Response to Productivity Commission Review of the National Agreement on Closing the Gap

October 2026

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1. About AMSANT

The Aboriginal Medical Services Alliance Northern Territory (AMSANT) is the peak body for Aboriginal community controlled health services (ACCHSs) in the Northern Territory (NT).

The ACCHS sector is the largest provider of primary health care to Aboriginal people in the Northern Territory. ACCHSs deliver comprehensive primary health care in an integrated, holistic, culturally secure framework. The comprehensive primary health care approach developed by ACCHSs combines care for individual community members, with population level health promotion and illness prevention, integrated with action on the social determinants of health. Crucial to effective advocacy, research and policy reform are ACCHSs, being the critical link to current Aboriginal health impacts and outcomes, centring cultural safety and community connection.

Currently, AMSANT represents 12 Full Member and 15 Associate Member ACCHSs across the Northern Territory, ranging from large organisations with multiple clinics to small single-community services. AMSANT strives to deliver strong membership support as well as robust policy advice and advocacy to improve Aboriginal health and wellbeing across the NT.

Addressing the broader social determinants of health, including housing, poverty, environmental health and social and educational inequity, is critical to AMSANT's core business. Through high level collaborations with the Northern Territory and Commonwealth Governments, AMSANT continues to ensure Aboriginal voices, our member perspectives and community-driven solutions are central to informing culturally safe policy and service delivery.

Throughout this submission, AMSANT choses to use the term Aboriginal to best reflect the people and communities we directly represent and work with across the NT. We wish to acknowledge with equal respect Torres Strait Islander people as First People of Australia, affirming their enduring sovereignty, cultures and connection to land and sea.

If you require further information in relation to the content of this submission, please contact submissions@amsant.org.au.

2. Recommendations

Recommendation 1: Governments should reaffirm their commitment to the National Agreement by embedding clear Priority Reform deliverables, timelines and public reporting requirements, with independent monitoring of progress and accountability for non-performance.

Recommendation 2: Governments should prioritise investment in existing Aboriginal community controlled governance structures and formally recognise these bodies as preferred mechanisms for shared decision-making, policy development and implementation under Closing the Gap. New governance structures should only be established where no suitable Aboriginal community controlled governance mechanism already exists.

Recommendation 3: Develop and fund a nationally consistent capability uplift framework that recognises capability development as a shared responsibility of Aboriginal community controlled organisations and governments. The framework should include dedicated, long-term investment in governance, workforce, leadership, infrastructure, organisational development and transition readiness.

Recommendation 4: Governments should progressively reform funding arrangements to:

- increase direct funding to Aboriginal community controlled organisations;
- reduce reliance on intermediary government administration of Commonwealth funding;
- expand pooled and flexible funding models across sectors;
- support long-term place-based commissioning; and
- prioritise investment in prevention and early intervention delivered through community-controlled organisations.

Governments should also publicly report on progress in shifting investment towards the community-controlled sector as part of Closing the Gap accountability arrangements.

Recommendation 5: Governments should establish formal regional data partnerships with Aboriginal community controlled organisations to support the routine collection, analysis and publication of regional and sub-regional Closing the Gap data. These arrangements should support place-based decision-making, accountability, program evaluation and investment planning.

Recommendation 6: Governments should co-design and implement a national Indigenous Data Sovereignty framework with Aboriginal organisations, supported by dedicated investment in data governance, analytical capability, workforce development and data infrastructure. This framework should establish clear expectations regarding Aboriginal access to, influence over and stewardship of data relevant to their communities.

Recommendation 7: Governments should develop measurable indicators for each Priority Reform, including indicators relating to shared decision-making, transfer of authority, growth of the community-controlled sector and implementation of Indigenous Data Sovereignty, and publicly report against these annually.

3. Executive Summary

AMSANT welcomes the opportunity to contribute to the Productivity Commission Review of the National Agreement on Closing the Gap. This review comes at a critical point in the implementation of the Agreement, as governments, Aboriginal community controlled organisations (ACCOs), and Aboriginal and Torres Strait Islander communities assess whether the transformational reforms promised under the Agreement are being realised in practice.

AMSANT remains strongly supportive of the National Agreement. The Agreement represents a significant departure from previous approaches to Aboriginal affairs by recognising that sustainable improvements in outcomes require governments to share power, invest in community control, and reform systems that have historically failed Aboriginal people. Importantly, the Agreement has created a framework through which Aboriginal organisations can hold governments accountable for their commitments and progress. However, implementation has been uneven and there remains a significant gap between policy commitments and practice.

The principal challenge is no longer the design of the National Agreement, but inconsistent implementation by governments and a lack of accountability for Priority Reform commitments.

AMSANT considers Implementation Plan 3 a critical test of whether governments remain committed to the principles of genuine partnership and shared decision-making that underpin the National Agreement. Without renewed commitment to the Priority Reforms, there is a risk that Closing the Gap will revert to a focus on measuring outcomes rather than transforming the systems that produce those outcomes.

This submission highlights six key themes:

- The National Agreement remains a valuable and necessary reform framework.
- Aboriginal community controlled governance structures should play a more central role in implementation.
- Community control requires sustained investment in organisational capability and readiness.
- Current funding arrangements continue to limit the growth and effectiveness of ACCOs.
- Regional-level data is essential for accountability and effective investment decisions.
- Greater clarity and resourcing is required to implement Indigenous Data Sovereignty in practice.

4. The National Agreement remains a significant reform

AMSANT strongly supports the continuation and strengthening of the National Agreement on Closing the Gap.

The Agreement represents a landmark shift in the relationship between governments and Aboriginal and Torres Strait Islander peoples. Unlike previous frameworks, it recognises that governments cannot close the gap acting alone and that meaningful progress requires Aboriginal people to participate in decisions about policies, funding and services that affect their communities.

A key strength of the Agreement is that it provides mechanisms through which Aboriginal community controlled organisations can hold governments accountable. The Priority Reforms recognise that structural change, rather than programmatic change alone, is necessary to achieve sustainable improvements in outcomes.

While AMSANT acknowledges that relationships underpinning the Agreement are currently strained in the Northern Territory, this should not be viewed as a reason to abandon or weaken the Agreement. On the contrary, periods of tension demonstrate the importance of having formal mechanisms for accountability and partnership. These mechanisms provide a basis for resolving disagreements and ensuring governments remain accountable to their commitments.

Implementation Plan 3 will be an important test of whether governments remain committed to the spirit and intent of the National Agreement. This next phase must demonstrate clear progress in transferring decision-making authority, strengthening community control, and embedding genuine partnership in government systems.

Recommendation 1

Governments should reaffirm their commitment to the National Agreement by embedding clear Priority Reform deliverables, timelines and public reporting requirements, with independent monitoring of progress and accountability for non-performance.

5. Aboriginal community controlled governance must be central to Closing the Gap

A key lesson from the Northern Territory is that strong Aboriginal community controlled governance structures can support long-term reform, improve accountability and create more effective mechanisms for shared decision-making.

Case Study: The Northern Territory Aboriginal Health Forum

The Northern Territory Aboriginal Health Forum (NTAHF) provides a practical and enduring example of how strong Aboriginal community controlled governance can be achieved through formal partnerships and shared decision-making. Established in 1998 following sustained advocacy from the Aboriginal community controlled health sector, NTAHF brings together the key organisations responsible for Aboriginal health policy, funding and service delivery in the Northern Territory.

Current members include:

- the Aboriginal Medical Services Alliance Northern Territory (AMSANT)
- Northern Territory Department of Health
- Australian Government Department of Health, Disability and Ageing
- Northern Territory Primary Health Network
- National Indigenous Australians Agency
- Northern Territory Department of the Chief Minister and Cabinet, and
- National Disability Insurance Agency.

Through this structure, the Aboriginal community controlled health services sector participates as an equal partner alongside government agencies in setting priorities, shaping policy and monitoring implementation.

Over nearly three decades, NTAHF has demonstrated the value of genuine partnership by delivering tangible system-wide reforms, including coordinated regional planning, increased investment in comprehensive primary health care, the development of Aboriginal health performance indicators, and support for the transition of government-operated primary health care services to Aboriginal community control.

Its longevity reflects several factors that are directly relevant to the Closing the Gap reform agenda: strong Aboriginal leadership, shared decision-making authority between governments and Aboriginal organisations, and the long-term relationships required to build trust and accountability. As a mature governance mechanism, NTAHF demonstrates that effective Aboriginal community controlled structures are achieved not through consultation alone, but through formalised decision-making arrangements in which Aboriginal organisations have an ongoing and equal role in setting priorities, influencing investment decisions and overseeing reform. In this respect, NTAHF represents a longstanding embodiment of Priority Reform One of the National Agreement on Closing the Gap and provides a practical model that could inform governance arrangements in other jurisdictions.

There is considerable potential to apply similar models in other sectors, including housing, education, child and family services, disability services and justice. Too often, governments establish new engagement processes rather than investing in existing Aboriginal governance structures that already possess legitimacy, expertise and community trust.

The National Agreement provides an opportunity to strengthen and expand Aboriginal community controlled governance as a mechanism for implementing Priority Reform One.

Recommendation 2

Governments should prioritise investment in existing Aboriginal community controlled governance structures and formally recognise these bodies as preferred mechanisms for shared decision-making, policy development and implementation under Closing the Gap. New governance structures should only be established where no suitable Aboriginal community controlled governance mechanism already exists.

6. Strengthening community control through capability uplift

The transition to community control remains one of the most significant reforms occurring within the health sector.

AMSANT strongly supports community control as the preferred model for delivering services to Aboriginal communities. However, community control is not achieved simply by transferring services, contracts or funding from government agencies to Aboriginal organisations.

Successful transitions require sustained investment in organisational readiness, governance development, workforce capability, leadership development, infrastructure and operational

systems. Community controlled organisations must be supported to build and maintain the capabilities required to deliver high quality services over the long term.

AMSANT is concerned that capability uplift remains poorly defined within Closing the Gap discussions. There is often an assumption that capability development relates only to ACCOs. In reality, successful transition also requires government agencies to adapt their own systems, practices and behaviours to support genuine power sharing and partnership.

Capability uplift should be understood as a structured, long-term process that includes:

- organisational development;
- governance strengthening;
- workforce development;
- leadership and succession planning;
- infrastructure investment;
- quality and accreditation systems;
- change management and transition planning; and
- strengthening government capability to work in partnership with Aboriginal organisations.

Importantly, capability development processes should themselves be community-controlled and responsive to local needs and priorities.

Case Study: Transition of Northern Territory Government Clinics to Aboriginal Community Control

The transition of remote primary health care services from government management to Aboriginal community control in the Northern Territory provides a practical example of how the Closing the Gap Priority Reforms can be translated into structural change. Building on the long-standing Northern Territory Aboriginal Health Forum (NTAHF) partnership, governments and the Aboriginal community controlled health sector have worked collaboratively through the Pathways to Community Control framework to support communities seeking greater authority over the design and delivery of primary health care services. The framework recognises that Aboriginal communities have the right to participate in decisions affecting their health and that community-controlled governance is the optimal expression of self-determination in health service delivery. Over recent years, the transition agenda has been renewed and accelerated through a joint commitment of AMSANT, the Northern Territory Government and the Australian Government to support communities to assume governance of services previously operated by government.

The transition process demonstrates how governments can move beyond consultation to genuinely sharing power with Aboriginal organisations and communities. Communities lead decisions about whether and when to transition, supported by structured processes including expressions of interest, community consultation, governance development, business case assessment and implementation planning. The model is designed not only to transfer service management, but also to strengthen local governance capability, increase community influence over health priorities, create employment opportunities and improve cultural safety and responsiveness of care. Independent evaluation[1] of the program found that the Pathways to

Community Control approach has established an effective framework for progressing Aboriginal self-determination in the health system, while recent commitments to accelerate transition of the remaining government-operated remote clinics demonstrate continuing confidence in community-controlled models. The Northern Territory experience shows that durable reform is achieved when Aboriginal organisations are empowered as system leaders, rather than simply service providers, and offers a tangible example of the type of structural transformation envisaged under the National Agreement on Closing the Gap.

Key lessons for the Productivity Commission review include:

- Long-term partnership structures such as NTAHF can create the trust and shared accountability necessary to support major system reform.
- Community control is operationalised through formal decision-making authority, not merely consultation.
- Investment in governance development and transition support is critical to successful transfer of services.
- Aboriginal community-controlled services provide an effective vehicle for advancing self-determination, cultural safety and responsive service delivery in alignment with the Closing the Gap Priority Reforms.

Recommendation 3

Develop and fund a nationally consistent capability uplift framework that recognises capability development as a shared responsibility of Aboriginal community controlled organisations and governments. The framework should include dedicated, long-term investment in governance, workforce, leadership, infrastructure, organisational development and transition readiness.

7. Funding reform is essential for community control

Current funding arrangements remain one of the most significant barriers to achieving the objectives of the National Agreement.

Despite commitments to community control, substantial Commonwealth investments continue to be channelled through state and territory governments before reaching Aboriginal organisations. This creates additional layers of administration, contributes to fragmentation, reduces flexibility and limits the ability of ACCOs to respond to community priorities.

Fragmented funding arrangements also create inefficiencies across the service system. Organisations often manage multiple funding agreements with different requirements, reporting frameworks and timeframes. This can divert resources away from service delivery and strategic development.

More direct funding pathways to ACCOs would support local decision-making and strengthen accountability to communities. In addition, pooled and integrated funding models have significant potential to support coordinated service delivery and reduce duplication.

Funding reform is particularly important for investment in prevention and early intervention. Current funding models frequently prioritise crisis responses over preventative approaches despite strong evidence that prevention delivers better outcomes and greater long-term value.

The National Agreement will not achieve its intended outcomes unless funding arrangements are aligned with the principle of community control. The review should examine how the National Agreement on Closing the Gap interacts with other national agreements, whether it has led to changes in their funding, governance and accountability arrangements and, where it has not, why these changes have not occurred.

Case Study: Funding Reform Opportunity to Support Prevention and Early Intervention in Remote Communities

The experience of early childhood services in remote Central Australia demonstrates why funding reform is essential to achieving the Closing the Gap targets. Despite substantial government investment, outcomes for Aboriginal children in very remote Northern Territory communities remain poor. A 2024 policy paper by the Murdoch Children's Research Institute's Centre for Community Child Health, *Ampe Rlterrke Amangkeme – Growing up strong children*[2] found that more than $500 million is spent annually on children and family services in the NT, yet funding is dispersed across multiple agencies, programs and short-term grants, creating a system that is fragmented, difficult for families to navigate and poorly aligned to community needs. As a result, many Aboriginal children miss out on the basic early years supports known to improve developmental outcomes, including antenatal care, sustained nurse home visiting, quality early childhood education and care, parenting support and assistance with the transition to school. In 2021, only 6 per cent of children in very remote NT communities were assessed as developmentally on track across all Australian Early Development Census domains, compared with 49.8 per cent of non-Indigenous children in the NT.

The *Ampe Rlterrke Amangkeme* policy paper proposes a different funding approach centred on Aboriginal community-controlled Integrated Child and Family Centres that bring together health, education and family support services under a single governance and funding framework. Rather than requiring organisations to assemble multiple grants from different agencies, governments would pool resources and provide long-term, flexible block funding for evidence-based prevention and early intervention activities. This would enable communities to deliver the combination of supports proven to improve child development outcomes while tailoring services to local needs. Importantly, funding would include dedicated investment in the "glue" of integration, such as care coordination, community engagement, workforce development and cross-sector collaboration. The proposal aligns closely with the Closing the Gap Priority Reforms by strengthening the community-controlled sector, supporting shared decision-making and enabling Aboriginal communities to design and govern services that reflect local priorities. Evidence from integrated child and family centre models nationally, alongside the experience of Aboriginal community-controlled organisations, suggests that shifting investment upstream into prevention and early intervention is likely to deliver far greater long-term social and economic returns than continuing to concentrate resources on crisis responses after developmental vulnerability, child protection concerns and other adverse outcomes have emerged.

Key lesson for the Productivity Commission: Closing the Gap outcomes will not be achieved through increased expenditure alone. Funding reform is needed to move resources from fragmented, program-based investment towards long-term, flexible, community-controlled funding models that support integrated prevention and early intervention services from pregnancy through to the early years of schooling.

Case Study: Thriving Kids

While governments have recognised these challenges through the development of Thriving Kids, a nationally agreed reform intended to invest in early intervention and foundational supports for children and families, implementation to date has not been accompanied by the structural funding reform required to support genuinely integrated, community controlled service models in the Northern Territory. The Thriving Kids agenda presents a significant opportunity to align and pool investments across health, disability, early childhood and family support systems, consistent with its objective of creating more coordinated supports for children with developmental delay, disability and their families. However, despite repeated advocacy from AMSANT and the Aboriginal community controlled sector, the Northern Territory Government has not substantively engaged in discussions regarding the funding reforms needed to enable Aboriginal community controlled organisations to lead and deliver these integrated models.

This represents a missed opportunity to implement the Closing the Gap Priority Reforms in practice. Without reform to fragmented funding arrangements, Thriving Kids risks becoming another layer of coordination over an already complex service system, rather than a vehicle for genuine transformation. Long-term, flexible and pooled funding arrangements are required to support Aboriginal community controlled organisations to provide holistic, place-based child and family services that integrate developmental, health, disability and family supports around community priorities. Such an approach would be consistent with the objectives of Thriving Kids, strengthen the community controlled sector, and support the shift towards prevention and early intervention that governments have publicly committed to pursue.

Recommendation 4

Governments should progressively reform funding arrangements to:

- increase direct funding to Aboriginal community controlled organisations;
- reduce reliance on intermediary government administration of Commonwealth funding;
- expand pooled and flexible funding models across sectors;
- support long-term place-based commissioning; and
- prioritise investment in prevention and early intervention delivered through community-controlled organisations.

Governments should also publicly report on progress in shifting investment towards the community-controlled sector as part of Closing the Gap accountability arrangements.

8. Regional data is critical for accountability

Effective implementation of Closing the Gap requires access to high-quality regional data.

National and jurisdictional reporting often obscures significant differences between locations. Performance can vary substantially between remote communities, regional centres and urban areas. Without regional-level data, it is difficult to identify where outcomes are improving, where challenges persist and where additional investment is required.

More granular data would support:

- better policy design;

- more targeted investment decisions;
- stronger local accountability;
- improved service planning; and
- more effective monitoring of progress.

Regional reporting is particularly important in the Northern Territory, where geographic, social and demographic diversity can mask important differences in community circumstances and outcomes.

Strengthening local and regional reporting would help ensure that Closing the Gap reforms are responsive to community realities rather than broad jurisdictional averages. Formalised agreements between governments and Aboriginal community controlled organisations are needed to establish clear responsibilities for the routine collection, sharing and reporting of regional-level data, with agreed timeframes and governance arrangements that uphold Indigenous Data Sovereignty.

Case Study: The Importance of Regional Data for Closing the Gap

The experience of Central Australian Aboriginal Congress demonstrates the critical importance of high-quality, regionally specific data in understanding what is driving progress towards Closing the Gap. National and jurisdictional reporting provides an important overview of outcomes, but it can obscure significant variation between regions and communities. Through its *Making History: Transforming Aboriginal Health in Central Australia, 1973–2023*[3] project, Congress partnered with NT Health and the Menzies School of Health Research to analyse more than fifty years of mortality, hospitalisation and perinatal data for Aboriginal people in Central Australia. The project was developed in recognition of the fact that very little health data is routinely reported at a regional level, despite the National Agreement on Closing the Gap recognising the importance of regional information for local decision-making.

The analysis revealed a far more nuanced picture than is visible through Territory-wide indicators alone. It documented substantial improvements in life expectancy, infant mortality, premature mortality and other health measures for Aboriginal people in Central Australia, while also identifying the reforms that contributed to these gains, including increased investment in Aboriginal community controlled primary health care, collaborative regional planning through the Northern Territory Aboriginal Health Forum, and the transition of services to community control. Importantly, the study was able to demonstrate that many health improvements occurred despite limited progress in key social determinants such as housing, poverty and food security, providing valuable evidence about the effectiveness of sustained investment in Aboriginal community controlled primary health care. Without regional-level data, these successes would have remained largely invisible within broader state and national reporting.

The Congress experience highlights the need for governments to invest in Aboriginal community controlled regional data systems, data linkage capability and place-based evaluation. High-quality regional data allows communities, governments and service providers to identify what is working, target resources more effectively and hold governments accountable for outcomes. If the Closing the Gap framework is to support genuine place-based reform, governments must move beyond reliance on national averages and commit to the routine collection, analysis and publication of meaningful regional-level data that enables communities to track progress and drive locally informed decision-making.

Recommendation 5

Governments should establish formal regional data partnerships with Aboriginal community controlled organisations to support the routine collection, analysis and publication of regional and sub-regional Closing the Gap data. These arrangements should support place-based decision-making, accountability, program evaluation and investment planning.

9. Giving effect to Indigenous data sovereignty

Priority Reform Four has established a strong commitment to Indigenous Data Sovereignty, but greater clarity is needed regarding its practical implementation.

AMSANT believes Indigenous Data Sovereignty should not be narrowly interpreted as Aboriginal organisations owning or holding all relevant data. Rather, Indigenous Data Sovereignty should ensure that Aboriginal organisations have meaningful influence over how data is collected, stored, interpreted, accessed, shared and used.

Effective implementation requires three key elements:

Access	Aboriginal organisations must have timely access to relevant data that informs service delivery, planning and advocacy.
Authority	Aboriginal people and organisations should have a meaningful role in decisions about what data is collected, how data is interpreted and how it is used.
Capability	ACCOs require investment in analytical capability, workforce development and supporting infrastructure to translate data into evidence-informed decision-making.

Without investment in capability and systems, Indigenous Data Sovereignty risks becoming an aspirational concept rather than a practical reform.

Recommendation 6

Governments should co-design and implement a national Indigenous Data Sovereignty framework with Aboriginal organisations, supported by dedicated investment in data governance, analytical capability, workforce development and data infrastructure. This framework should establish clear expectations regarding Aboriginal access to, influence over and stewardship of data relevant to their communities.

Recommendation 7

Governments should develop measurable indicators for each Priority Reform, including indicators relating to shared decision-making, transfer of authority, growth of the community-controlled sector and implementation of Indigenous Data Sovereignty, and publicly report against these annually.

10. Conclusion

AMSANT continues to support the National Agreement on Closing the Gap as a significant and necessary reform. The Agreement has established an important framework for partnership, accountability and community control that should be strengthened rather than weakened.

However, achieving the ambitions of the Agreement will require a renewed focus on implementation. Governments must move beyond commitments in principle and demonstrate progress in transferring decision-making authority, reforming funding arrangements, strengthening Aboriginal community controlled governance and supporting the growth of community controlled organisations.

The experience of the Northern Territory health sector demonstrates that long-term partnership and Aboriginal community control can produce meaningful reform. The lessons learned from this experience should inform the next phase of Closing the Gap implementation nationally.

Implementation Plan 3 represents a critical opportunity to reaffirm the objectives of the National Agreement and ensure that the Priority Reforms deliver tangible change for Aboriginal and Torres Strait Islander peoples and communities.

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[1] Nous Group. (2022). *Evaluation of the Pathways to Community Control program*. Australian Government Department of Health and Aged Care. https://www.health.gov.au/sites/default/files/2022-12/evaluation-of-the-pathways-to-community-control-program_0.pdf

[2] Goldfeld, S., Eades, S., & Thornton, D. (2024). *Ampe Rlterrke Amangkeme – Growing up strong children: The policy case for an integrated approach to early childhood support in remote Central Australia*. Centre for Community Child Health, Murdoch Children's Research Institute.

[3] Tilton, E., Boffa, J., Ah Chee, D., Condon, J., Zhao, Y., Hogan, E., & Baghbanian, V. (2025). *Making history: Transforming Aboriginal health in Central Australia*. Central Australian Aboriginal Congress. https://www.caac.org.au/wp-content/uploads/2026/04/Making-History_single-page.pdf