



**Aboriginal
Health Council
of Western Australia**

Independent Aboriginal and Torres Strait Islander-led Review of Closing the Gap

Submission

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Introduction

The Aboriginal Health Council of Western Australia (AHCWA) welcomes the opportunity to contribute to the Independent Aboriginal and Torres Strait Islander-led Review (the Review), which aims to shape the future implementation of the Priority Reforms in the National Agreement on Closing the Gap (the National Agreement), celebrate achievements, and identify areas requiring renewed momentum.

AHCWA is the peak body for 23 Aboriginal Community Controlled Health Services (ACCHS) in Western Australia (WA). WA ACCHS are located across geographically diverse metropolitan, regional and remote locations. They deliver the most effective model of comprehensive primary health care for Aboriginal people¹ and are in a unique position to identify and respond to the local, cultural and health needs of Aboriginal people and their communities. AHCWA exists to support and act on behalf of its 23 Member Services, actively representing and responding to their individual and collective needs.

AHCWA's submission responds to the Terms of Reference (ToR) with particular reference to:

a) the extent to which Aboriginal and Torres Strait Islander people and communities have shared in decision making on policies and programs that have a significant impact on them, and incorporating their perspectives on:

i. the extent to which they are aware of the National Agreement and what it seeks to achieve,

ii. whether power is being shared between governments and Aboriginal and Torres Strait Islander organisations, governance arrangements and communities as equal partners (and enablers and challenges to doing so),

iii. how all Australian governments and community-controlled organisations, including peak bodies, have adapted to new ways of working together as required by the Agreement.

c) Advice on any additional actions by Parties to the National Agreement that could accelerate progress on the Priority Reforms.

AHCWA's submission responds to the areas of inquiry as defined by the ToR, highlighting ways in which ACCHS across WA are engaging in shared-decision making and partnership - with Commonwealth and State Governments - influencing policies and programs that significantly impact Aboriginal people. However, progress is slow and genuine partnership, collaboration and shared decision-making are inconsistent across, and within, departments, varying from region to region and state by state. Meaningful progress requires urgent structural reforms and government agencies to collaborate effectively and uphold their commitments under the National Agreement.

¹ Throughout this submission, AHCWA uses the term 'Aboriginal' to respectfully refer to all Aboriginal and Torres Strait Islander people across WA.

Aligned with the Coalition of Aboriginal and Torres Strait Islander Peak Organisations (the Coalition of Peaks), AHCWA believes that full implementation of the National Agreement, particular the four Priority Reforms, is fundamental to achieving the Closing the Gap targets. AHCWA calls for all Australian Governments to strengthen their commitment to the Priority Reforms, ensuring that Closing the Gap objectives are met.

Recommendation: All Australian Governments must act urgently to fully implement the National Agreement and embed the four Priority Reforms across all areas of government.

National Agreement on Closing the Gap

Initiated by the Coalition of Peaks, the National Agreement was negotiated and agreed with all Australian Governments and the Australian Local Government Association through the Partnership Agreement on Closing the Gap (Partnership Agreement) in July 2020. Based on the premise that all Governments need to change the way they work with Aboriginal people, the National Agreement requires Governments to engage in genuine partnership to achieve progress against Closing the Gap targets. While some partnership arrangements have succeeded in building trust and progressing the priorities of Aboriginal people and communities, many have fallen short of embedding shared decision-making in a sustained way. Governments must trust that relinquishing control over decisions, and empowering the Aboriginal community-controlled sector, will enable better outcomes for Aboriginal people.

The National Agreement provides the framework by which AHCWA works with State and Commonwealth Governments to achieve health equality for Aboriginal people across WA. The four Priority Reforms provide a mechanism to hold Governments accountable to their commitment to work in genuine partnership; build the Aboriginal community controlled sector; transform ways of working; and improve access to data. AHCWA advocates on behalf of its Member Services, to improve health outcomes across Aboriginal communities throughout WA, with a focus on Closing the Gap socio-economic targets; however, AHCWA, and ACCHS across WA, acknowledge that addressing necessary structural reforms and the social determinants of health will achieve the four Priority Reforms, resulting in improved socio-economic targets.

When considering the goals and objectives of the National Agreement, and progress against it, AHCWA asserts that there must be a better understanding, alignment and championing implementation of the National Agreement on the part of all Governments. In their submission to the Productivity Commission's Review of the National Agreement on Closing the Gap,² the Coalition of Peaks acknowledges that government officials, outside of Indigenous Affairs, have a very limited understanding of the National Agreement and often many do not know that it exists. In their submission, the Peaks go on to recognise the work by jurisdictions to raise the profile of the National Agreement in their business areas; however, they note a lack of active championing implementation at the national level.

AHCWA has found that this limited, and sometimes lack of, understanding also exists at the jurisdictional level. Within the WA State Government, there are Ministers and high-ranking government officials who are fully across the National Agreement and Priority Reforms, and

² Submission 25 - Coalition of Peaks - Closing the Gap Review - Commissioned study.

work with AHCWA to achieve them. Specific divisions in departments, for example the Aboriginal Directorate in the WA Department of Health, and the Working Group for Recommendation 3a of the WA Sustainable Health Review, understand the National Agreement and work to embed it across policies and programs. However, in other divisions, and across business units and departments, there can be a very limited, or no, understanding of the National Agreement, only an identification with the aim of 'closing the gap' in health disparities. In these cases, the burden is often on AHCWA to educate government officials about the National Agreement and how it can (and should) be used to achieve better outcomes.

Even when there is acknowledgement of the National Agreement, there can often be a disparity in the understanding of its premise - that an overhaul is needed to the way governments work if we are to see progress against the socio-economic targets. As reiterated by the Coalition of Peaks, time and time again, although the Priority Reforms are designed to change the way governments work with Aboriginal communities and organisations, there is often an over-emphasis on achieving the socio-economic outcomes in isolation, or simply completing partnership actions. Governments must understand, embrace, and embed the Priority Reforms in their jurisdiction if we are going to deliver and drive accelerated progress to close the gap.³

Aligning with the Coalition of Peaks response to the Productivity Commission's Review, it is AHCWA's view that all parties are responsible for supporting engagement with the National Agreement through the delivery of an ongoing joint communications strategy.⁴ This includes the promotion and distribution of material and information across a range of mediums to Aboriginal and Torres Strait Islander people, as well as to other Australians. To date, this responsibility has been largely left to the Peaks. Governments must take a more active role in promoting the National Agreement; ensuring that they have a strong understanding and that they support colleagues and Ministers to maintain focus and alignment with the National Agreement. The full potential of the National Agreement cannot be realised unless and until all public servants familiarise themselves with it and understand and implement its contents and underlying principles.⁵

Recommendation: Governments must take a more active role in promoting, and supporting engagement with, the National Agreement:

- through the delivery of an ongoing joint communications strategy, which includes the promotion and distribution of material and information across a range of mediums to Aboriginal and Torres Strait Islander people, as well as to other Australians, and
- ensuring they have a strong understanding and that they support colleagues and Ministers to maintain focus and alignment with the National Agreement.

³ IBID.

⁴ IBID.

⁵ <https://anzsog.edu.au/app/uploads/2022/07/National-Agreement-Explainer.pdf>.

Shared Decision-Making and Partnerships

AHCWA acknowledges the progress made at both the WA jurisdictional and Commonwealth levels in developing shared decision-making mechanisms and partnerships that have led to tangible policy and service delivery outcomes. AHCWA collaborates closely with the WA Department of Health and WA Country Health Services (WACHS) across a number of policies and programs, with several examples demonstrating what genuine partnership can look like in practice.

For example, AHCWA worked with the Department of Health to embed Aboriginal Health Practitioners within the WA health system. This work involved regular engagement and co-design from the project's inception, reflecting a culturally informed and appropriate process. This partnership extends to the ACCO Registered Training Organisations who play a prominent role in delivering the training qualification for the Aboriginal Health Practitioners across the State. Similarly, the response by the Department of Health and WACHS to syphilis and tuberculosis outbreaks exemplified solid principles of collaboration and cultural safety, resulting in more effective public health interventions.

Further examples of shared-decision making include AHCWA and its Member Services co-designing solutions that respond to critical needs. In response to the WA Ambulance Inquiry, AHCWA, Member Services, WA Department of Health, WACHS and St John Ambulance engaged in a co-design workshop to address ACCHS-specific recommendations from the 2022 final report, resulting in the implementation of a trial, currently, to waive the cost of ambulance services for remote communities and Aboriginal people over the age of 50.

Likewise, the development of the Environmental Health Model of Care (MoC) demonstrates genuine co-design. The Department of Health and the ACCHS Sector jointly hosted a series of forums to design the MoC, which has now been turned into a Business case for Treasury. However, due to internal processes and confidentiality, AHCWA has not had access to the final document. Effective co-design must include sector involvement in all stages of a project – including development, implementation, and review.

At the Commonwealth level, negotiations on the five-year National Health Reform Agreement (NHRA) (the Agreement) have incorporated strong principles of co-design. For the first time, the ACCHS sector is recognised within a dedicated Schedule B in relation to Aboriginal health. While the Prime Minister paused broader NHRA negotiations last year, development of Schedule B continued, led by the sector itself. Governments were only engaged after the Schedule was near finalisation. This reversed the usual dynamic, where governments lead and the sector is invited to comment. This shift was significant and should set a precedent for future processes.

Despite these positive examples, AHCWA and/or Member Services continue to be engaged by governments on an ad-hoc basis through advisory councils, working groups, and consultation forums that often fall short of genuine partnership. In other cases, feedback is often sought as a 'tick box' exercise, and often at the last minute, exerting time coercive pressures on ACCHS. This inhibits the process of providing meaningful feedback and prohibits AHCWA from engaging with Member Services to provide comments.

Even in cases where government strategies have positive outcomes, the approach may not reflect the principles of shared decision-making. For instance, the Project Reference Group (PRG) for the National Food Security Strategy for Remote Aboriginal Communities included AHCWA and other peaks, but many were only invited to participate halfway through the process—after decisions and funding allocations had already been made.

The fact that Government maintains a high degree of authority over ACCHS because of funding arrangements significantly impacts the ability to be full and genuine partners. As governments retain control of almost all the resources (human, financial, policy, service provision) required to close the gaps, transformational change needs to occur within those systems to ensure shared decision-making and partnership are achieved. The National Agreement on Closing the Gap focuses on the relationship between Aboriginal and Torres Strait Islander people and all governments in Australia. Its success requires governments to accept this and proceed with strengthening shared decision-making and genuine partnerships to achieve meaningful outcomes.

Recommendation: Governments must embed Priority Reform One – shared decision-making and genuine partnership – in ways of working with ACCHS in developing policies, delivering programs and working to build the Aboriginal Community Controlled Sector (Priority Reform Two).

Funding for programs and services under the National Agreement

While the National Agreement is not a funding agreement, its effective implementation depends on adequate resourcing of Aboriginal Community Controlled Health Services (ACCHS) and Aboriginal Community Controlled Organisations (ACCOs). These organisations must be supported to deliver place-based, culturally appropriate programs and services, and be meaningfully engaged in implementation through genuine partnerships.

The Productivity Commission's Review recognises that governments must co-design strategies and actions with Aboriginal partners that are substantive and critical to achieving the objectives of the National Agreement. AHCWA has outlined several areas where this has been successful; however, consistent and adequate funding remains a challenge.

Currently, there is no requirement for funding through all commissioning pathways to be prioritised for Aboriginal community-controlled organisations. Non-Aboriginal led organisations delivering programs and services are not required to work with, consult, partner or collaborate with ACCHS or ACCOs in communities. AHCWA supports the Productivity Commission's recommendation that funding and contracting rules must explicitly incorporate accountability for funders to abide by the Priority Reforms in commissioning processes (Action 3.2).

The Health Sector Strengthening Plan (HSSP) identifies the need for a consistent funding model that ensures reliable, sustained funding proportionate to community health needs to ensure that the ACCHS can accelerate progress in health outcomes for Aboriginal people. The burden of disease is more than twice the rate for the Aboriginal and Torres Strait

Islander population than for the non-Indigenous population.⁶ However, according to analysis by Equity Economics, in partnership with the National Aboriginal Community Controlled Health Organisation (NACCHO), the current gap in total recurrent health expenditure is estimated at \$4.4 billion, including Commonwealth, State and Territory Government and non-government expenditure.⁷ The gap in Commonwealth Government expenditure in 2019-20 is estimated to be \$2.6 billion.⁸

The HSSP recognises that a comprehensive needs-based funding model enabling the ACCHS sector to deliver its full potential is yet to be developed and endorsed by all parties to the National Agreement. There are also opportunities to develop commissioning policies, outcomes-based contracting and other shifts in where and how dedicated Aboriginal and Torres Strait Islander health program funding currently allocated to mainstream organisations could be redirected. This work is critical to achieving the Priority Reforms of the National Agreement.

Clause 59(d) of the National Agreement states that the Government Parties commit to implement six transformation elements within government mainstream institutions and agencies and produce implementation plans for delivery against the requirements. Among these six elements, the Government Parties will increase accountability through transparent funding allocations to improve transparency of resource allocation to, and distribution by, mainstream institutions in relation to dedicated Aboriginal and Torres Strait Islander service-delivery. AHCWA firmly agrees that more effective Aboriginal community controlled health service delivery is contingent on an integrated approach being better enabled and secured in government policy. The ACCHS sector is regularly engaged in efforts on the ground in communities to 're-integrate' services that have become disintegrated through siloed funding initiatives or other program design features.

The WA Department of Treasury's Aboriginal Expenditure Review (AER), which reports on expenditure for Aboriginal programs and services across 23 agencies, is a key transparency measure under the National Agreement. However, gaps remain in how expenditure data is collected and reported, limiting its usefulness in informing funding decisions. The Productivity Commission's has identified instances where funds intended for ACCOs were instead directed to non-Aboriginal organisations, despite commitments to prioritise Aboriginal community control.

In agreement with the Coalition of Peaks position in their submission to the Senate Select Committee on Measuring Outcomes for First Nations Communities, AHCWA advocates that funding committed to the National Agreement includes continued contributions from the Commonwealth Government and the WA Government via a Virtual Funding Pool for ACCO strengthening activities under Priority Reform Two. Moreover, AHCWA recognises the need for dedicated, cohesive funding for community-led and self-determined activities under Closing the Gap and advocates for support for the Coalition of Peaks, in consultation with all jurisdictions, to undertake a detailed scoping exercise to explore and build the evidence base for dedicated funding arrangements. This could be similar to, and modelled after, the Australian Government's Housing Australia Future Fund (HAFF).

⁶ NACCHO-and-Equity-Economics-Report-Measuring-the-Gap-in-Health-Expenditure_FINAL.pdf.

⁷ IBID.

⁸ IBID.

Recommendation: In line with the HSSP:

- All Parties to the National Agreement must develop a needs-based funding model that builds the Aboriginal community controlled sector to deliver its comprehensive, holistic Model of Care.
- The Commonwealth Government re-prioritises Aboriginal and Torres Strait Islander health program funds being directed to mainstream non-government organisations, towards the ACCHS. This includes current and new investments in mental health, drug and alcohol, aged care and emerging health priorities for Aboriginal and Torres Strait Islander people.

Recommendation: Develop consistent and cohesive frameworks to how expenditure data on Closing the Gap is collected and reported - to increase transparency and accountability - and inform funding decisions on the implementation of the National Agreement.

AHCWA supports the Coalition of Peak's Recommendation that all Governments appropriately fund Closing the Gap activities across all Priority Reform areas including:

- Contributing to a Virtual Funding Pool for sector strengthening activities, and
- Undertaking a detailed scoping exercise to explore and build the evidence base for dedicated, Closing the Gap funding arrangements, such as a Closing the Gap Future Fund, for Aboriginal community-led Closing the Gap activities.

Governments and ACCHS transforming ways of working together

The National Agreement represents a fundamental shift in the way governments and Aboriginal people work together. Unlike its predecessors, the National Agreement is based on a shared commitment to reform, centred on genuine partnership and self-determination. A central pillar of this new approach is Priority Reform Three - Transforming mainstream institutions. This Priority Reform commits government organisations – across all levels and sectors – to systemic and structural transformation to improve accountability and responsiveness to the needs of Aboriginal people. This requires governments, their organisations, and their institutions to be accountable for Closing the Gap and to be culturally safe and responsive. The transformation elements within this Reform necessitate a departure from business-as-usual and demand deep and enduring changes to systems, processes, and culture. The effective implementation of Priority Reform Three is crucial for the success of all other Priority Reforms and the overall objectives of the National Agreement.

AHCWA acknowledges that Australian Governments have begun to adapt their practices in response to the requirements of the National Agreement and Priority Reform Three. These adaptations, while varying in depth and consistency, demonstrate an initial shift towards new ways of working. This includes embedding Closing the Gap in decision-making processes and integrating the four Priority Reforms into core government processes, including a focus on cultural safety and anti-racism; enhanced engagement and partnership; transforming commissioning practices; and increasing data sharing to better reflect Indigenous Data Sovereignty principles.

In Western Australia, the Social and Emotional Wellbeing (SEWB) Pilot is an example of new ways of working that centre Aboriginal leadership. The Mental Health Commission (MHC)

have allowed flexibility in service delivery, reporting & Key Performance Indicators (KPIs), supporting place-based implementation of the SEWB model. They have taken a backseat in enabling and empowering AHCWA and TIMHWB to work with the pilot sites to enable the program to thrive. This work also demonstrates the success of flexible funding, which has supported ACCHS as experts to determine actions to improve outcomes. Not only has the SEWB pilot shown positive outcomes for communities, the evaluation report will increase evidence around the efficacy of the Model of Care.

The establishment of an Independent Mechanism

Strong accountability mechanisms are critical to drive meaningful change, particularly within government agencies. Despite various accountability mechanisms embedded in the National Agreement, they remain insufficient to enforce the necessary systemic transformation. AHCWA supports the establishment – and strengthening- of independent oversight structures to monitor and enforce progress on the Priority Reforms, particularly within mainstream institutions.

Cultural safety must go beyond training sessions and awareness campaigns. Governments must fundamentally shift their internal structures, behaviours, and decision-making processes to be accountable to Aboriginal and Torres Strait Islander communities. This includes embedding Aboriginal ways of knowing, being and doing into every aspect of policy-making, program delivery, and governance.

Government agencies must adopt clear, transparent accountability frameworks, engage Aboriginal stakeholders in meaningful roles, and transform processes that have historically excluded Aboriginal voices. AHCWA calls for a stronger commitment to structural reforms that foster trust and enable genuine collaboration. A system that is co-designed with Aboriginal communities will result in policies and services that are more effective, relevant, and capable of driving real change.

Based on the Productivity Commission's Review, AHCWA agrees that a comprehensive and systematic approach to data collection is necessary, as existing data sets and reporting frameworks do not provide the level of detail required for measuring performance across many of the Priority Reform indicators. Governments must commit to improving the consistency and compatibility of data on Closing the Gap measures and targets across jurisdictions to enable meaningful analysis of progress. A key mechanism for ensuring robust data collection is the establishment of an Independent Mechanism.

Clause 67 of the National Agreement commits all Governments to identify, develop, or strengthen an Independent Mechanism that will support, monitor, and report on the transformation of mainstream agencies and institutions (Priority Reform Three). The mechanism will support mainstream agencies and institutions to embed transformation elements, and monitor their progress; be recognisable for Aboriginal and Torres Strait Islander people and be culturally safe; engage with Aboriginal and Torres Strait Islander people to listen and to respond to concerns about mainstream institutions and agencies; and report publicly on the transformation of mainstream agencies and institutions, including progress, barriers and solutions.

The Productivity Commission's Review identified a lack of action by jurisdictions in developing or strengthening their Independent Mechanism, marking this as an urgent priority. The Coalition of Peaks has also emphasised the importance of this mechanism, and AHCWA strongly endorses this recommendation.

Recommendation: All Governments must establish or strengthen their Independent Mechanisms to ensure accountability for the implementation of the National Agreement and progress towards the targets.

Strengthening the measurement of progress

Effective measurement is fundamental to the objectives of the National Agreement. Yet, as the Productivity Commission has highlighted, serious data limitations hinder progress tracking. While the Productivity Commission has been able to report on a number of indicators, there is inadequate data for a number of them, and in some cases, some targets have no data source. The Productivity Commission has confirmed ongoing efforts to improve data development, identify data gaps and enhance consistency across jurisdictions. However, until these issues are resolved, accurately measuring progress remains a challenge.

AHCWA supports a comprehensive, coordinated approach to data collection and reporting, requiring a shift towards a single methodology in the collation of data. This includes annual reporting by government parties using a consistent data reporting framework, so that measurements, definitions and reporting are comparable, meaningful and effective. This includes the annual assessment undertaken by jurisdictional Independent Mechanisms. Data should be available at regional and community levels to effectively inform socio-economic targets. Additionally, AHCWA stresses the importance of disaggregating indicators to assess their relevance within the broader Closing the Gap outcome areas.

In line with the Coalition of Peaks, AHCWA advocates for the establishment of an Independent Indigenous Data Authority (IIDA), as recommended by the Australia and New Zealand School of Government (ANZSOG) and the Australian National University (ANU). IIDA would act as a central body to identify data gaps, coordinate national data development, and ensure that projects reflect Indigenous data sovereignty principles. It would also play a key role in building data capacity across ACCOs and communities.

This proposal aligns with the Productivity Commission's recommendation to establish a Bureau of Indigenous Data to support Indigenous data sovereignty and strengthen data capabilities within Aboriginal and Torres Strait Islander organisations and communities. AHCWA strongly supports both proposals and calls for urgent progress to be made in this area.

Recommendation: Progress implementation of Priority Reform Four by:

- a. Working to improve the consistency and compatibility of available data on Closing the Gap measures and targets across jurisdictions to allow for meaningful analysis of progress, and
- b. Establishing an Independent Indigenous Data Authority (IIDA) was recommended by the Australia and New Zealand School of Government (ANZSOG) and Australian National University (ANU) and in alignment with the Productivity Commission's proposal to establish a Bureau of Indigenous Data.

Finally, AHCWA echoes the Coalition of Peaks' position that now is not the time to revise the National Agreement. Instead, the priority must be to strengthen implementation—particularly through improved measurement, transparency, and accountability.

Conclusion

The Aboriginal and Torres Strait Islander-led Review is a critical opportunity to centre the voices and experiences of Aboriginal and Torres Strait Islander people and communities in shaping the future of the National Agreement. In providing this submission, AHCWA welcomes this opportunity and reaffirms its commitment to ensuring that the National Agreement delivers tangible, lasting change.

In preparing this submission, AHCWA draws on the lived experiences of its Member Services across Western Australia—services that are already working in partnership with government agencies, often under challenging and unequal conditions. These experiences demonstrate both the potential and the limitations of the current approach. Where genuine partnership exists, progress is being made. Where traditional power structures remain unchallenged, outcomes fall short.

AHCWA advocates to Government that Closing the Gap requires genuine and equal partnerships based on Aboriginal self-determination, shared responsibility and mutual respect. AHCWA stands with the Aboriginal community controlled sector, ready to partner with all Australian Governments, to fully implement the National Agreement on Closing the Gap and embed the Priority Reforms in their work. Only in this way will equity in outcomes across the four Priority Reforms, and targets be realised.