Australian National University

Closing the Gap Review 2026
Productivity Commission
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Submission to the Review of the National Agreement on Closing the Gap 2026

Dear Commissioners Button and Jackson,

Thank you for the opportunity to make a submission to the Closing the Gap Review 2026. This submission focuses on recent research led by the Centre for Indigenous Policy Research (CIPR) at the Australian National University and its implications for progress on the National Agreement on Closing the Gap.

CIPR has a unique national purpose to lead research and engagement that amplifies Indigenous voices and advances Indigenous self-determination in policy making locally, nationally and globally. Established as the Centre for Aboriginal Policy Economic Research (CAEPR) more than three decades ago, CIPR has an outstanding track record of national leadership in Indigenous policy research. Through knowledge exchange and the translation of research findings into evidence-based practice and policy, CIPR's research and engagement activities empower Indigenous communities to influence and inform decision making about matters affecting their lives.

The following recommendations for the Closing the Gap Review 2026 have been informed by recent research collaboration between CIPR and Aboriginal and Torres Strait Islander communities which aims to strengthen Indigenous leadership and participation in decision making affecting them:

- Progress in Closing the Gap needs Indigenous-led shared decision-making that genuinely transfers decision-making authority and empowers Aboriginal and Torres Strait Islander communities to hold government to account;
- The existing framework to measure the 17 socio-economic targets identified in Closing the Gap is not fit for purpose and needs to engage with Indigenous understandings of health and wellbeing. This measurement framework also needs to engage with the principles of Indigenous Data Sovereignty; and
- Progress in Closing the Gap needs a framework for assessing state and territory contributions to national targets to strengthen government accountability through greater use of jurisdiction-level data.

Shared Decision-Making

The *OCHRE Local Decision Making (LDM) Stage Two Evaluation Synthesis Report* finds that LDM remains one of Australia's strongest policy frameworks for advancing Indigenous self-determination and improving service delivery through formal partnerships between government and Aboriginal regional governance bodies in New South Wales. The evaluation concludes that the model is well designed, widely supported by Aboriginal communities and government, and has strong potential to support the implementation of the National Agreement on Closing the Gap.

However, the report's central finding is the implementation of LDM has fallen well short of its original intent. While it has successfully strengthened Aboriginal Regional Alliances and Assemblies (ARAs), elevated Aboriginal voices, and improved relationships between communities and government agencies, it has not delivered the anticipated transfer of decision-making authority, control over service delivery, funding, or data to Aboriginal communities.

The evaluation found that government agencies continue to retain control over priorities, funding decisions, and service design. Little progress has been made in service mapping, pooled funding, data sharing, or devolving authority to Aboriginal communities. Many agencies were unable to identify what services were being delivered, by whom, or at what cost in LDM regions. Aboriginal governance bodies were also found to be significantly under-resourced despite carrying substantial responsibility for community engagement and regional planning.

The evaluation also produced a survey for measuring whether the relationship between government and Aboriginal representatives are improving over time as a result of local decision-making. The survey was informed by the perspectives of all parties involved in the LDM and provides a mechanism for assessing mutual accountability around what a transformed relationship could look like.

For the Closing the Gap Review 2026, the report provides important evidence that the key barrier to progress is not the capacity of Aboriginal and Torres Strait Islander communities, but the failure of government systems to genuinely share power and transform the way they operate. These findings are particularly relevant to Priority Reform One (Formal Partnerships and Shared Decision-Making) and Priority Reform Three (Transforming Government Organisations). **Success should be measured not by the existence of partnership structures alone, but by whether governments transfer authority, resources, data access, and accountability to Indigenous community-controlled organisations and representative bodies.** It should also be assessed on whether community feels there has been real change in improving wellbeing on the ground.

Measurement Framework

The *A Review of Methods for Assessing Progress Towards Closing the Gap: Final Report* examined how the Productivity Commission measures progress against the targets in the National Agreement on Closing the Gap. The review assessed current monitoring methods, explored improvements to statistical approaches, and developed options for measuring state and territory contributions to national outcomes.

The report's central finding is that the greatest challenge to effective Closing the Gap accountability is not the assessment methodology itself, but the quality, availability and suitability of the underlying data. The review identified significant data gaps, infrequent collection cycles, reporting delays and inconsistencies between data sources. As a result, governments often rely on outdated information to assess progress, limiting the ability to identify problems, respond effectively and maintain accountability.

The report also found that revisions to datasets can substantially alter assessments of progress over time, reducing confidence in reported results. In addition, some measures do not adequately reflect Indigenous perspectives, priorities or concepts of wellbeing, raising concerns about the cultural appropriateness of current monitoring arrangements.

While the review recommends several technical improvements to the statistical methods used to assess progress, it concludes that these changes are secondary to the need for better data. Improving the timeliness, consistency, reliability and cultural relevance of data is essential if governments are to accurately monitor outcomes and demonstrate progress towards Closing the Gap.

The report also proposes a framework for assessing state and territory contributions to national targets, recommending an approach that aligns with the principles of the National Agreement and strengthens accountability through greater use of jurisdiction-level data.

For over a decade, CIPR has been supporting community-led data initiatives. These efforts equip Indigenous communities and organisations with fit for purpose data that enables them to be equal partners in co-designing and evaluating policy and programs. Importantly, these data initiatives support calls for Indigenous data sovereignty and reflect priorities and indicators of success on Indigenous terms.

For the Closing the Gap Review 2026, the report highlights that meaningful accountability depends on timely, reliable and culturally appropriate data. **Without stronger data systems, governments cannot credibly measure progress, evaluate policy effectiveness, or demonstrate whether their commitments under the National Agreement are being achieved.**

Conclusion

The evidence presented in this submission demonstrates that the central challenge facing the National Agreement on Closing the Gap is not a lack of capacity within Aboriginal and Torres Strait Islander communities, nor a lack of evidence about what works. Rather, it is the continued gap between the aspirations of the National Agreement and the way governments implement reform in practice.

Research collaboration between CIPR and Aboriginal and Torres Strait Islander communities highlights that meaningful progress depends on governments moving beyond consultation towards genuine power-sharing. The experience of the OCHRE Local Decision-Making initiative shows that partnership structures alone are insufficient if decision-making authority, resources, service design and data remain concentrated within government systems. Achieving the objectives of Priority Reforms One and Three requires governments to fundamentally transform the way they operate and to support Indigenous people to exercise greater control over decisions that affect their lives.

The research also demonstrates that accountability for Closing the Gap cannot be strengthened without improvements to data systems and measurement frameworks. Governments require timely, reliable and culturally relevant data to accurately assess progress, evaluate policy effectiveness and identify where change is needed. Measurement approaches must better reflect Indigenous understandings of health and wellbeing and align with the principles of Indigenous Data Sovereignty. Achieving the objectives of Priority Reforms Four requires governments to fundamentally transform the way they collect data by engaging with the principles of Indigenous Data Sovereignty.

The Closing the Gap Review 2026 provides an important opportunity to refocus implementation on the core intent of the National Agreement: shared decision-making, Indigenous-led solutions and government accountability. Future progress should be assessed not only by improvements in outcomes, but by whether governments are genuinely transferring power, resources and authority to Aboriginal and Torres Strait Islander communities. Sustained commitment to these reforms will be essential if Closing the Gap is to deliver lasting and meaningful change.

A list of the relevant CIPR references is attached (Attachment A).

Kind regards

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Director, Centre for Indigenous Policy Research

Attachment A

References

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