Australian Government
Department of Social Services

Australian Government
Australian Institute of Family Studies

Session 1: Driving Implementation of Priority Reforms in the Closing the Gap Agreement

AIFS CONFERENCE 26

Presenters:

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Acknowledgement of Country

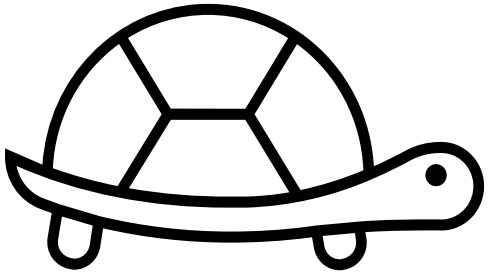
I acknowledge the Traditional Owners of Country throughout Australia and recognise their continuing connection to lands and waters.

I pay my respects to Aboriginal and Torres Strait Islander cultures and to Elders past and present.

OUR COMMITMENT TO TRANSFORMATION

Priority Reform 3 of the National Agreement on Closing the Gap is about *Transforming government organisations)*

All governments have committed to systemic and structural transformation of mainstream agencies and institutions to ensure they are accountable for Closing the Gap and are culturally safe and responsive to the needs of Aboriginal and Torres Strait Islander peoples



The first (2024) Productivity Commission review of progress found that transformation of government organisations has ‘barely begun’.

THE IMPORTANCE OF EVIDENCE AND A THEORY OF CHANGE



A theory of change provides the **evidence base** on transformation

What practical actions can agencies take to progress Priority Reform 3 transformation?

What is the rationale and supporting evidence?

What are the expected changes (for who and under what timeframe)?

KEY INSIGHTS

First Nations representation and leadership is critical – in workplaces, systems, and services; in decision-making roles and key governance bodies.

Accountable and committed leaders; establishing transformation as core business. Clear authorising environment; performance requirements; transparency on progress (First Nations led)

The starting point matters - transformation actions needs to be informed by an honest appraisal of the current state of the organisation with respect to Priority Reform 3

Capability of government to work and partner with First Nations people. Freeing up partners. Cultural training (tailoring to purpose, explicit focus on white privilege, ongoing)

SIX PRIORITY ACTION AREAS

Agencies take foundational actions to establish Priority Reform 3 transformation as a priority, to embed accountability, and to understand what changes are needed

Agencies pursue evidence-based interventions to strengthen ways of working and engaging; reduce individual- and institutional-level racism; improve the cultural safety of workplaces, systems and services; and grow First Nations leadership & representation

Agencies make the transformational changes needed – informed by the evidence – to work in meaningful partnership and embed shared decision-making and self-determination



Social Services Portfolio Closing the Gap Transformation Plan: Summary of the Theory of Change

The commitment

The Australian Government Social Services Portfolio is committed to achieving the type of transformational change envisaged by Priority Reform 3 of the National Agreement on Closing the Gap. Priority Reform 3 requires systemic and structural transformation of mainstream government agencies and institutions to ensure they are accountable for Closing the Gap and are culturally safe and responsive to the needs of Aboriginal and Torres Strait Islander peoples, including through the services they fund. The first (2024) Productivity Commission review of progress found that transformation of government organisations has 'barely begun'.

Priority action areas

Evidence informed

- Commitment from agency leadership
- Review of current state and past practice
- Address and eliminate racism
- Grow First Nations leadership and workforce
- Strengthen agencies' First Nations cultural capability
- Share decision-making and work in partnership

Conditions for success

Evidence informed

- Clear and consistent objectives
- Principles for collaboration
- Sufficient resources and planning
- Monitoring, evaluation and learning

Short-term changes

Evidence informed

Commitment from agency leadership
- Transformation is core business
- Increased transparency and accountability
- Clear authorising environment for change
- More First Nations representation

Review of current state and past practice
- Staff have deeper understanding of the impacts of current and past practices
- Agency policies and practices are revised or replaced
- Increased transparency about racism

Address and eliminate racism
- Increased accountability on staff to address racism
- Staff better able to recognise, report and respond to racism
- Agencies attract and retain First Nations talent

Grow First Nations leadership and workforce
- More First Nations staff, including in decision-making roles
- Policies and programs better reflect the values, knowledges and priorities of First Nations peoples
- Stronger partnerships

Strengthen agencies' First Nations cultural capability
- More meaningful and culturally safe engagement and codesign
- Staff demonstrate cultural capability
- More culturally safe workplaces, systems and services

Share decision-making and work in partnership
- First Nations organisations can fully participate in partnerships
- Authority is shared with First Nations peoples
- Policies, programs and services are shaped by the views and priorities of First Nations peoples

Medium-long term changes

Evidence informed

- More intentional, meaningful, regular and culturally safe engagement
- Improved awareness and understanding of transformation
- First Nations staff feel more culturally, mentally and physically safe; and more valued and supported
- Increase in co-design and shared decision-making, with authority genuinely shared
- Policies and programs better reflect the values, knowledge and priorities of First Nations peoples
- More First Nations staff at all levels and higher retention rates
- Stronger and higher quality partnerships
- More trusted partnerships

- More culturally safe workplace
- More culturally safe systems
- Reduced individual level racism
- More culturally safe services
- Improved access to culturally safe services
- Services better meet the needs of First Nations peoples

Session Outline

1. Why now - Understanding the current landscape and drivers for change
2. Problem statement - Defining key challenges, risks, and opportunities
3. Toolkit - Practical frameworks, methods, and enablers
4. Maturity model - Assessing capability levels and identifying next steps
5. Lessons Learnt - Key insights, successes, challenges, and recommendations for future initiatives

Why Now

External Reviews Highlight Limited Progress - progress across the Government's Priority Reforms has been slower than intended.

Internal Audit Confirmed Governance Gaps - there was no single, integrated plan to coordinate implementation across the four Priority Reforms.

The time is right to establish a clear implementation framework that aligns governance, planning, delivery, and reporting across all four Priority Reforms.

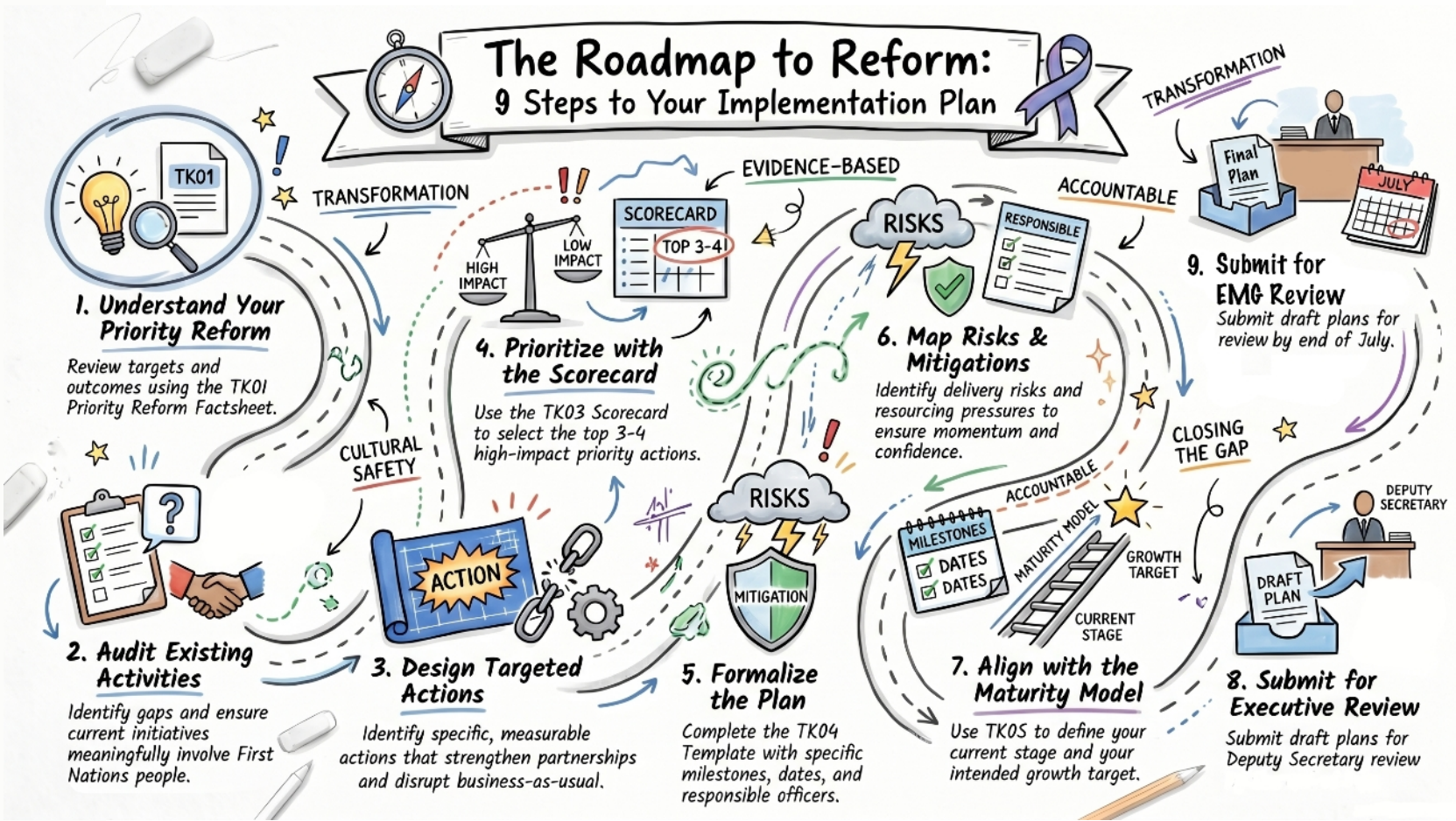
Problem Statement

The gap is not a natural phenomenon, it is a direct result of the ways in which governments have used their power over many decades to exclude First Nations people.

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1. **Initial**	2. **Foundational**	3. **Developing**	4. **Integrated**	5. **Transformative**
Reactive	**Awareness and Planning**	**Active Engagement and Structured Accountability**	**Embedded Co-Design and Indigenous-Led Governance**	**Self-Determination and Sustained Indigenous Leadership**
Characteristics : Racism is unacknowledged or denied. Cultural awareness training is generic, minimal, and not anti-racism focused. No safe pathways for reporting discrimination. **Focus**: Racism is treated as an individual problem. Systems and policies remain unchanged. Silence and avoidance dominate. **Outcomes**: Racist behaviours and structures persist. Aboriginal and Torres Strait Islander staff and clients experience harm without redress. Mistrust deepens.	**Characteristics** : Some staff acknowledge racism exists. The agency begins planning for anti-racism training. Leaders begin referencing racism in public statements. **Focus**: Commitments to explore racism and unconscious bias. Racism is named but not yet measured. Early signs of cultural capability work emerging. **Outcomes**: Some hope emerges. Acknowledgement provides validation, but systems remain largely unchanged. Racism may still be experienced but is now inconsistently challenged.	**Characteristics** : Anti-racism training is implemented with a focus on white privilege and power. Policies for reporting, monitoring and responding to racism introduced. **Focus**: Internal audits of racism and racialised impacts. Staff and leadership engage with racial literacy. Indigenous voices are present in reform processes. **Outcomes**: Cultural safety begins to improve. Individuals are held to account. Communities begin to feel heard. Racism is openly discussed and challenged	**Characteristics** : Anti-racism principles embedded into policies, leadership, HR, procurement and service design. Complaints systems are safe and trusted. **Focus**: Organisation-wide systems reform under way. Data on racism is collected and used. Independent oversight by Indigenous bodies established. **Outcomes**: Aboriginal and Torres Strait Islander peoples experience reduced racism, stronger protections, and visibly fairer systems. Engagement becomes safer and more equitable.	**Characteristics:** Anti-racism is a core value. Systems actively dismantle racial inequities. Indigenous leadership shapes and monitors accountability **Focus**: Organisation is actively anti-racist, with transparent systems. Equity is continuously monitored and improved. Anti-racism is reflexive, embedded, and sustained. **Outcomes**: First Nations peoples experience institutions as safe and equitable. Racism is called out and addressed at all levels

Lessons Learnt

1. Authority Anchors Future Work

   Clear sponsorship, mandate, and governance provide the foundation for sustained reform.

2. Start with a Well-Defined Problem

   Invest time in defining the problem correctly to avoid solving the wrong issue.

3. Let Evidence Guide Decisions

   Reform is challenging enough without investing in initiatives that do not deliver results.

Lessons Learnt

4. Reform Means Real Reform…so reform

   Successful reform requires new ways of working, new capabilities, and often new systems.

5. Leverage Expert Support

   Specialist expertise throughout the process accelerates progress, improves quality, and reduces risk.

6. Build Organisational Maturity

   Capability uplift is not just an outcome of reform. It is a critical enabler of long-term sustainability.

Lessons Learnt

7. Begin with the End in Mind

   The problem statement should provide a clear line of sight to the desired future state and intended outcomes.

Questions?

