



Kimberley Land Council

13th July 2021

KLC calls on WA Government to lift Aboriginal procurement targets

The Kimberley Land Council (KLC) has urged the WA Government to immediately raise its target for the percentage of contracts awarded to Aboriginal-owned and run businesses, and also make them apply to the state's mining sector.

The KLC has expressed disappointment at the McGowan Government's announcement that it would maintain the percentage of contracts awarded to Aboriginal businesses by state agencies at 3 per cent this financial year.

KLC Chairman Anthony Watson said the McGowan Government should bring forward its target to award 4 per cent of contracts to Aboriginal businesses in 2023-24 to this financial year.

Mr Watson said the same procurement policy and 4 per cent target should also apply to mining sector in Western Australia which is currently experiencing boom conditions.

"If the McGowan government is serious about creating jobs in our communities, it should raise the number of contracts awarded to Aboriginal businesses," said Mr Watson.

"There is strong evidence that every dollar spent with an Aboriginal business is more likely to directly benefit Aboriginal communities and generate more employment opportunities."

"The WA Government should make these procurement targets apply to mining companies when they are granted a lease or permit."

The supplier diversity organisation Supply Nation estimates that every dollar of revenue spent with an Aboriginal-owned business generates \$4.41 of social return and that these companies are 100 times more likely to employ Aboriginal people.

Mr Watson said the percentage of contracts awarded to Aboriginal businesses should at least be as much as the proportion of the state's population which is Aboriginal, which is around 4 per cent.

"By engaging with more Aboriginal businesses, the WA Government can make a real difference in tackling long-term unemployment, empowering Indigenous communities and removing the socio-economic obstacles faced by many Aboriginal people," Mr Watson said.

Mr Watson also said the WA Government needed to introduce stricter rules to stamp out 'black cladding', the practice where non-Indigenous businesses represent themselves as Aboriginal in order to unfairly secure contracts.

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