

Productivity Commission's Three-Yearly Review of the National Agreement on Closing the Gap - Draft Report

Commonwealth submission

Introduction

1. The Commonwealth welcomes the Productivity Commission's Draft Report (the Draft Report) for the first three-yearly review of the National Agreement on Closing the Gap (National Agreement) and continues to carefully consider its findings.
2. The Commonwealth is providing this Submission as a Party to the National Agreement. This is a Commonwealth-wide submission coordinated by the National Indigenous Australians Agency.
3. The main purpose of this Submission is to provide information relevant to the draft recommendations from the Productivity Commission. This Submission also provides some further information and relevant case studies as examples of how Commonwealth agencies are embedding the Priority Reforms.
4. In addition to this Submission, certain Commonwealth agencies, including the Department of Social Services, will provide submissions separately in order to share detailed information about the work happening to embed the Priority Reforms in these specific agencies.

General comments

5. As part of the first three-yearly review of the National Agreement by the Productivity Commission, the Commonwealth affirms the Draft Report as an important part of accountability measures under the National Agreement.
6. The Commonwealth agrees with the emphasis the Productivity Commission has placed on embedding the Priority Reforms in order to drive improvements towards achieving the National Agreement socio-economic outcomes and targets.
7. The Commonwealth Secretaries Board, responsible for the stewardship of the Australian Public Service, is charged with responsibility for driving implementation of the Priority Reforms.
8. All Parties must do more to work in genuine partnership with the Coalition of Peaks and other Aboriginal and Torres Strait Islander organisations to deliver on their commitments under the National Agreement. The Commonwealth agrees that a business-as-usual approach will not result in significant improvements in the lives of

Aboriginal and Torres Strait Islander people as outlined in the socio-economic targets. Accordingly, a much more joined-up, coherent approach to embedding the Priority Reforms across the Commonwealth, other jurisdictions and the Coalition of Peaks is required.

9. Significant work has been undertaken to establish the foundations.
10. As the Policy Partnerships mature and Sector Strengthening Plans progress, there is significant opportunity for strategic shared decision-making to overcome obstacles and propose cross-jurisdictional actions to Joint Council. The Commonwealth remains committed to building the effectiveness and accountability associated with these foundations to ensure they lead to the changes in life outcomes sought by the ambition of the National Agreement. The Commonwealth acknowledges that the policy partnerships are at different stages of maturity and there remains much to learn and build on to ensure they are effective.
11. Progress has been steady on the development of Policy Partnerships and Sector Strengthening Plans between the Coalition of Peaks and Governments at all levels. However, the Commonwealth considers that more effort needs to be made to ensure that we are all collectively more accountable directly to the communities that are impacted by government services, policies and programs. This may require further consideration about how best to ensure communities are able to participate in work under the National Agreement.
12. Together with the Coalition of Peaks, the Commonwealth is pleased to confirm the re-constitution of the Joint Working Group on Closing the Gap (Joint Working Group), with its most recent meeting held on 10 August 2023. Joint Working Group comprises 16 Deputy Secretaries from Commonwealth agencies, and up to 16 members from the Coalition of Peaks and is endorsed by the Coalition of Peaks and Commonwealth Secretaries Board as the senior leadership group to drive jurisdiction-wide strategic change in Commonwealth implementation efforts (see Draft recommendation 2).
13. Joint Working Group in its August 2023 meeting agreed to focus on strategic improvements consistent with the Priority Reforms – specifically prioritising opportunities associated with Commonwealth-State/Territory funding arrangements; Commonwealth Budget processes; and funding prioritisation consistent with clause 55 of the National Agreement.
14. The Commonwealth, in partnership with Aboriginal and Torres Strait Islanders, is developing an Australian Public Service Framework for Governance of Indigenous Data to promote greater awareness and acceptance by Australian Government agencies of the principles of Indigenous Data Sovereignty. The Framework aims to provide Aboriginal and Torres Strait Islander people greater agency over how their data are governed so government-held data better reflects their priorities and ambitions. The Framework has been developed with the intention of providing

Aboriginal and Torres Strait Islander people with meaningful access to relevant government-held data, in accordance with Priority Reform Four.

15. Several Commonwealth agencies are making progress in increasing support for the Community Controlled Sector. Work is underway to develop a Grant Connected Policy business case for preferencing Aboriginal and Torres Strait Islander organisations; and to apply clause 55(b) of the National Agreement to relevant Commonwealth-State funding agreements will enable greater progress.
16. The Commonwealth is improving its approach to developing Annual Reports and Implementation Plans, seeking to work in partnership with the Coalition of Peaks. The 2023 Commonwealth Implementation Plan emphasised the transformation required by all Commonwealth agencies to embed the four Priority Reforms, and progress will be a focus of the 2023 Annual Report. Plans are underway to ensure that the Priority Reforms remain a key focus of the 2024 Commonwealth Implementation Plan, particularly in connection to how the Priority Reforms can drive improvements in progress towards the socio-economic outcomes.
17. Assessing progress across all Partners to the National Agreement remains a challenge. Understanding collective progress requires reading across uncoordinated reports. Although guidance material has been developed by Joint Council for Parties to assist consistency in planning and reporting, to date efforts have remained highly focussed on Party-specific actions and delivery. Joint Council will be further discussing this challenge at its next meeting scheduled for November 2023.
18. The Commonwealth acknowledges, with respect and gratitude, that individual and collective partnership relationships with the Coalition of Peaks and state, territory and local governments are also key components for successfully delivering on the commitments under the National Agreement.

Draft recommendations

19. The Commonwealth notes the draft recommendations outlined in the Draft Report and is considering the approaches proposed in order to inform the future direction of work, and to enhance opportunities to achieve the outcomes in the National Agreement.
20. In order to assist the Productivity Commission in preparing the Final Report recommendations, Attachment A provides Commonwealth input in relation to each draft recommendation based on information from a number of agencies.

Information Requests

21. In addition to the information provided in this submission, a number of agencies continue to assist the Productivity Commission directly in relation to the information requests, and may provide information separately.

Progress against key commitments

22. Attachment B provides examples of activities happening in different Commonwealth agencies supporting progress on the Priority Reforms. The Commonwealth invites the Productivity Commission to consider these examples in the preparations for the Final Report.

Next steps

23. The Commonwealth looks forward to assisting the Productivity Commission as it works towards the Final Report, including arrangements to provide this to Joint Council by the end of 2023.
24. Along with all Parties to the National Agreement, the Commonwealth will continue to carefully consider the findings provided in the Final Report and anticipates providing a formal response aligned to the release of the 2023 Commonwealth Closing the Gap Annual Report and 2024 Implementation Plan in February 2024.

6 October 2023