



COMMUNITY FIRST  
DEVELOPMENT

# SUBMISSION ON REVIEW OF THE NATIONAL AGREEMENT ON CLOSING THE GAP: PROPOSED APPROACH

DECEMBER 2022



## OUR VISION

First Nations' peoples and communities are thriving.

## WHO WE ARE

Community First Development is a First Nations' community development and research organisation that creates positive change in and with First Nations' communities.

## WHAT WE DO

We promote the skills, talents and cultural strength of our people, and facilitate activities where they lead to positive changes for their communities. We recognise our responsibility to contribute to a more just and equitable world for Aboriginal and Torres Strait Islander people.

We undertake social and economic development, and research projects in partnership with First Nations' communities, businesses and people. Communities have control; they name the priorities and choose the design, assets, capabilities and approaches to achieve their vision. We provide tailored support through community partners, skilled staff, trained volunteers, key supporters and service providers.

## OUR MODEL

The model we work to is one that:

- Operationalises self-determination: First Nations' peoples are always in control, leading and owning projects and programs that impact them.
- Disrupts disadvantage: through reclaiming the dominant narrative and elevating successes, we are seeing First Nations' peoples disrupt disadvantage and the ongoing impacts of colonisation.



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## OVERVIEW

Community First Development is a national Aboriginal and Torres Strait Islander<sup>1</sup> organisation. We are a registered charity and not-for-profit community development and research organisation. In 2020 we celebrated 5,000 projects, over 800 community engagements and the registration of over 3,000 volunteers with specialised skills. Since commencing fundraising, tens of thousands of members of the Australian public have supported the work of the organisation, contributing over \$36 million in donations.

As an organisation, we are looking beyond the gap, and incremental change. We are thinking strategically about the next 20 years and how our assets, expertise, effective program and large networks of community relationships and specialist volunteers could be best leveraged to support stronger economic, health, and social outcomes for Aboriginal and Torres Strait Islander people.

We welcome the opportunity to provide a submission on the Productivity Commission's (the Commission) planned approach to assessing progress of the National Agreement on Closing the Gap (National Agreement) and how it is being implemented. The Commission has outlined its proposed approach to the review in *Review paper 2: Proposed approach and invitation to engage with the review*.

We note that the Commission's review will be complemented by an independent Aboriginal and Torres Strait Islander-led review. We also note that the Commission has outlined its engagement approach for the review in *Review paper 1: Engagement approach*.

While we are broadly supportive of the Commission's proposed approach, we believe the review approach could be strengthened in several ways. It is critical that all First Nations' people, communities and organisations, are given specific and equal opportunities to contribute to the Commission's review. The review must also be comprehensive to ensure all levels of government deliver on their promises and are held accountable for their actions. Given the significance of the National Agreement and the entrenched inequality faced by too many Aboriginal and Torres Strait Islander people, the Commission must adequately resource the review team to do justice to this review.

Our submission also provides comment on National Agreement Priority Reforms. In particular: the need for the National Agreement to value all Aboriginal and/or Torres Strait Islander organisations, including those which are community-controlled; two key barriers to long-term change from our perspective; and systemic and structural issues within some government agencies that are impeding efforts to build trust with First Nations' people and organisations.

We hope that the Productivity Commission will consider our submission and the recommendations outlined within. The review of the National Agreement provides an important opportunity to explore what is working well, what isn't, and why, and keep all levels of government and relevant government agencies accountable for their actions. Ultimately, this review will impact First Nations' people now and for generations to come. It is an opportunity that cannot be wasted.

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<sup>1</sup> Aboriginal and Torres Strait Islander' people and 'First Nations'' people are considered interchangeable and both are used throughout this document. We note that the language to refer to so many separate and diverse nations is viewed differently, and through these two terminologies, we seek to acknowledge and honour our differences, and shared knowledge and experience.



We would be happy to talk with you further about anything outlined in our submission.

## SUBMISSION STRUCTURE

This submission consists of two key sections.

- The first section provides feedback on the Commission’s proposed approach to the review as outlined in *Review paper 2: Proposed approach and invitation to engage with the review*.
- The second section provides comment on National Agreement Priority Reforms.

## RECOMMENDATIONS

### Recommendation 1:

That the Commission’s review of the National Agreement on Closing the Gap is informed by First Nations’ peoples’ perspectives and includes specific and equal opportunities for *all* First Nations’ people, communities, and organisations to participate.

### Recommendation 2:

That the Commission’s review of the National Agreement on Closing the Gap includes an assessment of progress against jurisdictions’ Implementation Plans.

### Recommendation 3:

That the Commission provides an adequately resourced team to undertake a comprehensive review of the National Agreement on Closing the Gap.

### Recommendation 4:

That the Commission’s review of the National Agreement on Closing the Gap assesses progress on all 17 socioeconomic outcomes.

Note: Our comments on select National Agreement Priority Reforms should be interpreted as recommendations.





# 1. PROPOSED APPROACH TO THE REVIEW

In this section we provide feedback on the Commission’s proposed approach to the review as outlined in *Review paper 2: Proposed approach and invitation to engage with the review*.

## 1.1. ENGAGEMENT WITH FIRST NATIONS’ PEOPLE

As per the National Agreement, we note that “Independent Aboriginal and Torres Strait Islander led reviews will be carried out within twelve months of each independent review by the Productivity Commission”<sup>2</sup>. The National Agreement also states that the former will include a Coalition of Peaks’ facilitated Aboriginal and Torres Strait Islander Assembly on Closing the Gap to provide for a wider group of people and organisations to participate formally and encourage broader ownership of the Agreement”.<sup>3</sup> We also note the Commission’s commitment and approach to engaging with First Nations’ people on its review as outlined in *Review paper 1: Engagement approach*.

While we support in principle the two-pronged approach to reviews as outlined in the National Agreement, the effectiveness of *any* review of the National Agreement is dependent on the degree to which First Nations’ people’s perspectives and lived experiences have been sought and considered. *Review paper 2* does state that the Commission has already met with a number of organisations and will continue to do so throughout the review as per *Review paper 1*. However apart from seeking First Nations’ peoples’ perspectives through the proposed case studies, it is not clear from *Review paper 2* what specific opportunities First Nations’ people will have to participate in the Commission’s review. Specific and equal opportunities need to be provided for *all* First Nations’ people and organisations to contribute to the Commission’s review.

**Recommendation 1: That the Commission’s review of the National Agreement on Closing the Gap is informed by First Nations’ peoples’ perspectives and includes specific and equal opportunities for *all* First Nations’ people, communities, and organisations to participate.**

## 1.2. CASE STUDY APPROACH

We note that the Commission’s early analysis indicates that there are over 2000 individual actions listed in jurisdictions’ Implementation Plans. As outlined in *Review paper 2*, the Commission believes it is not feasible to assess each of the actions in detail and therefore is proposing to undertake a case study approach to understand progress.

At Community First Development, we are strong proponents of the use of detailed case studies to complement quantitative data. We regularly produce case studies to highlight community success stories and key learnings, and worked with several communities as part of our Good Governance Action Research Project<sup>4</sup> to test, refine and implement our approach to co-authoring case studies. As a

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<sup>2</sup> Section 9D, clause 125, *National Agreement on Closing the Gap*.

<sup>3</sup> Section 9D, clause 127, *National Agreement on Closing the Gap*.

<sup>4</sup> Community First Development. (2021). *Good governance practice leads to good relationships: An exploration of the effectiveness of Community First Development’s community development approach in the Australian context - Final Report: Findings and lessons learnt*. Canberra, Australia: Community First Development.



reflective and reflexive organisation, we continue to strengthen this approach as part of our current Action Research Project on measuring progress towards community dreams.

While we support the use of case studies as part of the Commission’s review, we are concerned about the lack of independent oversight over jurisdictions’ Implementation Plans. We believe a comprehensive review of the National Agreement cannot be undertaken without a detailed assessment of progress against jurisdictions’ Implementation Plans. If the Commission does not do this as part of its review, who will keep jurisdictions and relevant government agencies independently accountable? We note that jurisdictions are required to table annual public reports to their Parliaments<sup>5</sup> – at the very least, the Commission should be reviewing these as part of its review.

In addition, given the significance of the National Agreement, the associated commitments and investments towards achieving the Agreement’s objective, and the impact this Agreement is having/will have on the daily lives of First Nations’ people, it is very important that the Commission provides an adequately resourced team to undertake a comprehensive review of the National Agreement.

**Recommendation 2: That the Commission’s review of the National Agreement on Closing the Gap includes an assessment of progress against jurisdictions’ Implementation Plans.**

**Recommendation 3: That the Commission provides an adequately resourced team to undertake a comprehensive review of the National Agreement on Closing the Gap.**

### **1.3. PRIORITISING SOCIOECONOMIC OUTCOMES**

The National Agreement includes 17 socio-economic outcomes and associated targets. Given the National Agreement is in its early stages, the Commission is proposing to focus on a subset of outcomes for this review. Selection of outcomes is expected to be guided by several concepts including “which socioeconomic outcomes matter most” to First Nations’ people.

While we appreciate the data is limited for some socioeconomic outcomes, we believe that all 17 socio-economic outcomes are equally important and that it is not possible to select one outcome over another. This is in line with Community First Development’s circular Story of Change concept that aims to communicate how we work and the outcomes we contribute to achieving with communities. This circular Story of Change concept evolved because our Community Development team challenged the previous concept’s linear approach, advising that all outcomes are interconnected and that not one outcome is more important than another, much like an ecosystem.

For this reason, we believe the Commission’s review needs to focus on all socioeconomic outcomes. We agree with the Commission’s intention to explore factors affecting progress and identify areas requiring improved effort.

**Recommendation 4: That the Commission’s review of the National Agreement on Closing the Gap assesses progress on all 17 socioeconomic outcomes.**

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<sup>5</sup>Section 8, clause 118, *National Agreement on Closing the Gap*



## 2. NATIONAL AGREEMENT PRIORITY REFORMS

In this section we provide comment on select National Agreement Priority Reforms. These should be interpreted as recommendations.

### 2.1 THE VALUE OF ABORIGINAL AND/OR TORRES STRAIT ISLANDER ORGANISATIONS

We agree with the National Agreement’s focus on building the community-controlled sector (Priority Reform Two). Aboriginal and/or Torres Strait Islander Community-Controlled Organisations play an important role in delivering a diverse range of services to First Nations’ people across the 17 National Agreement socio-economic outcome areas. However, we believe the National Agreement needs to take a more holistic approach by focusing on strengthening all Aboriginal and/or Torres Strait Islander organisations, including those that are community-controlled.

There are First Nations’ organisations, like Community First Development, which are not service providers but play important roles in supporting First Nations’ peoples’ right to self-determination. As a national First Nations’ research and community development organisation, we work together with First Nations’ communities, at their invitation, to achieve their goals. Communities determine the projects they want to focus on, and we provide support through our highly skilled community development practitioners and our network of volunteers offering specialised skills across industries. The projects we support are diverse and focus on a broad range of activities spanning health, governance, tourism, social enterprise, community facilities upgrades and cultural programs.

While we are not service providers, we have and continue to contribute to national Closing the Gap efforts through strengthening capability of community-based service providers and peak bodies. Our *Three-Year Macro Analysis 2017-2020*<sup>6</sup> report provides a snapshot of our contribution to the National Agreement socio-economic targets and outcomes. A recent paper by The Australian National University’s Centre for Aboriginal Economic Policy Research (CAEPR), highlights the value of First Nations’ organisations, like Community First Development, working in participatory development with First Nations’ people. The authors argue that for governments to operationalise free, prior and informed consent and self-determination, negotiations relating to First Nations’ people and policies/programs affecting them, need to be managed by independent, participatory development practitioners, particularly First Nations’ practitioners.<sup>7</sup>

For these reasons, we believe the National Agreement needs to recognise the value of all Aboriginal and/or Torres Strait Islander organisations.

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<sup>6</sup> Community First Development. (2020). *3-year macro analysis 2017-2020. Moving beyond the gap*. Canberra, Australia: Community First Development.

<sup>7</sup> Hunt, J. & Bauman, T. (2022). No More Business as Usual: The Need for Participatory Indigenous Development Policy and Skilled Practice (Policy Insights Paper No. 06/2022), Centre for Aboriginal Economic Policy Research, Australian National University. <https://doi.org/10.25911/YHMP-K126>





## 2.2 BARRIERS TO LONG-TERM CHANGE: SHORT-TERM FUNDING APPROACHES

As outlined in *Review paper 2* (Questions relating to Priority Reform Two), the Commission is seeking feedback on what funding models work well for Aboriginal and/or Torres Strait Islander Community-Controlled Organisations. In line with our response to the previous section, we believe the National Agreement should broaden its focus to looking at funding models that work well for all Aboriginal and/or Torres Strait Islander organisations.

There are many reasons why short-term funding approaches are a barrier to achieving long-term change, including the objective of the National Agreement. The lack of certainty that results makes it difficult for Aboriginal and/or Torres Strait Islander organisations to function and plan ahead, directly impacting the level and type of services and/or support these organisations can provide. There are obvious flow on effects for First Nations' communities and people including direct impacts such as surety of employment.

The previous Australian Government (Morrison) recognised this, in a limited way, by committing to moving to rolling four-year agreements for Aboriginal Community Controlled Health Services from 1 July 2023.<sup>8</sup> However, such an approach was the exception rather than the norm.

The election of a new Australian Government and a new Minister for Indigenous Australians, Linda Burney, presents a unique opportunity for positive change in the Indigenous Affairs sector. However, it is yet to be seen if the Voice agenda will complement or conflict with the important day to day business of the National Indigenous Australians Agency (NIAA), its administration of the \$5.7 billion Indigenous Advancement Strategy,<sup>9</sup> and it's imperative to manage the effects of inflationary pressures on its service delivery providers. This is a grants program that supports a range of First Nations' communities and organisations across Australia.

Unfortunately, we already have first-hand experience hearing from First Nations' community organisations, managing significant front-line services, that they are experiencing funding shortfalls. We understand the NIAA has been non-responsive. Our own experience with the Agency has been challenging despite us meeting the National Agreement targets on a daily basis. While we understand that NIAA is in the process of transitioning to meet a new policy agenda, what happens to service providers, organisations and communities who are left waiting in limbo in the meantime? Disadvantage doesn't just go on a holiday.

It is heartening to see the Albanese Government has already done some critical thinking on how to safeguard our social services sector through the Department of Social Services — there is a blueprint in place that can be extended to the Indigenous Australians portfolio. This includes longer contract terms for grants ceasing this financial year. It is also considering a plan to help organisations withstand inflationary pressures and proper indexation of grant funding. Social Services Minister,

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<sup>8</sup> Hunt MP, Greg. (2022, Feb 26). *Strengthening Aboriginal and Torres Strait Islander Community Controlled Health Services*. Retrieved Dec 05, 2022, from: <https://nacchocommunique.com/wp-content/uploads/2022/02/Media-Release-Hunt-Wyatt-54.7m-for-ACCHO-sector-26.2.22.pdf>; Australian Government. (n.d.). *How the 2022-23 Budget is investing in the health of Aboriginal and Torres Strait Islander peoples*. Retrieved Dec 05, 2022, from: [https://www.health.gov.au/sites/default/files/documents/2022/03/budget-2022-23-investing-in-the-health-of-aboriginal-and-torres-strait-islander-peoples\\_0.pdf](https://www.health.gov.au/sites/default/files/documents/2022/03/budget-2022-23-investing-in-the-health-of-aboriginal-and-torres-strait-islander-peoples_0.pdf)

<sup>9</sup> National Indigenous Australians Agency, *Indigenous Advancement Strategy*. Funded over four years to 2024-25



Amanda Rishworth, is working to understand the flow on effects of the recent national minimum wage increase, superannuation guarantee increases and inflationary pressures to the sector; and acknowledges the impact is likely to be higher given the ratio of wage costs to support services delivery.<sup>10</sup>

Reforms are important, but costly. Reforms create workloads that are over and above ‘business as usual’ activities. Reforms require additional resourcing. Regardless of the reform agenda, it is imperative that government programs and funding intended to support First Nations’ businesses, service providers and community organisations have stability at this time and are not compromised at the expense of other policy agendas. At this critical stage, this also requires a plan to support organisations to withstand inflationary pressures and the ongoing impacts of COVID in our workplaces.

### **2.3 BARRIERS TO LONG-TERM CHANGE: NATIONAL ORGANISATIONS AND PLACE-BASED APPROACHES**

We agree with the National Agreement’s priority focus on formal partnerships and shared decision-making (Priority Reform One). While governments now recognise the need to ‘consult’ with First Nations’ peoples on the design and implementation of policies and programs that will impact on them, ‘consulting’ does not go far enough. Previous governments have lacked decisive action in response to consultation findings and have been reluctant to hand over the ownership of designing and driving solutions to the people with the lived experience. Words like ‘co-design’ and ‘partnership’ are frequently used but often turn out to be empty promises with little practical effect.

We note that there is growing interest in place-based funding approaches to shared decision-making. While we recognise the need for such approaches and the rationale behind these, we believe there is a need for both place-based and national approaches to shared decision making. For national organisations like Community First Development which work in multiple jurisdictions and multiple locations within these jurisdictions, a move to place-based approaches would be challenging on many levels and may result in withdrawal of vital capacity building support and further increase the unmet need specifically requested by communities. For example, it would be very resource-intensive to negotiate the support we can provide with multiple, place-based bodies and would likely detract from the delivery of our core work.

It is critical that approaches to strengthening formal partnerships and shared decision-making take a holistic approach and consider the perspectives of all First Nations’ organisations, communities and people contributing to the National Agreement. A degree of flexibility is required to ensure that reforms do not inadvertently result in the exclusion of some and/or limit the self-determination and aspirations of First Nations’ peoples and communities.

To strengthen partnership approaches and shared decision-making, we recommend governments and decision-makers read Community First Development’s Community Development Framework.<sup>11</sup> This guide is unique because it was developed by a First Nations’ organisation with over 20 years’ experience working at the grassroots level with First Nations’ people across Australia. It brings together our experience and practical guidance on developing strong and productive partnerships with First

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<sup>10</sup> The Australian, *Boost for charity sector security*, 10 August 2022.

<sup>11</sup> Community First Development. (2021). *A First Nations approach to community development. Our community development framework*. Canberra, Australia: Community First Development.



Nations' organisations, businesses and communities. It is an essential guide in genuine co-design, partnership and economic and community development, both in Australia and internationally.

## 2.4 CONTINUED SYSTEMIC AND STRUCTURAL ISSUES – GOVERNMENT AGENCIES

We agree with the National Agreement's priority focus on transforming government organisations (Priority Reform Three). As previously mentioned, our own experience engaging with the NIAA over many years has been challenging. For example:

- The high turnover of NIAA staff has made it difficult to build genuine and trusting relationships – on many occasions we have not been advised that a key contact has left until after the fact.
- While we have a good understanding of government department/agency decision-making processes with several of our staff having previously worked in executive and senior roles in the public service, our funding negotiations have been extremely protracted, resource intensive and unfortunately, continues to affirm the lack of understanding of community-led development.
- Despite working with the NIAA over many years to successfully deliver on outcomes relating to Closing the Gap agendas, it appears that the Agency, in general, still does not really understand how we work and what community development is.
- Moreover, there seems to be little appetite among staff to understand our strengths-based approach to community development. Despite providing multiple, written reports over many years detailing our model and numerous community success-stories, the 'value' of the work we do with First Nations' communities seems to be dictated by whether we fit into service delivery categories that are specified by outcome areas framed in Portfolio Budget Statements, and whether we meet several generic NIAA Key Performance Indicators such as the number of people we employ and subsets of our employment data.

We appreciate that our organisation and the broad nature of the community requested projects we support, do not fit in neatly with one specific area e.g. health or education or community safety. However, this is the nature of community development and a product of genuine partnership approaches where First Nations' people and communities have control and ownership.

We understand that our experience is just one of many that First Nations' organisations have and continue to experience with government departments/agencies. In 2021, we released the Final Report<sup>12</sup> from our Good Governance Action Research Project with 11 of our strong community partners. Of relevance to Priority Reform Three, the Final Report found that:

- Communities interact with Western Governance because they have to – a case of navigation, negotiation and necessity.
- There is a power imbalance between First Nations' Governance and Western Governance.

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<sup>12</sup> Community First Development. (2021). *Good governance practice leads to good relationships: An exploration of the effectiveness of Community First Development's community development approach in the Australian context - Final Report: Findings and lessons learnt*. Canberra, Australia: Community First Development.



- While First Nations' bridges<sup>13</sup> include communities' use of delegated authorities, bridges from Western Governance don't really exist. It's all about compliance.
- Some communities told us that if Western Governance entities could make more effort to come to that middle ground, they would benefit through improved understandings and practices.
- Western Governance needs to make more effort to do Right Way Governance – this requires deep listening, Kapatī, mutual trust, respect, valuing community ownership, whole of community engagement.

As a starting point, we urge government agencies to read the Good Governance Final Report and reflect on what they can do to improve accountability and better respond to the needs of First Nations' people, communities and organisations.

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<sup>13</sup> Defined as 'The strategies, tools and pathways to navigate into and within the intersecting space where First Nations' Governance and Western Governance meet.'

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### 3. CONCLUSION

While this is the Productivity Commission’s first review of the National Agreement, it is critical that this is done comprehensively so that areas requiring additional effort are identified early in the Agreement. After years of failed policies and programs impacting First Nations’ people, harm done and misdirected and wasted government funds, this is an opportunity to establish a comprehensive framework for the review that keeps all levels of government and relevant government agencies accountable for their actions.

We hope, that in undertaking the review, the Commission will consider the perspectives of all First Nations’ organisations, communities, and people. We also hope that the Commission will consider the need for flexibility so that any reforms do not inadvertently result in the exclusion of some and/or limit the self-determination and aspirations of First Nations’ peoples and communities.

We thank the Commission for the opportunity to contribute to its proposed approach to the review and we look forward to future opportunities to participate in the review.