations respond directly to these issues, and each section of this submission returns to them.

[1] Productivity Commission, ***Review of the National Agreement on Closing the Gap 2026: Call for submissions*** (September 2026), Appendix B, pp. 22–25 <https://www.pc.gov.au/inquiries-and-research/closing-the-gap-review-2026/call/>.

[2] Productivity Commission, ***Review of the National Agreement on Closing the Gap: Study report***, Volume 1 (January 2024), p. 4 <https://www.pc.gov.au/inquiries-and-research/closing-the-gap-review/report>.

[3] Jumbunna Institute for Indigenous Education and Research, ***Closing the Gap: Independent Aboriginal and Torres Strait Islander Led Review*** (June 2025), p. 8 <https://www.coalitionofpeaks.org.au/s/Closing-The-Gap-Review.pdf>.

Summary of recommendations

1. **Create engagement pathways for organisations outside the Coalition of Peaks.** Joint Council and the Partnership Working Group should agree a pathway, built on the Agreement's existing clauses, that gives community-controlled sector peak bodies:
    a. transparent criteria for joining Policy Partnerships and working groups (clause 32)
    b. resourcing to consult their members (clause 33)
    c. direct engagement by departments on the programs that affect their sector (clauses 59(f) and 63)
    d. regular updates, including a briefing after each Joint Council and Partnership Working Group meeting (clauses 133 to 134).
2. **Build government understanding of, and accountability for, the Agreement in every portfolio.** Governments should:
    a. require each department to publish how the Agreement applies to its programs, procurement and funding, with a transformation strategy and senior executive accountability, and to report against it each year
    b. publish the share of each portfolio's funding that goes to Aboriginal and Torres Strait Islander organisations, and their clause 55(b) proportions
    c. in employment services, apply the National Skills Agreement approach, make cultural safety a distinct part of provider performance, and support a sector strengthening plan for the Indigenous employment and training sector
3. **Make the link between the Priority Reforms and the targets clear.** Governments and communities find the Agreement complex and hard to follow. Joint Council should:
    a. publish a plain-English guide showing how each Priority Reform is meant to drive each target relevant to their context, and which portfolios are responsible (clause 146)
    b. report Priority Reform progress alongside each target, so target progress is not mistaken for implementation
    c. improve the measures for Targets 7 and 8, including full-time work, retention and remoteness, and invest in community-level data governed by Indigenous Data Sovereignty principles.

1. Governance of the Agreement

Sector peak bodies outside the Coalition of Peaks

The Agreement's structures have no clear pathways for engagement for community-controlled sector peak bodies outside the Coalition of Peaks. The Coalition is the only non-government party to the Agreement, its Chair sits on Joint Council and its representatives sit on the Partnership Working Group.[4] The Alliance respects that role. New members must be endorsed by all existing members.[5] We applied in 2024 and our application is still pending.

Our sector faces two further barriers. First, The Alliance has operated for about two years, while many Coalition members have built relationships with government over decades. Second, employment and training is not a stand-alone industry. Many of our members are Aboriginal organisations that deliver employment or training alongside other services, so the sector is fragmented and still building its collective voice.

The problem is wider than our membership. The Agreement relies on one main channel, the Coalition of Peaks, to bring Aboriginal and Torres Strait Islander organisations into its governance. Yet governments' own engagement commitments, under clauses 59(f), 63 and 133, apply to all Aboriginal and Torres Strait Islander people and organisations.[6,7] In practice, departments often treat engagement with the Coalition as meeting those commitments. Sectors outside it, or not yet organised into a peak body, are left out. The Agreement already contains the building blocks for a broader engagement pathway, but none of them sets out how sector peak bodies outside the Coalition take part. Recommendation 1 would turn these clauses into a working pathway.

The table compares what the Agreement commits to with what it means for The Alliance in practice.

What the Agreement commits to	What happens in practice for The Alliance
Ongoing engagement so Aboriginal and Torres Strait Islander people can take ownership of the Agreement (clauses 132 to 133).[8]	No structured channel exists for sector peak bodies outside the Coalition. The Independent Review found communication about Closing the Gap is insufficient and causing distrust and confusion.[9]

[4] Productivity Commission, ***Call for submissions***, pp. 9–10.
[5] Coalition of Peaks, ***Membership application form*** <https://coalitionofpeaks.org.au/s/Coalition-of-Peaks-Membership-application-form.pdf>.
[6] ***National Agreement on Closing the Gap***, cls 59(f), 63.
[7] ***National Agreement on Closing the Gap***, cls 133–136 <https://www.closingthegap.gov.au/national-agreement/national-agreement-closing-the-gap/10-ongoing-engagement>.
[8] ***National Agreement on Closing the Gap***, cls 133–136.
[9] Jumbunna Institute, pp. 8, 16, 22.

What the Agreement commits to	What happens in practice for The Alliance
A joint communications strategy (clauses 134 to 136). The 2023 strategy names other community-controlled organisations as a primary audience.[10]	Face-to-face engagement is led by the Coalition, and its annual update goes to its members.[11] We rely on public communiqués. The May 2026 communiqué did not mention employment, training or this review.[12]
Partnerships include people appointed by their own structures, and diverse groups (clause 32).[13]	Our involvement depends on invitation, which can change with staff turnover or a change of government.
Funding for partners to get independent advice and consult their communities (clause 33).[14]	No equivalent support exists for peak bodies outside the formal structures. The Commission found resourcing for partners has "fallen far short of the ambition" of the Agreement.[15]
Better engagement on significant policy and program changes (clauses 59(f) and 63).[16]	Our members often learn of program changes late, with short timeframes to respond.

Case study: two systems that do not connect

Government departments seek The Alliance's advice on employment programs through the advisory bodies we sit on. The Agreement, which is meant to drive Closing the Gap reform in those same programs, has no place for us. We are not on Joint Council or the Partnership Working Group, we were not a partner involved in the First Nations Economic Partnership,[17] and we learn about Agreement decisions after they are made.

In 2025 The Alliance nominated for and took part in the Closing the Gap Assembly in Canberra.[18] In June 2026 the Coalition of Peaks held a National Gathering on Kaurna Country, with more than 100 representatives of its members, to plan the next phase of reform under the Agreement.[19] We did not know it was happening. As a members'

[10] Joint Council on Closing the Gap, ***National Agreement on Closing the Gap Ongoing Joint Communications Strategy*** (June 2023), pp. 4–5, 7–12 <https://www.closingthegap.gov.au/sites/default/files/2023-06/joint-communications-strategy.pdf>.

[11] Joint Council on Closing the Gap, ***National Agreement on Closing the Gap Ongoing Joint Communications Strategy*** (June 2023), pp. 4–5, 7–12.

[12] Joint Council on Closing the Gap, ***Communiqué***, sixteenth meeting (22 May 2026) <https://www.closingthegap.gov.au/sites/default/files/2026-05/Communique-Joint-Council-on-Closing-the-Gap-22-May-2026.pdf>.

[13] ***National Agreement on Closing the Gap***, cl. 32.

[14] ***National Agreement on Closing the Gap*** (July 2020), cl. 33 <https://www.closingthegap.gov.au/national-agreement/national-agreement-closing-the-gap/6-priority-reform-areas/one>.

[15] Productivity Commission, ***Study report***, Recommendation 1, Action 1.4, pp. 13–14.

[16] ***National Agreement on Closing the Gap***, cls 59(f), 63.

[17] Coalition of Peaks, ***Informing a partnership on Aboriginal and Torres Strait Islander economic development: Engagement report*** (March 2025), pp. 6–7 <https://apo.org.au/sites/default/files/resource-files/2025-03/apo-nid330373.pdf>; Coalition of Peaks, 'Closing the Gap: Action must follow commitment as Treasurer signs First Nations Economic Partnership' (Media release, 29 September 2025) <https://www.coalitionofpeaks.org.au/media/historic-agreement-launches-first-nations-economic-partnership-c66sw>.

[18] Coalition of Peaks, 'Independent Aboriginal and Torres Strait Islander-led Review of Closing the Gap' (webpage) <https://coalitionofpeaks.org.au/independent-review-of-closing-the-gap>.

[19] Coalition of Peaks, 'Coalition of Peaks National Gathering' (webpage) <https://www.coalitionofpeaks.org.au/coalition-of-peaks-national-gathering>; Coalition of Peaks, 'Closing the Gap Assembly' (webpage) <https://coalitionofpeaks.org.au/ctga>.

gathering, that is understandable, but it means planning for the next phase took place where our sector had no view.

Advice given in one system does not reach the other. The Agreement needs engagement pathways for community-controlled sector peak bodies that formed after 2020 or are outside the Coalition of Peaks (Recommendation 1).

Independent mechanisms and accountability

Accountability remains the weakest part of the Agreement. In 2024 the Commission found mechanisms lacked independence, consequences for inaction and clear responsibilities.[20] Joint Council agreed to the Commission's four recommendations and 15 of its 16 actions.[21] This review should test whether those commitments have been met. To be credible to our sector, a mechanism must be independent of the agencies it reviews and able to examine mainstream programs such as employment services. State and territory implementation plans need the same visibility as Commonwealth plans. Accountability has to sit in every portfolio and be tested independently (Recommendation 2).

Embedding the Agreement

Skills shows the Agreement can be built into other national agreements. The 2024 to 2028 National Skills Agreement includes a Closing the Gap initiative covering all four Priority Reforms, with up to $214 million from the Commonwealth over five years, matched by the states and territories.[22] Queensland's bilateral plan Targets 6, 7 and 8 and directly funds Aboriginal community-controlled registered training organisations.[23] We are not aware of anything comparable in employment services.

Written obligations also protect reform from political cycles. Changes of government and minister disrupt momentum and funding, and the Independent Review found short-term funding is placing undue strain on community-controlled organisations.[24] Building the Agreement into each portfolio's own agreements and contracts is a practical form of portfolio accountability (Recommendation 2).

[20] Productivity Commission, ***Call for submissions***, p. 5.

[21] Ibid., p. 6.

[22] Department of Employment and Workplace Relations, 'Closing the Gap: Achieving better outcomes for First Nations people in the VET sector' (webpage) <https://www.dewr.gov.au/download/15782/closing-gap/35154/closing-gap/pdf>.

[23] Commonwealth of Australia and Queensland, ***National Skills Agreement Policy Initiatives, Appendix A: Bilateral Implementation Plan, Closing the Gap*** (2026), pp. 2–6 <https://federalfinancialrelations.gov.au/sites/federalfinancialrelations.gov.au/files/2026-03/QLD%20-%20Closing%20the%20Gap%20-%20Implementation%20Plan.pdf>.

[24] Jumbunna Institute, p. 21.

2. Shared decision-making through formal partnerships

Partnerships are growing, but most still fall short of the Agreement's standard. The Commonwealth's 2025 stocktake identified 52 partnerships, up from 38, but only 22 met all applicable strong partnership elements.[25] In employment and training, decisions are still often made without co-design, and the Commission found consultation on pre-set solutions is common.[26]

The First Nations VET Policy Partnership shows how to include diverse voices. Its 20 members include five Coalition of Peaks representatives and five independent Aboriginal and Torres Strait Islander representatives, one nominated by the First Nations RTO Community of Practice.[27] Employment services have no equivalent partnership.

The Alliance supports the First Nations Economic Partnership, signed on 29 September 2025.[28] Its working group on employment and career pathways should draw on the employment and training sector through the engagement pathway we propose (Recommendation 1).[29]

3. Building the community-controlled sector

Prioritising funding

Mainstream employment services are the main test of whether governments are meeting their funding commitments in our sector. The Agreement has no funding of its own and relies on government budgets and other agreements.[30] Clause 55 commits governments to prefer Aboriginal and Torres Strait Islander organisations when funding services for Aboriginal and Torres Strait Islander people, and to give them a meaningful proportion of new mainstream funding, both by 2024.[31] The Commission found most

[25] National Indigenous Australians Agency, ***Closing the Gap: Appendix E, 2025 Commonwealth Partnership Stocktake*** (February 2026) <https://www.niaa.gov.au/sites/default/files/documents/2026-02/CTG-2026-Appendix-E-front.pdf>.
[26] Productivity Commission, ***Review of the National Agreement on Closing the Gap: Study report***, Volume 1 (January 2024), p. 4.
[27] Department of Employment and Workplace Relations, 'First Nations VET Policy Partnership' (webpage) <https://www.dewr.gov.au/building-first-nations-skills-and-training-partnerships/first-nations-vet-policy-partnership>.
[28] National Indigenous Australians Agency, ***Closing the Gap: Appendix F, Commonwealth 2025 Implementation Plan progress*** (February 2026) <https://www.niaa.gov.au/sites/default/files/documents/2026-02/CTG-2026-Appendix-F.pdf>.
[29] First Nations Economic Partnership, ***2025–26 Annual update*** (2026) <https://treasury.gov.au/publication/p2026-806026>.
[30] Productivity Commission, ***Call for submissions***, p. 10.
[31] ***National Agreement on Closing the Gap***, cls 55–56 <https://www.closingthegap.gov.au/national-agreement/national-agreement-closing-the-gap/6-priority-reform-areas/two>.

jurisdictions had not published expenditure reviews.[32] We ask the Commission to test whether this has changed in employment and training.

Inclusive Employment Australia shows why the share of funding matters. The Department of Social Services tripled the number of Indigenous providers from 2 to 6, with service regions growing from 3 to 36.[33] We welcome this, but we are not aware of any published figure for the share of contract value these organisations hold. We ask the Commission to obtain and publish it. Publishing funding shares is a basic test of whether a portfolio is accountable for clause 55 (Recommendation 2).

Funding arrangements also undermine trust. Indigenous organisations face scrutiny not applied to other providers, and government often decides for them whether they can scale. Funding rarely reflects the full cost of culturally safe delivery, and unrealistic timelines set organisations up to fail. The Commission has already recommended full-cost contracts that support capability building.[34] The Alliance supports dedicated First Nations commissioning, a base grant that covers the real cost of delivery with a capped performance bonus and subcontracting as a time-limited pathway to direct contracts.

Sector strengthening

Employment and training was not among the first four sector strengthening plans, which covered early childhood, housing, health and disability. This is despite the critical role employment plays as a social determinate of health, as well as the priority employment consistently takes for First Nations people. The Agreement allows further sectors to be added.[35] As our sector sits inside Aboriginal organisations across many industries, it is easy to overlook. A plan led by the sector would help define it as well as build its workforce, infrastructure, services and governance. The sector should decide what success looks like, and the portfolios that fund it should be accountable for supporting the plan (Recommendation 2).

4. Transforming government organisations

Government transformation has barely started in the departments our sector works with. In 2024 the Commission could not identify any government organisation with a clear transformation strategy.[36] Changes to recruitment and cultural training are

[32] Productivity Commission, ***Study report***, p. 5.
[33] The Hon Tanya Plibersek MP, Minister for Social Services, 'Inclusive Employment Australia driving better outcomes for First Nations participants' (Media release, 3 December 2025) <https://ministers.dss.gov.au/media-releases/18626>.
[34] Productivity Commission, ***Study report***, Recommendation 3, Action 3.2, p. 20.
[35] ***National Agreement on Closing the Gap***, cls 49–53 <https://www.closingthegap.gov.au/national-agreement/national-agreement-closing-the-gap/6-priority-reform-areas/two>.
[36] Productivity Commission, ***Study report***, p. 5; Recommendation 3, Action 3.1, pp. 18–19.

welcome but piecemeal and fall well short of the clause 59 commitments to eliminate racism and embed cultural safety.[37]

Our members experience low expectations and treatment mainstream providers would not tolerate. Departments require organisations to meet firm deadlines while missing their own, and communication and change management are often poor. Even willing departments are held back by arrangements such as subcontracting.

Example: who defines cultural safety

Cultural training is widespread but shallow. Our First Nations Employment Index 2025 examined 34 employers covering about 8 per cent of the national workforce and 29,935 First Nations employees.[38] All provided cultural training, yet First Nations employees described much of it as induction slideshows and one-off sessions. None reached the highest level of The Index for commitments and accountability.[39] The Index covered employers, but our members see the same pattern in employment services.

In December 2025 the Department of Social Services funded The Alliance to support Inclusive Employment Australia providers.[40] We are developing cultural capability modules for non-Indigenous providers, designed by Aboriginal and Torres Strait Islander people. This works because the department funded an Indigenous-led body to set the standard. What is missing is a requirement. Cultural capability is not a condition of employment services contracts, so take-up depends on each provider. Writing it into contracts is how a portfolio takes responsibility for cultural safety (Recommendation 2).

5. Shared access to data and information

Communities cannot get the employment data they need for local decisions. Target 8 relies on the five-yearly Census, regular labour market reporting does not provide community-level data, and program data is presented through a government lens. Vocational education and training data is improving but not yet useful enough locally.

The Commission found an over-supply of aggregated, decontextualised data and recommended recognising Indigenous Data Sovereignty in the Agreement.[41] Our

[37] ***National Agreement on Closing the Gap***, cls 58–59, 65, 67.

[38] 'New National Indigenous Employment and Training Alliance launches Index 2025 examining employment and workplace cultural safety', ***National Indigenous Times*** (17 March 2025) <https://nit.com.au/17-03-2025/16841/new-national-indigenous-employment-and-training-launches-index-2025-examining-employment-and-workplace-cultural-safety>.

[39] National Indigenous Employment and Training Alliance, ***First Nations Employment Index 2025*** (March 2025) <https://nieta.org.au>.

[40] The Hon Tanya Plibersek MP, Minister for Social Services, 'Inclusive Employment Australia driving better outcomes for First Nations participants' (Media release, 3 December 2025).

[41] Productivity Commission, ***Study report***, Recommendation 2, Action 2.1, p. 15.

members enter large amounts of data into government systems that is rarely used to improve their services. The July 2026 annual data report included community-governed data for the first time.[42] The same approach should apply to employment and training data, with investment in organisations' data capability. Better local data would also help communities see whether the Priority Reforms are making a difference to the targets (Recommendation 3).

6. Developing and delivering policy with Aboriginal and Torres Strait Islander people

Many officials do not understand the Agreement or how it applies to their portfolio. It is often seen as the job of the National Indigenous Australians Agency, not an obligation on every program. The Independent Review found "a general lack of knowledge about Closing the Gap, the Agreement and outcomes" and that "Whole-of-Government commitment is still missing".[43,44]

Procurement shows the cost. Large Commonwealth contracts in some industries must include minimum Indigenous employment or supply requirements. Between July 2016 and September 2024, 1,475 contracts worth $69.3 billion were exempted, 63 per cent of those recorded. More than a third of exemptions used the category "other", and the Department of Employment and Workplace Relations only partly implemented earlier audit recommendations.[45] This lever bears directly on Target 8.

Clause 62 requires policy and program changes that affect Agreement outcomes to be consistent with it.[46] The Commission has said public servants cannot treat the Agreement's principles as optional.[47] Where understanding is strong, it depends on individual leaders and places an unfair load on Aboriginal and Torres Strait Islander staff.[48] Understanding cannot be left to individuals. It needs to be built into senior executive performance agreements, with funded two-way learning with the sector, so each portfolio understands and is accountable for its obligations (Recommendation 2).

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[42] Productivity Commission, ***Closing the Gap Annual Data Compilation Report July 2026*** (29 July 2026) <https://www.pc.gov.au/closing-the-gap-data/annual-data-report/2026>.

[43] Jumbunna Institute, p. 8.

[44] Ibid., p. 22.

[45] Australian National Audit Office, ***Targets for Minimum Indigenous Employment or Supply Use in Major Australian Government Procurements: Follow-up***, Auditor-General Report No. 40 2024–25 (June 2025) <https://www.anao.gov.au/work/performance-audit/targets-minimum-indigenous-employment-or-supply-use-major-australian-government-procurements>.

[46] ***National Agreement on Closing the Gap***, cl. 62 <https://www.closingthegap.gov.au/national-agreement/national-agreement-closing-the-gap/6-priority-reform-areas/three>.

[47] Productivity Commission, ***Study report***, Recommendation 3, Action 3.5, p. 21.

[48] Jumbunna Institute, pp. 5, 8.

7. Enabling community-led efforts

Community-led employment solutions depend on local labour markets. In remote and very remote areas, where employment is lowest, there are often too few jobs.[49] Outcomes there need investment in jobs, including roles in Aboriginal and Torres Strait Islander organisations, employer connections, wage subsidies and Indigenous procurement. Place-based contracts need the flexibility and length to build a local workforce and relationships with employers. Portfolios that fund employment services should be accountable for providing them (Recommendation 2).

8. Socio-economic outcomes and targets

Confusion between the Priority Reforms and the targets

The Agreement is hard to understand, for governments and communities alike. It has 4 Priority Reforms, 17 outcomes and 19 targets, with policy partnerships, place-based partnerships, sector strengthening plans and separate implementation plans and annual reports for each government. The Commission found that data was still needed for 4 targets and 143 indicators.[50] The Independent Review found communication and education about Closing the Gap are insufficient, and that this is causing distrust and confusion at the local level.[51] Our members and their communities often cannot see how the Priority Reforms relate to the targets, or what has changed for them. The Agreement commits to plain English and accessible materials, kept up to date.[52]

Government is confused too. The targets are reported separately from the Priority Reforms, so they cannot show whether the Agreement is working. The Priority Reforms are meant to be the system changes that deliver the targets.[53] Yet the Commission found no clear logic linking the two,[54] the Independent Review found the Priority

[49] Productivity Commission, 'Socio-economic outcome area 8: Strong economic participation and development of people and communities', ***Closing the Gap Information Repository*** <https://www.pc.gov.au/closing-the-gap-data/annual-data-report/report/snapshot-socioeconomic/outcome-area8>. Figures are from the ABS Census of Population and Housing, 2016 and 2021. People in the Community Development Program are counted as not employed unless they also had a non-CDP job.

[50] Productivity Commission, ***Study report***, p. 7.

[51] Jumbunna Institute, pp. 8, 22; see also Coalition of Peaks, 'Independent Aboriginal and Torres Strait Islander-led Review of Closing the Gap' (webpage), Key Finding 5 <https://coalitionofpeaks.org.au/independent-review-of-closing-the-gap>.

[52] ***National Agreement on Closing the Gap***, cl. 146 <https://www.closingthegap.gov.au/national-agreement/national-agreement-closing-the-gap/11-governance>.

[53] Productivity Commission, ***Call for submissions***, p. 18.

[54] Productivity Commission, ***Study report***, Box 1, p. 29; Recommendation 2, Action 2.2, p. 16.

Reforms are considered "in isolation, or not at all",[55] and governments are still developing ways to measure them.[56]

Are the targets appropriately defined and measured?

Target 8 is on track at 55.7 per cent, up from 51.0 per cent in 2016, against 62 per cent by 2031.[57] But the measure is limited:

- It relies on the five-yearly Census, and the latest result is from 2021.[58]
- Employment in very remote areas fell from 35.6 to 35.0 per cent between 2016 and 2021, against 62.1 per cent in major cities.[59]
- It counts any employment. Only 34.0 per cent of people aged 25 to 64 were employed full time in 2021.[60]
- It says nothing about whether shared decision-making, community control or government transformation contributed.

Target 7 is not on track. Youth engagement in employment, education or training rose only from 57.2 to 58.0 per cent between 2016 and 2021, against 67 per cent by 2031, and was 30.2 per cent in very remote areas.[61] The Commission will look closely at outcomes for young people,[62] and pathways from school to training and work are central to our sector.

Measures should also recognise cultural and community contributions, such as caring, Eldership and community governance, as participation, not failure. A clearer link between the Priority Reforms and the targets, explained in plain English, would help governments and communities alike (Recommendation 3).

Conclusion

The Agreement can deliver for employment and training if three things change.

- Organisations outside the Coalition of Peaks need a clear pathway to take part and stay informed.
- Every portfolio needs to understand the Agreement and be held accountable for it; and

[55] Jumbunna Institute, p. 8.
[56] Productivity Commission, ***Closing the Gap Annual Data Compilation Report July 2026*** (29 July 2026).
[57] Productivity Commission, ***Call for submissions***, p. 3, citing the Closing the Gap dashboard, July 2026.
[58] Productivity Commission, 'Socio-economic outcome area 8: Strong economic participation and development of people and communities', ***Closing the Gap Information Repository***.
[59] Productivity Commission, 'Socio-economic outcome area 8: Strong economic participation and development of people and communities', ***Closing the Gap Information Repository***.
[60] Productivity Commission, 'Socio-economic outcome area 8: Strong economic participation and development of people and communities', ***Closing the Gap Information Repository***.
[61] Productivity Commission, 'Socio-economic outcome area 7: Youth are engaged in employment or education', ***Closing the Gap Dashboard*** <https://www.pc.gov.au/closing-the-gap-data/dashboard/socioeconomic/outcome-area7>.
[62] Productivity Commission, ***Call for submissions***, p. 19.

- Governments and communities need to be able to see how the Priority Reforms connect to the targets. The Alliance would welcome the opportunity to discuss this submission with the Commission.