Productivity Commission Review of the National Agreement on Closing the Gap

Review Paper 2: Proposed approach and invitation to engage with the review

South Australian Government Submission

March 2023

South Australian Government Submission

Introduction

This submission is provided with the input of South Australian Government agencies in response to the Productivity Commission's *Review Paper 2: Proposed approach and invitation to engage with the review*.

The South Australian Government acknowledges and values the ongoing constructive and collegiate approach taken by the state's Aboriginal community controlled organisation (ACCO) peak and partners in Closing the Gap, the South Australian Aboriginal Community Controlled Organisation Network (SAACCON).

Further detail regarding South Australia's progress towards implementation of the National Agreement on Closing the Gap (National Agreement), including case studies, can be found in the SA Implementation Plan and 2021-2022 Annual Report.

Proposed approach to the review

Successfully progressing the four priority reforms in the National Agreement and embedding the structural changes into systems has been recognised as the necessary foundation to accelerate achievement of the socioeconomic targets and outcomes. South Australia is therefore supportive of the Productivity Commission's first review placing a greater emphasis on progress towards the priority reforms.

There is benefit in capturing both qualitative and quantitative data during the review process. In addition to case studies (discussed below), the use of standardised measures of success would improve the efficiency and objectivity of the review process. Standardised measures of success could serve as a complementary approach, providing a structured and objective method of assessing progress.

It is important that the review process allows sufficient time for agencies and community to have meaningful discussion, both independently and together, to inform feedback. There also needs to be adequate time for proper consultation to allow for an opportunity for Aboriginal people living on Country as well as people living off Country to participate and have their voices heard.

It would be useful for both reviews to consider and use some form of criteria to assess the issue of both Government and ACCO sector readiness for the reforms under Closing the Gap. The pace at which one party can move, is, in part, dependent on the ability of the other party to reform at the speed and scale required. For both reviews to make an independent assessment of both Government and ACCO sector readiness (at the jurisdictional level) would provide useful context around delays in implementation. This work could inform ongoing efforts within Government and the ACCO sector around how and when to prioritise particular reform opportunities, and where further capacity building efforts and investment is required.

The selection of case studies

It is acknowledged that it would not be feasible to measure the progress of jurisdictions against all of the actions in their implementation plans, and that case studies provide a useful narrative to measure progress under the National Agreement. However, there should be explicit minimum requirements regarding what information is to be provided in case studies. Case studies should not only provide information regarding the initiative that has achieved the progress, but also interrogate the factors and context that have caused the initiative to be a success or otherwise. Identical models of service delivery or project implementation may have different outcomes as a result of the way they are implemented, who is involved in their implementation, and where they are implemented.

There is a risk that by requesting Parties to self-identify case studies, Parties may favour those which showcase positive efforts and results, but do not otherwise demonstrate the complexities of implementation of the National Agreement or factors that are affecting progress. An alternative approach could be for the Productivity Commission to identify areas of Parties' 2022 Annual Reports where they would like more information via a case study where progress is vague or unclear.

The Productivity Commission could focus on seeking case studies to better compare actions across Parties' implementation plans to get a more coordinated picture of whether things are working and to inform recommendations to Joint Council for potential changes to the National Agreement to accelerate progress nationally.

Those recommendations could consider amendments to future annual reporting templates to include requirements for information the Productivity Commission determines is required to inform its reviews, including for example the number of case studies and the information to be included in those case studies.

The criteria for the selection of case studies could be more specific to provide better guidance and to ensure the information received is useful for the review. For example, that case studies must:

- Be developed in partnership with jurisdiction's Closing the Gap partner
- Demonstrate how an action links to the relevant priority reforms and socio-economic outcomes
- Highlight which Closing the Gap indicators across the priority reform targets and/or socio-economic targets the action intends to affect/implement/progress
- Provide potential learning benefits of the policy, where policies or actions that are being implemented in individual communities or jurisdictions could be scaled up
- Provide an assessment on the effectiveness of the resources allocated to the policy/action
- Provide examples across different geographic locations

Given the amount of actions across all Parties' implementation plans, priority should be given to case studies demonstrating efforts to embed the priority reforms, and actions relating to the five policy priority areas identified in the National Agreement (justice, social and emotional wellbeing, housing, early childhood care and development, Aboriginal and Torres Strait Islander languages), or the sectors targeted for strengthening (early childhood care and development, housing, health and disability). This would ensure the Review focuses on areas which have had prioritised effort under the National Agreement, and from which lessons can be learnt regarding their progress.

Priority reform one

Genuine partnership and shared decision making

First Nations state-based Voice to Parliament
The South Australian Government has committed to state-based implementation of the Uluru Statement from the Heart, commencing with implementation of the Voice to Parliament. The First Nations Voice Bill 2022, introduced in the South Australian Parliament on 9 February 2023, seeks to establish a model that would provide First Nations people in South Australia the ability to speak directly to Parliament as well as engage with all levels of government. Under the model, a state-wide First Nations group would be formed (the State First Nations Voice) to advise and address Parliament. It would be informed by, and made up of, a number of Local First Nations Voices representing approximately six geographic regions across the State. The Local First Nations Voices would be established through an election process, with elected members representing First Nations people at the local community level. The First Nations Voice would comprise two members (male and female) of each of the Local First Nations Voice.

Genuine partnership and shared decision making with Aboriginal people ensures that policies, programs and services are tailored to, meet the needs of, and improve outcomes for Aboriginal people. A genuine partnership recognises the inequities that exist and the historical impacts and context of the relationship, and focusses on an equitable relationship.

The National Agreement sets out the purpose for both policy partnerships and place-based partnerships which, when read in conjunction with the strong partnership elements provides a clear understanding of what a partnership is for the purpose of the Agreement.

Despite this, there are barriers to establishing partnerships that contain the strong partnership elements. These include:

- resourcing to participate in partnerships

- short funding cycles

- low data maturity, and lack of centrally available data to help inform shared-decision making

- lack of agreed universal terms and definitions

- distance and remoteness

- engagement fatigue

- cultural diversity and government cultural capability

- legislative barriers and restrictions to shared-decision making.

Often parties in a partnership are at different levels of capability and capacity to provide input into the partnership, and this can impact the ability to deliver outcomes within required timeframes. It is important there is time and space to properly build rapport and trust to support place-based partnerships.

In this way, the implementation of priority reform one is intrinsically linked to the progress of priority reform two. Any review or assessment of partnerships should consider the nuances of the partnership, including the capacity and capability of the partners, the context of the partnership (including geographical and time-limited or ongoing), and what it intends to achieve.

An understanding of the interdependencies of the priority reforms and socio-economic outcomes may assist Parties in prioritising areas for the accelerated development and investment in formal partnerships.

The successful implementation of priority reform one can also impact the successful implementation of the other three priority reforms. In order to achieve better outcomes in terms of building the community-controlled sector, sharing data, and transforming Government agencies, a strong foundation of formal partnership, agreement, and shared decision making needs to be present to inform the reforms.

In order to ensure that the government is taking into account diversity in views, background, and perspective across different communities, agencies should implement processes that will recognise and reflect on formal engagement, consultation at all levels, and the contribution of individual communities towards shared decision making.

Government processes should use academic methods of reviewing engagement data and weighting information heard, as nuanced views may be missed if a group of bodies have the resource capability to provide strong submissions and engagement with government, as opposed to those who do not have the same resources.

Partnership Agreement between the South Australian Government and SAACCON

The Partnership Agreement between the South Australian Government and SAACCON, entered into on 10 November 2022, expresses the agreed formal partnership arrangements for SA's implementation of the National Agreement on Closing the Gap. It marks the beginning of the journey to place Aboriginal people, voices and experiences at the centre of decision-making and transform how policies that impact on the lives of Aboriginal people are developed and implemented.

The Partnership Agreement establishes the Closing the Gap Partnership Committee as the central governance mechanism for Closing the Gap in SA. The Partnership Committee includes equal representation from SAACCON and South Australian Government, including co-Chair arrangements, to ensure a fair partnership and shared decision-making by consensus.

Justice Policy Partnership

The Attorney-General's Department represents South Australia on the Justice Policy Partnership (JPP).

To facilitate the progress of this important group, there would be benefit in ensuring the scope and purpose of the Justice Policy Partnership is understood by all participants and continually reinforced to ensure it maintains its role as an advisory body, with its core duties to develop policy recommendations, with decision-making responsibilities resting with Joint Council.

There have been ongoing issues with achieving quorum at JPP meetings, which has slowed progress and impacted decision-making at meetings.

Priority reform two

The Circle First Nations Entrepreneur Hub
The Australian Government's National Indigenous Australians Agency (NIAA), Department of the Prime Minister and Cabinet, has contributed $3 million from the Indigenous Business Sector Strategy (IBSS) over four financial years to 2022-23 to deliver an Aboriginal Entrepreneur Hub in South Australia as part of the Adelaide City Deal. The Circle assists the Aboriginal business sector with support to build business growth through increased connections, capacity, capability, and confidence. It provides tailored business support, solutions, and referrals to a range of experts and opportunities. The Circle provides a physical and a virtual/digital base for First Nations businesses across the State to access in order to build capacity, capability and for businesses to thrive. It offers a single point of contact for First Nations businesses (current and prospective) to access business advice and connect with both mainstream and Aboriginal-specific support services and includes services complementary to the current ecosystem to support the sustainability of First Nations businesses.

The Aboriginal Community Controlled Organisation (ACCO) sector provides community with cultural understanding, safety and connection through Aboriginal lived experience. Placed based staff also enables strong networking with other Aboriginal organisations, businesses and services providers and demonstrates higher capacity for referring clients to other Aboriginal services.

Funding models for ACCOs need to be flexible to the needs of communities and allow ACCOs to self-determine and respond to the diverse needs of their unique communities.

Common concerns relating to funding models include:

- Funding models are often ridged, with set amounts of funding only able to be used for a specific criterion and often time limited.

- This type of funding creates additional burdens on ACCOs who require money to operate their service in a way that responds to the needs of their communities. Particularly when they have an emerging issue that they have the skillset to respond to but the money they have available cannot be used for that purpose.

- Funding can be provided by different levels of government, or different areas of government, and often ends in a piecemeal approach to funding a particular ACCO, which does not support the ACCO to invest in infrastructure required for growth.

- Requirement to regularly bid for money creates additional stress and burden on an ACCO business model as they cannot provide job security for their staff, and they must dedicate resources to filling out government proposals.

- Short-term funding impacts the ACCO workforce, which also has flow-on effects to communities not getting the culturally beneficial services.

Longer term funding models that allow ACCOs to be more flexible with the application of funding, should be accompanied by a robust contract management framework, including clear performance targets, reporting and evaluation. Reporting requirements should be appropriately balanced to provide adequate oversight of the funding, but not create unnecessary administrative burden for the ACCO.

Longer term funding models provide the necessary stability and supports for the organisation to succeed, and also support the recruitment and retention of quality and trained staff.

Other funding models that could be beneficial are those factored around consortium-based approaches, that partner ACCOs with non-ACCOs to build capacity. In these situations it is recommended that the consortium lead must be the ACCO. This partnership not only benefits the ACCO in building service delivery capacity in a government setting, it also enables non-ACCOs to strengthen their cultural awareness and integrity.

ACCOs could also be working towards mixed method funding approaches to ensure they aren't fully reliant on governments. Engagement with private businesses and the philanthropic sector should be more widely explored.

The relationship between priority reforms one and two has been discussed above. Priority reforms two and four also have a strong relationship as the provision of information and data to ACCOs supports the building of their capacity and capability.

ACCO Sector Growth Fund
The South Australian Government has committed $3.3 million to help strengthen and build the South Australian ACCO sector to deliver additional services. A Growth Fund has been established to support the national sector strengthening plans, and other priorities agreed by the Closing the Gap Partnership Committee. All grants must be focused on building capacity and capability, and may include infrastructure.

Priority reform three

South Australian Aboriginal Housing Strategy
The South Australian Aboriginal Housing Strategy 2021-2031 was shaped by the voices of Aboriginal communities and individuals during extensive engagement, which highlighted the need for existing services to be culturally responsible and flexible, and to better meet the needs of Aboriginal communities. The strategy aims to: • Put Aboriginal voices at the centre of decision making • Change the way Government does business • Create more jobs for Aboriginal peoples and businesses • Make more safe places to stay when and where you need it • Provide better access to housing • Enable pathways for buying a house that are accessible and ethical

By striving towards more Aboriginal and Torres Strait Islander representation, cultural competency training, community involvement, partnership agreements, and addressing structural racism, South Australian government agencies are improving how they interact with Aboriginal communities. Government's health responses have had the greatest improvements over time due to intense focus in the original Closing the Gap framework, resourcing, engagement, and shared decision-making in place with the Aboriginal health sector and its leaders prior to the National Agreement in 2020.

Government services where Aboriginal people are significantly overrepresented should be prioritised for accelerated effort under priority reform three. There should be a dual focus on improving how government organisations work with their Aboriginal workforce within the public service as well as externally through their policy, programs and service delivery. Assessment should consider how much focus is currently on the external facing reforms and consider whether an initial internal focus will have a greater flow-on benefit to how governments operate externally.

To ensure the transformation of services that government funds, requirements could be imposed in contracts and grant agreements for funded providers to report on how they are achieving the transformational elements at clause 59 of the National Agreement.

Accountability is particularly important for the ongoing and successful implementation of priority reform three as it requires governments to internally transform. Reporting on measures of success and being accountable and transparent about progress will support an ongoing commitment to transformation.

Other factors that are important in progressing transformation of government services include:

- The need for a shared understanding of Australia's true history, and government to support and facilitate truth telling

- Understanding of the history of colonisation and its intergenerational impact

- Recognition of cultural loads and the often-invisible obligations for Aboriginal workforces

- Understanding of Aboriginal cultural perspectives and incorporating and supporting these in everyday practice

Cultural Competency
The Department for Correctional Services maintains a serious commitment to addressing racism and discrimination in the workplace. The Aboriginal Services Directorate has been responsible for designing, launching, and facilitating the 'In My Blood It Runs' – Aboriginal Cultural Competency training tool across the department. An external provider has also been engaged to measure the cultural competence of the department staff, and to tailor a training to meet the learning needs. The purpose of this review is to determine what programs are working, and what can be improved.

Priority reform four

State Records
State Records of South Australia is working with Aboriginal organisations to improve access to records for Aboriginal people. State Records has Aboriginal Access Officers available to assist with Aboriginal history research, and has an MOU with Nunkuwarrin Yunti's Link-Up SA Program to assist members of the Stolen Generations to facilitate access to records in the archive and reunite family. State Records is also preparing to host community researchers from the Narungga Nation Aboriginal Corporation (NNAC). These researchers will work with State Records staff to identify and create copies of records not currently held by the community.

Shared access to data means that parties can enter partnerships or discussions with the same information to base their decisions on. Both parties will be equal in terms of access to a knowledge base.

Shared access to data supports the strengthening of the ACCO sector by supporting informed decision making and self-determination, breaking down siloes to promote collaborations and generating and measuring positive outcomes and deliverables in the community. As mentioned above, shared access to data is an important factor to achieving genuine partnerships in priority reform one, and building the ACCO sector in priority reform two.

It is important that shared access to data is accompanied by training and education about the use and analysis of data to support the principle of equal access to knowledge.

There are a number of barriers which currently exist to open shared data, including:

- Classification level of data being shared
- Quality and integrity of data
- Privacy considerations of individuals in the data
- Restrictions in legislation

Currently South Australian public sector agencies must only share their data of they are satisfied that the data recipient meets all the criteria of the trusted access principles enshrined in the *Public Sector (Data Sharing) Act 2016*. These are:

- Safe projects: the purpose for which data is to be shared and used must be appropriate
- Safe people: the data recipient must be appropriate
- Safe data: the data to be shared and used for a purpose must be appropriate for that purpose

- Safe settings: the environment in which the data will be stored must be appropriate for that purpose
- Safe outputs: the publication or disclosure of the results or work on the data must be appropriate.

Consistency regarding the collection of data across different government departments and levels of government is also a complexity to data sharing, or at least ease of access to and understanding of the data. Understanding limitations regarding use of data is important, not only to ensure proper use of and reliance on the data, but also to understand where data collection improvements are needed.

While data is important to inform decisions and assess results, a better understanding of the data, and improved information about communities and organisations is critical to supply the full context for decisions and assessments. For example, the quality and/or effectiveness of services cannot be assessed through data that states the number of people living in a community or the availability of services to the community.

Socio-economic outcomes

The review should focus on those socio-economic areas that have been prioritised under the National Agreement through policy partnerships, or sector strengthening plans.

An additional criterion in selecting the subset of socio-economic outcomes for review could be to establish whether there are interdependencies between the outcomes and prioritise those whose implementation would support the progress of others. For example, progressing socio-economic outcome 13 'families and households are safe' is an important foundation to progress socio-economic four 'children thrive in their early years'. It may therefore be beneficial to prioritise review of socio-economic outcome 13. Undertaking this evaluation of interdependencies may also provide valuable direction for Parties' implementation plans.

Prioritising those outcomes that have a link to the priority reforms is a sensible approach as it will provide insight into whether the effective implementation and progress of priority reforms is accelerating progress of socio-economic outcomes, as expected.

Some targets for socio-economic outcomes are very narrow due to the need and ability to measure progress. Having theories of change that show how addressing the outcome more broadly could shift the target would provide better guidance on where governments could focus their efforts.