



Submission to the House Standing Committee on Indigenous Affairs' inquiry into opportunities for employment and economic development for Indigenous Australians.



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House of Representatives Standing Committee on Indigenous Affairs

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18 December 2020

Barang Regional Alliance's submission to the House Standing Committee on Indigenous Affairs' inquiry into opportunities for employment and economic development for Indigenous Australians.

Dear Committee members,

Barang Regional Alliance is very pleased to be providing a response to the House Standing Committee on Indigenous Affairs' inquiry into opportunities for employment and economic development for Indigenous Australians. Barang is in the unique position of having both EC and LDM signed up and funded in our region. This has enabled us to work closely with both NSW And NIAA to implement systemic change that, over time, will close the gap etc.

Empowered Communities is built on a strong framework of Empowerment, Productivity and Closing the Gap. The Productivity Commission estimates that in excess of \$30 billion is spent by Australian governments on services for Indigenous people each year. A strong productivity agenda would deliver greater efficiency and effectiveness in spending across Indigenous affairs and hence great social, economic and cultural development. A report by Deloitte Access Economics (2014) estimated that if outcomes for Indigenous people across education, employment and life expectancy increased to match non-Indigenous Australians by 2031, then the nations economy would be \$24 billion (or 1.15%) larger than would otherwise be the case. This example outlines the gains for Australia that would flow as a result of better outcomes for Indigenous people (p26).



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The strength of the EC framework alongside the NSW governments LDM puts Barang in a unique position and based on that learning, provide this submission to this important inquiry.

1. Barang Regional Alliance ('Barang') is the peak representative body for the NSW Central Coast's Aboriginal community – one of the largest, youngest and fastest growing Aboriginal communities in Australia. Barang welcomes the opportunity to make a submission to the Commonwealth Parliament's House Standing Committee on Indigenous Affairs' inquiry into opportunities for employment and economic development for Indigenous Australians.
2. This submission provides an overview of Barang's initiatives to support Aboriginal economic empowerment and makes several recommendations, namely that the Australian Government:
  - i) Build on its commitment to *Joint Decision Making (JDM)* with Indigenous communities for funding of initiatives and programs under the *Indigenous Advancement Strategy (IAS)* by
    - a. committing to institute JDM or similar processes for all Commonwealth funding in partnership with Indigenous communities, with funding that supports Indigenous employment programs and opportunities to be one of the initial priority areas, and
    - b. seeking a commitment, through National Cabinet or similar processes, from all State and Territory governments to implement JDM or similar processes.
  - ii) Support efforts to build, integrate and enable access to regional datasets on Indigenous economic participation and socio-economic outcomes, in order to help identify and better target policies to support Aboriginal economic advancement, including by
    - a. incorporating Indigenous identifiers (flags) in all key economic data sets and on the Australian Business Register, and standardising the definitions for these identifiers,
    - b. supporting survey work to better understand economic flows and socio-economic outcomes in Aboriginal economies, with pilots in regions like the NSW Central Coast, and
    - c. supporting the establishment of an Indigenous data Integrating Authority.
  - iii) Invest, working with state governments as relevant, in Aboriginal workforce capacity in the community sector, by



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- a. ensuring funding for Aboriginal community-controlled organisations (ACCOs) is sufficient to allow them to offer remuneration packages equivalent to those offered by larger, non-Indigenous service providers in the sector, and
  - b. partnering with ACCOs to co-design and implement Aboriginal cadetship and traineeship programs to provide pathways for Aboriginal people to gain vocational qualifications and employment in the community sector.
- iv) Further strengthen the Indigenous Procurement Policy (IPP), by
- a. requiring Commonwealth buyers to consult Aboriginal regional representative bodies in their efforts to identify Indigenous businesses capable of fulfilling contracts under the 'mandatory set-aside' (MSA) threshold (currently \$200,000),
  - b. raising the MSA threshold under which Indigenous businesses and organisations are given first opportunity to secure contracts – either generally (noting it could be aligned with NSW's \$250,000 threshold as an initial step) or specifically for contracts for the provision of goods and services to Aboriginal people,
  - c. establishing, potentially in conjunction with NSW and other State and Territory governments, a secondment program to build the capacity of ACCOs and businesses to ensure they are able to participate effectively in tender processes and to aid compliance with other government policies, and
  - d. requiring more detailed recording and reporting requirements, in order to be able to more accurately assess the impact of the IPP by region and on employment.

### The NSW Central Coast Aboriginal Community

3. The Central Coast of New South Wales is home to one of Australia's largest, youngest and fastest growing populations of Aboriginal people (Figure 1). At the 2016 Census, the Central Coast region was home to an Aboriginal population of 12,485 people, or 3.8% of the region's total population. The population is currently estimated to be significantly larger. One of the defining features of the Aboriginal population is the low median age, with 56% of the population surveyed in the last census under the age of 24.
4. The Central Coast region is home to the Darkinyung Aboriginal nation. The Central Coast Aboriginal community is diverse and inclusive: First Nation peoples from across Australia live on Darkinjung Country. The Darkinjung (Central Coast) region is bound by the Pacific Ocean to the east, the Hawkesbury River to the south, the Watagan Mountains to the



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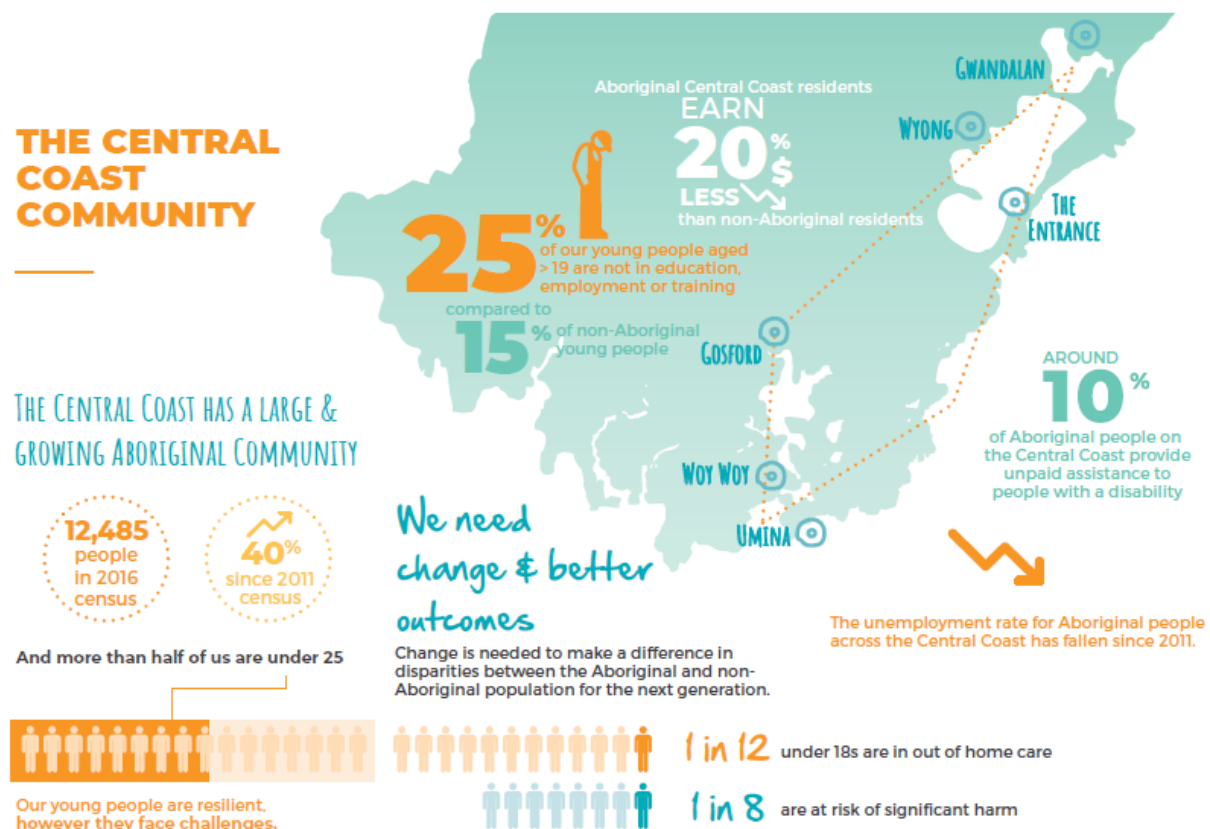
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west and the southern end of Lake Macquarie to the north. It has one of the highest densities of culturally significant sites in Australia, with over 7,000 registered sites.

Figure 1: The Central Coast Aboriginal Community



5. The unemployment rate for Aboriginal people across the Central Coast fell between 2011 and 2016. However, at 13.9%, it remains significantly higher than the unemployment rate for the non-Indigenous population (6.5%). Aboriginal Central Coast residents earn 20% less on average than non-Aboriginal residents.
6. 25% of Aboriginal youth in the 20-24 age group are not engaged in employment, education, or training. The unemployment rate for young Aboriginal people is as high as 39% in some areas on the Central Coast. The Aboriginal population in the 20-24 years bracket is 23% smaller than the 15-19 years bracket, which is indicative of a mobile population leaving the Central Coast to seek employment upon finishing school. Sustained population growth and limited employment and training options contribute to the vulnerability of our young people.



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### Barang Regional Alliance

7. Barang Regional Alliance ('Barang') is a representative body created in 2013 to support the empowerment of Aboriginal and Torres Strait Islander people on the NSW Central Coast. Barang – meaning 'tomorrow' in Darkinyung language – was established in 2013, grew out of the *Empowered Communities* (EC) initiative, and was chosen by the NSW Government as one of seven initial regions for *Local Decision-Making* (LDM). Barang is one of only a few organisations implementing both the Commonwealth-supported
8. and NSW's *LDM* Aboriginal reform initiatives. Barang is comprised of the following Aboriginal Controlled Organisations:
  - Bara Barang Corporation
  - Gudjagang Ngara Li-dhi Aboriginal Corporation (GNL)
  - Mingaletta Aboriginal Corporation
  - NAISDA Dance College
  - Yerin Eleanor Duncan Aboriginal Health Centre
  - Ngaimpe Aboriginal Corporation (The Glen Centre)
9. Barang advocates Aboriginal community-led decision-making and works in partnership with all levels of government to deliver its regional development priorities, namely:
  - Right to cultural learning – culturally-safe services delivered at Aboriginal community hubs
  - Regional Aboriginal Data Network – to inform data-driven decision-making & service delivery
  - Mental health – increased resourcing for culturally-appropriate mental health services
  - Economic pathways – improving education, job and business opportunities for Aboriginal people
  - Youth leadership & school transitions – career pathways for Aboriginal youth
  - Aligning government funding to community needs
10. Barang is one of 10 regions participating in the national *Empowered Communities* reform initiative, with the support of the Australian Government. At the state government level, Barang is negotiating an Accord with the NSW Government under its LDM initiative, which aims to improve service design and delivery for Aboriginal people and communities in the region. The focus of our engagement with governments is to:
  - co-design and tailor programs and services to address community priorities,





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- hold service providers accountable and re-direct government funding through *Joint Decision Making* processes to ensure programs and initiatives meet Aboriginal community needs;
- enable regional investments informed by community voice (surveys) and high-quality data, and
- foster coordination and collaboration in service delivery.

#### Targeting government funding to maximise Productivity outcomes through Joint Decision Making

11. The Empowered Communities Design Report (2015) identified a number of systemic policy issues that continue to undermine funding productivity and mitigate against closing the gap on Indigenous disparity. They include:

- Expenditure without outcomes.
- An almost entirely supply driven approach, with decisions made far away from the regions and with little or no demand side input from Indigenous people.
- A large industry with vested interests servicing Indigenous dysfunction and disadvantage.

Too much red tape and layers of bureaucracy before funding hits the ground.

- An ongoing lack of transparency and cohesion around expenditure in regions and communities that prevents good investment decisions from being made.

It is Empowered Communities view that strong partnerships with government enabling access to the data and information that regions need to build and implement Regional Planning as well as share decision making with government will support to systemic change over time.

12. *Joint Decision Making (JDM)* is being utilised across Empowered Communities regions to bring community into funding decisions about programs and services, which have an impact on them. This means governments and service providers are required to cede





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decision-making power to community and play the role of 'enabler' in supporting the community to realise their vision.

13. Empowered Communities have had in excess of \$40m go across regional (10) Joint Decision Making tables Barang has participated but limited IAS grants in the region reduces the opportunities for Barang to develop a broader investment plan without additional funding streams from both Commonwealth and State government being made available for Joint Decision Making purposes.

13. Barang convened a Community Panel to assess whether proposed programs and initiatives are aligned to our community's needs. Effective September 2018, NIAA agreed that all regional applications to the following IAS funding streams on the Central Coast would be assessed using this JDM process:

- Jobs, Land and Economy
- Children and Schooling
- Safety and Wellbeing
- Culture and Capability.

14. Government-funded initiatives and services will deliver better outcomes for Indigenous communities if they are designed, [delivered] and evaluated in partnership with those communities. This partnership, *Joint Decision Making* (JDM), works because it:

- is a community-driven decision-making process that strives to identify and reward programs and service providers which build long-term, sustainable community empowerment
- brings the government and community together to co-design and tailor place-based programs and services to address community priorities
- supports government funded Indigenous and non-Indigenous organisations to align their activities to community priorities, and re-directs government investments if those organisations do not deliver.

15.



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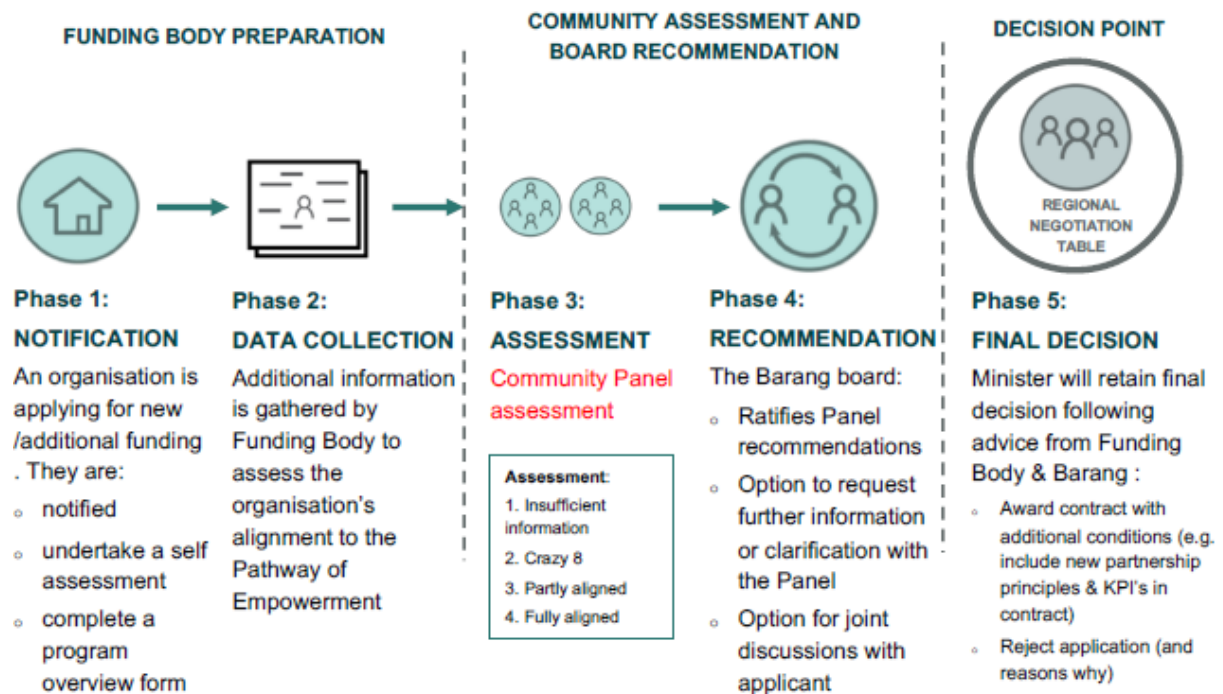
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16. Further, a large proportion of Commonwealth and NSW-funded services and initiatives intended for the Central Coast Aboriginal community are not funded under the IAS. Barang is working with the NIAA to extend JDM beyond funding applications under the IAS to other Commonwealth funding streams such as education, health and social services.
17. It is evident from Empowered Communities experience that programs that support Aboriginal employment and business opportunities could be co-designed, tailored and evaluated effectively through JDM processes.

18. Barang recommends that the Australian Government:

- commit to *JDM* processes in partnership with Aboriginal communities, to administer all Commonwealth funding, including that which supports Indigenous employment programs and opportunities, through
- seek a commitment, through National Cabinet or similar processes, from NSW and other state governments to implement JDM processes on relevant funding streams.



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### **Building, integrating and accessing regional datasets on Indigenous economic participation**

19. Barang notes the Committee's interest in integrating data sets to gain a better appreciation of the effectiveness of Indigenous employment programs, and the work of the ABS and NIAA in this regard.<sup>1</sup> High-quality data about employment, economic and social indicators and outcomes in regional Aboriginal communities is essential to inform decision-making and service delivery, to assess the effectiveness of existing government employment programs and opportunities to build upon effective initiatives.
20. A lack of data on Indigenous economic participation has been identified as a key deficiency in the Closing the Gap framework.<sup>2</sup> The data challenge is acknowledged by government, but solutions have not yet been implemented. Reports by PwC and Westpac highlight that the Indigenous business sector (enterprises, trusts and the self-employed) is growing rapidly (albeit off a low base) and makes a significant social contribution. Indigenous businesses are more likely to employ Indigenous people, in turn reducing the employment gap, welfare dependency, and reliance on subsidies such as housing assistance<sup>3</sup>. However, given data limitations, estimates of Indigenous Australia's contribution to GDP and to Gross State Product (GSP) are imprecise. More problematic still, we are unable to accurately determine the contribution of First Nations peoples to Gross Regional Product (GRP) of the NSW Central Coast or of the other regions in which they live.
21. Processes for the collection of data on Aboriginal businesses and people need to be improved, and to focus in on the regional economies in which Aboriginal communities are concentrated. The national accounts, other economic statistical collections, and the Australian Business Register (Figure 3) should include Indigenous identifiers ('flags'), and the definitions for these flags needed to be standardised across datasets, so that insights can be gleaned when datasets are integrated. Australia should also learn from New Zealand, Canada and the US, which undertake annual surveys of First Nations businesses.

*Figure 3: Counting Aboriginal Businesses and the Australian Business Register*

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<sup>1</sup> NIAA (2020), *Response to Questions Taken on Notice at Public Hearing on 5 March 2020*, Supplementary Submission (8.1) to the House of Representatives Standing Committee on Indigenous Affairs Inquiry into Pathways and Participation Opportunities for Indigenous Australians in Employment and Business.

<sup>2</sup> [https://mbspgh.unimelb.edu.au/\\_\\_data/assets/pdf\\_file/0011/3070487/NIDN-2019-03-08-Indigenous-Data-Network-Roadmap-190301A.pdf](https://mbspgh.unimelb.edu.au/__data/assets/pdf_file/0011/3070487/NIDN-2019-03-08-Indigenous-Data-Network-Roadmap-190301A.pdf)

<sup>3</sup> PwC (2018), *The contribution of the Indigenous business sector to Australia's economy*, April 2018.;

Westpac (2014), *Enabling Prosperity: Success Factors for Indigenous economic development*, November 2014.



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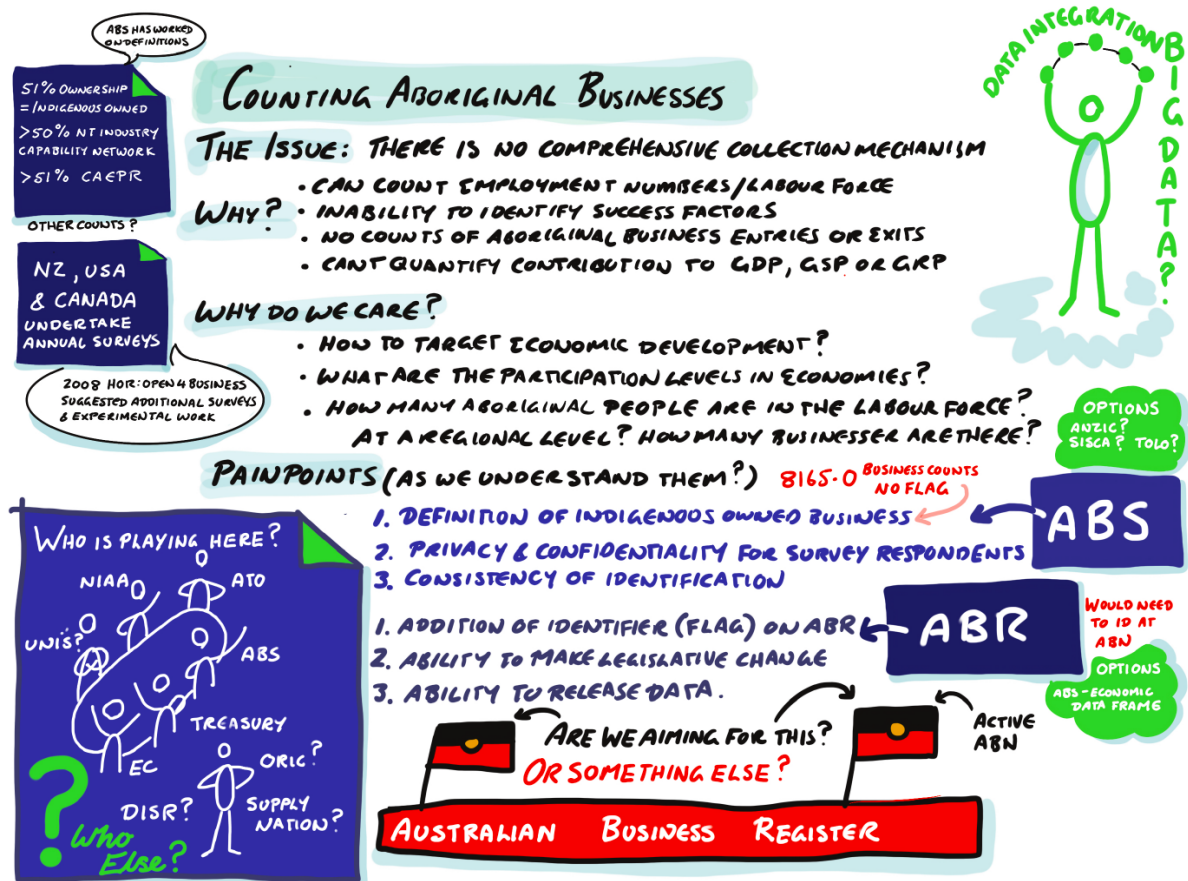
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22. Survey data is needed to better understand economic flows in regional Aboriginal economies, and the economic and social contribution of Aboriginal people in those regions. Surveys could be piloted in *Empowered Communities* regions, potentially in partnership with governments and the research and university sectors. This would help governments model economic leakage from communities and facilitate the development of strategies to build Aboriginal businesses to fill gaps and break into established markets. The basic tenant behind this is promoting the cycling of economies at the regional level. Studies have shown money spent in community on community businesses has a larger and longer impact<sup>4</sup>.

23. Survey data could provide an evidence base which could then underpin the development of multi-generation strategies to alleviate economic disparity. Approaches such as these are being developed in NZ and in the USA with Maori and First Nations people. The NSW Central Coast region is an ideal candidate for survey work in Australia. It boasts a large,

<sup>4</sup> See, for example: Hoffer and Shuman (2007), *Leakage Analysis of the Martha's Vineyard Economy: Increasing Prosperity through Greater Self-Reliance*. Martha's Vineyard Commission, August 2007



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young and fast-growing Aboriginal community in the state which contributes the most (in terms of GSP) to Australia's GDP.

24. Aboriginal community organisations have consistently expressed concern about the quality and accuracy of data regarding the Central Coast Aboriginal community. In response, Barang initiated the establishment of the Central Coast Aboriginal Data Network, *Nginyang Wayama* ('We All Tell' in Darkinyung language) – with the support of the ABS, AIHW, the University of Melbourne's Indigenous Data Network, the University of Newcastle's Wollotuka Institute, Empowered Communities Central Team, Jawun, Bara Barang, GNL, Mingaletta, NAISDA Dance College, Yerin Eleanor Duncan Aboriginal Health Centre and The Glen Centre.
25. *Nginyang Wayama* is supporting Aboriginal community-controlled organisations (ACCOs) on the Central Coast to collect and use data, and to establish a regional baseline data set by collating existing data, identifying gaps, and developing local collection mechanisms. Barang is in its fourth year of in-community data collection, deploying social research methodologies to ascertain and observe changes in community priorities. The work informed Barang's youth strategy. A team of Aboriginal youth leaders have been trained as data collectors.
26. An effective mechanism is also needed to enable data sets containing data on Aboriginal people to be linked ('integrated') and for Indigenous organisations to be able to access this data. The data sets containing such data are dispersed across Commonwealth, State and Territory agencies and the research sector, far removed from the Aboriginal people who this data describes. The mechanism should enable Aboriginal organisations to access the data, including for integration purposes. We need to avoid a situation in which Indigenous organisations are required to pay to retrieve data on Aboriginal people from government agencies before even commencing data integration.
27. The Australian Government could support the establishment of an Indigenous data Integrating Authority to facilitate both the integration of data sets on Aboriginal and Torres Strait Islander peoples, and the use of this data by Aboriginal organisations and governments. Such a mechanism would help realise Indigenous data sovereignty. Recognising it would take time to establish a new Authority and build Indigenous capacity, an existing accredited Integrating Authority<sup>5</sup> – such as the ABS – could be resourced to perform this role as an interim measure.

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<sup>5</sup> [https://toolkit.data.gov.au/Data\\_Integration\\_-\\_Accredited\\_Integrating\\_Authorities.html](https://toolkit.data.gov.au/Data_Integration_-_Accredited_Integrating_Authorities.html)





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28. With access to better and integrated data on socio-economic outcomes in regional Aboriginal communities will governments and Aboriginal communities would be able to assess the effectiveness of funding that supports Aboriginal community, identify the initiatives that most effectively to support Aboriginal economic advancement and better target policies. Barang therefore recommends the Australian Government:

- (i) commit to incorporating Indigenous identifiers (flags) in all key economic data sets and on the Australian Business Register, and to standardising the definitions for these identifiers across datasets;
- (ii) supports survey work to better understand economic flows in regional Aboriginal economies, and socio-economic outcomes in those regions, with pilots in regions such as the NSW Central Coast;
- (iii) support the establishment of an Indigenous data Integrating Authority, as well as interim arrangements to facilitate the integration of Aboriginal data and access to that data.

#### **Building sustainable Aboriginal workforce capacity in the community sector**

29. Barang acknowledges the efforts of the Commonwealth and NSW governments to expand Indigenous employment opportunities in the public service and increase the representation of Indigenous employees in senior public service roles. These efforts should be continued and expanded – including to ensure Aboriginal and Torres Strait Islander representation in government that is commensurate with its share of the national population.

30. However, initiatives and programs are unlikely to meaningfully reduce Indigenous unemployment. While welcome, they primarily provide opportunities for the highly educated and highly mobile in our community. For example, ACCOs such as Barang and its opt-in organisations, are often a stepping-stone for highly qualified Aboriginal people into higher-paid roles in the federal and state public services.

31. The Commonwealth and NSW governments should partner with ACCOs to build Aboriginal workforce capacity in the community sector. A considerable opportunity exists to expand employment opportunities for Aboriginal people in the community sector. ACCOs and businesses are often the most appropriate and effective organisations in providing culturally-appropriate services to Aboriginal people – including in the health, aged care, out of home care, education and vocational training sectors. ACCOs are already large



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employers of Aboriginal people and are uniquely placed to support their professional development.

32. Any such investment Aboriginal workforce capacity in the community sector needs to address the disparity in remuneration package that ACCOs can offer, versus larger non-Indigenous organisations in that sector. ACCOs often struggle to retain staff – in large part due to their inability to offer packages comparable to larger, non-Indigenous organisations in the sector that can leverage economies of scale (for example in engaging salary packaging providers). Increased government funding is needed to ensure Aboriginal community-controlled organisations can offer packages comparable to those outside the sector.
33. Governments could also fund the establishment of Indigenous cadetship and traineeship programs in the community sector, supporting Aboriginal people to obtain relevant vocational qualifications and to gain work experience. APS-wide and agency-specific traineeship, cadetship and internship programs provide valuable pathways for high-performing Aboriginal school-leavers to undertake further education as part of their employment and to build careers in the Commonwealth public service. Similar pathways could be established in the community sector.
34. Such investments would also support Aboriginal employment in areas of job growth in the broader Australian community: as the NSW Aboriginal Land Council's submission to this inquiry highlights, health care and the aged and disability sectors are expected to grow by 16% and 47% nationally over the next five years.
35. Barang therefore recommends that the Australian Government, working with NSW and other state and territory governments, invest in Aboriginal workforce capacity in the community sector, by:
  - (i) ensuring funding for ACCOs that provide community services is sufficient to allow them to offer remuneration equivalent to those offered by larger, non-Indigenous providers, and
  - (ii) partnering with ACCOs to co-design and implement Aboriginal cadetship and traineeship programs to provide opportunities for Aboriginal people to gain vocational qualifications and employment pathways in the community sector.





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### Improving access to procurement opportunities for Indigenous SMEs

36. Barang acknowledges the efforts of the Commonwealth and NSW governments to increase drive increased procurement from Indigenous SMEs by both governments and businesses, including through the Commonwealth's' Indigenous Procurement Policy (IPP), NSW's Aboriginal Procurement Policy (APP) and *Supply Nation*.
37. The IPP (for contracts between \$80,000 and \$200,000) and the APP (for contracts below \$250,000) require government agencies/buyers to give Indigenous businesses first consideration – the opportunity to demonstrate that they can deliver the goods or services on a value for money basis before approaching the open market. Above these contract thresholds, government buyers are required to follow ordinary procurement processes.
38. The minimum requirement to satisfy this 'mandatory set-aside requirement' under the IPP is for the Commonwealth buyer to search *Supply Nation*'s Indigenous Business Direct to identify prospective Indigenous SMEs, and then determine whether the Indigenous SME offers value for money. Barang supports strengthening the minimum requirement. While the number of businesses registered on *Supply Nation* is growing, it does not represent a comprehensive database of Indigenous businesses. Moreover, while *Supply Nation* has the functionality to allow for searches in particular locations, it does not afford procuring officers the benefit of local or regional knowledge of the market. Procuring officers could draw on regional knowledge and regional Indigenous governance structures to identify additional prospective Indigenous suppliers.
39. The minimum requirement could be strengthened by requiring procuring officers to also check with the relevant, Commonwealth-recognised *Empowered Communities* regional backbone organisation(s) and the relevant *Local Decision-Making* regional organisation(s) (or the equivalents in other States and Territories) in the region or regions in which the Commonwealth is seeking to deliver goods and/or services (Barang is one of the ten EC regional backbone organisations, and one of the seven LDM regional organisations). This additional check would help the Commonwealth identify additional prospective Indigenous suppliers and provide a further mitigation against 'black cladding'<sup>6</sup>. Procuring officers could also check with state-based Indigenous chambers, such as the *NSW Indigenous Chamber of Commerce*.
40. Many contracts, including for the provision of services to regional Aboriginal communities, are above the \$200,000 mandatory set-aside threshold under the IPP (and the \$250,000

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<sup>6</sup> <https://supplynation.org.au/about-us/black-cladding/>



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threshold under NSW's APP). ACCOs and businesses are often the most appropriate and effective organisations in providing culturally-appropriate services to Aboriginal people – including in the health, aged care, out of home care, education and vocational training sectors. Raising the mandatory set-aside threshold could have a significant impact in supporting the growth of these organisations and businesses, which in turn supports Indigenous employment (see paragraph 17). The threshold could be raised generally (as an initial step, the upper Commonwealth threshold could be aligned to that under the NSW APP) or particularly for procurement contracts for the provision of goods and services to Aboriginal people.

41. A large proportion of Aboriginal community-controlled corporations and businesses are micro SMEs, with small staffing profiles. This can inhibit their ability to participate in limited or ordinary (full) tenders effectively. They are often competing for these contracts with much larger non-Indigenous businesses, which have greater experience and capacity to fulfil tenders effectively. ACCOs and businesses would benefit from government programs that increase their capacity to participate in these tenders.
42. Secondments of federal and state government officials familiar with tender processes could help small Indigenous ACCOs and businesses to participate effectively in government tenders, levelling the playing field with larger non-Indigenous organisations. The secondments would be place- and project-based, could be flexible (for example, part time). Care would need to be taken to avoid conflicts of interest (for example, the secondees could not be involved in decisions on the tender). The secondment program could also address other, targeted areas of need unrelated to procurement, such as seconding policy officers to assist ACCOs in developing compliance policies and procedures.
43. The program may also be of benefit to governments involved, whose officials would develop first-hand experience of complying with government policies and may identify opportunities to streamline and cut red tape for Indigenous and non-Indigenous SMEs in the process. It would have a narrower focus than the Jawun secondment program, which Barang values.
44. The IPP is creating opportunities for Indigenous businesses to grow. The reporting requirements – on both procuring agencies and on those suppliers awarded procurement contracts over \$7.5m that are subject to 'mandatory minimum requirements for Indigenous participation' (MMRs) – are not sufficiently detailed to assess the regional impacts, including on employment. For example, for non-remote procurements between \$80,000 and \$20,000, the IPP only requires the NIAA to report biannually on the total of



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contracts awarded to Indigenous enterprises versus the total number reported on Austender<sup>7</sup>. A breakdown of procurements by sector, of the types of jobs Indigenous employees are filling under MMRs (e.g. entry level versus management) and of whether they are from the region(s) in which contract is being delivered would aid assessments of the benefits of the IPP.

45. Barang recommends that the Australian Government should further strengthen the IPP, by:

- (i) requiring procuring officers, in their efforts to identify Indigenous businesses capable of fulfilling contracts under the 'mandatory set-aside' (MSA) threshold (currently \$200,000), to consult Aboriginal regional representative bodies in the regions in which the goods and services are to be delivered;
- (ii) raising the MSA threshold under which Indigenous businesses and organisations are given first opportunity to secure procurement contracts, either generally (noting it could be aligned with NSW's \$250,000 threshold as an initial step) or specifically for contracts for the provision of goods and services to Aboriginal people;
- (iii) establishing, potentially in conjunction with NSW and other State and Territory governments, a secondment program to build the capacity of ACCOs and businesses to ensure they are able to participate effectively in tender processes and to aid compliance with other government policies and procedures, and;
- (iv) requiring more detailed recording and reporting requirements for contracts to assess regional and employment impacts – including a breakdown of procurements by sector, of the types of jobs Indigenous employees are filling under MMRs (e.g. entry level versus management) and of whether they are from the region(s) in which contract is being delivered.

<sup>7</sup> NIAA (2020), [Indigenous Procurement Policy](#), p. 28.



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## Conclusion

Barang Regional Alliance Ltd (Barang) has been the backbone organisation for both Empowered Communities (supported by the Commonwealth) and Local Decision Making (supported by NSW Government) since 2017. Now, it is the only Empowered Communities region to have formal Commonwealth and State Government support, with the understanding that both governments should work together with Indigenous leaders in the region.

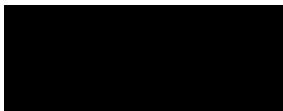
There are significant opportunities in having both governments 'signed up' as envisioned in the Empowered Communities design framework. The challenge is in 'harmonising' all of the partners, capitalising on what each can contribute and the learnings from that.

A consistent approach is required to regional investment that is actively supported by government at all levels. Having the relevant State Government as well as Commonwealth (NIAA) representatives at the formal (Accord) NSW Local Decision Making meetings has been extremely useful in ensuring that Commonwealth and State investment is not duplicated and is directed to clear areas of community need.

Trust is an essential ingredient in the partnership, and this takes time to build, both between Indigenous people and government, and between the two levels of government, so that working together becomes the norm.

We welcome the opportunity to meet with representatives of the committee and are happy to discuss this submission further.

Yours Sincerely



Vickie Parry

Executive Director