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### Part of the process: the role of consultation and collaboration in the development of the Aboriginal Procurement Policy in Western Australia

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**Keywords:** Public policy, policy consultation, policy collaboration, decision making, social procurement, Indigenous outcomes, Indigenous policy, Indigenous employment

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#### Abstract

As part of its commitment to *Closing the Gap*, and after the successful implementation of the federal government's Indigenous Procurement Policy in 2015, the Western Australian (WA) Government announced the Aboriginal Procurement Policy (the Policy), partly with the aim to improve employment outcomes for Indigenous people. In 2017, WA's Department of Finance were in a bind. It knew that including Indigenous people in policy development was crucial but doing so meant it had to overcome several challenges. The Department had various policy parameters, including fulfilling the newly elected first-term government's election promise within a short time frame. But it understood that to achieve policy success, buy-in was critical from the key stakeholders. These key stakeholders were identified as the Aboriginal business sector<sup>1</sup> and WA government agencies. The Department faced entrenched distrust with the government from the Aboriginal business sector, and a reluctance to change procurement practices within government agencies. It identified that a consultation and collaboration process, which was both culturally sensitive to Indigenous needs and included areas for stakeholder input into the development of the Policy, was critical to achieve buy-in from these stakeholders and for the success of the Policy. However, to employ this process, the Department needed to determine, from the stakeholder groups, whose voices

<sup>1</sup> Note that the Department of Finance refer to this sector as the Aboriginal business sector. All other references to Aboriginal and Torres Strait Islander people will be referred to as Indigenous people.

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were needed in the consultation process, how the consultation should take place, and at what point in the development of the policy it should occur.

### **Key Lessons**

The case study demonstrates the benefit of genuine stakeholder consultation and collaboration throughout the policy development, implementation and evaluation processes. The key lesson from the case study is that for certain policies or under specific conditions – in this instance a policy that seeks to address an issue within a marginalised group - genuine consultation and collaboration with stakeholders is critical to the whole policy process and for the lifespan of the policy. For the Aboriginal Procurement Policy stakeholder consultation and collaboration was not a one-off activity, it was considered and incorporated, where feasible, throughout the policy cycle.

### **Closing the Gap: Empowering Indigenous People and Enhancing Employment Opportunities**

In the lead up to the 2017 WA state election, Indigenous issues were in the spotlight. With reports into Indigenous deaths in custody, increased suicide rates, and proposed cuts to funding for remote communities, improving outcomes for Indigenous people was an area the Labor Party focussed on in its election platform (Bamford, 2016, n.p.; Wahlquist, 2016a, n.p.; Wahlquist, 2016b, n.p.).

In March 2017 the McGowan Labor government was elected. With this came a commitment to improve employment outcomes for Indigenous Western Australians, with employment often seen as key in overcoming disadvantage and improving outcomes (Wilson, et al., 2019, p. 154). The Hon. Ben Wyatt MLA was appointed the first Aboriginal Treasurer for WA - and for any Australian state or territory - he was also the Minister for Finance and Aboriginal Affairs. Minister Wyatt said that there are expectations and responsibilities when you are a 'first' – there is not only a responsibility to the electorate, but to the broader Indigenous community (Webster, 2017, n.p.). One of his first actions was to implement the Aboriginal Procurement Policy (the Policy). This was to encourage WA government agencies to contract with Aboriginal businesses.

The problems being addressed were indeed serious. WA had the second highest rate of Indigenous unemployment in the country, behind the Northern Territory, with 22% of Indigenous people aged over 15 years being unemployed (Australian Bureau of Statistics, 2018, n.p.). This was nearly four times the rate of unemployment for non-Indigenous people within the same age range (AIHW, 2019, n.p.). The Indigenous population in WA had a 'young age profile' and was spread across the State, with 62% of the population living in rural and remote areas – reducing access to services and employment opportunities. In addition, health and wellbeing were significantly poorer than non-Indigenous Western Australians, with an increased prevalence of (often preventable) chronic disease, an increased occurrence of mental health issues, and an increased exposure to risk factors, including substance abuse, obesity, inadequate living conditions and family violence. Reduced life expectancy was a result (Department of Health WA, 2015, n.p.). While by no means a panacea, a body of research suggested increased employment as an important avenue to address some of these issues (Webster, 2017, n.p.).

Achieving greater rates of employment required addressing the lack of viable and meaningful employment opportunities for Indigenous people, particularly in regional and remote areas (Jordan, 2018, p. 255). A key focus was improving Aboriginal business through the Procurement Policy to achieve this, partly as Aboriginal businesses were seen as more likely to hire aboriginal staff, but also to improve capacity across the sector. The incorporation of stakeholder voices in the Policy's development was seen as critical to developing and implementing this policy, as this case will examine.

### **The Policy Mandate**

The Labor Party manifesto promised to adopt an Aboriginal Procurement Policy. In a media statement to formally announce the Policy in December 2017, Wyatt noted

The State Government is a major employer, investor, and purchaser of goods and services in Western Australia and it can leverage these roles to create opportunities for contracting with Aboriginal businesses... From July 1, 2018, government departments will be required to award [1%] of contracts to registered Aboriginal businesses, with this target increasing to [2%] on July 1, 2019 and [3%] on July 1, 2020. The targets will apply to all government agencies and government trading enterprises when purchasing goods, services, community services and works. The Department of Finance will work with

stakeholders to facilitate implementation of the policy which will commence early in 2018, with delivery of an education and training program in metropolitan and regional areas across the State (Wyatt, 2017, n.p.).

Prior to this formal announcement, in April 2017 the policy instructions (as outlined above) were provided to WA's Department of Finance (The Department). Melanie Walters<sup>2</sup>, Principal Policy Officer led the Social Procurement Initiatives team (SPI) was tasked with developing the policy.

The Policy mandated a progressive annual target for public sector entities to award a percentage of all contracts (1% in 2018, 2% in 2019 and 3% in 2020) to Aboriginal businesses. Only Indigenous businesses registered on chosen directories, identified by the Department, were eligible for inclusion; in this case Supply Nation and the Aboriginal Business Directory WA - Supply Nation is a non-government organisation and is Australia's largest business directory for Aboriginal and Torres Strait Islander businesses. It works with the Indigenous business sector and procurement teams within the government and private sectors to guide spending towards genuine Indigenous businesses. Supply Nation provides a five-step verification process before Indigenous businesses can appear on its business directory; and the Aboriginal Business Directory WA is a non-government organisation managed by the Chamber of Commerce and Industry WA. For an Indigenous business to be eligible for inclusion in the directory, it must pass a verification process. The directory promotes Indigenous businesses to potential customers (government and non-government).

Previously government agencies awarded around 50 to 65 contracts to Aboriginal businesses annually, with most from only 11 agencies, out of a potential 130.

### ***What was the purpose of the Policy?***

The Policy aimed to reduce Indigenous economic disadvantage through increased government contracting with the Aboriginal business sector. This went beyond just increasing individual employment opportunities – albeit a key part – but particularly focussed on building greater capacity across the Aboriginal business sector. As Minister Wyatt noted, 'the benefit of contracting with Aboriginal businesses can extend beyond the successful delivery of contracts, by not only improving the economic prosperity of those involved in the Aboriginal business but the broader Aboriginal community as a whole' (Wyatt, 2018, n.p.).

### ***What is procurement?***

Government procurement refers to the rules and processes that underpin how the public sector spends money (awards contracts). Social procurement, as a branch of government procurement, is a mechanism that extends the practical value of a contract with a strategic social value (Irving & Staples, 2021, n.p.). For the Policy, this included building the capacity of the Aboriginal business sector and increasing opportunities for meaningful Indigenous employment - Indigenous businesses are 100 times more likely to employ Indigenous people than non-Indigenous businesses (Supply Nation, 2018, p. 2).

As one of the chosen directories, Supply Nation are committed to connecting Indigenous businesses with procurement opportunities. As such it is not surprising that it was supportive of the WA government's policy. Upon its announcement in December 2017, Supply Nation's CEO, Laura Berry, commented

Supply Nation supports the work that is being done to grow the Indigenous business sector across the country. We have seen with the Federal Government's Indigenous Procurement Policy (launched in July 2015), that the setting of measurable and reportable targets opens up opportunities to Aboriginal businesses. We believe that the introduction of this policy in Western Australia is likely to drive significant outcomes for Aboriginal entrepreneurs, their families and communities (Supply Nation, 2017, n.p.).

However, the Centre for Social Impact, a WA-based research institute with a focus on social issues including employment, while broadly supporting the concept of social procurement noted that prioritising contracts to Indigenous businesses who also receive other government subsidies was problematic. It noted a common criticism that 'suppliers are given an unfair advantage if government provides funding *for* them in addition to opening

<sup>2</sup> Unless otherwise cited, all details about the development of the Aboriginal Procurement Policy in this case study are based on an interview with the Principal Policy Officer for the Social Procurement Initiatives team at the Department of Finance WA. Walters, M. (2021, July 13). Personal communication [Video interview].

opportunities for purchasing *from* them' (Burkett, 2010, pp. 70-71). This could produce 'anti-competitiveness' and be perceived as an unfair advantage, contradictory to traditional government procurement practice. Moreover, it underpinned a potential reluctance of government agencies to engage in social procurement due to issues of probity (this involves the morality and integrity of how the government awards contracts) in procurement practices (Burkett, 2010, pp. 70-71).

### ***How were these issues to be managed?***

It was decided that a consultation and collaboration strategy could help navigate stakeholder interests and incorporate them within the framework of the policy. The challenge would be to manage this complex process to ensure better outcomes.

#### **1. Reflection activity**

At this point in the case study, it is a useful exercise to reflect on why there has been limited procurement engagement with Indigenous businesses in WA prior to the implementation of the Policy. What factors can be identified that may have prevented or limited the scope of procurement engagement?

### **The Challenge: Incorporating and Balancing Voices**

To begin its development of the Policy, from April 2017, the SPI team needed to determine how to incorporate and balance the interests of its key stakeholders, in this case, WA government agencies and the Aboriginal business sector. Finding a way to overcome entrenched distrust with the government from the Aboriginal business sector and address broad-based reluctance to change procurement practices within government agencies was needed. WA government agencies are the largest employer within WA. On average, agencies award \$30 billion dollars in contracts annually (Cook, 2021, n.p.). Contracts are awarded within existing procurement regulations – WA procurement rules include that contracts must achieve value for money, and agencies must act ethically with integrity and be accountable. A central role of the Department is supporting government agencies to ensure procurement processes comply with regulations (Department of Finance, 2021, n.p.). Procurement processes can be complex and time consuming for agencies, and they assign resources to ensure these processes are compliant. As a result, agencies can be resistant to changing embedded procurement practices.

A 2017 review of the public sector in WA, *The Service Priority Review*, found agencies can be slow to adapt to new ways of thinking with a 'system-wide culture of risk aversion'. (Government of Western Australia, 2017, pp. 11, 27-28, 117).

The SPI team similarly identified hesitancy within WA government agencies to shift their procurement practices to increase contracting with the Aboriginal business sector. It was identified that agencies were reluctant to award contracts to businesses that did not have a demonstrated history of fulfilling large government contracts. In addition, forcing agencies to change their practices was seen as creating tension between fulfilling their obligations under the Policy and the potential disruption to 'business as usual'. Agencies expressed concern to the SPI team about the Policy creating additional administrative burdens and strain on limited resources. The potential impacts of the policy to internal business practices included training procurement personnel; adapting existing procurement practices to include the Policy; additional reporting requirements on quantity and value of contracts awarded to the Aboriginal business sector; and the active engagement of the Aboriginal business sector to ensure policy targets are met.

The SPI team faced entrenched distrust of the government from the Aboriginal business sector (Education and Health Standing Committee, 2016, p. ii). Once the Policy was assigned to the SPI team, it understood that for the Policy to appeal to the Aboriginal business sector, issues of trust with the government, which may have prevented previous government engagement with the sector, needed addressing. In order to begin repairing the government's relationship with the sector, policy consultation and collaboration was determined as critical for gaining its perspective on the issues that underpinned a lack of trust with the WA government.

### **The Solution: Consultation and Collaboration**

By August 2017 incorporating the voices of key stakeholders was seen as critical. Opportunity for consultation and collaboration with stakeholders in the development of the Policy itself was limited because of the policy mandate.

However, there was significant opportunity for consultation and collaboration in the development of the implementation and evaluation plans, as well as future iterations of the Policy. The aim was to ensure that the development of the implementation and evaluation plans would reflect the input from stakeholders. In addition, it was intended that this would begin to strengthen the relationship between Indigenous businesses and government. There was also a wish to ensure the Policy would not compromise outcomes for the broader WA community. To achieve this balance of interests, it was determined that genuine and customised consultation and collaboration with stakeholders was needed. To achieve this, the SPI team addressed three key questions: whose voices were needed in the consultation process? How should the consultation take place? At what point/s in the development of the policy can/should consultation occur?

## 2. Reflection activity

Imagine you are the Principal Policy Officer at the Department. How would you develop a strategy for addressing the above questions? What are the key factors or considerations that would inform your decision making for consultation and collaboration?

By the start of September 2017 Walters and her team had developed their strategy for policy consultation and collaboration. In preparation, an evidence base for the Policy, implementation and evaluation plans was established. This included a review of the Federal Government's Indigenous Procurement Policy – they identified the importance of minimum reporting targets and the use of Indigenous business registers to validate eligibility for contracting under the policy. They also had discussion with other relevant government agencies including: the Department of the Premier and Cabinet's Aboriginal Policy Unit; the State Solicitors Office; the Public Sector Commission; the WA Aboriginal Advisory Committee; WA Jobs Bill Working Group; (Former) Regional Services Reform Unit; and government policy owners in other jurisdictions.

In mid-September 2017, in the first instance, the SPI team undertook consultation with invited government agencies. As the policy parameters were set by the Government, it invited agencies to consult on the implementation and operational requirements of the Policy. The SPI team scheduled three sessions that targeted the different procurement areas – two sessions for goods and services, ICT, and community services, and one session for works. These sessions consisted of a half-day meeting. Participants were provided with an outline of the Policy and asked a series of questions about alternative implementation and operational options. Given that the Policy was mandatory for agencies, according to Walters the key objective for the sessions was 'taking a proposal (for implementation and reporting) and progressing that to make it a realistic option' for agencies (Walters, 2021, n.p.).

Preparation was key for ensuring a productive consultation session with agencies. As the mandatory policy was a sensitive issue for some agencies, preparation enabled her team to address concerns directly as they arose. This then enabled the SPI team to consult with agencies on their capacity to implement the Policy and understand the administrative burden the implementation of the Policy would cause. They also hoped that this collaborative approach would gain executive buy-in and support from agencies. These sessions enabled agencies to contribute towards the type of procurement supports that the SPI team developed to assist them to implement the Policy, and the inclusion of flexibility in reporting mechanisms.

After the end of September 2017, policy makers took a considerably different approach to consultation with the Aboriginal business sector. There was not much of a pre-existing relationship with the sector and overcoming this was a primary focus of the consultation session. The Aboriginal business sector, broadly, had a low-level of trust and many individuals within the sector held personal grievances towards the government. It was concluded that the team or indeed other members of the Department were not well suited to addressing this issue. Instead, an Indigenous consultancy business, Novelle Consortium, was contracted to design and manage the conversation on behalf of government. As Walters noted, they 'did not want people in the room feeling they had to answer to government' (Walters, 2021, n.p.).

This resulted in a single, planned, half-day consultation session with the Aboriginal business sector. The SPI team used its networks to distribute invitations to businesses, this included the Aboriginal Policy Unit, Indigenous Business Australia and the Western Australian Aboriginal Advisory Committee. It placed an emphasis on ensuring cultural sensitivity in the set-up of the consultation space. Based on the advice of the Indigenous facilitator, this included World Café style round tables to prevent direct eye contact (if desired); all Department staff sat off to the side to avoid the appearance of the sector having to answer to 'government'; the Director of Strategic Advisory Services from the Department provided a personal introduction of herself, not a departmental position-based

introduction; and the Indigenous facilitator ran the session, with Walters and the SPI team available to answer questions as required – they were conscious of not being demanding of the sector. However, it was noted that the most important element of the consultation was allowing the sector to air their grievances about government. Many of these were related to the federal government, yet it was important to *hear* all grievances as many who attended the session didn't distinguish between government entities.

Addressing cultural sensitivities upfront enabled genuine consultation to occur. The half-day session enabled Policy makers to inform Indigenous business on what the Policy meant for them and their aspirations. The facilitator posed a series of questions to businesses including: What do you want government to know about working with your sector? What do you need to know about working with government? What can you do to maximise the opportunities the Policy presents? What support would you like from the Social Procurement Initiatives Team?<sup>3</sup>

Table 1 details the questions that were used as a guide:

| <b>Table 1: Consultation Questions for the Aboriginal Business Sector</b> |   |
|---|---|
| 1   | What do you want government to know about working with your sector?       |
| 2   | What do you need to know about working with government?                   |
| 3   | What can you do to maximise the opportunities the Policy presents?        |
| 4   | What support would you like from the Social Procurement Initiatives Team? |
| 5   | Any thoughts on the approach to a regional education tour?                |

Policy makers also provided a feedback box to enable anonymous feedback from those not comfortable to speak out. It was noted that some of the feedback received was not procurement related. However, it was acknowledged that it was valuable in developing a foundation to build a relationship with the sector and begin establishing trust. The relevant feedback gained from this workshop was used to draft two documents – an 'Aboriginal Procurement Policy Implementation Guide'<sup>4</sup> and 'Contracting with WA Government - A Guide for Aboriginal Businesses'<sup>5</sup>. Both guides were published as drafts and the Aboriginal business sector was invited to provide feedback, which was used to refine the content.

Table 2 & 3 details the topics covered in both guides:

| <b>Table 2: Contracting with the Western Australian Government: A Guide for Aboriginal Businesses – Key Inclusions</b> |  |
|--|--|
| 1  | How does the WA Government buy?                                    |
| 2  | About the Aboriginal Procurement Policy                            |
| 3  | How do you find opportunities to work with the WA Government?      |
| 4  | Promoting your business to the WA Government                       |
| 5  | Training and support   |
| 6  | Checklist of considerations for contracting with the WA Government |

| <b>Table 3: Aboriginal Procurement Policy (Implementation) Guide: A Guide for WA Government – Key Inclusions</b> |  |
|--|--|
| 1  | Registered Aboriginal businesses   |
| 2  | Achievement of targets   |
| 3  | Contracts that contribute to targets   |
| 4  | Reporting – including agency reporting and non-compliance  |
| 5  | Value for money and other requirements   |
| 6  | Implementing the policy – including identifying opportunities to contract with Aboriginal businesses, cultural awareness training and support. |

<sup>3</sup> Questions have been taken from the session plan for the Aboriginal Business Sector Briefing provided by the Department of Finance.

<sup>4</sup> The Aboriginal Procurement Policy Implementation Guide (2019) can be accessed here:

[https://www.wa.gov.au/sites/default/files/2019-10/Aboriginal%20Procurement%20Policy%20Implementation%20Guide\\_0.pdf](https://www.wa.gov.au/sites/default/files/2019-10/Aboriginal%20Procurement%20Policy%20Implementation%20Guide_0.pdf)

<sup>5</sup> Contracting with WA Government – A Guide for Aboriginal Businesses (2019) can be accessed here:

<https://www.wa.gov.au/sites/default/files/2020-06/Working%20with%20State%20Government%20-%20A%20Guide%20for%20Aboriginal%20Businesses%20-%2002062020.pdf>

After the initial consultation sessions and the feedback received from participants, Walters and the SPI team developed a state-wide education and training program. The introduction of the training program was planned to coincide with the proposed implementation date of the Policy in mid-2018. The sessions were designed and facilitated by Indigenous businesses (with an SPI team presence) to ensure cultural sensitivity like the initial consultation session. In total, 19 sessions were held in Perth and 16 sessions regionally, in 10 locations. The program was extended into the following year to continue to improve procurement knowledge of Indigenous businesses.

The initial consultation sessions informed the decision to host the Aboriginal Business Expo – a forum to bring Indigenous businesses and government agencies together – in March 2018. In preparation for the implementation of the Policy in July, The SPI team noted from consultations the need of opportunities for the Aboriginal business sector and government agencies to develop business networks and relationships. The expo showcased the quality goods and services available from 64 exhibiting Indigenous businesses. Approximately 400 representatives from the public and private sectors attended the expo.

Indigenous business, IQ Traffic, welcomed the opportunity to showcase their traffic management expertise at the Expo. As IQ Traffic Managing Director, Katina Law noted

WA's Aboriginal Procurement Policy demonstrates a commitment from the state government to follow the path created by the federal government and have a real and measurable focus on providing opportunities and much needed support to Aboriginal businesses. WA has some remarkable ventures, products and professional services headed and driven by local Aboriginal people, ready for opportunities. It will be great to see them succeed and grow through the implementation of the APP (IQ Traffic, 2018, n.p.).

The Policy was implemented on the 1<sup>st</sup> of July 2018. The post-implementation phase enabled additional consultation and collaboration with stakeholders. It was identified that a limitation of the initial consultation session with the Aboriginal business sector was a lack of engagement with businesses from regional WA. From July 2018, the SPI team made use of its state-wide education and training program to further consult and collaborate with the sector. Indigenous businesses were provided with an opportunity to provide feedback, anonymously or through the facilitator, on the Policy. The SPI team regularly adapted the implementation plan, including the education and training sessions, to ensure it continued to meet the needs of businesses.

Emerging from the feedback received by the SPI team, was the need for a targeted capability program to assist Aboriginal businesses in winning government contracts. In July 2019, Ben Wyatt announced additional funding to support the development of the program, he said

These additional training and development services will ensure they continue to build capacity, are sustainable and can respond to government opportunities effectively. These programs will improve the ability for local Aboriginal businesses to win work that leads to the creation of job opportunities (Wyatt, 2019, n.p.).

It was noted that the program was designed so that contractors tailored their programs to the local needs and requirements of nine regional areas in WA. As part of the tender process to develop the program, respondents were required to demonstrate their cultural competency and knowledge of the Aboriginal business sector in each regional area. The successful respondents (three Indigenous businesses) were required to undertake a consultation process with the businesses located within each delivery area.

### **Outcomes: Evaluating the Aboriginal Procurement Policy**

It was seen that a determined approach to ongoing consultation and collaboration with stakeholders, ensured the relevance of the training offering to the Aboriginal business sector. It was found that the SPI team have been able to respond to the shifting and ongoing training and education needs within the Aboriginal business sector through constant collaboration via informal feedback mechanisms (email, phone and training sessions). In addition, continuous contact with the sector, and the incorporation of feedback into its management of the Policy, has enabled the SPI team to develop positive relationships within the sector and is working towards overcoming issues of trust.

The SPI team found it challenging to overcome implementation issues within government agencies. Whilst overall, at a whole-of-government level, the Policy has achieved its annual targets, at an agency level this has not been the case. In the first reporting period for the Policy, 36 agencies did not achieve the target (Department of Finance, 2019, p. 6). It was noted that a limitation of the Policy was a lack of penalty for agencies that did not meet its targets. However, mechanisms at its disposal are transparency in reporting outcomes, and ongoing consultation and collaboration with agencies. This results in the SPI team reaching out to agencies who haven't met its targets and providing support<sup>6</sup>.

Goldfields Aboriginal Business Chamber Chair, Rowena Leslie, also identified an issue with government agencies' implementation of the policy. Leslie said that there were issues of agencies awarding contracts to Indigenous businesses who, in her view, are not truthful about its status as an Aboriginal business. Whilst supportive of the Policy's intention she said that 'it relies on people on the ground checking if they're engaging with real Aboriginal businesses, that's one of the reasons we established the Goldfields Aboriginal Business Chamber... we know this community ... [and] the whole point of the policy is to benefit the Aboriginal community.' (Robinson, 2021, n.p.). In addition, John O'Driscoll, Aboriginal Engagement and Group Manager of Telstra's North Perth Business Technology Centre, identified issues of agencies awarding contracts to non-Indigenous business-led joint ventures with Indigenous businesses to win contracts under the Policy. He commented

It's just like a box-ticking exercise for the non-Indigenous companies and the Indigenous businesses often don't get a say in how the JV is run...Lots of people are being taken advantage of' (Purnell, 2021, n.p.).

In 2020, reporting data from Tenders WA – the WA government entity that records all awarded government contracts over the value of \$50,000 – identified that the Policy is achieving its whole-of-government percentage of contracts target. The Policy achieved 4.77% of all government contracts in year one (2018-19), and 5.55% in year two (2019-2020) (Department of Finance, 2020, p. 23). However, there is still a large proportion of government agencies that are repeatedly not meeting its individual mandated targets despite ongoing support from the SPI team (Department of Finance, 2020, pp. 10-11).

Whether or not the Policy is achieving its broader social value is another area for review. It was noted that achievements have been made by connecting Indigenous businesses with non-Indigenous businesses via sub-contracting and joint venture arrangements. This has provided opportunities for new employment and skill development for Aboriginal people. An example of this is office supplies company, Kulbardi, and their Bibbulmun Fund that invests in targeted community projects and scholarships run by community members (Kulbardi, 2020, n.p.). Kulbardi has received four contracts under the Policy (Department of Finance, 2020, p. 30). The SPI team is currently conducting a review on employment outcomes for Indigenous people, however this data is not yet available.

Eon Protection is another Indigenous business that have benefited from the Policy. Eon Protection were awarded a government contract in security services. The General Manager, Gerard Matera, identified the importance of having 'Aboriginal security personnel at shopping centres and train stations, which were hotspots for young Aboriginals getting themselves into trouble'. He said that 'it was usually a non-Indigenous person tackling social issues they did not have much education about' (Purnell, 2020, n.d.).

### **3. Reflection activity**

|   |
|---|
| <p>How might stakeholder consultation and collaboration be incorporated within the evaluation stage of the Policy to address concern? What lessons can be learned for the approach taken by the Department?</p> |
|---|

## **Conclusion**

In January 2021, the WA Government announced the extension of the Policy for another three years with an increase in targets from 3% to 4% by 2023-24. According to Minister Wyatt, the Aboriginal Procurement Policy has been a success. It has achieved its intended targets and has, broadly, been well received by the Aboriginal business sector and has begun changing behaviour within the public sector (Wyatt, 2021, n.p.). Measuring its

<sup>6</sup> Additional support includes the recently released *Aboriginal Procurement Policy: State Agency Practice Guide*. Department of Finance. (2021). 'Aboriginal Procurement Policy: State Agency Practice Guide'. <https://www.wa.gov.au/sites/default/files/2021-07/Aboriginal%20Procurement%20Policy%20-%20State%20Agency%20Practice%20Guide.pdf> included the develop

social value – the impact the policy has had on Indigenous employment, health and social outcomes – will take time, however, ongoing and genuine consultation and collaboration with the key stakeholders can ensure the policy settings remain relevant and achieve desired outcomes.

Key lessons can be drawn from this case study about the role of consultation and collaboration in the development of public policy. First, Government directives can restrict the areas of opportunity for stakeholder input in a policy. In the instance of the Aboriginal Procurement Policy, social procurement was identified as the policy lever and the targets were set by the Government. As outlined in the case, this restricted consultation in the development of the Policy, but allowed greater input into the implementation and evaluation phases of the policy's development. For example, Indigenous business input informed the content of the training programs that were developed to ensure the Aboriginal business sector had the knowledge to win government contracts, which was critical for the successful implementation of the Policy. Moreover, input from government agencies informed how they would report awarded contracts under the Policy to the Department and reduce its administrative burden. The criticisms above reveal an opportunity for learning, and for incorporating consultation and collaboration in the Policy itself. Second, when engaging with Indigenous groups, cultural awareness is critical. The case highlighted the importance of ensuring the 'right' people – chiefly, Indigenous facilitators and cultural awareness trained departmental staff - were in the room for consultation sessions. They learned that genuine and ongoing consultation and collaboration has been important in overcoming pre-existing barriers between Indigenous people and government, building a productive relationship and establishing trust.

Finally, agency compliance with the Policy requires work. It was acknowledged that with no formal penalties for lack of compliance, ongoing engagement with agencies is key to overcoming this issue.

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