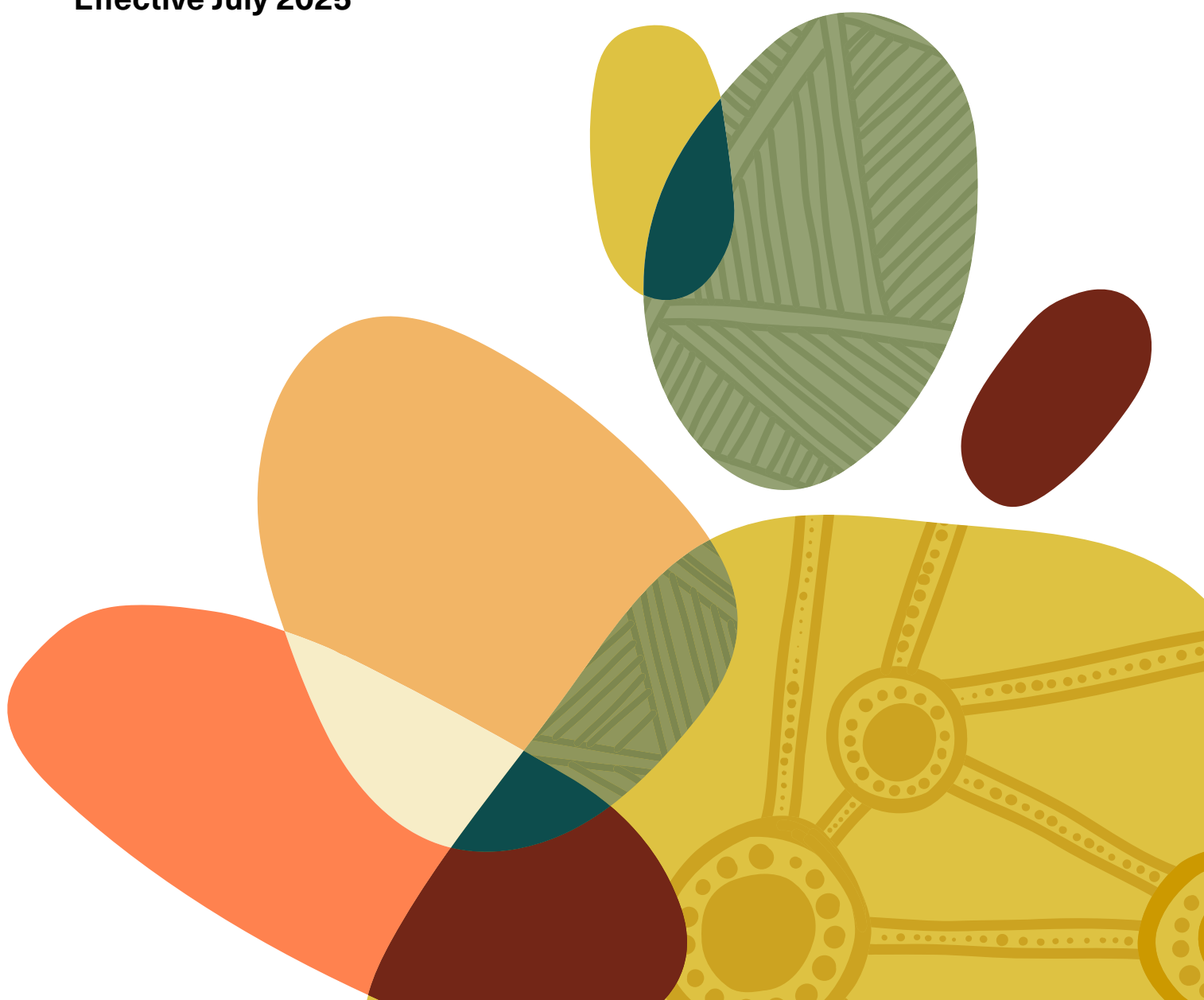


# Aboriginal Procurement Policy

Effective July 2025





## Acknowledgement of Country

*The Department of Finance kadij nidja boodjar, kep wer boola-moort Western Australia kalyakool moondang-ak kaaradj-midi. Ngalak bandang Aboriginal boola-moort wer baalaban kadadjiny wer Birdiya koora wer yeyi koota-djinanginy.*

The Department of Finance acknowledges the traditional custodians throughout Western Australia and their continuing connection to the land, waters and community. We pay our respects to all members of the Aboriginal communities and their cultures, and to Elders both past and present.

### Department of Finance

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**Our Aboriginal brand was developed by Nani Creative in collaboration with Whadjuk Noongar designer Paige Pryor.**

It is an extension of our pebble brand and values, and reflects our commitment to collaboration, community connections, regional presence, moving forward and staff and community.

Scan the QR code to learn more.



# GOVERNMENT OF WESTERN AUSTRALIA

## *Procurement Act 2020*

### **‘Aboriginal Procurement Policy’**

**Purpose<sup>1</sup>:**

To increase contracting opportunities for Aboriginal businesses and Aboriginal Community Controlled Organisations, therefore supporting employment and business opportunities for the Aboriginal community.

### General Procurement Direction: 2025/03

**Scope of Operation and Timing:**

This procurement direction is issued by the Deputy Director General, Advisory Services, as delegate of the Minister for Finance.

This procurement direction is issued to all State agencies and applies on and from 1 July 2025.



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Kate Ingham  
Deputy Director General  
Department of Finance  
as delegate of the Minister for Finance

30 January 2025

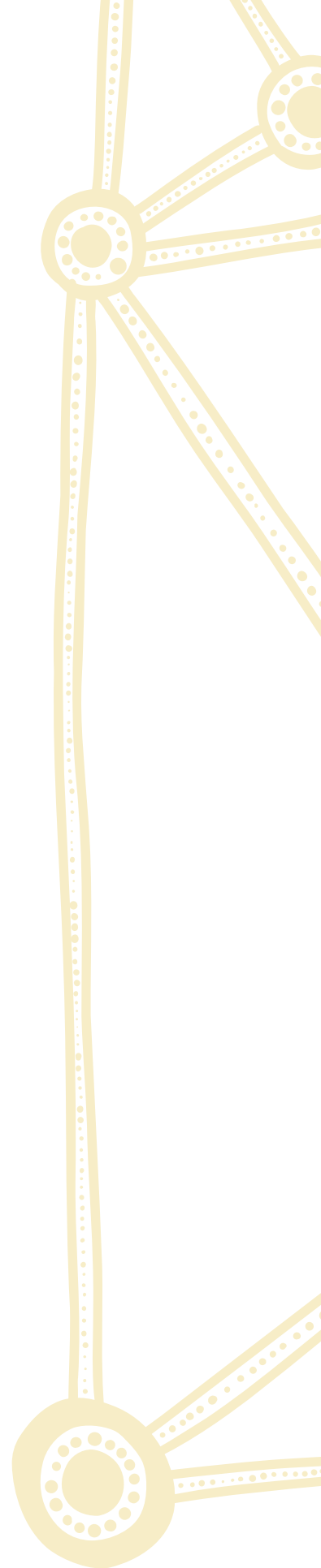
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Date

<sup>1</sup> Purpose: the information under this heading does not form part of the direction.

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# Minister's foreword

The Aboriginal Procurement Policy (APP) continues to drive growth in the Aboriginal business sector, facilitating significant increases in employment and business opportunities for Aboriginal people and communities across Western Australia (WA).

Introduced in 2018, the APP set targets for Government agencies to procure a percentage of their contracts from Aboriginal suppliers. Since the commencement of the policy, the WA Government has exceeded these targets each year.

In 2021, the second iteration of the policy set higher contracting targets and introduced Aboriginal participation requirements to boost the subcontracting of Aboriginal businesses and Aboriginal employment. On 1 December 2023, Aboriginal Controlled Community Organisations (ACCOs) were included in the policy further increasing agencies' opportunity for direct engagement of Aboriginal suppliers.

This third iteration of the APP broadens the policy's success through the introduction of new measures intended to embed social procurement practices that positively impact Aboriginal economic development. The introduction of Agency Aboriginal Procurement Plans supports agencies to review their procurement strategies and processes to ensure their systems encourage participation by Aboriginal suppliers. The Plans will aid agencies to maximise their engagement

with Aboriginal suppliers, consider ways of increasing direct engagement and to overcome barriers to the contracting with Aboriginal businesses wishing to supply to Government.

The APP incorporates modest increases to contracting targets. The new policy signals a shift from a dependence on targets to an outcomes-based approach that focuses on the policy's broader impact. I am pleased to witness the introduction of improved measures to better understand the policy's social impact and to build stronger communications that will help ensure that all agencies are building their capability and networks to contract more Aboriginal suppliers across Western Australia.

The APP develops the pathway to building stronger relationships between government agencies and Aboriginal suppliers to work together to achieve positive economic and social outcomes.

I look forward to witnessing the continued benefits of this policy for years to come.

**Hon. Sue Ellery MLC**  
Minister for Finance

**Date**  
19 December 2024



# Purpose

The Aboriginal Procurement Policy (the Policy) sets:

- Contracting targets for the number of WA Government contracts awarded to **registered Aboriginal businesses** and **Aboriginal Community Controlled Organisations** (ACCOs) for contracts of \$50,000 or more;
- Mandatory Aboriginal participation requirements for certain contracts; and
- The requirements for Agency Aboriginal Procurement Plans.

This Policy seeks to support business and employment opportunities for the Aboriginal community.

# Commencement

The Aboriginal Procurement Policy commenced in 2018.

# Application

Agency contracting targets apply to State agencies only.

Aboriginal participation requirements apply to suppliers only, with State agencies responsible for including the condition in applicable contracts.

# Contracting targets

State agencies (as defined in the Procurement Act 2020, section 5) are required to award a specified percentage of their total contracts to **registered Aboriginal businesses and/or ACCOs** in each financial year. The State agency targets apply to all contracts for goods, services, community services and works.

The responsible State agency for contracts awarded by the Minister for Works is the agency that provides the majority of the funding.

Targets will apply to each financial year as per the table below.

Financial year	Target
2024–25	4 per cent of the number of awarded contracts
2025–26	4.5 per cent of the number of awarded contracts
From 2026–27	5 per cent of the number of awarded contracts

The targets will be measured on contracts awarded in each financial year. If the term of a contract extends beyond that financial year, the contract will not be included in the following years.

## Applicable contracts

The following contracting arrangements will meet the requirements of the State agency contracting targets:

- Contracts with **registered Aboriginal businesses and/or ACCOs** where the value is \$50,000 and above (based on the total estimated value, including any extension options and GST)
- Collaborative arrangements, such as joint ventures where the entity is a **registered Aboriginal business or ACCO** (information on collaborative arrangements and joint ventures is provided in the Aboriginal Procurement Policy Agency Practice Guide)
- **Panel arrangements** that include a **registered Aboriginal business and/or ACCO**.

## Agency reporting

Where the awarded contract value is \$50,000 or above, State agencies must publish the contract details on Tenders WA after the successful bidder has been notified.

State agencies are encouraged to provide a supplementary report to the Department of Finance for information purposes that captures contracts awarded to **registered Aboriginal businesses and/or ACCOs** that are valued at less than \$50,000. This contracting information may inform future versions of the Policy.

## Other relevant policies

A State agency must ensure that contracts comply with existing legislation, policies, and internal obligations when meeting the requirements of the Policy.

# Aboriginal Participation Requirements

Suppliers to the WA Government are required to meet an Aboriginal business and/or ACCO subcontracting target or an Aboriginal employment target for certain contracts. The targets outlined below are the minimum requirements – State agencies may choose to set higher targets.

State agencies are required to include Aboriginal participation requirements in applicable contracts advertised on or after 1 January 2022.

## Applicable contracts

Aboriginal participation requirements apply to all contracts, including panel arrangements, with a total estimated contract value of \$5 million and above that are:

1. Delivered in the following industries:

- construction and maintenance
- community and social services
- education and training
- public administration and finance, or

2. Where a contract will be delivered predominantly to Aboriginal people or target the specific needs of Aboriginal people.

Aboriginal Participation Requirements do not apply to **Common Use Arrangements** as the exact volume of products or services is not known at the time of contract award.

See the [Aboriginal Procurement Policy Agency Practice Guide](#) for further details.

## Supplier reporting

Where the Aboriginal participation requirements apply, suppliers must report on Aboriginal business / ACCO subcontracting or Aboriginal employment.

## Aboriginal business / ACCO subcontracting target

The Aboriginal business / ACCO subcontracting target requires suppliers to subcontract a certain percentage of the total contract value to **registered Aboriginal business(es) and/or ACCO(s)**.

Supplier performance against the target will be monitored throughout the contract. Compliance with the target will be measured at the expiry of the contract as per the table below.

Financial year	Target
2024–25	4 per cent of the total contract value
2025–26	4.5 per cent of the total contract value
From 2026–27	5 per cent of the total contract value

Only packages of work awarded to subcontractors contracted directly by the supplier will count towards the target.

## Aboriginal employment targets

The Aboriginal employment target requires suppliers to engage a minimum number of **Aboriginal persons** for the duration of the contract, calculated as a percentage of the total number of persons employed on the contract for its duration.

Supplier performance against the target will be monitored throughout the contract. Compliance will be measured in each year of contract delivery (on the anniversary of contract commencement).

Targets vary depending on the contract delivery location as per the table below.

Regions (contract delivery location(s))	Target
Perth metropolitan area, South West, Great Southern, Peel, Wheatbelt and all state-wide contracts	2 per cent of the total number of persons employed on the contract
Gascoyne, Mid West and Goldfields-Esperance	5 per cent of the total number of persons employed on the contract
Pilbara and Kimberley	10 per cent of the total number of persons employed on the contract

Where a contract will be delivered across multiple regions, the lowest applicable target will apply.

# Agency Aboriginal Procurement Plans

State agencies are required to develop an Agency Aboriginal Procurement Plan which aligns with its Reconciliation Action Plan (RAP), where a RAP exists.

Agencies will develop Agency Aboriginal Procurement Plans alongside the Strategic Forward Procurement Plans (SFPP) and submit to the Department of Finance annually as part of the SFPP submission process. The agency's Accountable Authority is required to endorse and approve the Agency Aboriginal Procurement Plan before submitting to the Department of Finance.

The Agency Aboriginal Procurement Plans must include, at a minimum:

- A principled approach to working with Aboriginal people and businesses,
- Specific measures to increase contracting opportunities for Aboriginal businesses based on the agency's procurement requirements, and
- Specific measures to increase subcontracting opportunities for Aboriginal businesses and employment opportunities for Aboriginal people as required for applicable contracts under the Aboriginal Participation Requirements.

Further guidance and templates for drafting Agency Aboriginal Procurement Plans is available at [WA.gov.au](https://www.wa.gov.au).

# Accountability

The Department of Finance is responsible for:

- administering the Policy and guidelines
- providing advice to State agencies in achieving targets set by the Policy
- providing advice to industry on meeting Aboriginal participation requirements
- providing advice to the Aboriginal business sector on working with government
- monitoring the achievement of targets
- reporting the achievement of targets to the Minister, and
- reporting the achievement of targets on [WA.gov.au](http://WA.gov.au) annually.

A State agency is responsible for:

- complying with the Policy
- complying with reporting contracts with **registered Aboriginal businesses and/or ACCOs** on the Tenders WA website
- ensuring Aboriginal Participation Requirements are included in applicable contracts.
- Completing Agency Aboriginal Procurement Plans

Suppliers are responsible for:

- meeting Aboriginal participation requirements as set out in individual contracts
- reporting information on Aboriginal business / ACCO subcontracting and Aboriginal employment.

## Policy support

For information on how to meet the requirements of this Policy, please refer to the suite of Aboriginal Procurement Policy guides for State agencies, Aboriginal suppliers, and Aboriginal Participation on [WA.gov.au](http://WA.gov.au).

The Department of Finance Social Procurement team is also able to provide information and advice. Email Social Procurement at [socialprocurement@finance.wa.gov.au](mailto:socialprocurement@finance.wa.gov.au).

# Defined terms

**Aboriginal persons** means a person who is of Aboriginal or Torres Strait Islander descent, who identifies as such and is accepted as such by the community in which they live or have lived.

**ACCO** means an Aboriginal Community Controlled Organisation as defined under the [Delivering Community Services in Partnership Policy](#).

**Common Use Arrangement (CUA)** means a whole-of-government standing offer arrangement, awarded to a single supplier or a panel of suppliers for the provision of specific products or services commonly used within government.

**Panel arrangement** means a standing offer arrangement that is only accessible to a single agency, awarded to a panel of suppliers for the provision of specific products or services required by the agency.

**Persons employed on the contract** includes full-time, part-time, casual employees, apprentices and trainees, employees engaged through labour hire arrangements and other employer-supported employment initiatives such as cadetships and internships, that are directly involved in the delivery of the contract. This includes persons employed by the head contractor, subcontractor and suppliers.

**Registered Aboriginal business** means a business that is registered on either the [Aboriginal Business Directory WA](#) or [Supply Nation's Indigenous Business Direct](#).

**Standing offer** means a competitively tendered agreement that is used when a State agency has an ongoing, repetitive requirement for a product and/or service, but the exact volume of products or services is not known.