

SUBMISSION TO THE INQUIRY INTO MEASURING OUTCOMES FOR FIRST NATIONS COMMUNITIES

February 2025

About SNAICC

SNAICC is the national non-government peak body for Aboriginal and Torres Strait Islander children. Since 1981, SNAICC has worked for the fulfilment of the rights of our children, to ensure their safety, development, and well-being. SNAICC consults with its member organisations and Aboriginal and Torres Strait Islander leaders to ensure the experiences, needs and aspirations of our leaders, our sector and ultimately, our children and families are the foundation for our work. Further information about SNAICC can be found [here](#).

We welcome the opportunity to submit to the Select Committee on Measuring Outcomes for First Nations Communities.

Collaboration on this submission

Given that this Inquiry has cross-cutting implications for people with disability, SNAICC has worked closely with First Peoples Disability Network (FPDN) on this submission and its recommendations. We thank FPDN for providing its expertise in partnership to develop this submission.

Context

As the Committee is aware, it is deeply concerning that Closing the Gap targets 4, 10, 12 and 14 are not only not on track, but are worsening. These outcomes are deeply interconnected, and the deterioration of one undoubtedly impacts the others. For example, children known to child protection are at increased risk of coming into contact with the youth justice system and experiencing poor mental health.

As the peak body for Aboriginal and Torres Strait Islander children in Australia, SNAICC's work is particularly focused on Targets 4 and 12. The worsening of developmental outcomes (Target 4) means Aboriginal and Torres Strait Islander children are missing out on the opportunity to thrive in their early years and be set up for success in school and in adult life. The increasing over-representation rates for First Nations children in out-of-home care (Target 12) is indicative of failures to support families, and address the underlying drivers of child protection intervention which are rooted in historical and ongoing discrimination, dispossession and disempowerment. Current systems disconnect children from kin, community, culture and Country. Rather than protecting children and supporting their families, child protection systems too often perpetuate intergenerational trauma and harm.

SNAICC wants to see every Aboriginal children and young person thrive and remain connected with their families with the support of culturally safe and integrated services in their early years, which draw on the strength and knowledge of Community. This submission focuses on the

funding, measurement and barriers to progress associated with Targets 4 and 12 and the opportunities to reverse these trends to support these children to thrive.

Recommendations

To address the regression of Closing the Gap Targets 4 and 12, the Commonwealth Government should:

1. Fully fund and implement the [Early Childhood Care and Development Sector Strengthening Plan](#), to ensure Aboriginal and Torres Strait Islander children and families have access to the supports they need.
2. Commit to transition a target portion of funding for child and family services programs to ACCOs to enable Aboriginal and Torres Strait Islander families to access culturally safe services that meet their needs and prevent involvement with the child protection system (target/outcome 12). This funding target should be proportionate to the needs of First Nations children and families (around 30-40% of funding).¹ These targets could be developed and implemented as part of the Department of Social Services (DSS) *Families and Children Activity Funding Review* which is currently underway.
3. Support children to thrive in their early years through improving the accessibility of high quality and culturally responsive integrated health, education and care services for Aboriginal and Torres Strait Islander children by:
 - a. Implementing a dedicated, needs-based, sustainable funding model for ACCOs delivering integrated early years services, as recommended in the *Funding Model Options for ACCO Integrated Early Years Services* [Final Report](#).
 - b. Working with the First Peoples Disability Network to increase funding and reduce barriers to culturally safe and responsive disability advocacy and support services and allied health services, to provide timely assessments, care and support to Aboriginal and Torres Strait Islander families with disability, particularly children with learning disability and developmental delay. This includes resourcing the Disability Sector Strengthening Plan as a priority. Funding must be needs-based and prioritise community-controlled organisations while supporting mainstream organisations to embed cultural safety in regions with a lack of community-controlled services.
4. Reform measurement and evaluation of the socio-economic targets to improve the accuracy of insights and shift focus from deficits-based administrative data to holistic and strengths-based measures of wellbeing. Priority actions include:

¹ The Stronger ACCOs, Stronger Families report recommends funding targets of approximately 30-40%, noting that Aboriginal and Torres Strait Islander children make up 43.7% of all children in out-of-home care, providing a proxy indicator of the level of need for preventative supports. Higher targets of 90-100% are recommended for targeted programs for Aboriginal and Torres Strait Islander children and families and in discreet communities.

- a. Expanding measurement of the Closing the Gap targets beyond the headline targets, including reporting on all the supporting indicators across the Priority Reforms and socio-economic outcomes.
 - b. Working with the forthcoming Data Policy Partnership and Aboriginal and Torres Strait Islander Centre for Excellence in Child and Family Support to embed Indigenous Data Sovereignty principles and Aboriginal and Torres Strait Islander leadership in determining and implementing socio-economic measures that engage with unique wellbeing indicators for Aboriginal and Torres Strait Islander children, particularly connection to culture, Country and kin.
 - c. Establishing an Independent Indigenous Data Agency, to respond to recommendations to improve the implementation of Priority Reform Four (improve data and information sharing).^{2,3}
 - d. Change the definition and measurement rules of out-of-home care under Closing the Gap to include children on permanent care orders to more accurately reflect progress (or lack thereof) against Target 12, aligning with SNAICC's definition as applied in the annual [Family Matters Report](#).
5. Build a better understanding of how policy and funding decisions are driving the overrepresentation of Aboriginal and Torres Strait Islander children in care, and opportunities for governments to address this, by:
- a. Implementing the Aboriginal and Torres Strait Islander Child Placement Principle to the standard of Active Efforts and reporting on all agreed indicators, as part of fully implementing Action 5 of the Safe and Supported *Aboriginal and Torres Strait Islander First Action Plan 2023-2026*.
 - b. Implementing national reporting as part of the *Report on Government Services* on the proportion of child protection, early childhood education and care and family services expenditure provided to ACCOs.
6. Build their capacity to work in genuine partnership and prioritise transformation of government agencies in alignment with the findings and recommendations of the Productivity Commission's *Review of the National Agreement on Closing the Gap* (the National Agreement). This includes:
- a. Developing a system of clear accountability mechanisms and measures for government agencies and mainstream organisations that do not comply with their responsibilities under the National Agreement.

² Gray, Eva, Bray and Schmider 2024, 'Closing the Gap Priority Reforms Performance Measurement Project 2023-2024', ANZSOG and ANU.

³ Productivity Commission 2024, 'Review of the National Agreement on Closing the Gap', p. 77. Retrieved from: <https://www.pc.gov.au/inquiries/completed/closing-the-gap-review/report/closing-the-gap-review-report.pdf>.

- b. Better coordinate reform across Commonwealth, state and territory government departments to progress the Closing the Gap outcomes and increase resourcing to the Coalition of Peaks to support and advise on this work.

Funding and implementation of initiatives to achieve Targets 4 and 12⁴

A strong Aboriginal and Torres Strait Islander community-controlled (ACCO) sector is needed to support children and families, to help meet Targets 4 and 12 (Recommendation 1)

The unique capabilities and strengths of ACCOs are key to making progress against the socio-economic targets of the National Agreement. As community-controlled organisations, ACCOs have close ties with local families, which enables them to deliver tailored supports that meet the needs of Aboriginal and Torres Strait Islander children and their kin. ACCOs have been shown to deliver better results for First Nations children, including improving early childhood outcomes and reducing families' interactions with the child protection system. Mainstream services often fail to meet the needs of First Nations families, or in many cases actively discriminate against them. In contrast, ACCOs offer culturally affirming, safe services that meet the holistic needs of children and help them thrive. As affirmed by the Productivity Commission's Review of the National Agreement on Closing the Gap⁵, ACCOs have the cultural expertise and knowledges and the strong ties to the community that facilitate culturally safe and effective service delivery. Scholarship in the health space has also demonstrated the strengths of ACCOs in delivering best-practice supports and care that achieve better outcomes for Aboriginal and Torres Strait Islander people.⁶ ACCOs are shown to provide the culturally responsive and holistic care required to address more determinants of health and wellbeing and improve service outcomes.⁷

Under the National Agreement, all Australian governments have acknowledged that 'Aboriginal and Torres Strait Islander community-controlled services are better for Aboriginal and Torres Strait Islander people, achieve better results, employ more Aboriginal and Torres Strait Islander people and are often preferred over mainstream services' (Clause 43). Governments have therefore committed to building the ACCO sector through the National Agreement.

Consequently, funding towards Targets 4 and 12 must prioritise sustainable, secure and flexible funding to ACCO service providers and peak bodies to deliver the culturally responsive and

⁴ This section responds to section (1) a of the Terms of Reference.

⁵ Productivity Commission 2024, 'Review of the National Agreement on Closing the Gap', p. 49. Retrieved from: <https://www.pc.gov.au/inquiries/completed/closing-the-gap-review/report/closing-the-gap-review-report.pdf>.

⁶ Panaretto, Wenitong, Button and Ring 2014, 'Aboriginal community controlled health services: leading the way in primary care', *Medical Journal of Australia* 200 (16). Retrieved from: <https://pubmed.ncbi.nlm.nih.gov/24938346/>.

⁷ Pearson, Schwartzkopff, Dawson, Hagger, Karagi, Davy, Brown and Braunack-Mayer 2020, 'Aboriginal community controlled health organisations address health equity through action on the social determinants of health of Aboriginal and Torres Strait Islander peoples in Australia', *BMC Public Health* 20, 1859. Retrieved from: <https://bmcpublichealth.biomedcentral.com/articles/10.1186/s12889-020-09943-4>.

community-led care Aboriginal and Torres Strait Islander children and their families need to thrive.

The Productivity Commission affirmed that funding reform under the National Agreement has been too slow and inconsistent, failing to meet commitments and meaningfully and materially strengthen ACCOs to deliver the support at which they excel.⁸ The Productivity Commission also noted the lack of investment in the Sector Strengthening Plans specifically, which remain high-level documents without concrete commitments on resourcing and timeframes from governments.⁹ The Sector Strengthening Plans were established through the National Agreement to identify priority actions across workforce, capital infrastructure, service provision and governance in ACCO sectors¹⁰. For example, the *2024 Early Childhood Care and Development Sector Strengthening Plan*¹¹ provides the framework for strengthening the ACCO early childhood education and care (ECEC) and child and family support sectors but funding and action for its implementation have been very limited and piecemeal. Similarly, the *2021 National Aboriginal and Torres Strait Islander Early Childhood Strategy*¹² - which provides a roadmap to improve early childhood outcomes for Aboriginal and Torres Strait Islander children – has only been progressed through ad hoc or aligned activities in other government strategies and initiatives with no formal or comprehensive implementation planning and action.

Both plans were developed in partnership with SNAICC and consultation with Aboriginal and Torres Strait Islander leaders, communities and organisations and the failure to fully fund and implement them represents a threat to not only progress against Targets 4 and 12 but the National Agreement as a whole. The necessary strategic frameworks and roadmaps are there; progress now requires governments to commit to and prioritise resourcing and implementation.

A funding target is required to speed up the transition of child and family services to ACCOs to help meet Target 12 (Recommendation 2)

Reducing over-representation in child protection systems and supporting the development of Aboriginal and Torres Strait Islander children requires both increasing the proportion of funding to ACCOs and reforming how that funding is structured and delivered.

⁸ Productivity Commission 2024, 'Review of the National Agreement on Closing the Gap'. Retrieved from: <https://www.pc.gov.au/inquiries/completed/closing-the-gap-review/report/closing-the-gap-review-report.pdf>.

⁹ Ibid, p. 54.

¹⁰ Closing the Gap 2020, 'National Agreement on Closing the Gap', pp. 9-10. Retrieved from: https://www.closingthegap.gov.au/sites/default/files/2022-09/ctg-national-agreement_apr-21-comm-infra-targets-updated-24-august-2022_0.pdf.

¹¹ Closing the Gap 2024, 'Sector Strengthening Plan: Early Childhood Care and Development'. Retrieved from: <https://www.closingthegap.gov.au/sites/default/files/2021-12/sector-strengthening-plan-early-childhood-care-development.pdf>.

¹² National Indigenous Australians Agency (NIAA) 2021, 'National Aboriginal and Torres Strait Islander Early Childhood Strategy'. Retrieved from: <https://www.niaa.gov.au/sites/default/files/documents/publications/niaa-early-years-strategy-5.pdf>.

At present, ACCOs are not funded in a way that is proportionate to the number of Aboriginal and Torres Strait Islander children coming into contact with child protection systems.

Since 2016, SNAICC's annual Family Matter reports have analysed the over-representation of Aboriginal and Torres Strait Islander children in out-of-home care and its underlying causes. The community voices, research and data underpinning the Family Matters report call for ACCOs to have a stronger and more supported role in child protection and wellbeing. The 2024 [Family Matters](#)¹³ report found that only 6% of the total national child protection expenditure is directed to ACCOs despite Aboriginal and Torres Strait Islander children making up 41% of children in out-of-home care.¹⁴ The report recommends that the Commonwealth re-direct a proportion of funding for child and family services to ACCOs as the gold standard in providing culturally safe and responsive support to Aboriginal and Torres Strait Islander children and their families.

SNAICC's 2022 [Stronger ACCOs, Stronger Families](#) report also highlights both the systemic barriers ACCOs face in accessing Commonwealth funding and opportunities for reforming funding approaches to strengthen ACCOs to deliver the holistic care and support their communities need. To achieve equity in funding and improved outcomes, the report sets out best practice funding allocations that guarantee proportional resourcing for ACCOs in recognition of their essential role in supporting and caring for Aboriginal and Torres Strait Islander children and families.

Families and Children Activity (FaC Activity) programs are a collection of Commonwealth-funded services for families, including vulnerable or at-risk families. The current review of funding under the FaC Activity and the end of service provider contracts in mid-2026, presents a critical opportunity to increase the proportion of funding for and services delivered by ACCOs in child and family services in alignment with the *Stronger ACCOs, Stronger Families* report. At present, only 4% of providers of FaC Activity children, youth and parenting programs are ACCOs, despite a 20% increase in service use by Aboriginal and Torres Strait Islander children and families.¹⁵ Aboriginal and Torres Strait Islander children represent 41% of children in out-of-home care¹⁶, indicating that the current FaC funding distributions are approximately a tenth of what should be considered proportionate to need. Accordingly, SNAICC reiterates the recommendations of the *Stronger ACCOs Stronger Families Report* to strengthen the involvement of ACCOs in FaC Activity Programs. In the current program cycle, DSS should work to identify a proportion of funding within existing FaC Activity program streams to be reallocated to a new funding stream for

¹³ The Family Matters report is an annual report produced by SNAICC that tracks progress to reduce the overrepresentation of Aboriginal and Torres Strait Islander children in care and recommends government action to end this over-representation, including on how to make progress towards Target 12.

¹⁴ SNAICC 2024, 'Family Matters Report 2024', p. 51. Retrieved from: <https://www.snaicc.org.au/wp-content/uploads/2025/02/250207-Family-Matters-Report-2024.pdf>.

¹⁵ Department of Social Services 2024, 'Families and Children Activity: Review of Children Youth and Parenting Programs – Evidence Paper', p. 3. Retrieved from: <https://engage.dss.gov.au/wp-content/uploads/2024/11/families-and-children-activity-review-children-youth-and-parenting-programs-evidence-paper.pdf>.

¹⁶ SNAICC 2024, 'Family Matters Report 2024', p. 51. Retrieved from: <https://www.snaicc.org.au/wp-content/uploads/2025/02/250207-Family-Matters-Report-2024.pdf>.

Aboriginal and Torres Strait Islander community-led child and family services that are locally designed and managed by ACCOs. This new funding stream should be prioritised for implementation by mid-2026, when current FaC Activity contracts will conclude.

Improve access to early childhood education and care and disability supports for Aboriginal and Torres Strait Islander children to help meet Target 4 (Recommendation 3)

ACCO ECEC services, including integrated early years services, provide holistic supports that set children up to thrive. Aboriginal and Torres Strait Islander children have significantly improved health, development and wellbeing outcomes when they are able to access Community-led ECEC services with a strong focus on cultural identity and involving families in their learning.¹⁷ The unique wrap around support ACCOs provide assists both the child and the family as a whole unit in a culturally safe environment. It is because of this approach that ACCOs are best placed to identify and understand the needs of children in their communities and deliver services and supports that will have the most impact for families¹⁸.

Current funding mechanisms do not adequately support the resourcing of holistic integrated early years services. Funding is often attached to one program or limited to a set of defined outcomes and does not allow for responsive, place-based and proactive actions needed to support children and their families. The tension between lack of funding, administrative burden of funding mechanisms and the need to provide wrap around support is something the ACCO ECEC sector has grappled with for decades and consistently called for action on. In response to this advocacy SNAICC, in partnership with Deloitte Access Economics, has developed an ACCO Integrated Early Years Funding Model (ACCO Funding Model) to provide block and needs based funding with built in flexibility to enable services to meet community need.¹⁹ In addition to the service level components, the ACCO Funding Model also provides for system level components of backbone support for ACCO ECEC services and a framework to guide future investment in and expansion of the ACCO sector.²⁰

The recent passing of the Early Childhood Education and Care (Three Day Guarantee) Bill 2025 is a significant step towards improving access to early childhood education and care for Aboriginal and Torres Strait Islander children. SNAICC had long advocated for the removal of the Activity Test as it was a key barrier to Aboriginal and Torres Strait Islander families accessing subsidised education and care. The Three Day Guarantee coupled with the Labor Government election promise to establish the Building Early Education Fund creates an opportunity for improved

17 Elek, Gubhaju, Lloyd-Johnsen, Eades and Goldfeld 2020, 'Can early childhood education programs support positive outcomes for indigenous children? A systematic review of international literature', *Educational Research Review* 31. Retrieved from: <https://doi.org/10.1016/j.edurev.2020.100363>.

18 SNAICC 2024, 'Funding Model Options for ACCO Integrated Early Years Services: Final Report'. Retrieved from: <https://www.snaicc.org.au/wp-content/uploads/2024/05/240507-ACCO-Funding-Report.pdf>.

¹⁹ Ibid.

²⁰ Ibid.

investment in and support of ACCO ECEC services through the implementation of the ACCO Funding Model.²¹

SNAICC is currently exploring a concept to establish a national program or entity to ‘nest and nurture’ new ACCO early years services and expand service offerings for existing ACCO services. This concept is being developed in response to the childcare deserts that currently exist across the country, in recognition that the number and capacity of current ACCO ECEC services does not meet the demand for them. Substantial investment in ACCO ECEC services is required to improve Aboriginal and Torres Strait Islander children’s access to high quality early years services and the ‘nest and nurture’ concept provides a pathway for this to occur. The investment into ACCO ECEC services through ‘nest and nurture’ and appropriate funding through an implemented ACCO Funding Model will ensure Aboriginal and Torres Strait Islander children and families will have easy access to ACCO ECEC services that are fully equipped to meet their learning and support needs.

Achieving Target 4 requires appropriate funding for not just ECEC services but also the allied health and disability support and advocacy sectors. Children with developmental delays or learning disabilities often face long wait times for assessments, diagnoses and care, and limited access to disability advocacy and support services. Further to this, children and families in regional, rural and remote areas face multiple additional barriers to assessment associated with lack of transportation, geographic isolation (often associated with limited telephone and internet service), language barriers and lack of service options.

For Aboriginal and Torres Strait Islander people, there are also different expectations and perceptions of what disability is that are distinct from ‘Western’ definitions. This is particularly acute in remote communities. Services and systems predominantly work with a Western lens that is not culturally safe or responsive to the distinct understandings and needs of Aboriginal and Torres Strait Islander children and their families. Service providers and approaches can also perpetuate racism, contributing to lower levels of trust in systems and a reluctance to seek assessments due to ‘apprehended discrimination’ – where a rational fear of discrimination drives avoidance of situations where discrimination may be encountered²². Many Aboriginal and Torres Strait Islander parents and carers will not seek assessments for their families due to fear of discrimination and punitive responses from other intersecting systems, particularly child protection. These barriers persist post-assessment when families are trying to access support services. Undiagnosed disability can also lead to an apprehended discrimination that leads people to avoid supports as well as creating a pipeline to involvement with the justice system,

²¹ Ministers of the Education Portfolio, ‘Joint Media Release Albanese Government passes legislation to deliver child care Day Guarantee’ 13 February 2025. Retrieved from: <https://ministers.education.gov.au/clare/albanese-government-passes-legislation-deliver-child-care-3-day-guarantee>

²² Avery 2018, ‘Culture is Inclusion: A narrative of Aboriginal and Torres Strait Islander people with disability’. Sydney, Australia.

homelessness and unemployment²³. Early diagnosis can lead to better supports and outcomes and reduce future costs associated with these pipelines.

Community-led approaches support and affirm children with disability, empowering them as culturally strong community members and appreciating their diverse needs and aspirations. Aboriginal and Torres Strait Islander families, particularly those in remote areas, must be able to access the same multi-disciplinary support locally, in a timely manner, and in a culturally responsive and safe environment.

In Queensland, children with mild to moderate developmental delays may wait for up to a year for a referral,²⁴ leaving them without the tailored support they need to succeed. The National Disability Insurance Scheme (NDIS) provides 'early childhood partners', which are teams of professionals whose role is to support parents to understand the needs of their children and identify developmental delays, but partners are not always accessible.²⁵ Aboriginal and Torres Strait Islander families feel increasingly overlooked by the NDIS and often unsafe in mainstream service systems. The Independent Review of the NDIS found that improving supports for Aboriginal and Torres Strait Islander people with disability requires new commissioning approaches that empower ACCOs to deliver culturally responsive and holistic disability services in their communities²⁶.

Increasing funding to disability advocacy and support organisations, ACCOs and Aboriginal Community Controlled Health Organisations (ACCHOs) to provide assessments and care for Aboriginal and Torres Strait Islander children with developmental delay is an essential support to Target 4 and ensuring children are thriving in their early years. The Commonwealth Government should work with FPDN to design and implement funding increases that meet community needs and resource the Disability Sector Strengthening Plan²⁷ as a priority. To ensure programs can develop and succeed sustainably, minimum base-level funding commitments over multi-year periods must be included and reflected in a revised version of this plan.

The current disability service system is unnecessarily complex and inaccessible to many Aboriginal and Torres Strait Islander families, preventing them from accessing the information, services, and supports they need. When culturally safe and responsive supports are unavailable to these families

²³ Ibid.

²⁴ Queensland Health 2024, 'Development delay in children < 6 years'. Retrieved from: <https://www.health.qld.gov.au/cpc/general-paediatrics/development-delay-in-children-6-years>.

²⁵ NDIS 2024, 'Developmental delay and the early childhood approach'. Retrieved from: <https://www.ndis.gov.au/understanding/families-and-carers/early-childhood-approach-children-younger-9/developmental-delay-and-early-childhood-approach>.

²⁶ Bonyhady and Paul 2023, 'Working together to deliver the NDIS – Independent Review into the National Disability Insurance Scheme: Final Report', p. 46. Retrieved from: <https://apo.org.au/node/325219>.

²⁷ FPDN 2022, 'Community Controlled Disability Sector: Disability Sector Strengthening Plan'. Retrieved from: <https://www.closingthegap.gov.au/sites/default/files/2022-08/disability-sector-strengthening-plan.pdf>.

under their NDIS plan, they miss out on getting assistance and support during crucial developmental milestones.

Through listening trips to the Northern Territory and Queensland, FPDN has gathered qualitative evidence from communities relating to families experiences of significant barriers to accessing disability assessments for children; families were often unable to get assessments due to workers changing and moving out of the region, families moving for cultural reasons, and lack of phone and internet access. In Queensland, FPDN heard about a child with disability who was unable to change their NDIS plan representative from their estranged parent to the relative they were now living with because that relative did not have a birth certificate and could not meet the NDIA's identity requirements. These requirements are not reflective of Aboriginal and Torres Strait Islander needs and family structures and highlight the inherent lack of cultural safety built into the NDIS.

FPDN has heard that local area coordinators are largely non-existent (or very difficult to access where they do exist) in remote and very remote areas. Even when families in remote communities are able to overcome such access barriers to NDIS supports, these plans are often not fully utilised²⁸. NDIS bureaucracy is complex, and when families aren't supported to understand the system, they understandably remain unaware of the next steps that need to be taken to make the most of their plans.

The way in which the targets are measured and evaluated²⁹

Measurement and evaluation of the socio-economic targets should be reformed to focus on holistic and strengths-based measures of wellbeing (recommendation 4)

Socio-economic targets to measure the life outcomes of Aboriginal children and the communities they live in should cover a broad range of interconnected domains. Targets need to be developed, in partnership with Community, drawing on Aboriginal and Torres Strait Islander people's holistic understanding of mental, physical, and spiritual health and wellbeing. As such, current reporting on Targets 4 and 12 under the National Agreement often does not reflect the true scale of the challenges or the distinct needs and strengths of Aboriginal and Torres Strait Islander children.

Although there have been some positive changes to provide greater context around the socio-economic outcomes, current administrative system data continues to perpetuate deficit narratives. Appropriate and accurate measurement of the socio-economic outcomes requires

²⁸ NDIS Review 2023, '1. Market challenges limit the ability of the NDIS to deliver quality supports for participants'. Retrieved from: <https://www.ndisreview.gov.au/resources/paper/improving-access-supports-remote-and-first-nations-communities/1-market-challenges>.

²⁹ This section responds to Section (1)b, e, f and g of the Terms of Reference for this Select Committee.

Aboriginal and Torres Strait Islander-led research to also report on strengths-based measures of wellbeing.

In order to determine and implement socio-economic measures that engage with connection to culture, Country and kin the Commonwealth Government must work closely with:

- the Closing the Gap Data Reporting Working Group
- the forthcoming Data Policy Partnership³⁰
- the forthcoming Aboriginal and Torres Strait Islander Centre for Excellence in Child and Family Support to embed Indigenous Data Sovereignty (IDS) principles³¹
- Aboriginal and Torres Strait Islander leadership.

The Productivity Commission recommends the establishment of a Bureau of Indigenous Data to advance Indigenous Data Governance (IDG) and progress Priority Reform 4.³² An Independent Indigenous Data Authority (IIDA) would be valuable to undertake and coordinate data projects, address the data gaps prevalent in Closing the Gap reporting and build Indigenous Data Sovereignty (IDS).³³ To embed IDS and IDG in Closing the Gap measurement and evaluation, the Commonwealth Government should prioritise progress towards establishing a dedicated, Aboriginal and Torres Strait Islander-led data body, working with the Data Policy Partnership on design and transition.

In the short term, reporting on Targets 4 and 12 could be improved by expanding the data sets and indicators to more accurately reflect developmental wellbeing and over-representation. The Australian Early Development Census (AEDC) domains do not capture the developmental strengths that come from Aboriginal and Torres Strait Islander children being connected to, and participating in, their culture, and encourage a like-for-like comparison with non-Indigenous children. Aboriginal and Torres Strait Islander children have different domains of wellbeing associated with their connections to language, culture, Country and kin, and these developmental needs and gains should be specifically considered in measuring Target 4.

Indicators should also be expanded to include supporting indicators that are still under development and not reported on, such as exploring options for measuring the provision of ECEC services by ACCOs and proportion of children accessing regular health and development check-ups and care for Target 4. The more indicators available, the better-informed policies will be in targeting support initiatives for children and their families.

³⁰ Joint Council on Closing the Gap 2024, 'Twelfth Meeting of the Joint Council on Closing the Gap'. Retrieved from: https://www.closingthegap.gov.au/sites/default/files/2024-07/joint-council-ctg-communicue-5-7-2024_0.pdf.

³¹ Maïam nayri Wingara 2018, 'Indigenous Data Sovereignty Communique Indigenous Data Sovereignty Summit'. Retrieved from: <https://www.maïamnayriwingara.org/mnw-principles>.

³² Productivity Commission 2024, 'Review of the National Agreement on Closing the Gap', p. 77. Retrieved from: <https://www.pc.gov.au/inquiries/completed/closing-the-gap-review/report/closing-the-gap-review-report.pdf>.

³³ Gray, Eva, Bray and Schmider 2024, 'Closing the Gap Priority Reforms Performance Measurement Project 2023 - 2024', ANZSOG and ANU, p. viii.

The National Agreement makes provisions for 164 supporting indicators across the Priority Reforms and socio-economic targets, but only 31 are currently reported on, indicating that governments are currently falling short of their reporting commitments under the National Agreement. There is also a lack of parity across jurisdictions in how AEDC data is collected, with differing levels of support for educators and communities in data collection and collation. Inequity in acuity, support and translation of AEDC data, and data in general, makes it difficult to be precise in what is being measured and what can be determined from the information provided.

Additionally, Target 12 reports on the proportion of Aboriginal and Torres Strait Islander children in out-of-home care, but the indicator does not fully reflect the scale of over-representation and renders children on permanent care orders invisible in the data. SNAICC's annual *Family Matters Report* has consistently recommended changing the definition and counting rules for out-of-home care to include children on permanent care orders, whose exclusion from reporting has reduced government transparency and accountability.³⁴ While noting that Target 12 is still going backwards, data on progress cannot be considered reliable without counting children who have been permanently removed from their families. The achievement of Target 12 must be based on progress in preventing Aboriginal and Torres Strait Islander children from coming into contact with child protection systems and reunifying them with their families, not permanent removal.³⁵ The Commonwealth Government should immediately change the definition of out-of-home care to transparently and accurately report on Target 12 and the rates of over-representation.

Finally, current data on Aboriginal and Torres Strait Islander disability prevalence is limited and often inaccurate due to under-reporting and fragmentation across multiple datasets, as well as Western methodologies failing to account for cultural understandings of disability. Targets 4 and 12 include disability status but use parameters of disability that are undermined by systemic under-reporting (in the case of reported disability indicators) or medical diagnostic and teacher identification criteria that exclude children with undiagnosed disability or misinterpreted behaviours.

There are clear actions governments can take to improve their understanding of why Target 12 is not progressing and address these issues (recommendation 5)

Closing the Gap reporting needs to be supported by a strong ecosystem of data, measurement and evaluation practices relating to outcomes for Aboriginal and Torres Strait Islander people and communities. Action 5 of the *Safe and Supported: Aboriginal and Torres Strait Islander First Action Plan 2023-2026* commits to implementing all five elements of the Aboriginal and Torres Strait Islander Child Placement Principle (ATSICPP) to the standard of Active Efforts and improving accountability in reducing over-representation.³⁶ The activities under Action 5 require working

³⁴ SNAICC 2024, 'Family Matters Report 2024', p. 115. Retrieved from: <https://www.snaicc.org.au/wp-content/uploads/2024/11/241119-Family-Matters-Report-2024.pdf>.

³⁵ Ibid.

³⁶ Commonwealth of Australia 2022, 'Safe and Supported: the National Framework for Protecting Australia's Children 2021-2031 – Aboriginal and Torres Strait Islander First Action Plan 2023-2026', p. 36. Retrieved from: https://www.dss.gov.au/system/files/resources/final_aboriginal_and_torres_strait_islander_first_action_plan.pdf.

with the Australian Institute of Health and Welfare (AIHW) to review existing indicators and progress national reporting on the five elements of the ATSICPP.³⁷

The ATSICPP's elements align with the contextual information for Target 12 set out in the National Agreement, which includes indicators on whether children are placed with relatives, kin or other Aboriginal and Torres Strait Islander carers and have approved cultural support plans.³⁸ Currently, only five of the 22 ATSICPP indicators are reportable, once again demonstrating the challenges of these frameworks, which governments have collectively committed to, but are failing to implement in full. Full implementation of Action 5 will support transparent, accountable and appropriately detailed reporting on not just the proportion of children in out-of-home care, but how the system is working (or not) to support them.

As discussed above, ACCOs are best placed to support Aboriginal and Torres Strait Islander children in their development and keep families healthy, safe and together. A critical data gap outside the Closing the Gap architecture is the lack of reporting on funding to ACCOs, making it difficult for communities and peak bodies to hold governments to account on Priority Reform 2 (build the Aboriginal and Torres Strait Islander community-controlled sector) and undermining insights into the effectiveness of current funding approaches. We know that ACCOs are not being adequately resourced to address Targets 4 and 12 in their communities, and that trends would look very different if they were, but there is no consistent or accessible data to show the true extent of the problem.

As part of the *Family Matters Report*, SNAICC has requested data from states and territories on their expenditure to ACCOs in child protection, asking jurisdictions to align their reporting with Report on Government Services³⁹ (RoGS) definitions and counting rules. While these insights have been valuable, they are inconsistent and not reported anywhere but the annual *Family Matters* publication. SNAICC's leadership in building a practice and culture of jurisdictional reporting on ACCO funding is IDS in action, and an example of the many opportunities for government to implement better practice by listening and learning from the successes of ACCOs. SNAICC has recommended that the Productivity Commission implement national reporting on child protection and ECEC expenditure to ACCOs as the natural home for this data, as RoGS already reports on funding data across government services.

Finally, accurate data on the number of children and young people in out-of-home care with disability is simply not available, with under-reporting and a lack of culturally appropriate screening a major reason for this. There is also no publicly available data on how many Aboriginal and Torres Strait Islander children in out-of-home care have a parent with disability. Having this

³⁷ Ibid., p. 37.

³⁸ Closing the Gap 2020, 'National Agreement on Closing the Gap', p. 35. Retrieved from: https://www.closingthegap.gov.au/sites/default/files/2022-09/ctg-national-agreement_apr-21-comm-infra-targets-updated-24-august-2022_0.pdf.

³⁹ Productivity Commission 2024, 'Report on Government Services'. Retrieved from: <https://www.pc.gov.au/ongoing/report-on-government-services>.

information is critical to understanding the intersectional drivers of child removal and taking practical action to address this.

In considering the intersections of Targets 4 and 12, Government should prioritise Recommendation 9.2 of the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability. Recommendation 9.2 focuses on ensuring jurisdictions are implementing screening of all Aboriginal and Torres Strait Islander children entering out-of-home care using the culturally adapted Ages and Stages Questionnaire-Talking about Raising Aboriginal Kids (ASQ-TRAK) tool and supporting children assessed as vulnerable to access intervention plans.⁴⁰ Consistent application of ASQ-TRAK is critical for improving the accurate data capture on the intersections of disability/developmental delay and out-of-home care for Aboriginal and Torres Strait Islander children.

Progress under the National Priority reforms⁴¹

Reforming government ways to working in line with Productivity Commission recommendations is a key enabler for future work to meet the socio-economic targets (recommendation 5)

The Productivity Commission's Review found that 'progress in implementing the [National] Agreement's Priority Reforms has, for the most part, been weak and reflects tweaks to, or actions overlayed onto, business-as-usual approaches.'⁴² The review's overarching finding was that there is no systemic approach to government transformation and governments are failing to recognise the authority of Aboriginal and Torres Strait Islander people in decisions about their communities.⁴³

The review also identifies that governments continue to make decisions that contradict their commitments to Closing the Gap. In this respect, SNAICC has been particularly concerned about regressive jurisdictional policies in youth justice that are causing deep and disproportionate harm to Aboriginal and Torres Strait Islander children, including the lowering of the age of criminal responsibility and the introduction of unnecessarily punitive bail laws.

The Productivity Commission's final report makes four thematic recommendations, each with priority actions to drive change.⁴⁴ The Commonwealth Government should prioritise implementation of all these recommendations and supporting actions, including amending the National Agreement to include IDS and Indigenous Data Governance in Priority Reform 4 and amend Priority Reform 1 (strengthen and establish formal partnerships and shared decision-

⁴⁰ Commonwealth of Australia 2023, 'Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability: Final Report', p. 7. Retrieved from: <https://disability.royalcommission.gov.au/system/files/2023-09/Final%20Report%20-%20Volume%209%2C%20First%20Nations%20people%20with%20disability.pdf>.

⁴¹ This section responds to paragraph 1(c) and (g) of the Terms of Reference.

⁴² Productivity Commission 2024, 'Review of the National Agreement on Closing the Gap', p. 3. Retrieved from: <https://www.pc.gov.au/inquiries/completed/closing-the-gap-review/report/closing-the-gap-review-report.pdf>.

⁴³ Ibid.

⁴⁴ Ibid., pp. 7-9.

making) to clarify its purpose in achieving self-determination within and beyond the mechanisms of Closing the Gap.

The recommendations of the Productivity Commission are an essential starting point for strengthening and expanding the Closing the Gap framework. SNAICC looks forward to progressing more detailed ideas and actions through the Independent Aboriginal and Torres Strait Islander Assembly and the Independent Closing the Gap Review. With four targets going backwards and all four Priority Reforms behind on implementation, it is clear that governments need to reaffirm their commitment to the National Agreement and prioritise ambitious change to get back on track.

SNAICC is working with governments to ensure the interests of ACCOs and Aboriginal and Torres Strait Islander children and families are represented and protected under the National Agreement and across other forums as its core business, as this is critical to achieving progress. This is exciting work with potential for to drive important systems reforms, but is complicated by systems and processes that are not built for or ready to support power sharing. SNAICC and other peak bodies often have to proactively seek out or even push for opportunities to engage in decision-making rather than being approached by governments and sector leaders and subject matter experts.

Where governments are working in partnership with peak bodies, these arrangements have frequently been set up too late, missing opportunities for shared decision-making in the design stage. This creates more work for both parties, who need to retrofit something already in existence to meet the needs of ACCOs and communities rather than building a program that is fit-for-purpose from the beginning. Genuine partnership requires early engagement and for the administrative burden of that engagement to be shared. Governments must also be cognisant of how their processes delay the urgent policy reform work of the peak bodies and the Policy Partnerships. Government ways of working draw out drafting, approval and implementation processes, which can be frustrating to Community leaders and organisations who are directly accountable to the families and communities impacted. Progress (or lack thereof) against the socio-economic targets is not fully reflective of the work being done to design and recommend solutions because these initiatives are simply not being implemented in a timely manner. Transforming government approaches to working in partnership is a necessary and foundational component of success under Closing the Gap.

While progress has been lagging generally, there are instances of good practice and progress that are driving positive change for Aboriginal and Torres Strait Islander children and their families. The Commonwealth Government has been engaging in and working towards some very encouraging developments under the National Agreement, particularly:

- Moving towards sustainable funding of the Policy Partnerships in recognition of their remit over the socio-economic targets, with the Early Childhood Care and Development Policy Partnership (ECCDPP) funding extended to 2028. Future funding decisions should consider

additional proportionate funding for the partnerships with responsibility over targets that are not on track or worsening.

- The establishment of a fully legislated and empowered National Commissioner for Aboriginal and Torres Strait Islander Children and Young People, with Lil Gordon appointed as Acting Commissioner in January 2025.⁴⁵
- The development of advice on a dedicated funding model for ACCO integrated early years services in alignment with the [Funding Model Options for ACCO Integrated Early Years Services Final Report](#), led by the ECCDPP.
- Progressing Aboriginal and Torres Strait Islander organisation first procurement policies, working in partnership with central agencies. Implementation of the Grants Connected Policy (by mid-2025) will embed this work in practice.
- Committing to removing and replacing the Child Care Subsidy Activity Test by 2026, including an entitlement to 100 hours per fortnight of subsidised care for Aboriginal and Torres Strait Islander families⁴⁶.

Conclusion

The current regression of socio-economic targets, particularly Targets 4 and 12, is of serious concern. Challenges in how strategies and initiative to achieve targets are implemented, funded and measured – and implementation of the National Agreement as a whole – have stalled progress or sent it backwards, and targeted solutions are needed to reverse these trends and close the gap for Aboriginal and Torres Strait Islander people and communities. This submission has highlighted some of the key challenges impacting progress on Targets 4 and 12 and the opportunities for change for the Select Committee to consider. SNAICC recommends that the Commonwealth Government take immediate action to reform funding arrangements for ACCOs, measurement of the socio-economic targets and associated outcomes, and its own ways of working to increase its capability to work in genuine partnership. We welcome any opportunities to discuss this submission and our work further, and we will continue to advocate to ensure the wellbeing, rights and safety of Aboriginal and Torres Strait Islander children are understood and upheld through Closing the Gap.

⁴⁵ Brennan 2025, 'Appointment of acting commissioner for Indigenous children welcomed', *National Indigenous Times*. Retrieved from: <https://nit.com.au/13-01-2025/15725/appointment-of-acting-commissioner-for-indigenous-children-welcomed>.

⁴⁶ Commonwealth of Australia 2024, 'Mid-Year Economic and Fiscal Outlook 2024-25', p. 10. Retrieved from: <https://budget.gov.au/content/myefo/download/myefo2024-25.pdf>.