Submission to the Productivity Commission

Review of the National Agreement on Closing the Gap 2026

National Aboriginal and Torres Strait Islander Women's Alliance (NATSIWA)

Contact: Wendy Anders, Chief Executive Officer

Acknowledgement

The National Aboriginal and Torres Strait Islander Women's Alliance (NATSIWA) acknowledges the Traditional Custodians of the lands and waters across Australia on which we live, work and gather, and pays respect to Elders past, present and emerging. We recognise the continuing connection Aboriginal and Torres Strait Islander peoples have to Country, culture, language, community and kinship, and that sovereignty was never ceded.

We extend this respect to the Traditional Custodians of the many nations represented within our membership, from saltwater to freshwater and desert Country, and honour the diversity of language, culture and lore across Aboriginal and Torres Strait Islander Australia.

We honour the strength and leadership of Aboriginal and Torres Strait Islander women past, present and emerging who continue to advocate for the safety, wellbeing and rights of their families and communities, and we acknowledge the children who carry this legacy forward.

About NATSIWA

The National Aboriginal and Torres Strait Islander Women's Alliance (NATSIWA) is the national peak body representing Aboriginal and Torres Strait Islander women across Australia. NATSIWA provides a collective national voice to ensure that the leadership, lived experience and policy priorities of Aboriginal and Torres Strait Islander women are centred in government decision-making.

NATSIWA is funded by the Australian Government through the Department of the Prime Minister and Cabinet (Office for Women) under the Gender Equality Strategy, and works to strengthen the participation, safety, wellbeing and leadership of Aboriginal and Torres Strait Islander women and girls. As a national alliance, NATSIWA engages with Aboriginal and Torres Strait Islander women across urban, regional, rural and remote communities to elevate community perspectives in national policy and reform processes.

NATSIWA works across policy reform, systemic advocacy and community engagement to address structural barriers faced by Aboriginal and Torres Strait Islander women in areas including safety, health, housing, employment, education and justice. Our work is grounded in the principles of self-determination, cultural authority and community-led solutions.

Introduction

NATSIWA welcomes the opportunity to contribute to the Productivity Commission's second review of the National Agreement on Closing the Gap (the Agreement).

Our particular contribution is to make sure the leadership and lived experience of Aboriginal and Torres Strait Islander women shape the Agreement. Women are mothers, grandmothers, carers, workers, leaders and Elders. They hold families together through the systems where the Agreement is failing most, including child protection, justice, health, housing and family violence. Yet women's experiences are often invisible in how the Agreement is governed and measured. An Agreement that includes women will make greater progress in closing the gap.

Our central message is **accountability**. The evidence is now consistent. The Commission's first review found that most government actions relabel business-as-usual rather than change it.[1] The Independent Aboriginal and Torres Strait Islander-led Review reached similar conclusions in June 2025, and in May 2026 Joint Council accepted that progress has been uneven and that many Priority Reform commitments have not been fully implemented.[2] The July 2026 Annual Data Compilation Report shows that, past the halfway point, only one target has been met and three are on track, while four are worsening and progress against four, including family violence, cannot be assessed at all.[3] The task for this review is not to restate the problem. It is to make delivery of existing commitments unavoidable.

Our submission responds to each of the Commission's themes. Because many of the questions overlap, we have grouped related questions and answered them together.

Our key messages

- **Implement the Agreement, do not replace it.** We agree with the Coalition of Peaks that the question is whether governments will deliver the commitments they have already made, not what new agenda should follow.[4]
- **Accountability must have consequences.** Commitments need timeframes, independent oversight, transparent funding reporting and real consequences, including through intergovernmental funding agreements, where a government acts against the Agreement.
- **Everyone must be included.** The Agreement's own partnership elements require that a wide variety of Aboriginal and Torres Strait Islander people, including women, can be heard. That commitment must be delivered, funded and reported on, including dedicated funding to strengthen women's involvement. It also means real community representation: being clear about who sits on Joint Council, how they are chosen and who they answer to.
- **Community control must be properly funded.** Long-term, secure and transparent funding for ACCOs is the clearest lever for better outcomes.

Alignment with the Terms of Reference

Terms of Reference focus	Where addressed in this submission
Progress against the four Priority Reforms	Sections 1 to 6; Recommendations 1, 2, 3, 4
Progress against the socio-economic outcomes and successful approaches	Sections 7 and 8
Whether funding and resourcing commitments to community-controlled sectors are met	Section 3; Recommendations 5, 8, 11
Whether dedicated and mainstream funding is mobilised to meet the Agreement's objectives	Sections 1.2, 3, 4 and 8; Recommendation 1
Data improvements and measures for the Priority Reforms and targets	Section 5; Recommendation 14

Summary of recommendations

Accountability

Recommendation 1: That the Prime Minister use National Cabinet to agree a collective plan for the targets that are worsening, and that all intergovernmental funding agreements be tied to delivery of the Priority Reforms, with public reporting and clear consequences where a government acts against its commitments under the Agreement.

Recommendation 2: That Joint Council finalise the Partnership Actions in its May 2026 response that remain "not agreed", publish timeframes for each, and report progress publicly at least annually.

Recommendation 3: That every government establish a statutory, independent, Aboriginal and Torres Strait Islander-led accountability mechanism under clause 67 by the end of 2027, with its own budget, powers to obtain information, a duty to report publicly, and leadership that reflects Aboriginal and Torres Strait Islander people in all their diversity, including women.

Recommendation 4: That the dispute resolution provisions of the Agreement be strengthened with an independent, Aboriginal and Torres Strait Islander-led mediation step and public reporting of the number, nature and outcome of disputes raised.

Recommendation 5: That, in the next budget and grant funding cycle, Commonwealth, state and territory governments implement and publish their clause 55 funding prioritisation rules and, for each relevant program, disclose the amount and proportion of funding going directly to Aboriginal and Torres Strait Islander community-controlled organisations, distinguishing this from funding to other Aboriginal and Torres Strait Islander organisations, Aboriginal-owned businesses and subcontracting arrangements. Funding to an Aboriginal-owned business should not be reported as funding to a community-controlled organisation.

Recommendation 6: That governments adopt a standard "you said, we did" practice, reporting back to communities in plain language and through community-controlled channels on what was heard, what was decided and why.

Including all Aboriginal and Torres Strait Islander people

Recommendation 7: That Joint Council and the Coalition of Peaks publish how Aboriginal and Torres Strait Islander representatives on Joint Council and the Partnership Working Group are chosen, who they represent and how they report back; that a clear pathway be established for organisations, services and communities outside the Coalition of Peaks membership to raise matters directly with Joint Council; and that every governance body, policy partnership and place-based partnership report annually on how Aboriginal and Torres Strait Islander people in all their diversity are heard in its decisions, including women, young people, Elders, people with disability, LGBTQIA+SB people and people in regional and remote communities (clause 32).

Recommendation 8: That governments fund Aboriginal and Torres Strait Islander parties to every formal partnership as required by clause 33, through the best-practice resourcing model under Partnership Action 12, and that this model include dedicated, ongoing funding to strengthen women's involvement: resourcing women's organisations to take part as funded partners; culturally safe engagement with women in urban, regional and remote communities, including support for travel, childcare and caring responsibilities;

and investment in women's leadership and governance development, reported on annually.

Recommendation 9: That the Domestic and Family Violence Priority Policy Partnership (Partnership Action 10) be established by 2027, co-chaired with the community-controlled family violence sector and organisations representing Aboriginal and Torres Strait Islander women and aligned with Our Ways – Strong Ways – Our Voices, and that a Sector Strengthening Plan for Aboriginal and Torres Strait Islander family, domestic and sexual violence services be developed with the community-controlled sector, including Our Ways Strong Together.

Recommendation 10: That all six place-based partnership agreements be finalised and resourced on a multi-year basis, with governance that includes women, Elders and young people from each community.

Building the community-controlled sector

Recommendation 11: That governments replace short-term grants for ongoing services with indexed funding agreements of at least five years, covering governance, workforce, infrastructure and service costs, with a published transition pathway wherever mainstream delivery is to move to community control, and consider the Coalition of Peaks' call for a dedicated Closing the Gap fund, enshrined in legislation and directed to the community-controlled sector.

Transforming government and sharing data

Recommendation 12: That the Australian Government formally respond to and fund implementation of the National Anti-Racism Framework, including a dedicated strategy for eliminating racism experienced by Aboriginal and Torres Strait Islander peoples, and that cultural safety be measured by the experience of the people using services.

Recommendation 13: That governments embed the Priority Reforms in public service legislation, employment and performance frameworks (Partnership Action 6), and make partnership capability, including the First Nations Partnerships Playbook, part of mandatory training and senior executive performance agreements.

Recommendation 14: That the measurement approach for the Priority Reforms be finalised; that all targets and indicators be reported by sex, age, disability and remoteness wherever data allow; and that governments fund a safe, community-governed approach to measuring Target 13 so progress on family violence can be assessed.

1. Governance of the National Agreement

1.1 Effective relationships

Responds to questions on the effectiveness of governance bodies, how Joint Council and the Partnership Working Group support relationships, where relationships work well, and whether arrangements build trust and shared responsibility.

Joint Council and the Partnership Working Group (PWG) are a significant improvement on what came before. When the Australian National Audit Office (ANAO) examined the original Closing the Gap framework in 2019, it found governance and monitoring arrangements only partially effective, oversight limited after key bodies were dissolved in 2013 and 2014, and engagement with Aboriginal and Torres Strait Islander stakeholders limited.[5] The current Agreement responded by making the Coalition of Peaks a party to the Agreement with a seat at Joint Council alongside governments.[6] This was an important change, but a seat at the table is not the same as communities being heard, and this review should test whether the arrangements are delivering for communities.

Who represents community? Joint Council is made up of 12 representatives elected by the Coalition of Peaks together with its Lead Convenor, the Indigenous affairs minister from each government, and the President of the Australian Local Government Association.[7,8] The Coalition of Peaks is made up of more than 80 community-controlled peak bodies representing around 800 organisations, and its representatives are accountable to the Coalition rather than directly to communities.[8] This gives the community-controlled sector a strong voice, which NATSIWA values. But representation flows through peak body membership. Organisations, services and communities outside that membership have no direct pathway to Joint Council, and it is not publicly clear how representatives are chosen, whose views they carry or how they report back. For the Agreement to be accountable to communities, community representation must be broad, transparent and inclusive of women.

Structure is not the same as shared authority, however. In its May 2026 response to the Independent Review, Joint Council described the Agreement as "a strong foundation for change" while acknowledging that the challenge lies in "consistent, coordinated implementation".[2] A foundation is a starting point, not an outcome. Joint Council also accepted that the Priority Reforms have too often been treated as an overlay to business-as-usual.[2]

Relationships work best where governments have genuinely partnered with community-controlled organisations from the beginning of policy making. Joint Council pointed to these "pockets of transformation", including new community-controlled peaks and the transition of services to community control.[2] The ANAO found the Early Childhood Care and Development Policy Partnership met eight of nine strong partnership elements, making it a model of what a well-resourced, consensus-based partnership can look like.[9]

Trust is the hardest test. The mistrust many Aboriginal and Torres Strait Islander people hold toward government has deep roots in colonisation and continues to be reinforced through

systems such as health, justice and child protection. Governance arrangements build trust only when commitments made at the table are delivered on the ground. When the Audit Office of New South Wales examined that state's arrangements in 2025, it found formal shared governance bodies had been established but that the parties had not formed a genuine partnership and accountability for delivery was unclear.[10] Bodies alone do not create trust; delivery does.

Effectiveness also depends on who is at the table. The Agreement's strong partnership elements require that a wide variety of groups can have their voices heard, including women, young people, Elders, LGBTQIA+SB people and people with disability (clause 32).[9] Yet there is no consistent reporting on whether this happens. Governance bodies should be assessed against clear measures of shared authority, delivery, transparency and inclusion, and their success should be visible in practical changes for families and communities.

> **Recommendation 7:** That Joint Council and the Coalition of Peaks publish how Aboriginal and Torres Strait Islander representatives on Joint Council and the Partnership Working Group are chosen, who they represent and how they report back; that a clear pathway be established for organisations, services and communities outside the Coalition of Peaks membership to raise matters directly with Joint Council; and that every governance body, policy partnership and place-based partnership report annually on how Aboriginal and Torres Strait Islander people in all their diversity are heard in its decisions, including women, young people, Elders, people with disability, LGBTQIA+SB people and people in regional and remote communities (clause 32).

1.2 Shared decision-making and accountability in Agreement governance

Responds to questions on influence over priorities and resources, how community concerns are heard, how disagreements are resolved, accountability for commitments, and what would strengthen shared authority.

Aboriginal and Torres Strait Islander people have the most direct control where services are delivered by ACCOs, which set their own priorities and operate with community authority. At the level of national and state governance, influence is more limited. The Commission's first review found that governments had largely retained power over key decisions, including whose voices are heard and how investment decisions are made, and its first recommendation was that power needs to be shared.[1] The Independent Review similarly found that many policy partnerships still operate with government retaining ultimate decision-making authority.[9]

Hearing community priorities. Governance bodies hear from communities mainly through the Coalition of Peaks and its members, policy and place-based partnerships, formal consultations and submissions, and community forums. These channels matter, but they reach people unevenly. People in regional and remote communities, women caring for children or Elders, young people and people with disability are less likely to be present in formal processes unless engagement is designed around them. Organisations and services outside the community-controlled peak structure are not members of the Coalition of Peaks, so their views reach governance bodies only indirectly, if at all.

Resolving disagreements. Under the Agreement, any Party may give written notice of a dispute to the PWG, which attempts to resolve it in the first instance; if it cannot, the matter may be escalated to Joint Council or relevant Ministers.[11] The Agreement is also expressly not legally enforceable.[11] Disputes are therefore resolved within the same structure in which the disagreement arose, with no independent step and no public visibility. That is not strong enough to protect the weaker party in a relationship that remains unequal in power and resources.

Accountability for commitments. In its May 2026 response, Joint Council agreed that strong accountability is essential to governments delivering on their commitments.[2] That agreement is welcome. However, the same response records seven Partnership Actions as "not agreed and remains in negotiation", including actions on Priority Reforms One, Two and Four.[2] Accountability cannot be equal while key actions remain unresolved and without timeframes.

Accountability without consequences. The clearest gap is that nothing happens when a government acts against the Agreement. The Northern Territory's recent child protection law, which abolishes the Aboriginal and Torres Strait Islander Child Placement Principle, is a current example of a government moving in the opposite direction to its commitments under Priority Reform Three and Target 12.[12] The Coalition of Peaks has called on the Prime Minister to use National Cabinet to agree a collective plan for the targets that are going backwards, and on the Commonwealth to review intergovernmental funding agreements so that they reinforce the Priority Reforms, strengthen ACCOs and provide clear accountability for outcomes.[4] NATSIWA supports both calls. Intergovernmental funding is the strongest lever the Commonwealth holds, and it should be used.

What would strengthen shared authority. Shared authority requires agreed and transparent methods for monitoring, reviewing and evaluating progress, with equal input from all Parties; structures that empower Aboriginal and Torres Strait Islander people across all levels of government; and a commitment from governments to formal partnership as the normal way of working, not the exception.

> **Recommendation 1:** That the Prime Minister use National Cabinet to agree a collective plan for the targets that are worsening, and that all intergovernmental funding agreements be tied to delivery of the Priority Reforms, with public reporting and clear consequences where a government acts against its commitments under the Agreement.
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> **Recommendation 2:** That Joint Council finalise the Partnership Actions in its May 2026 response that remain "not agreed", publish timeframes for each, and report progress publicly at least annually.
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> **Recommendation 4:** That the dispute resolution provisions of the Agreement be strengthened with an independent, Aboriginal and Torres Strait Islander-led mediation step and public reporting of the number, nature and outcome of disputes raised.

1.3 Accountability to communities

Responds to questions on how governance bodies are accountable to communities, how decisions are communicated back, and what would strengthen accountability to community priorities.

Decisions are currently communicated back through ACCOs and peak bodies, liaison officers across sectors, public reports and communiqués, and at times community gatherings and yarning sessions. Face-to-face communication remains the most culturally appropriate and trusted method, supported by plain-language summaries, radio, audio-visual material and resources in language.

The gap is the feedback loop. Communities are frequently asked for their views but rarely told what happened to them. Joint Council has committed to a new joint communications strategy that raises awareness of governments' specific commitments so communities know what to expect and can hold governments to account.[2] NATSIWA supports this and recommends it go further: every major consultation should be followed by a public report back explaining what was heard, what was decided, and why, reaching people of all ages and in all locations.

> **Recommendation 6:** That governments adopt a standard "you said, we did" practice, reporting back to communities in plain language and through community-controlled channels on what was heard, what was decided and why.

1.4 Independent mechanisms

Responds to questions on progress towards independent mechanisms, lessons from existing oversight, and conditions for credibility and legitimacy.

Clause 67 of the Agreement requires governments to identify, develop or strengthen an independent mechanism to support, monitor and report on the transformation of mainstream agencies. Six years on, Joint Council has acknowledged a lack of progress, with the exceptions of the Australian Capital Territory, where the ACT Aboriginal and Torres Strait Islander Elected Body is funded for this role, and Victoria, which has legislated a new independent mechanism as part of its Statewide Treaty.[2] Joint Council has now affirmed that independent mechanisms are a critical accountability measure to be progressed as a priority.[2]

There is now a national model to learn from. Legislation establishing the National Commission for Aboriginal and Torres Strait Islander Children and Young People passed Parliament in March 2026, making it a permanent statutory agency with additional powers from 1 July 2026.[13] Independent bodies are most credible when they are established by legislation, have their own budget, can obtain information from government, report publicly, and are chosen by and accountable to Aboriginal and Torres Strait Islander people.

For these mechanisms to be legitimate, their leadership must reflect the diversity of the communities they serve, including women, and they must be able to examine how mainstream systems such as child protection, justice, health and family violence services treat Aboriginal and Torres Strait Islander people.

Recommendation 3: That every government establish a statutory, independent, Aboriginal and Torres Strait Islander-led accountability mechanism under clause 67 by the end of 2027, with its own budget, powers to obtain information, a duty to report publicly, and leadership that reflects Aboriginal and Torres Strait Islander people in all their diversity, including women.

1.5 Embedding the Agreement

Responds to questions on integrating the Priority Reforms into broader governance, embedding obligations in future agreements, and practices that sustain long-term implementation.

Joint Council reports that mainstream intergovernmental agreements in health, education, housing, skills and training now explicitly require governments to act in line with the Priority Reforms.[2] Whole-of-government guidance on embedding the Priority Reforms in national agreements was endorsed in April 2025.[9] However, the ANAO found that none of the four federal funding agreements it examined for schooling and early childhood explicitly required a meaningful proportion of funding to flow to ACCOs, or reporting on that proportion.[9]

Commitments must therefore be written into the operative clauses of every new national agreement, funding schedule and policy framework, with funding, reporting and review requirements attached. Long-term relationships are also undermined by frequent policy change, which Joint Council recognises leaves communities in uncertainty.[2] Continuity of commitment across electoral cycles is essential.

2. Shared decision-making through formal partnerships

2.1 Building successful partnerships

Responds to questions on lessons from partnerships, whether they reflect genuine power-sharing, how relationships have changed, and what would strengthen self-determination.

Five priority policy partnerships and a sixth Data Policy Partnership have been established, and formal partnership structures exist in every state and territory.[2,14] Where these partnerships are properly resourced and run by consensus, they are working. The clearest lesson, however, is that the Agreement's partnership elements are being met inconsistently. The Independent Review found that policy partnerships, while highly valued, are not yet functioning as intended and that there is no clear mechanism to hold governments to account where their actions diverge from partnership commitments.[9]

Clause 33 of the Agreement recognises that Aboriginal and Torres Strait Islander parties need adequate funding to be equal partners, including to obtain independent policy advice, meet independently of governments and engage with their communities.[9] Without that funding, partnership becomes a burden carried by under-resourced organisations. This affects organisations representing women, young people and other groups that are often asked to contribute expertise without being funded as partners.

Funding to strengthen women's involvement. Including women in the Agreement requires investment, not just invitation. Women carry much of the responsibility for children, Elders and community life, and these responsibilities, together with distance, cost and short consultation timeframes, often prevent them from taking part in formal processes. Organisations representing women are frequently asked to contribute their expertise to consultations and partnerships without being resourced to do so, and to engage their communities without funding for that engagement. The Wiyi Yani U Thangani (Women's Voices) Report shows how much women have to contribute when they are properly engaged.[15] Joint Council's commitment to develop a best-practice model for resourcing Aboriginal and Torres Strait Islander representatives in formal partnerships (Partnership Action 12) is the right vehicle.[2] That model should include dedicated, ongoing funding so women can participate as partners, alongside all other Aboriginal and Torres Strait Islander people, at every level of the Agreement.

> **Recommendation 8:** That governments fund Aboriginal and Torres Strait Islander parties to every formal partnership as required by clause 33, through the best-practice resourcing model under Partnership Action 12, and that this model include dedicated, ongoing funding to strengthen women's involvement: resourcing women's organisations to take part as funded partners; culturally safe engagement with women in urban, regional and remote communities, including support for travel, childcare and caring responsibilities; and investment in women's leadership and governance development, reported on annually.

There is also a clear gap in the partnership architecture. There is no priority policy partnership on family, domestic and sexual violence, even though Target 13 is one of the Agreement's most important commitments for women and children. Joint Council has committed to consider establishing one by 2027.[2] The new national community-controlled peak, Our Ways Strong Together, launched in March 2026, gives the sector a national voice to co-lead such a partnership.[16] NATSIWA strongly supports the partnership being established, not merely considered.

> **Recommendation 9:** That the Domestic and Family Violence Priority Policy Partnership (Partnership Action 10) be established by 2027, co-chaired with the community-controlled family violence sector and organisations representing Aboriginal and Torres Strait Islander women and aligned with Our Ways – Strong Ways – Our Voices, and that a Sector Strengthening Plan for Aboriginal and Torres Strait Islander family, domestic and sexual violence services be developed with the community-controlled sector, including Our Ways Strong Together.

2.2 Partnership decisions and influence

Responds to questions on how policy and place-based partnerships embed shared decision-making, how diverse voices are included, and how partnerships can learn from each other.

Policy partnerships work on single policy areas such as housing, health or education, while place-based partnerships bring governments and Aboriginal and Torres Strait Islander representatives together in a specific region.[17] Both are intended to support community-led development and community-led outcomes.

Diverse voices are included most effectively where partnerships build on established, community-controlled regional governance. Empowered Communities is one example: Aboriginal and Torres Strait Islander people in participating regions share their knowledge and experience to shape government decisions that affect them, and in the East Kimberley the Empowered Communities backbone organisation also supports the place-based partnership.[18,9] Diversity requires deliberate design, however. The ANAO found that the draft Doomadgee place-based partnership agreement did not yet meet the clause 32 requirement that a wide variety of Aboriginal and Torres Strait Islander people can have their voices heard.[9]

Partnerships should learn from each other through a shared, public evaluation framework, regular exchange between policy and place-based partnerships, and connection with advisory bodies. The Independent Review identified better coordination between policy and place-based partnerships as a priority.[9]

3. Building the community-controlled sector

3.1 Prioritising funding and supporting service transition

Responds to questions on funding reform, service transition, what strengthens or undermines trust in funding arrangements, and examples of ACCOs taking on more service delivery.

Under Priority Reform Two, governments and ACCOs are working to increase the share of programs that are designed, led and delivered by Aboriginal and Torres Strait Islander organisations. There are encouraging signs. Joint Council reports that more than 30 health services are moving to community control, out-of-home care is transitioning to ACCOs, and funding under the Indigenous Advancement Strategy is now 75 per cent Aboriginal-delivered, up from 35 per cent.[2]

Reform of systems and processes to support transition has included prioritising ACCOs over non-Indigenous services when programs aimed at Aboriginal and Torres Strait Islander people are delivered; changes to core funding approaches; developing formal transition pathways to help ACCOs expand; and managing the transfer of services from mainstream non-government organisations to ACCOs.[19] The Australian Public Service Commission's First Nations Partnerships Playbook, published in June 2025, also supports public servants to embed partnership and self-determination in their work.[20] The ANAO highlighted the ACCO Leadership Transition Framework in the Connected Beginnings program as a useful example, and the

Commission's 2026 data report pointed to Connected Beginnings as showing the way forward.[9,3]

The scale of the gap remains large. SNAICC's 2024 Family Matters report found that ACCOs received only 6 per cent of government child protection funding, even though Aboriginal and Torres Strait Islander children made up 41 per cent of children in out-of-home care.[21] Joint Council acknowledges that progress in increasing the share of services delivered by Aboriginal and Torres Strait Islander organisations cannot even be measured, because governments are not reporting against the agreed targets and indicators for Priority Reform Two.[2] The ANAO also found that the Australian Government has not met its obligation to report annually on grant funding allocated to Aboriginal and Torres Strait Islander organisations.[9]

Funding that reaches community-controlled services. Accountability for Priority Reform Two depends on counting the right thing. Clause 55 commits governments to prioritise funding to Aboriginal and Torres Strait Islander community-controlled organisations, yet reporting often groups ACCOs together with other Aboriginal and Torres Strait Islander organisations and Aboriginal-owned businesses, and does not show where funding is passed through mainstream providers or subcontracted. An Aboriginal-owned business may deliver valuable services, but it is not governed by and accountable to its community in the way an ACCO is. Funding to an Aboriginal-owned business should therefore not be reported as funding to a community-controlled organisation, and headline figures on Aboriginal-delivered funding should show how much reaches ACCOs directly.

In the next budget and grant funding cycle, the Commonwealth and every state and territory government should implement and publish their clause 55 funding prioritisation rules. For each relevant program, they should disclose the amount and proportion of funding going directly to community-controlled organisations, distinguishing this from funding to other Aboriginal and Torres Strait Islander organisations and from subcontracting. Short-term grants for ongoing services should be replaced with funding agreements of at least five years that cover governance, workforce, infrastructure and service costs, with a published transition pathway wherever mainstream delivery is to move to community control.

Funding arrangements undermine trust when they are short-term, inflexible, competitive between ACCOs and mainstream providers, and burdened by reporting that serves government rather than community. Joint Council has recognised these structural barriers.[2] They are felt acutely by smaller organisations, including women-led organisations, which often operate on project funding with little capacity for governance, evaluation or workforce development. The Coalition of Peaks has called for a dedicated Closing the Gap fund, enshrined in legislation and directed to the community-controlled sector to support self-determination.[22] NATSIWA supports this being considered seriously.

> **Recommendation 5:** That, in the next budget and grant funding cycle, Commonwealth, state and territory governments implement and publish their clause 55 funding prioritisation rules and, for each relevant program, disclose the amount and proportion of funding going directly to Aboriginal and Torres Strait Islander community-controlled

organisations, distinguishing this from funding to other Aboriginal and Torres Strait Islander organisations, Aboriginal-owned businesses and subcontracting arrangements. Funding to an Aboriginal-owned business should not be reported as funding to a community-controlled organisation.

Recommendation 11: That governments replace short-term grants for ongoing services with indexed funding agreements of at least five years, covering governance, workforce, infrastructure and service costs, with a published transition pathway wherever mainstream delivery is to move to community control, and consider the Coalition of Peaks' call for a dedicated Closing the Gap fund, enshrined in legislation and directed to the community-controlled sector.

3.2 Sector strengthening

Responds to questions on capacity, workforce and leadership, lessons from the first sector strengthening plans, monitoring outcomes, and who determines success.

Sector Strengthening Plans are in place for early childhood care and development, housing, health and disability.[2] Joint Council has acknowledged the need to develop pathways towards fully resourcing these plans.[2] The main lesson from the first plans is that a plan without dedicated funding and clear responsibility for delivery does not strengthen a sector.

There is no Sector Strengthening Plan for family, domestic and sexual violence services, even though Our Ways – Strong Ways – Our Voices, the first national plan of its kind, now sets a ten-year direction for the sector and was accompanied by new funding, including for ACCOs.[23] A sector strengthening plan would turn that commitment into lasting capacity.

Success should be defined by the sector itself. ACCOs should be involved in setting measures, monitoring performance and interpreting results, and outcomes should be reported through community-controlled channels, not only through government annual reports.

4. Transforming government organisations

4.1 Cultural safety and responsiveness

Responds to questions on action to address institutional racism, examples of improved interactions with government, and how Aboriginal and Torres Strait Islander people define culturally safe services.

The Independent Review found that progress on Priority Reform Three remains minimal, that racism continues to be a key structural issue, and that approaches to embedding cultural safety are compliance-driven and transactional.[2] The Commission's first review reached a similar view, finding that governments had not fully grasped the scale of change required to their systems, culture and ways of working.[1]

There is a national roadmap available. The National Anti-Racism Framework, developed by the Australian Human Rights Commission with Australian Government funding and released in 2024, calls for a National Anti-Racism Taskforce and a dedicated strategy for eliminating

racism experienced by Aboriginal and Torres Strait Islander peoples.[24] Advocates have noted that the government had not formally responded to or implemented the Framework as of early 2026.[25]

NATSIWA considers that transforming government organisations under Priority Reform Three should include:

- a national commitment to address racism in the public sector and the services it funds, including by promoting cultural safety and calling out racist behaviour towards Aboriginal and Torres Strait Islander people;
- support for truth-telling and reconciliation, recognising its importance to healing for individuals, families and communities;
- full engagement with, and transparency towards, Aboriginal and Torres Strait Islander people, including women, in policy and program change;
- stronger relationships with the Aboriginal and Torres Strait Islander community-controlled sector;
- improved accountability and transparency for resources allocated through mainstream services for Aboriginal and Torres Strait Islander people; and
- strengthening the role of internal Aboriginal and Torres Strait Islander units in promoting and monitoring cultural safety.

Aboriginal and Torres Strait Islander people have already set out what culturally safe services look like. For women, the Wiyi Yani U Thangani (Women's Voices) Report, based on engagement with more than 2,000 women and girls, describes the principles women want built into policy and program design, and its Implementation Framework shows how to put them into practice.[15] Cultural safety must be defined by the people using a service. Aboriginal and Torres Strait Islander people should be consulted and enabled to lead programs and services with cultural authority and self-determination, and cultural safety should be measured by the experience of service users, not by the number of staff who have completed training.

> **Recommendation 12:** That the Australian Government formally respond to and fund implementation of the National Anti-Racism Framework, including a dedicated strategy for eliminating racism experienced by Aboriginal and Torres Strait Islander peoples, and that cultural safety be measured by the experience of the people using services.

4.2 Delivering in partnership and increasing transparency

Responds to questions on designing mainstream services in partnership, what has strengthened trust, and systems to improve transparency around funding and decisions.

Trust grows where communities can see the money and the decisions. Joint Council's commitment to annual jurisdictional reporting on funding provided to ACCOs (Partnership Action 4) is an important step.[2] It should be matched by transparency on mainstream funding: how much is spent on services used by Aboriginal and Torres Strait Islander people, through which providers, and with what outcomes.

Mainstream services designed in partnership work better. The ANAO found that mainstream funding agreements and grant programs can be designed in partnership, citing examples such as the Northern Territory Remote Aboriginal Investment agreement and the Connected Beginnings and First Nations Playgroups programs.[9] These examples should become standard practice across all services families rely on, including maternal and child health, housing, family violence and legal services.

> **Recommendation 13:** That governments embed the Priority Reforms in public service legislation, employment and performance frameworks (Partnership Action 6), and make partnership capability, including the First Nations Partnerships Playbook, part of mandatory training and senior executive performance agreements.

5. Shared access to data and information

5.1 Access to and use of data

Responds to questions on availability and accessibility of data, and whether communities can use data for local decisions.

There has been some progress. The 2026 Annual Data Compilation Report incorporated community-governed data for the first time, and new co-designed data on Aboriginal and Torres Strait Islander languages has been published.[3] The six community data projects have been located and a Data Policy Partnership established.[2]

However, both reviews found that the broader intent of Priority Reform Four is not being met, and that the imbalance of power over the collection, management and use of data remains.[2] Six years into the Agreement, governments are still developing ways to measure progress against the Priority Reforms themselves.[3] Without that measurement, accountability for the Priority Reforms is not possible.

The most serious gap concerns safety. Target 13 commits to reducing all forms of family violence and abuse against Aboriginal and Torres Strait Islander women and children by at least 50 per cent by 2031, yet the Commission cannot assess progress.[3] There has been no new data since the 2018–19 baseline year, in part because of concerns about how the data was collected and the risk of harm to participants.[26] Other indicators point in the wrong direction: 19,579 women sought help from specialist homelessness services because of family and domestic violence in 2024–25, a rate almost 16 per cent higher than at the baseline.[27] A target that cannot be measured cannot be managed, and governments cannot be held to account for it.

More broadly, data must be reported by sex, age, disability and remoteness wherever possible across all outcomes, so that the different experiences of women and men, young people and Elders, and people in different places are visible.

5.2 Collection and governance of data

Responds to questions on who determines what data is collected and shared, and how Indigenous Data Governance is being incorporated.

Both the Commission's first review and the Independent Review supported embedding Indigenous Data Sovereignty principles across the data lifecycle.[2] Joint Council has affirmed that a community-controlled Indigenous Data Bureau would be valuable and that it is under consideration by the Data Policy Partnership.[2] NATSIWA supports this and asks that community organisations, including those representing women, be involved in deciding what data is collected, how it is interpreted, and how it is shared back with communities.

> **Recommendation 14:** That the measurement approach for the Priority Reforms be finalised; that all targets and indicators be reported by sex, age, disability and remoteness wherever data allow; and that governments fund a safe, community-governed approach to measuring Target 13 so progress on family violence can be assessed.

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

6.1 Engaging and sharing decisions across the policy cycle

Responds to questions on how agencies should engage across development, delivery and evaluation, current approaches, required system changes, and good examples.

Engagement must start at the point of defining the problem, not after a solution has been chosen. Too often, Aboriginal and Torres Strait Islander organisations are consulted on drafts with short deadlines, limited information and no funding to engage their communities. Genuine shared decision-making means agreeing the question, co-designing options, sharing decisions on design and funding, and jointly evaluating results.

Government systems need to change to support this: longer consultation timeframes, funding for community organisations to participate, procurement and grant rules that allow co-design and preferencing of ACCOs, and evaluation that includes Aboriginal and Torres Strait Islander perspectives on what success means. Our Ways – Strong Ways – Our Voices, developed in partnership with Aboriginal and Torres Strait Islander people and endorsed by all states and territories, is a recent example of policy shaped with the people it affects.[23,28]

6.2 Building capability to deliver the Agreement

Responds to questions on public service capability, supporting staff to work in partnership, and joint capability building.

Joint Council has committed to review public service values and behavioural frameworks and to consider embedding the Priority Reforms in public service legislation, employment and governance frameworks (Partnership Action 6).[2] This is the right direction. Capability should be built through mandatory training grounded in the First Nations Partnerships Playbook, secondments between government and ACCOs in both directions, and performance

agreements for senior executives that include delivery against the Priority Reforms, so that individual leaders are accountable, not only institutions.[20]

7. Enabling community-led efforts to close the gap

7.1 Place-based partnerships and community authority

Responds to questions on the impact of place-based partnerships, community authority, resourcing needs, and supporting locally determined priorities.

Clause 39 of the Agreement committed to six place-based partnerships by 2024, in Doomadgee, East Kimberley, Gippsland, Maningrida, Tamworth and the western suburbs of Adelaide. The ANAO found these had not been fully established through formal agreements as at June 2025, that the National Indigenous Australians Agency had no strategy to support their establishment, and that Australian Government reporting on them was deficient and worsening.[9] It is too early to assess their impact on outcomes, but the delay itself sends a signal to communities about the priority governments give to local authority.

Place-based partnerships need multi-year funding for local backbone organisations, dedicated government staff with authority to make decisions, access to local data, and administrative flexibility to pool and redirect funding to locally agreed priorities. Accountability should run both ways: governments to communities for delivering agreed actions, and partnerships to the whole of their communities, including women, Elders and young people, for the decisions they make.

> **Recommendation 10:** That all six place-based partnership agreements be finalised and resourced on a multi-year basis, with governance that includes women, Elders and young people from each community.

7.2 Local governance

Responds to questions on the role of local government and local accountability.

Local government delivers many services that shape daily life, from early childhood and community facilities to planning and local safety. Joint Council has noted that greater effort is needed from local governments, and the Australian Local Government Association has committed to lift understanding and capability in the sector (Partnership Action 8).[2] Councils should be active parties to place-based partnerships and report publicly on their contribution.

8. How actions will affect the socio-economic outcomes and targets

Responds to questions on enablers and barriers, the contribution of partnerships and sector strengthening, translating reform into action, how targets are defined and measured, and accountability for outcomes.

The latest data show the scale of the task. Of the 19 targets, one has been met, three are on track, five are improving but not on track, two show no change, four are worsening (children's development, adult imprisonment, children in out-of-home care and suicide), and four cannot

be assessed (essential services, family violence, languages and digital inclusion).[3] In the Northern Territory, female life expectancy is worsening.[3]

Justice outcomes illustrate the accountability failure most clearly. In March 2026, NATSILS reported that Aboriginal and Torres Strait Islander adults are being imprisoned at the highest rate on record and that child imprisonment is rising in several jurisdictions, describing this as a rejection of governments' Closing the Gap commitments.[29] These outcomes affect whole families. They also have a particular impact on women: Change the Record has highlighted that Aboriginal and Torres Strait Islander women are the fastest-growing prison population and that up to 90 per cent of women in prison report having experienced sexual or family violence.[30] Violence, imprisonment and child removal are connected, and reform must address them together.

The strongest enabler is the one the Commission has already identified: progress follows where governments share power with communities.[3] The strongest barriers are short-term and insecure funding for ACCOs, unclear accountability, missing data, and the continued treatment of the Priority Reforms as an add-on to business-as-usual.[2]

On whether targets are appropriately defined, NATSIWA notes that the targets are measured for Aboriginal and Torres Strait Islander people as a whole, with limited visibility of how outcomes differ for women and men, young people and Elders, people with disability, and people in different places. Nor is there any measure of whether the full diversity of Aboriginal and Torres Strait Islander people is sharing in decision-making under the Agreement. We ask the Commission to consider recommending disaggregated reporting across all targets and indicators of inclusive participation in Agreement governance.

Finally, accountability mechanisms will help progress only if they carry consequences. Annual reports, implementation plans and reviews are necessary but not sufficient. The combination of independent mechanisms with real powers, transparent funding reporting, intergovernmental funding tied to the Priority Reforms, and a public record of commitments met and missed is what will shift government behaviour.

Conclusion

The National Agreement on Closing the Gap remains the right framework, and the Priority Reforms remain the right path. What has been missing is consistent, funded and accountable delivery that makes them real for all Aboriginal and Torres Strait Islander people.

NATSIWA asks the Commission to use this review to make delivery unavoidable: to recommend that outstanding commitments be finalised with timeframes; that independent mechanisms be established in every jurisdiction; that intergovernmental funding be tied to the Priority Reforms; that funding to the community-controlled sector be transparent and secure; that data gaps such as Target 13 be closed; and that every governance body show how it hears the full diversity of Aboriginal and Torres Strait Islander people, with women included and funded to take part at every level.

Wendy Anders
Chief Executive Officer
National Aboriginal and Torres Strait Islander Women's Alliance



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