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## Big business in \$3b Indigenous supply pledge

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Page 1 of 1

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BHP, Rio Tinto, Fortescue Metals, Qantas, Lendlease, Westpac and CBA are among corporates who today will pledge to spend over \$3 billion with Indigenous suppliers over the next five years.

The Business Council of Australia is behind the “raising the bar” initiative, which will be launched by Minister for Indigenous Australians Ken Wyatt in Perth.

The companies have pledged to hit a target of 3 per cent of procurement spending on Indigenous suppliers, starting with a 0.5 per cent target this year reaching 3 per cent by the fifth year. Qantas already uses Dreamtime Tuka to supply 600,000 slices for its morning and afternoon flights.

CBA has partnered with design agency Gilimbaa and Winya Indigenous Furniture to deliver art and furniture for its new branches.

BP is spending \$1.2 million with Zenith Interiors for its Perth and Melbourne office makeovers. “We’re proud to set ourselves this ambitious target of 3 per cent by 2023,” said Andy Holmes, president of BP Australia.

The business pledge comes after CEOs strongly backed Mr Wyatt’s push for constitutional recognition and an Aboriginal voice to Parliament. Prime Minister Scott Morrison poured cold water on the idea of enshrining a voice in the constitution. Mr Wyatt added he would not move forward if it appeared a constitutional referendum on Indigenous recognition would fail.

Qantas CEO Alan Joyce said the pledge was part of CEOs taking more action on important social issues, and business leaders needed to keep speaking out. “Trust in CEOs has had a dramatic improvement while trust in all institutions has gone backwards,” he told *The Australian Financial Review*.

“That was because of things like [BHP CEO] Andrew Mackenzie [on Indigenous Voice and climate], companies like

Qantas on marriage equality, people are seeing them speaking out on issues they regard as important, speaking out about their views and taking leadership.”

However Fortescue Metals CEO Elizabeth Gaines is among those who want to focus on more practical measures to end disparity.

The miner recently awarded two contracts worth \$179 million to Yindjibarndi businesses, while Jilpanti Enterprises is part of a \$30 million joint venture providing exploration-related earthworks for Fortescue.

“Since the launch of our Billion Opportunities program in 2011, Fortescue has awarded \$2.3 billion in contracts to Aboriginal businesses and joint ventures,” Ms Gaines said.

Other corporates to sign up to the pledge include BP Australia, Australian Unity, BAE Systems, EY, KPMG, Programmed, McKinsey and Microsoft.

BCA chief executive Jennifer Westacott said BCA member companies were already some of the biggest employers of Indigenous people, employing more than 20,000 Indigenous Australians.

“This is game-changing. Businesses aren’t just creating economic value they’re helping build economic capacity in Indigenous businesses,” she said. “Economic advancement at an individual, family and community level is one of the best ways to create the type of opportunities that can deliver real, genuine and lasting change.”

The chief executive of Supply Nation, Laura Berry, helped develop the initiative with the BCA and said the group had recently passed more than 2000 Aboriginal and Torres Straits Islander businesses listed on its directory.

CBA chief procurement officer Karen

Sutton said it would drive hard to meet and exceed the 3 per cent target.

EY Oceania CEO Tony Johnson said the firm’s “purpose of building a better working world extends to the communities we are part of”.