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Supply Nation

Supply Nation Research Report No. 8

The geographies of Indigenous business in Australia

An analysis of scale, industry and remoteness

Dr Zannie Langford

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Supply Nation

Supply Nation is the Australian leader in supplier diversity, and since 2009 has worked with Aboriginal and Torres Strait Islander businesses along with procurement teams from government and corporate Australia to help shape today's rapidly evolving Indigenous business sector. Supply Nation's 5-step verification process provides peace of mind by ensuring that all businesses listed on Australia's largest national directory of Indigenous and Torres Strait Islander businesses, Indigenous Business Direct, are not only Indigenous owned but are also regularly audited for changes in company structure and ownership. Supply Nation partners with its members from the government, corporate and not-for-profit sectors to include supplier diversity in procurement policies, and develop and support supplier diversity practices, based on world's best practice that can enable the greater participation of the Indigenous business sector.

More recently, Supply Nation also established an internal research capacity to deliver evidence-based programs – providing a stronger platform to advocate for the needs and benefits of Indigenous business and Indigenous procurement. As custodian of Australia's largest and most respected database of Indigenous businesses, a focus of our research is understanding the contours, trends, and contributions the Indigenous business sector makes to the broader national economy, as well as its contribution to Indigenous well-being and self-determination.

Our research is the product of collaboration with a range of university centres, government, and independent research agencies on projects of relevance to Indigenous Australians and Indigenous business, and primarily disseminated through:

- Supply Nation Research Reports: Substantial and original pieces of research on topics of relevance to Supply Nation's mission and Indigenous business.
- Supply Nation Research and Policy Briefs: Concise papers that summarise key areas of research or policy of relevance to the Indigenous business sector and key stakeholders.

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The views expressed in this paper are those of the author and do not necessarily reflect the official policy or position of Supply Nation.

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Forward

A key focus of Supply Nation's research is to understand the contours and patterns of the Indigenous business sector. This means not only looking at the number of businesses, but where and how they operate, and how this affects their social and economic outcomes.

Geographical location, especially remoteness, is a central factor to consider for a deeper understanding of the impact Indigenous business makes for the well-being and self-determination of Indigenous communities spread across the nation.

We believe this report – by Dr Zannie Langford – makes a significant contribution to our understanding of the intersections between Indigenous businesses, geographical location, size, and sector in Australia. The report provides a useful reference point and benchmark, and is both broad and detailed in its examination of Indigenous business in Australia.

It is an analysis that not only highlights the considerable diversity that exists within Supply Nation businesses, but also the important differences that exist between Supply Nation businesses, which are mostly commercially oriented and Office of the Registrar of Indigenous Corporations (ORIC) registered enterprises and not-for-profit.

Overall, this analysis is one of the most thorough and detailed I have come across, and as Dr Langford makes clear, a better understanding of the geography of Indigenous business should lead to better policy making for the sector.

There are many insights into the Indigenous business sector one gains from reading this report. The key takeaway message for me, however, is that the Indigenous business sector is far from being one homogeneous system, but one that is full of diversity – in terms of its activities, the social and financial goals of different enterprises (large and small), the types of Indigenous employment outcomes, the scale of operations and the locations in which the many businesses operate.

While I support the often-stated sentiment that diversity can be a strength, this report's analysis underscores the point that it may be a weakness if the diversity is not considered when formulating policy. As the report concludes, **'these findings can inform more targeted policy to support the Indigenous business sector to grow and more effectively provide benefits to Indigenous Australians.'**

Supply Nation thanks Dr Langford for this excellent piece of research, and I recommend this report to all stakeholders in the Indigenous business sector – Indigenous owners, employees, purchasing organisations, and policy makers.

Kate Russell

Chief Executive Officer

Supply Nation

Executive Summary

Indigenous businesses in Australia manage over \$10 billion in annual revenue and employ more than 70,000 workers. These businesses are highly diverse, operating in a range of industries and locations, under different business structures and at different scales. A greater understanding of the geographical contours of Indigenous business in Australia can inform more targeted policy. This report provides an analysis of the industry, scale, and geographical distribution of Indigenous business in Australia. Based on a database compiled from information collected from Supply Nation, the Office of the Registrar of Indigenous Corporations (ORIC) and the Australian Bureau of Statistics (ABS), it examines the activities of over 5,000 Indigenous businesses, providing a detailed analysis of Indigenous business industry engagement and geographic distribution in Australia.

At the time this analysis was conducted there were over 3,688 Supply Nation Registered Indigenous businesses in Australia, 1,412 active ORIC registered Indigenous Corporations, and 6,499 Indigenous owned and managed businesses that do not have third-party verification of Indigeneity with either ORIC or Supply Nation. Most Indigenous incorporated enterprises are Indigenous identified through verification with either Supply Nation or ORIC.¹ However, only 10% of Indigenous unincorporated businesses (such as sole traders and partnerships) have registered with Supply Nation, indicating that many Indigenous business owners choose not to identify their business as Indigenous through this pathway. Most Indigenous businesses are small, earning less than \$500,000 per annum in revenue, and are unincorporated enterprises, such as sole traders.

One of the benefits of Indigenous businesses is that they are more likely to employ Indigenous people than non-Indigenous business (Commonwealth of Australia 2021; Hunter 2015). This report reveals that in addition, there are notable differences in the rates of Indigenous employment between Indigenous businesses, based on size, industry, and location. Within Supply Nation Registered businesses, smaller enterprises are more than twice as likely to employ Indigenous workers as larger businesses. Similarly, businesses based in regional and remote areas are more than twice as likely to employ Indigenous people as those located in major cities. There are also stark differences between industries, with sector-average Indigenous employment rates ranging from 16% (for providers of administrative services) to 81% (for arts and entertainment businesses). This suggests that it is important to consider business size, industry, and location when designing policy to support Indigenous employment outcomes.

There are also important differences between Supply Nation and ORIC registered enterprises. Supply Nation businesses are overwhelmingly for-profit, while ORIC corporations are mostly not-for-profit. Supply Nation businesses are primarily located in major cities, while ORIC businesses are mostly located in regional and remote areas. Supply Nation businesses have a greater presence in industries such as construction, building maintenance, management advisory services and plant and equipment provision. ORIC corporations have a greater presence in health and community services, land management, housing, personal services and agriculture, forestry and fishing. Both Supply Nation and ORIC registered businesses have a high presence in education, employment and training, arts and entertainment and domestic goods and services. There are more large businesses (>\$10m annual revenue) registered with Supply Nation than with ORIC, but on average, ORIC registered organisations tend to be larger.

The data presented in this report show that Indigenous businesses vary considerably and encompass a wide range of different activities with different combinations of social and financial goals, different Indigenous employment outcomes, and operate at locations of differing levels of remoteness. The report highlights the diversity of Indigenous business in Australia and emphasises the need for Indigenous business support policy to understand the relevance of size, industry, and remoteness on Indigenous business strategies and outcomes.

¹ Some Indigenous Chambers of Commerce (e.g. Kinaway) may also identify Indigenous business through their registration criteria.

1. Introduction

Indigenous business in Australia is growing rapidly. From 2006 to 2018, Indigenous business sector revenue grew from \$2.3 to \$4.9 billion (Evans et al. 2021) and by 2020 it had reached \$8.8 billion (Supply Nation 2020a). Indigenous businesses provide a range of potential benefits to Indigenous Australians. As the National Indigenous Australians Agency (NIAA) notes,

Indigenous businesses create wealth for Indigenous Australians. They are a source of pride and foster social and economic empowerment... Owning a business is a powerful way for Indigenous Australians to take control of the economic future of their families and communities (NIAA, DESSFB, DSS, and APSC 2020, p.20).

As well as generating profit for Indigenous business owners, Indigenous businesses provide benefits to Indigenous people by employing Aboriginal and Torres Strait Islander workers. An analysis of a Queensland database (based on 2013 data) found that Indigenous businesses were significantly more likely to employ Indigenous workers than non-Indigenous businesses (Hunter 2015). Employment of Indigenous people is frequently listed as a measure of success for Indigenous businesses (e.g., Austin & Garnett 2018). The largest Aboriginal corporation in Australia, the Arnhem Land Progress Aboriginal Corporation (ALPA), states that their goal is ‘to eradicate welfare dependency from our region by creating sufficient employment opportunities, and pathways into them, to allow financial independence through sustainable jobs’ (ALPA 2020, p. 2).

The goals of generating wealth for Indigenous Australians and providing employment opportunities for Indigenous workers are key reasons that the development of the Indigenous business sector has been prioritised as a pathway to improving outcomes for Indigenous Australians. As noted in the report on the Standing Committee on Aboriginal and Torres Strait Islander Affairs’ inquiry into developing Indigenous enterprises:

The Committee held the opinion that if the rate of Indigenous participation in small business was increased, there was likely to be a flow on effect of employment and increased economic participation which could help to close the gap between Indigenous and non-Indigenous people (Commonwealth of Australia 2021, p. vii).

The benefits of Indigenous enterprise for Indigenous people are widely assumed. Outcomes across the Indigenous business sector, however, vary by location, industry, and size. A more detailed understanding of the nature of Indigenous businesses can assist policy initiatives to better support different types of Indigenous enterprise.

This report draws on data from Supply Nation, the public register of Aboriginal Corporation reports (ORIC 2022) and the 2016 census (ABS 2016). These different sources of data each provide unique insights into the different types of Indigenous business in Australia.² This report uses these data to explore the scale, income source, employment patterns, industry focus and geographic locations of these businesses across Australia. It outlines the different types of Indigenous businesses operating in Australia, including Indigenous Corporations registered through the Office of the Registrar of Indigenous Corporations (ORIC), enterprises registered as either incorporated or unincorporated entities with third-party Indigenous verification by Supply Nation, and enterprises registered by Indigenous owner-managers which have not sought third-party Indigenous certification from Supply Nation. Secondly, it explores patterns in annual revenue, employment of Indigenous workers, and remoteness of Supply Nation and ORIC registered enterprises, discussing similarities and differences between them. Thirdly, it provides a series of detailed maps and summary data showing the involvement of Indigenous enterprises in different industries, revealing important information about the types of businesses engaging in different industries across Australia. Through this process it highlights some key features of the diverse Indigenous business sector.

² It should be noted, however, that Indigenous ownership is not verified in the ABS data, unlike the data from Supply Nation and ORIC, where Indigenous ownership is verified.

2. Methodology

The analysis provided in this report is based on data from three sources: the 2016 Australian census (ABS 2016; 2018), ORIC open-access data (ORIC 2022) and Supply Nation data (provided by Supply Nation as at June 2022). The combination of these datasets provides powerful insights into the state of Indigenous business in Australia.

2.1 Census Data

Census data on the number of Indigenous business owner-managers in 2006, 2011 and 2016 were compiled. As the most recent census data has not yet been released, estimates for 2022 were generated by calculating the average compound annual growth rate (CAGR) of Indigenous business owner managers in each region from 2006-2016 and if this CAGR also applied from 2016-2022 (see Appendix 1 for detailed calculations). For a discussion of methodological considerations involved in estimating the total number of Indigenous business owner-managers in Australia, see Shirodkar, Hunter & Foley (2020). Indigenous business owner-managers in Australia self-identify as both Indigenous and a business owner-manager. To self-identify as a business owner-manager, respondents first declare their labour force status as 'employed', and then further specify their employment status as an owner manager of an enterprise (rather than as an employee or a contributing family worker) (ABS 2016b). Projection of 2016 census data indicates that there are at least 16,248 Indigenous business owner-managers in Australia as of 2022. These owner-managers may operate multiple enterprises with different levels of activity. Alternatively, there may be corporations registered with no active owner-managers. These factors complicate the comparison of owner-manager and enterprise numbers, and as such some assumptions are required (see Appendix 1). Business owner-managers work in their own enterprise, which may be either an incorporated enterprise (such as a corporation, incorporated joint venture, trust or not-for-profit organisation) or an unincorporated enterprise (such as a sole trader or partnership). To compare census data with Supply Nation and ORIC data, the Supply Nation business categories of corporations, trusts, not-for-profits and incorporated joint ventures are treated as incorporated businesses and sole traders and partnerships are treated as unincorporated businesses. All ORIC corporations are incorporated entities.

2.2 Supply Nation Dataset

Supply Nation data was provided as current on 30 June 2022. Some ORIC corporations are also registered with Supply Nation and so appeared in this dataset: to avoid double-counting of these corporations, they were excluded from the dataset. This yielded a dataset of 3,688 unique enterprises, providing information including their business name, Supply Nation verification status (Certified/Registered), location coordinates, business type, number of Indigenous and non-Indigenous employees, annual revenue range, and the type of services they provide.

Industry analysis

Businesses could report as many unique services as they wished from 936 possible options, and in total, Supply Nation businesses reported 51,583 services provided; an average of 14 each. Businesses are also required to report whether these services are one of their top five activities. For this analysis, only business top five services were used to limit overrepresentation of industry participation. The 936 unique service name classifications are categorised by the database into 74 sectors. Services are further grouped by Supply Nation into 39 industries, however, for greater insight into certain industries, the sector groupings were taken as the basis for this analysis. On average, each business reports participation in 2.18 sectors. These were grouped into 33 categories (Appendix 2) and were then further grouped into 17 categories to facilitate comparison with ORIC data (Appendix 3).

Geographic analysis

The Supply Nation database includes location coordinates for the primary location of all businesses. These coordinates were used for geographic analysis in this report. Supply Nation businesses are also able to report additional business locations. There were 1,162 additional locations reported. These were provided in address form and geocoding software was used to convert these addresses to location coordinates, with manual changes made

as necessary. Secondary locations were included in mapping exercises but not descriptive statistics of businesses, to avoid double-counting. The Supply Nation database also classifies businesses as either remote or non-remote, however, to facilitate more detailed analysis of remoteness, all businesses were additionally classified by remoteness using the Australian Bureau of Statistics (ABS) remoteness classifications. This was done using the postcodes provided in the Supply Nation database. Where postcodes spanned two remoteness classifications, the remoteness level covering the largest proportion of the postcode was used. Where postcodes spanned three or four remoteness levels, the remoteness level was identified manually using the coordinates of the business location.

2.3 ORIC Dataset

In September of 2021, the Office of the Registrar of Indigenous Corporations (ORIC) published its first open dataset (Australian Government 2022). This data provides important information about the distribution of industries that Indigenous corporations participate in. Data was downloaded from the file released on 23 December 2021. This dataset contains all corporations registered with ORIC, and provides information on the location, income, and industries of these locations. All corporations registered with ORIC are required to publicly report their income, assets and employees on an annual basis. The ORIC database contained 6,648 entries which have been active for some period since 1978, of which 3,430 are currently registered. These organisations are classified by ORIC into small, medium and large enterprises (ORIC 2022). Small corporations are those which, in a financial year, have at least two of the following: consolidated gross operating income of less than \$100,000; consolidated gross assets valued at less than \$100,000; fewer than five employees. Medium corporations are those which, in a financial year, have at least two of the following: consolidated gross operating income between \$100,000 and \$5 million; consolidated gross assets between \$100,000 and \$2.5 million; between five and 24 employees. Large corporations are those which, in a financial year, have at least two of the following: consolidated gross operating income of \$5 million or more; consolidated gross assets valued at \$2.5 million or more; more than 24 employees. Those classified by ORIC as 'small' were further classified in this report into active and inactive corporations. Corporations that either reported no income, assets, or employees in their most recent report, or who have not validly reported all three variables in any of the last 3 financial years, were classified as inactive. These 'inactive' corporations were excluded from the analysis, leaving a remaining 1,412 active corporations which were used in this analysis. Excerpts of the general reports of these 1,412 corporations were downloaded, and data on income, assets, and employees for the most recently reported year were extracted. All corporations were classified by remoteness using the same method as for the Supply Nation dataset. ORIC corporations are also classified by type, including whether they are registered charities and/or Registered Native Title Body Corporates (RNTBCs).

2.4 Mapping

Mapping of the dataset was undertaken using Esri ArcGIS Pro graduated symbols feature with symbol sizes based on annual revenue. For the Supply Nation businesses, revenue data was provided in the following ranges: \$0 to \$500,000; \$500,000 to \$1 million; \$1 million to \$5 million; and over \$10 million. These ranges were used for the mapping exercise. For the ORIC dataset, exact revenue amounts were also categorised into these ranges to support direct comparison. Shapefiles for ABS Indigenous regions were downloaded (ABS 2016) and added to the map. Maps were generated for key categories, with some categories combined to enable comparison, as shown in Appendix 3. ORIC and Supply Nation business data was added to each map. Where businesses had multiple locations (for Supply Nation businesses) these appear on the maps as separate points. Where businesses were involved in multiple sectors, they appear on multiple different maps. It is worth noting that the location where enterprises are registered may differ from the locations in which they operate, which may lead to underestimation of the activity in remote areas.

3. Results

3.1 Types of Indigenous businesses in Australia

The scale of Australia's Indigenous business sector is striking. This report estimates that there are at least 16,000 Indigenous businesses in Australia, managing over \$10 billion in annual revenue and employing more than 70,000 workers (Table 1; see Appendix 1 for calculations). Supply Nation and ORIC registered enterprises account for a large proportion of this activity. The size of the Indigenous business sector has more than doubled since 2006 because of more Indigenous people operating businesses and more businesses identifying as Indigenous (ABS 2018; Evans et al. 2021). It has also been bolstered by legislation such as the Indigenous Procurement Policy, which provided incentives for businesses and government agencies to source from Indigenous suppliers, and Native Title legislation obliging the creation of Indigenous corporations.

Table 1 **Size of the Indigenous business sector in Australia**

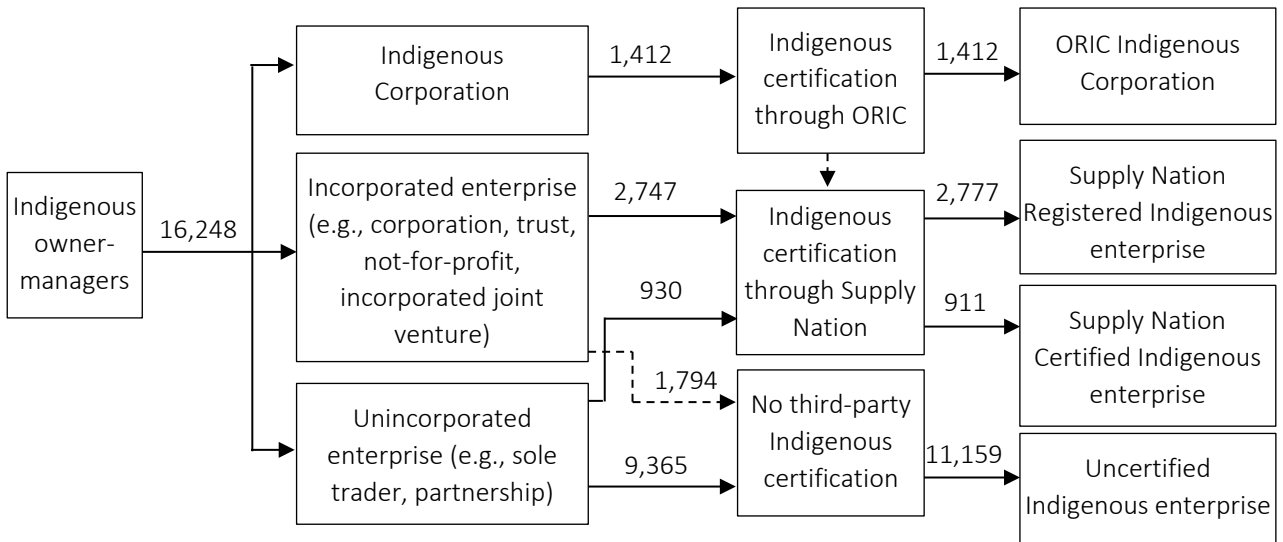
	Active businesses	Annual Income (\$ billion)	Assets (\$ billion)	Employees	Indigenous Employees
ORIC	1,412	3.1	4.4	17,231	n/r
Supply Nation	3,688	~4.9 (2.6 – 6.6+)	n/r	38,226	13,181
Other owner-managers	~11,148	~2.4 (1.9 – 4.3)	n/r	~15,566	>11,148 ³
Total	~16,248	~10.4	>4.4	71,023	>24,329

3.1.1 Registration pathways

Indigenous enterprises are registered through several different pathways (Figure 1). Firstly, Indigenous groups wishing to register an enterprise may register as an incorporated Indigenous Corporation (registered under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and overseen by the Office of the Registrar of Indigenous Corporations (ORIC). Alternatively, Indigenous individuals may register an incorporated enterprise (such as a corporation, trust, not-for-profit enterprise or incorporated joint venture), or as an unincorporated enterprise (such as a sole trader or partnership). These are not specifically Indigenous legal entities but may subsequently seek recognition as an Indigenous enterprise either through Supply Nation or by other means.

³ This figure includes Indigenous owner-managers as employees in their own business.

Figure 1 Pathways to Indigenous certification by a third party

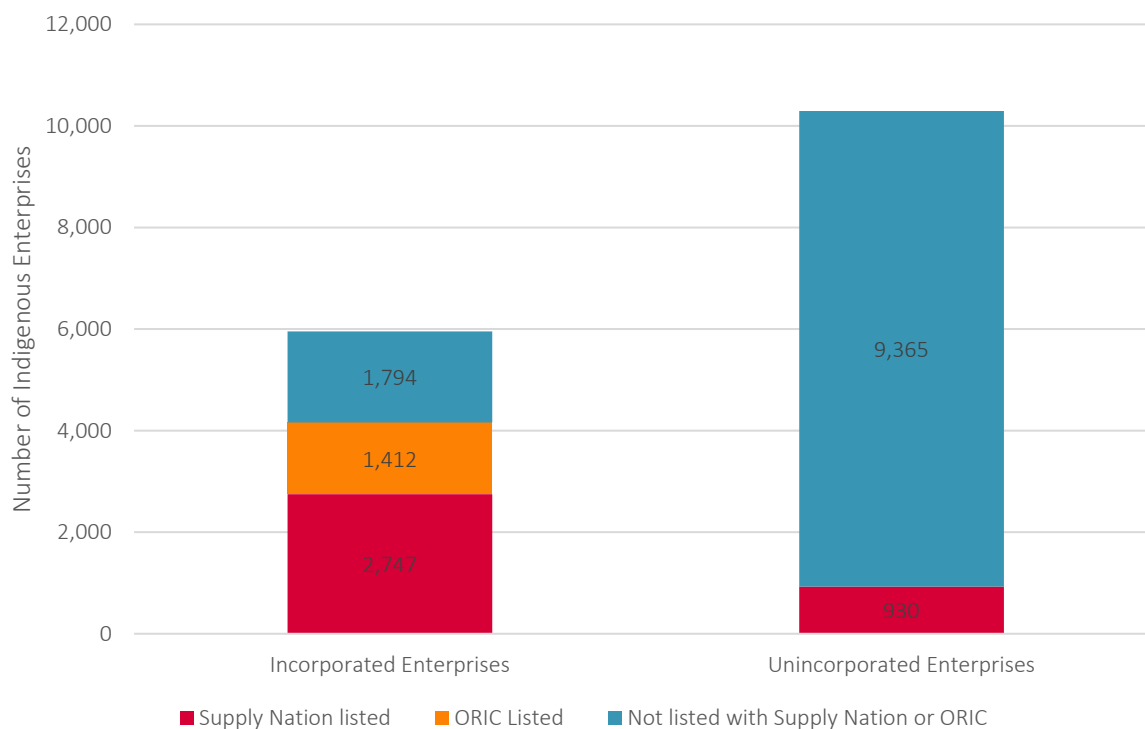


Note: This figure does not include certification that may occur through State based Indigenous Chambers of Commerce (e.g., Kinaway)

These three pathways offer different opportunities and have different reporting requirements. First, registering as an Indigenous Corporation with ORIC provides some benefits, such as business support and oversight, but also carries additional accountability requirements, such as the need to publicly report financial and management information. ORIC registered corporations tend to have many members and other characteristics that mean that support provided by ORIC is of value to them. Second, enterprises may register as a (not specifically Indigenous) incorporated enterprise. This provides the benefits of incorporation without the same public reporting requirements as ORIC. Third, enterprises seeking a simpler process suitable for small businesses may register as an unincorporated enterprise such as a sole trader or partnership. These enterprises may then identify themselves as Indigenous enterprises either through meeting the requirements of a private certifier, such as Supply Nation, through their own informal identification and/or branding, through recognition by local organisations or people, or not at all. There are a range of other ways that Indigenous business status can be evaluated – for example, the Barang Regional Alliance uses independent and local community panellists to assess tenders to verify their Indigenous standing in the community, a process that they claim creates an extra level of transparency (Commonwealth of Australia 2021, p. 23).

Rates of Indigenous registration with Supply Nation varies by business type (Figure 2). Incorporated businesses (typically entities such as corporations, trusts, not-for-profit enterprises and incorporated joint ventures) mostly do have third-party certification of Indigenous business status, with 70% of incorporated enterprises registered with either Supply Nation or ORIC. By contrast, unincorporated Indigenous business owner-managers (such as sole traders or partnerships) have very low rates of third-party certification, with only 10% registering with Supply Nation (and ORIC registration not compatible with this enterprise structure).

Figure 2 Indigenous business owner-managers by Supply Nation Registration status



This indicates that incorporated enterprises are likely to be registered as Indigenous enterprises with either ORIC or Supply Nation, but sole traders and partnerships tend to not register with Supply Nation. There are a few possible explanations for this. Firstly, low registration rates could be an indication that these enterprises do not feel that they require a third-party to certify their Indigenous status. Secondly, it could be the case that business owner-managers who self-identify in the census as Indigenous may not meet Supply Nation criteria or may not yet have initiated a process with Supply Nation. Finally, Indigenous sole traders and other unincorporated business owner-managers may choose not to register with Supply Nation because they perceive that they would not gain a business advantage by doing so. This could be because they feel that their business would not benefit from Indigenous identification from Supply Nation.

One of the key drivers of Indigenous business registration with Supply Nation, and the growth of Supply Nation businesses, is the ability to access contracts through the Indigenous Procurement Policy (IPP) and corporate Supply Nation members who use the Supply Nation database as a reference. The IPP aims to stimulate Indigenous entrepreneurship through annual targets for the volume and value of contracts awarded by the Commonwealth, and a ‘Mandatory Set Aside’ (MSA) which requires that Indigenous businesses be given an opportunity to demonstrate value for money before the wider market is approached (NIAA 2023). This policy has supported rapid growth of Indigenous businesses, such that “Supply Nation Suppliers have been able to grow at a much faster rate compared to the broader economy. Between 2011-2017 these businesses grew at 13% p.a. compared to business growth of 3% p.a. for the economy as a whole” (Supply Nation 2020a, p.10).

Since its inception in July 2015, the IPP has generated \$6.9 billion in government spend with Indigenous businesses, with more than 47,500 contracts being awarded to over 3,000 Indigenous businesses (NIAA 2023). The IPP is widely considered a success, since ‘the advent of government preferential procurement policies had driven demand for Aboriginal and Torres Strait Islander businesses and resulted in a significant expansion of this sector’ (Commonwealth of Australia 2021, p.15). Supply Nation have recorded an additional \$7.5 billion in spend from their corporate members since their founding in 2009. Spend by government and corporate members has increased over time – in FY 2021-22, Supply Nation recorded a total spend of \$3.8 billion, 45% of which was by government

members and 55% by corporate members (Ernst & Young 2023). This suggests that IPP driven growth in government procurement, alongside growing spend by Supply Nation corporate members (many of whom have their own Indigenous procurement policies), has been highly influential in spurring the growth of the Indigenous business sector.

However, this procurement spending is by a limited number of members, with a few key members responsible for a large proportion of spending. The Commonwealth Department of Defence has been responsible for \$4.1 billion (59%) of the total \$6.9 billion government spend since the commencement of the IPP⁴. Fortescue metals group has spent over \$4 billion with Indigenous businesses (Fortescue 2022), more than half of the total \$7.5 billion spend recorded by Supply Nation for its corporate members. In the 2022 financial year, the Commonwealth Department of Defence, Fortescue Metal Group and Rio Tinto spent \$1 billion, \$452 million and \$504 million respectively, together representing over half of the total spend with the Indigenous business sector recorded by Supply Nation (NIAA 2023; Beyer 2023). These procurers require services in specific industries – for example, the Commonwealth Department of Defence offers opportunities in sectors such as Building and Facility Construction and Maintenance Services, Management and Business Professionals and Administrative Services, while Fortescue offers opportunities in civil and earth works within mining operations, facilities maintenance, equipment and machinery operations and hire (Ernst & Young Australia 2022). As such, the IPP likely incentivises Supply Nation registration and Indigenous business growth primarily in certain sectors, and businesses in sectors unlikely to benefit from the IPP may not see a benefit in registration. This has effects on the types of businesses which are best supported by government and corporate procurement. For example, in 2021-22, female-owned businesses attracted only 14% of total contract revenue of Supply Nation businesses, despite owning 28% of all businesses (Ernst and Young 2023). This is likely linked to concentration of female owners within different sectors, with many female business owners operating in the education and training, arts and entertainment, and domestic goods and services sectors (Ernst & Young 2023). Further research into the types of businesses which benefit most from the IPP and corporate Indigenous procurement policies could reveal pathways to support growth of the broader Indigenous business sector.

3.1.2 Indigenous certification and black cladding

One of Supply Nation's key goals is to provide an Indigenous business verification process⁵ (including registration, certification, and auditing) and ensure that businesses benefiting from their Indigenous status are 50% or more Indigenous owned (Supply Nation 2022a). Indigenous businesses can access procurement opportunities, sources of funding, and markets not available to non-Indigenous businesses. This creates an incentive for businesses to seek Indigenous registration and can lead to instances of 'black cladding', which Supply Nation defines as 'the practice of a non-Indigenous business entity or individual taking unfair advantage of an Indigenous business entity or individual for the purpose of gaining access to otherwise inaccessible Indigenous procurement policies or contracts', where 'unfair advantage involves practices and arrangements that result in the disadvantage or detriment to an Indigenous business, or that do not represent a genuine demonstrated level of equitable partnership and benefit' (Supply Nation 2022b). Supply Nation's definition of Indigenous business is based primarily on the Indigenous status of the business owner/managers. They stress that black cladding is *not* demonstrated by failure to employ Indigenous people, failure to provide community benefits, or subcontracting to non-Indigenous businesses to deliver their products or services. The additional social benefits provided by some Indigenous businesses (including employment, community benefits, and flow-on benefits to other Indigenous businesses) are therefore optional additional benefits rather than necessary components of Indigenous business. Supply Nation have processes to review and investigate reports of black cladding by their members and have capacity to consider legal proceedings if serious fraud is detected (Supply Nation 2022b).

Supply Nation offers two levels of Indigenous verification depending on Indigenous ownership status: enterprises can list themselves with Supply Nation as either a registered enterprise or a certified enterprise. The requirements

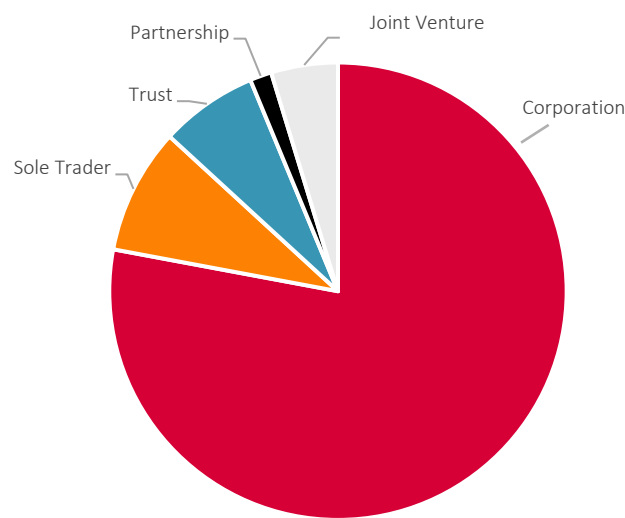
⁴ Ernst & Young (2022) report that from the commencement of the IPP to June 2021, Defence spending was \$3.1 billion. NIAA (2023) report that in financial year ending 2022, defence spending was \$1.0 billion – for a total spend of \$4.1 billion from 2015 to end of financial year 2022.

⁵ Refer to Supply Nation's website to learn about the Indigenous business verification process.

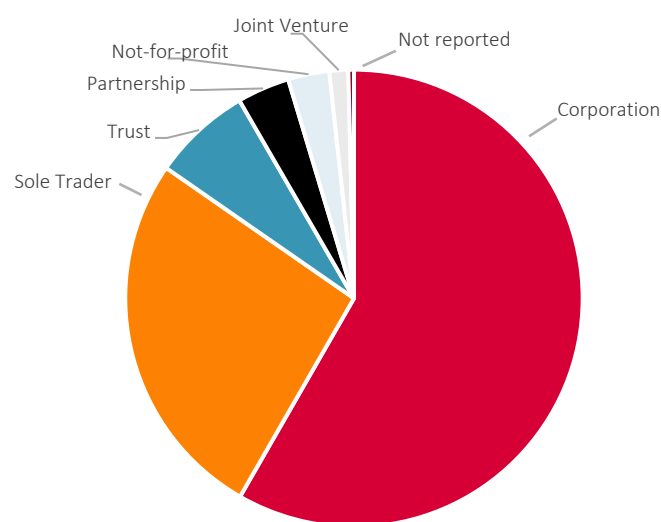
to be a registered enterprise are lower, as the enterprises must be, among other things, 50% or more Indigenous owned, and may be a for-profit or not-for-profit enterprise. Certification requirements are more stringent, requiring businesses to be, among other things, 51% or more Indigenous owned, managed and controlled, for-profit, and with at least \$50,000 revenue over the last year. Those enterprises which are listed with Supply Nation are mostly (75%) registered enterprises, with a lower proportion of certified enterprises. Importantly, many registered entities are sole traders, which may not meet the income requirements for certification (Figure 3). Supply Nation has indicated that most registered businesses are already majority Indigenous owned but have not yet completed the certification process (Supply Nation 2020). This makes it unproductive to make comparisons regarding the activities of Supply Nation businesses based on registration status.

Figure 3 Supply Nation a) certified and b) registered enterprises, by enterprise type

a)



b)



3.1.3 Providers of Indigenous goods and services

There are also some industries in which Indigenous businesses have a competitive advantage. These are industries in which Indigenous knowledge is required or beneficial for production or service provision (see Appendix 4). Products and services can be classified into three types based on the level of Indigenous knowledge required:

1. Indigenous goods and services

These are goods and services that can only be provided by Indigenous people. For example, in the 'Arts & Entertainment' sector, there are categories of Aboriginal artefact, boomerang and didgeridoo makers. The makers of these products are providers of specifically Indigenous services. In addition, there are many professional artists, and this category most likely includes artists who market their products as Indigenous art and are therefore providers of Indigenous goods. Similarly, there are also Supply Nation businesses who list their provided services as cultural music consultants, musicians, and dance performers, and some of these are likely providing services which are specifically Indigenous. In the environmental and heritage service sector, there are many providers of 'heritage advisory services', some of which could be expected to be providing advice about their own Indigenous heritage, making it an Indigenous-specific service. In the events management sector, the most common services provided are 'cultural events services', 'community events' and 'NAIDOC products and services', many of which are likely to involve provision of Indigenous-specific goods and services. Similarly, in the education and training sector, there are a large number of providers of 'cultural awareness training', in the travel and tourism sector the most common service is 'cultural tours', and in the community and social services sector the most common service provided is 'Indigenous and Aboriginal support services and programs'. Many of these goods and services are necessarily provided by Indigenous people and/or businesses. 4% of services provided by Supply Nation businesses fall into the category of Indigenous services, with a further 5% of services being possibly Indigenous services.

2. Indigenous perspective possibly beneficial

Many Indigenous enterprises provide services which while not necessarily supplied by Indigenous businesses, may be more effectively supplied by Indigenous people. This could include social services for Indigenous populations – such as education and training, human resources, health, and community services. These services could be provided by non-Indigenous enterprises but are often provided by Indigenous enterprises as they may have an advantage in the provision of these tailored services by virtue of a greater understanding of the Indigenous aspects of these sectors. 16% of services offered by Supply Nation businesses fall into this category.

3. Not specifically Indigenous goods and services

Most businesses appear to supply services which do not specifically require Indigenous perspectives (although they may benefit from them in other ways). Some examples of industries in which this may be the case are vehicle, plant and equipment hire, office supplies and printing, and administrative services. It may be the case that the services provided by these businesses are unique by virtue of their Indigenous ownership, or it may be the case that they are not substantially differentiated from those provided by non-Indigenous businesses. In this sector, Indigenous businesses do not necessarily have an advantage, although they may gain additional opportunities through corporate or government programs such as grant programs or the IPP. Supply Nation businesses provide a range of products and services in each of these categories, with 75% of services offered by Supply Nation businesses falling into this category.

Overall, this analysis makes clear that there are a range of categories of Indigenous enterprises that have registered through different pathways and have sought Indigenous certification to different extents. This information is important in understanding the benefits of third-party Indigenous certification to different types of Indigenous businesses, as well as the incentives for black-cladding behaviour. The next section examines differences in revenue, employment, and remoteness of Indigenous enterprises, focussing on Supply Nation and ORIC registered businesses.

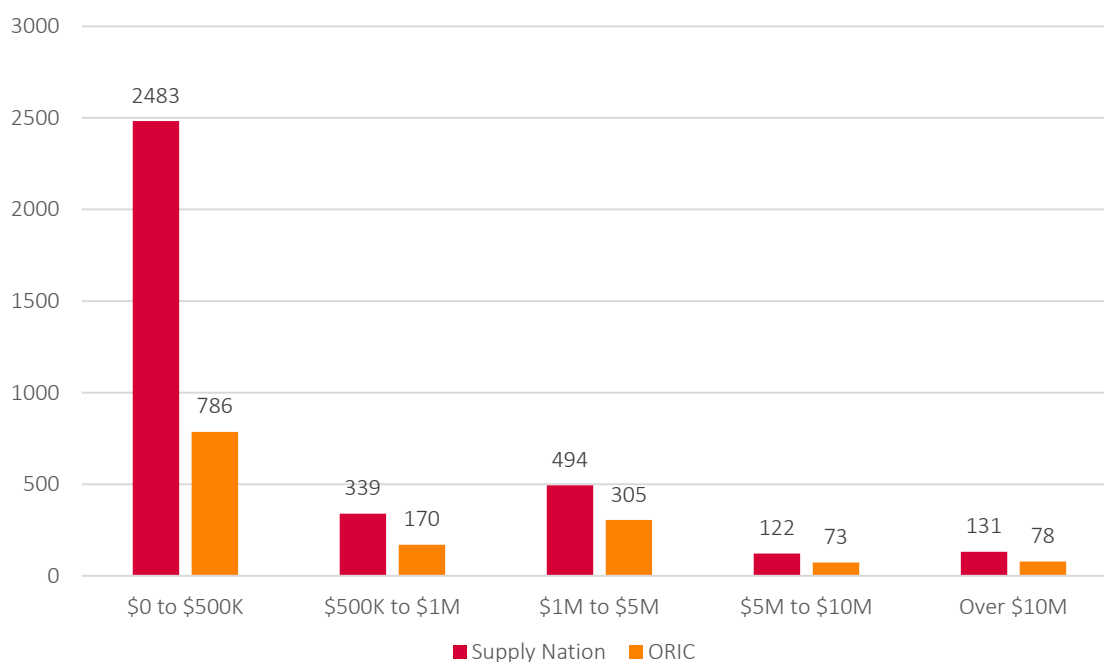
3.2 Revenue, employment, and remoteness of Indigenous enterprises

3.2.1 Revenue

Most Indigenous businesses are small, earning less than \$500,000 in annual revenue (Figure 4) and are primarily unincorporated (Figure 2 above). The average revenue of businesses varies by sector. Sectors with higher proportions of high-revenue businesses (>\$500,000 annual income) for Supply Nation include security (50%), waste management (49%), office supplies and printing (46%), water and sewage (46%), plant and equipment hire (46%), vehicle hire (46%), mining and energy (46%) and construction and building maintenance (44%). Industries with a lower proportion of high-income business include arts & entertainment (7%), travel & tourism (16%), healthcare (17%), farming, forestry, and fisheries (21%), events management (21%) and education and training (21%).

For the ORIC corporations, a more detailed analysis of income is possible due to their public reporting requirements. Industries with the largest average annual income include manufacturing (\$16.9m), construction (\$10m), accommodation, cafes and restaurants (\$6m) and shops (\$4.9m). Businesses tend to be smaller in industries such as wholesale trade (\$0.8m), art centres (\$1.6m), agriculture, forestry, and fishing (\$1.6m) and land management (\$1.7m). It should be noted that many apparently 'inactive' ORIC corporations were excluded from the analysis (more than half of all currently registered ORIC corporations - see methodology section). This suggests that while active ORIC corporations are typically large, there are many inactive ORIC corporations that either report no income at all or have failed to meet their reporting requirements in all of the last three financial years.

Figure 4 Number of Supply Nation and ORIC businesses in Australia, by revenue and income⁶



Although ORIC corporations typically manage large amounts of income, they are primarily (59%) registered charities (Figure 5), and many of them earn a significant proportion of their revenue from grant income. By contrast, relatively few (2%) Supply Nation enterprises are registered as not-for profits (Figure 6) (RNTBCs not shown). This suggests important differences in the orientation of Supply Nation and ORIC enterprises, which should foreground

⁶ The Supply Nation dataset reports revenue while the ORIC dataset reports income. These are visualised here to facilitate approximate comparison, although the different metrics should be noted.

more detailed analysis of their activities. These figures further illustrate geographical differences in the distribution of registered charities and not-for-profit Indigenous enterprises, and for-profit Indigenous enterprises.

Figure 5 Registered charities and not-for-profit Indigenous enterprises

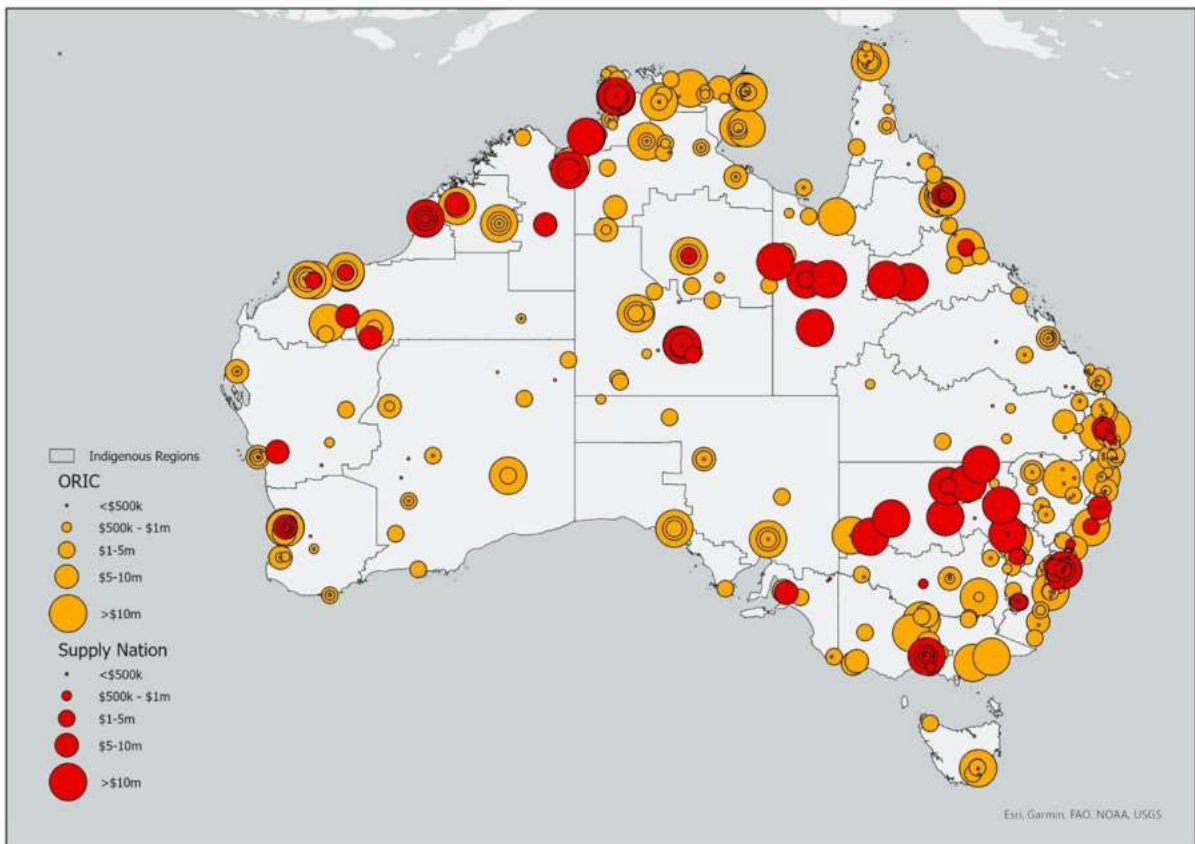
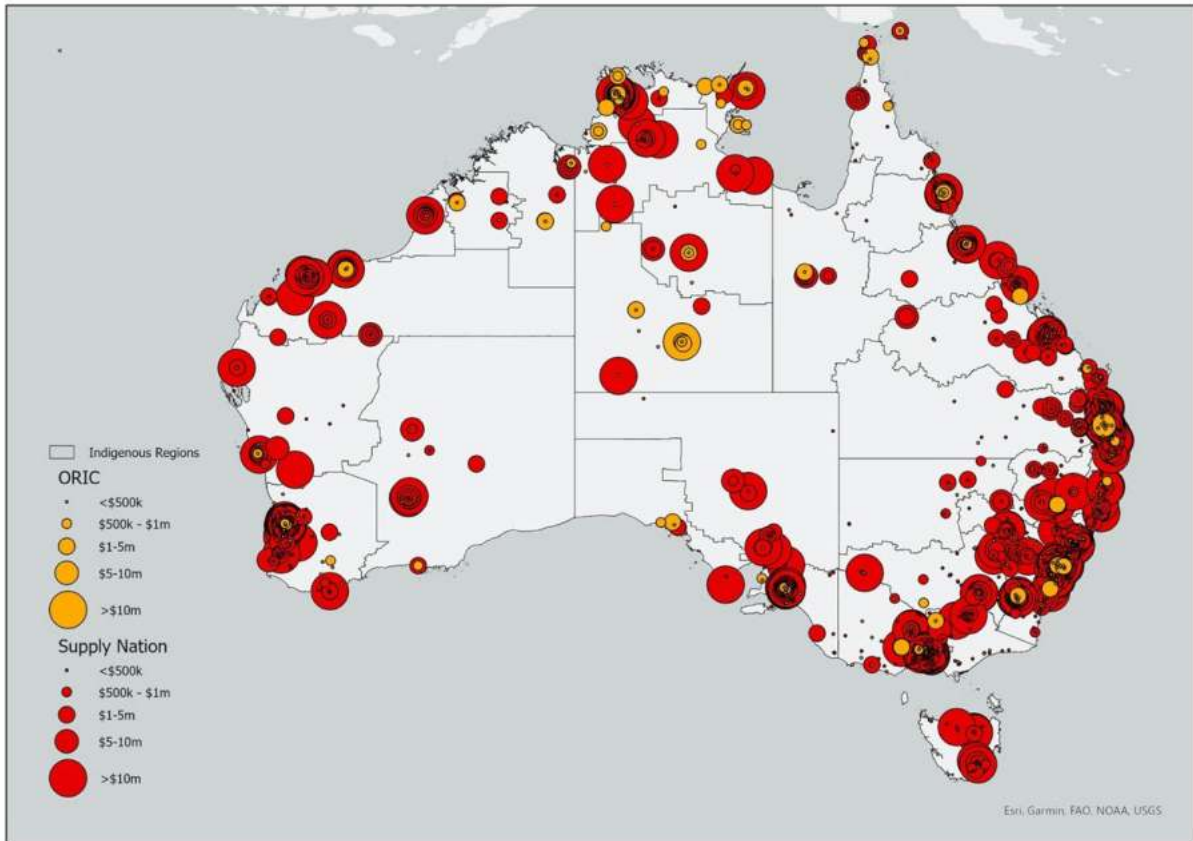


Figure 6 For-profit Indigenous enterprises



3.2.2 Employment

Indigenous businesses are often supported for two main reasons: to create wealth for Indigenous entrepreneurs, and to create employment opportunities for Indigenous workers. These two goals can be in tension however, since entrepreneurs will not necessarily see a wealth benefit from employing Indigenous workers and, if required to employ certain numbers of Indigenous workers, may experience a decline in profitability due to a smaller labour market. One of the key questions raised in the recent Standing Committee on Aboriginal and Torres Strait Islander Affairs' inquiry into developing Indigenous enterprises was whether Indigenous enterprises benefiting from the IPP should be obliged to meet minimum Indigenous employment targets. Proponents of this approach included Barang Regional Alliance, who expressed frustration that

... for those organisations that do secure large contracts and that have minimum standards, or minimum rates that they say they will achieve through the process for Indigenous employment, there's actually no accountability attached to evidencing those outcomes (Gary Field, Operations Manager, Barang Regional Alliance, cited in Commonwealth of Australia 2021, p.26-27).

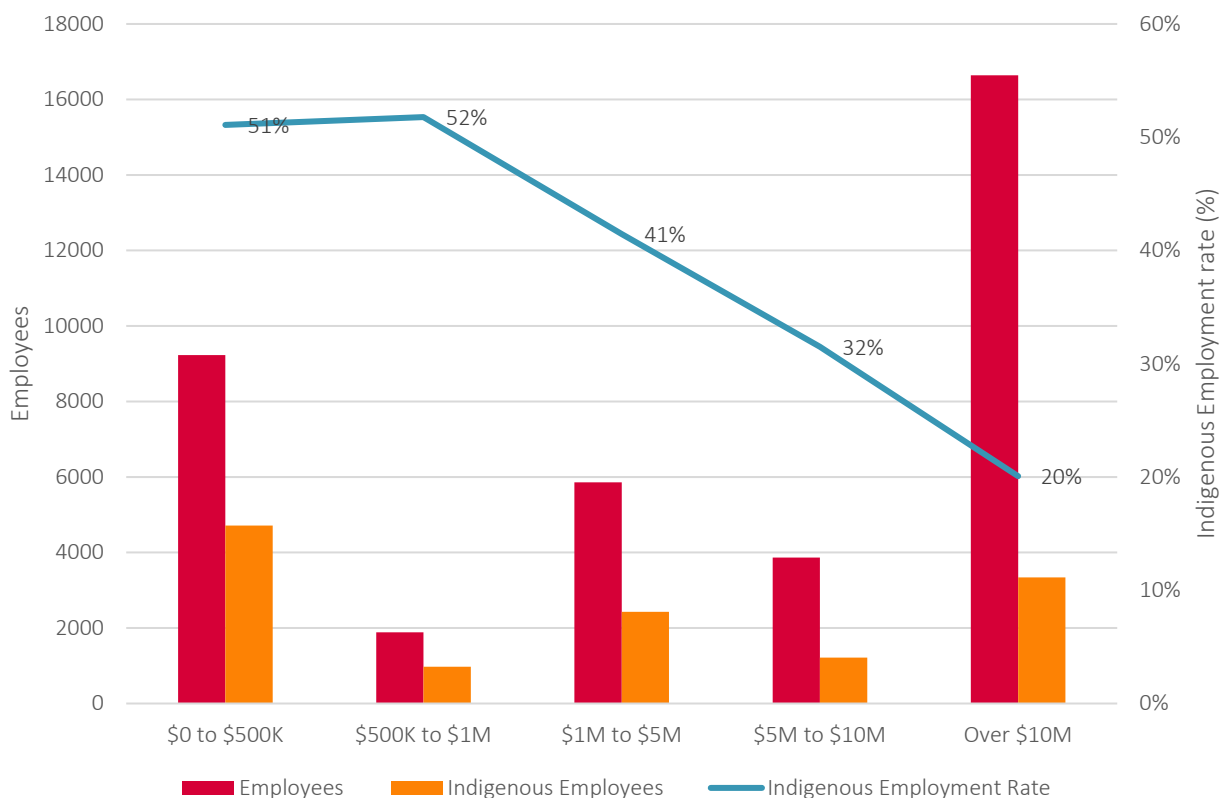
From their perspective, Indigenous businesses securing contracts through the IPP should be obliged to deliver some employment benefits. Conversely, others hold the view that employment should not be a key focus of the program, and that such requirements would overburden small business, as the NIAA reported:

We're concerned not to overburden small business, particularly small Indigenous business, by mandating Indigenous engagement, employment or other supply conditions on them. The focus of this policy is to drive Indigenous business. It's not an employment program. We have employment programs. It's great to get employment out of it ... But we want to keep focused on making sure more Indigenous Australians engaged in small and medium business, or even large business, where possible,

that’s the focus of that. We wouldn’t want to burden business with additional layers of requirements.
 (Mr Bulman, Group Manager, NIAA, cited in Commonwealth of Australia 2021, p. 28.)

The tensions expressed by respondents to the enquiry, highlight the potentially conflicting nature of these goals. While it is often assumed that Indigenous businesses will employ Indigenous workers – one study using 2013 data of 183 Indigenous businesses in Queensland found that these businesses were 100 times more likely to employ Indigenous workers than non-Indigenous businesses (Hunter 2015) – it is worth examining the types of businesses that are most likely to employ Indigenous workers. Supply Nation’s data provides important insights into this question. Supply Nation businesses have an average Indigenous employment rate of 34%. However, analysis of employment rates by business size reveals that smaller Indigenous business employ Indigenous people at more than double the rate of larger businesses (Figure 7). These differences highlight the need to consider the unique needs of large and small Indigenous business in policy design.

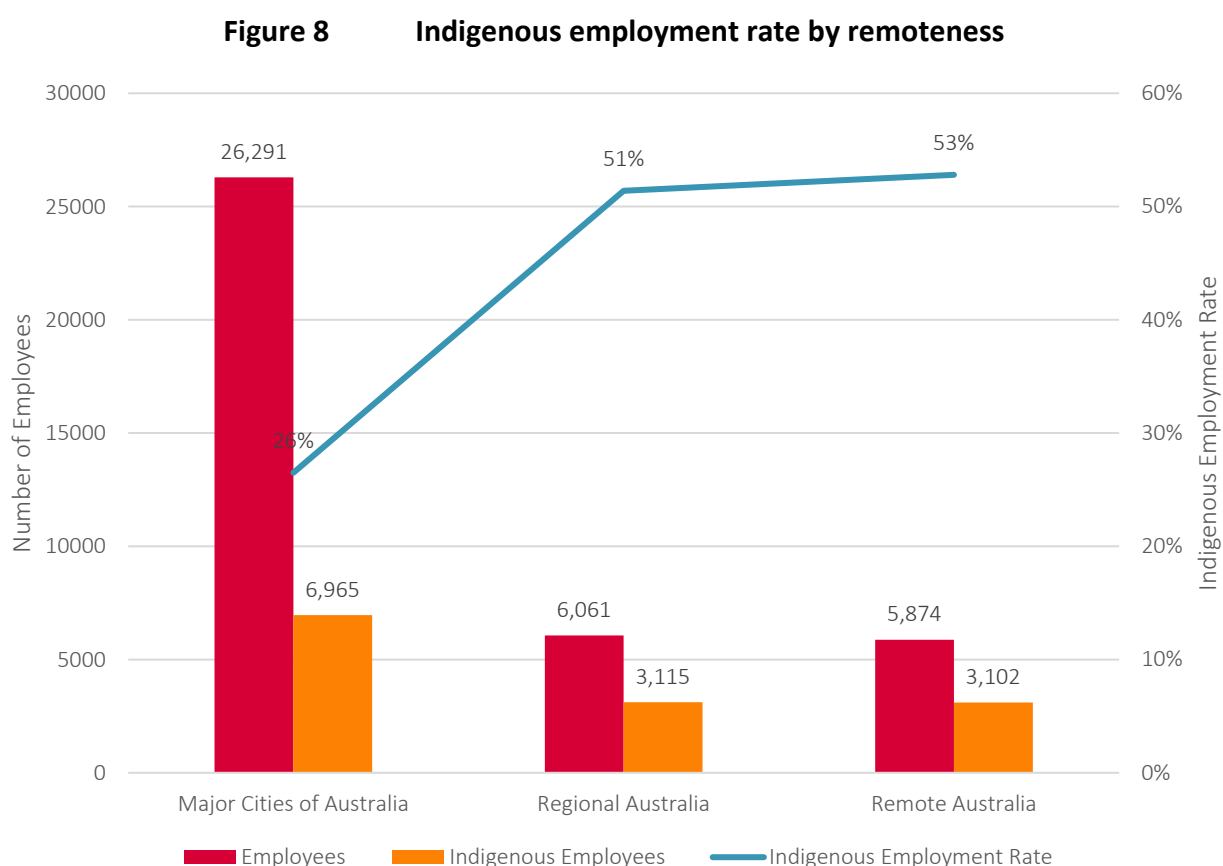
Figure 7 Indigenous employment in Supply Nation businesses by revenue



Rates of Indigenous employment in Supply Nation businesses range from on average 20% for large businesses (>\$10 million annual revenue), to 52% for smaller businesses (<\$1 million annual revenue). These rates are likely much higher than the Indigenous employment rate in non-Indigenous businesses, although this rate is difficult to estimate. An often-cited study based on 2013 data of 17,710 Queensland businesses (including 183 Indigenous businesses) found that Indigenous businesses had a 47.6% Indigenous workforce, while non-Indigenous businesses had a 0.45% Indigenous workforce – suggesting that Indigenous businesses are 100x more likely to employ Indigenous people than non-Indigenous businesses (Hunter 2015). More recent data on Indigenous employment rates in businesses across Australia is not widely available, however with a current Indigenous population proportion of 3.8% (ABS 2022), comparison with Supply Nation data indicates that large Indigenous businesses (with their 20% Indigenous employment rate) employ approximately 5 times as many Indigenous workers as would be expected based on the size of the Indigenous population. However, they are still four times more likely to employ non-Indigenous workers as Indigenous workers. Smaller Indigenous businesses (<\$1 million revenue) have a higher

Indigenous employment rate of 52%, meaning that they employ approximately 14x as many Indigenous workers as might be expected based on the size of the Indigenous population.

Indigenous employment rates in Supply Nation businesses also vary by remoteness. Supply Nation businesses in regional and remote Australia are twice as likely to hire Indigenous workers as those in major cities of Australia (Figure 6). Although there are much fewer jobs in regional and remote Australia, Supply Nation businesses in regional and remote Australia employ nearly as many Indigenous workers as Indigenous businesses in major cities (6,217 workers compared to 6,965 workers), highlighting the importance of Indigenous business in regional and remote Australia.



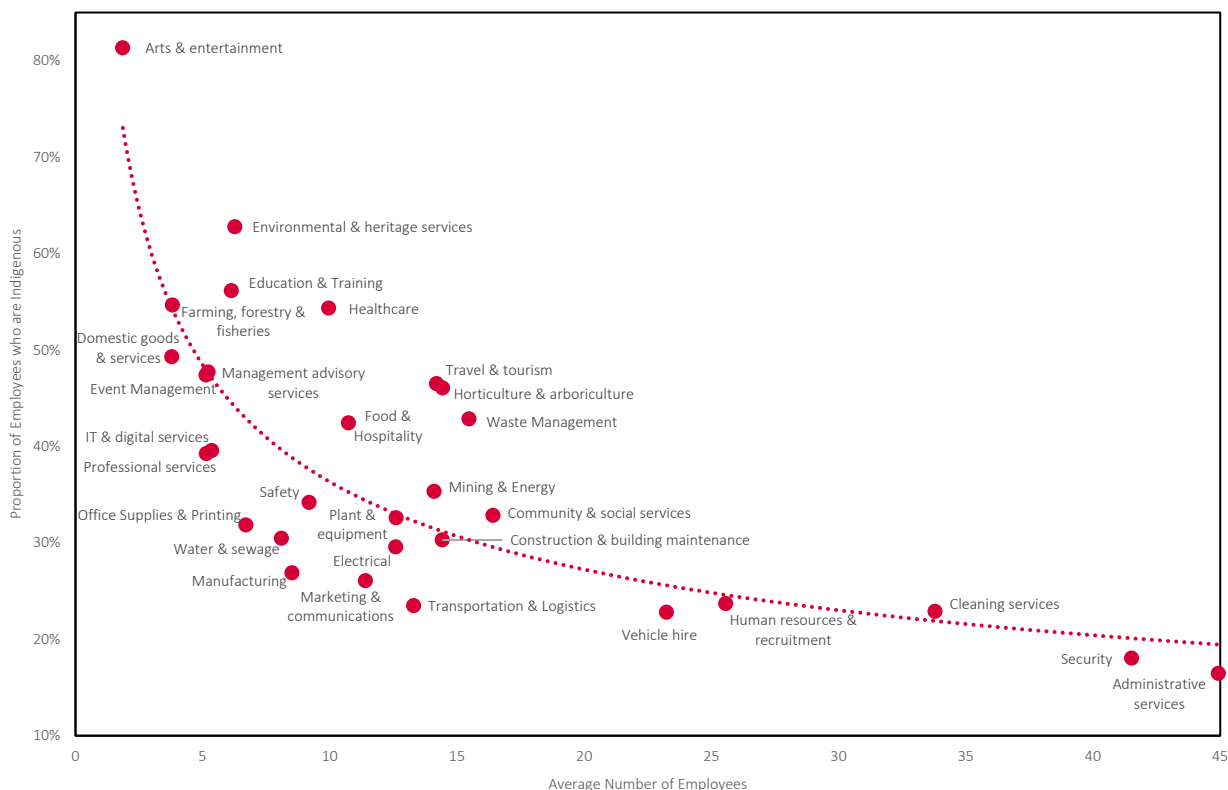
Indigenous employment rate also varies with business type⁷, and industry. Sole traders (by definition) have a 100% Indigenous employment rate⁸, corporations a 32% Indigenous employment rate, not-for-profits a 61% Indigenous employment rate, and Supply Nation registered ORIC corporations (elsewhere excluded from the Supply Nation dataset to avoid overcounting) a 60% Indigenous employment rate. Similarly, certain industries employ higher proportions of Indigenous workers (Figure 9), noting of course that there are also interactions between industry, size, business type, and location which affect the rates of Indigenous employment. This suggests that increasing Indigenous employment requires paying attention not only to the Indigenous ownership status of a business, but also to the features of different businesses. Growth in the numbers of Indigenous employees could be targeted within the broader Indigenous business sector by either supporting growth of businesses with strong Indigenous employment outcomes (such as those in regional and remote areas, small businesses, and businesses in certain

⁷ Interestingly, registered businesses had a higher rate of Indigenous employment than certified businesses – 40% compared to 27%. This seems to confirm the difficulty of relying on this category as an indicator of Indigenous status ownership status and employment outcomes.

⁸ Businesses listed as sole traders in the dataset which subsequently listed more than one employee were assumed to be sub-contracting or misreporting either employee numbers or business type, so are not included in this figure.

industries) or by supporting businesses with lower Indigenous employment rates to increase their Indigenous employment (such as large businesses, businesses in major cities, and businesses in certain industries).

Figure 9 Sector average Indigenous employment rate and number of employees



3.2.3 Remoteness

Another key variable in understanding the benefits of Indigenous enterprises is their role in remote economies. In remote areas, the Indigenous unemployment rate is higher (65% Indigenous unemployment rate in very remote Australia compared to 41% in major cities (AIHW 2021)) and access to services is often limited (AIHW 2022). Indigenous enterprises in remote areas can provide benefits to employees such as training opportunities and a source of employment, and often seek to develop business activities for this purpose (Langford, Lawrence & Smith 2021). They may also play an important role in providing services to Indigenous residents of remote regions. As such, it is important to understand the ways in which different types of businesses operate in regional and remote areas of Australia to understand the role they play in rural development. A comparison of the location of Supply Nation and ORIC businesses by ABS remoteness area reveals that ORIC enterprises, which are primarily not-for-profit, operate mostly in regional and remote Australia, while Supply Nation enterprises, which are primarily for-profit, are found mostly in major cities (Figure 10). Remoteness of Supply Nation businesses is also linked to industry, with some industries (such as farming, forestry and fishing, travel and tourism, and horticulture and arboriculture) being more concentrated in regional and remote areas (Figure 12).

Figure 10 Supply Nation and ORIC registered businesses by remoteness

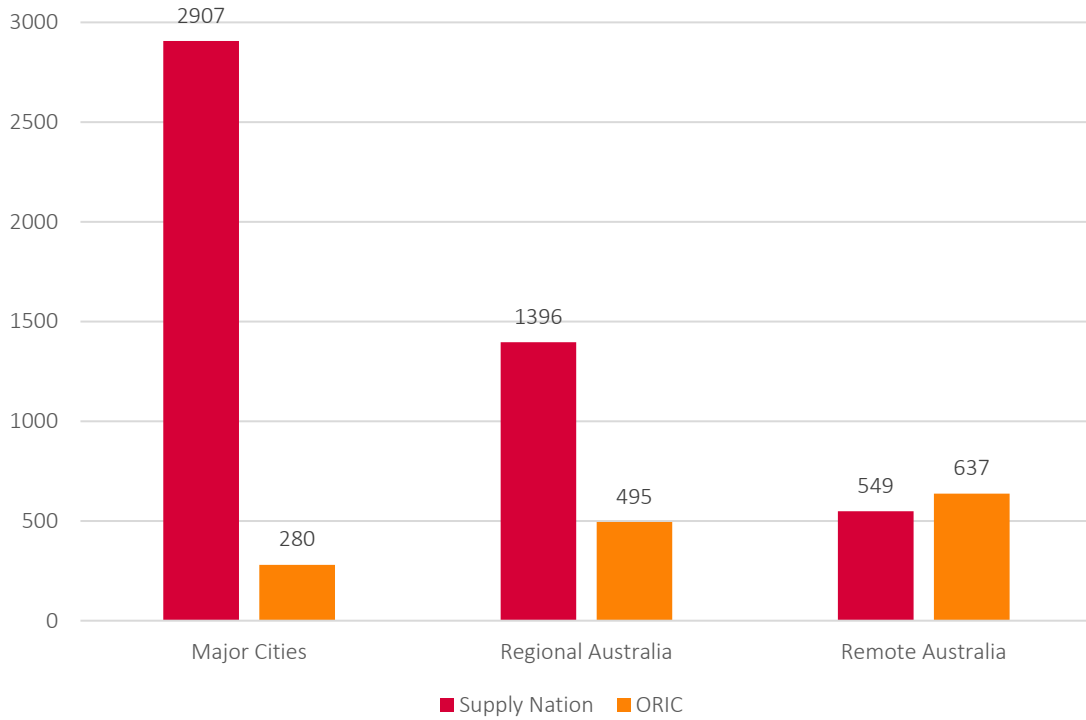
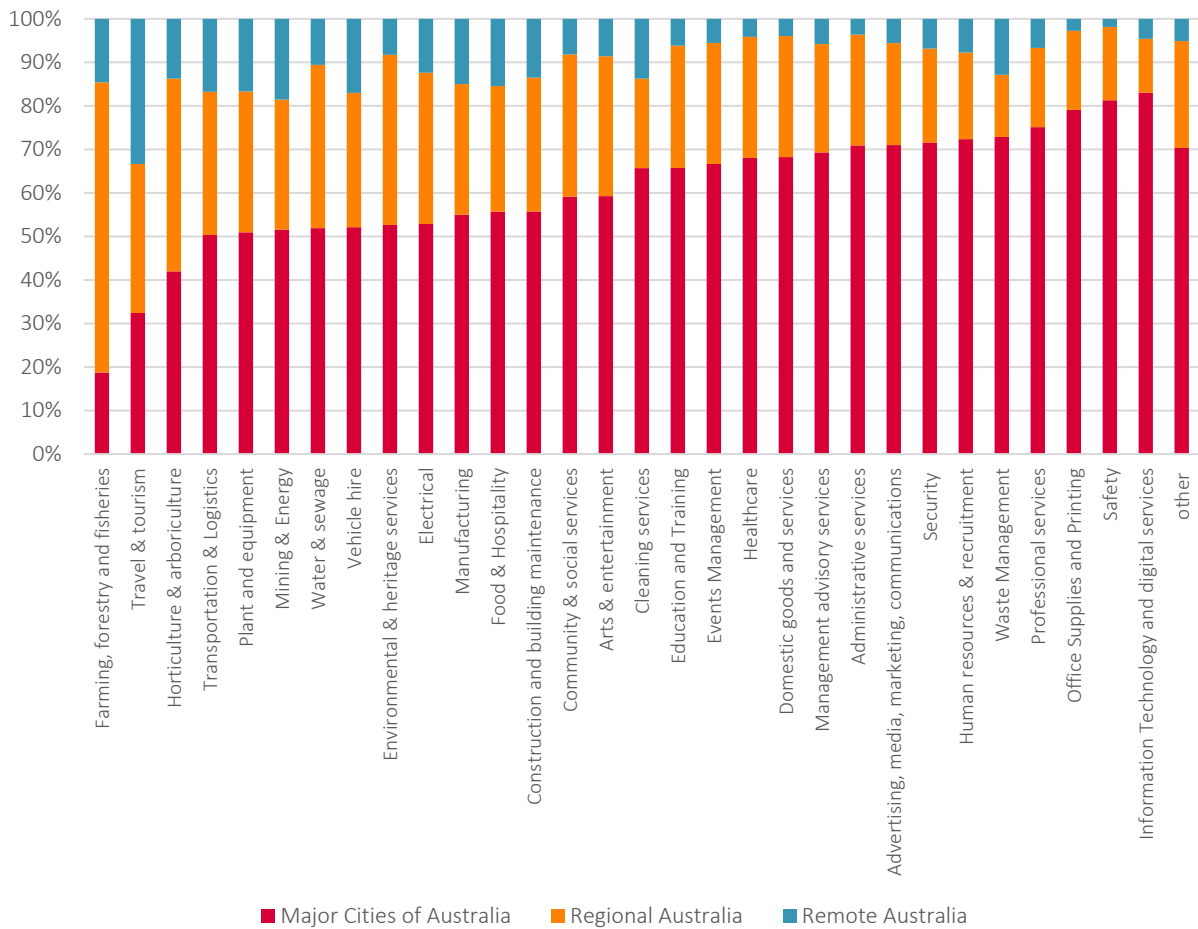


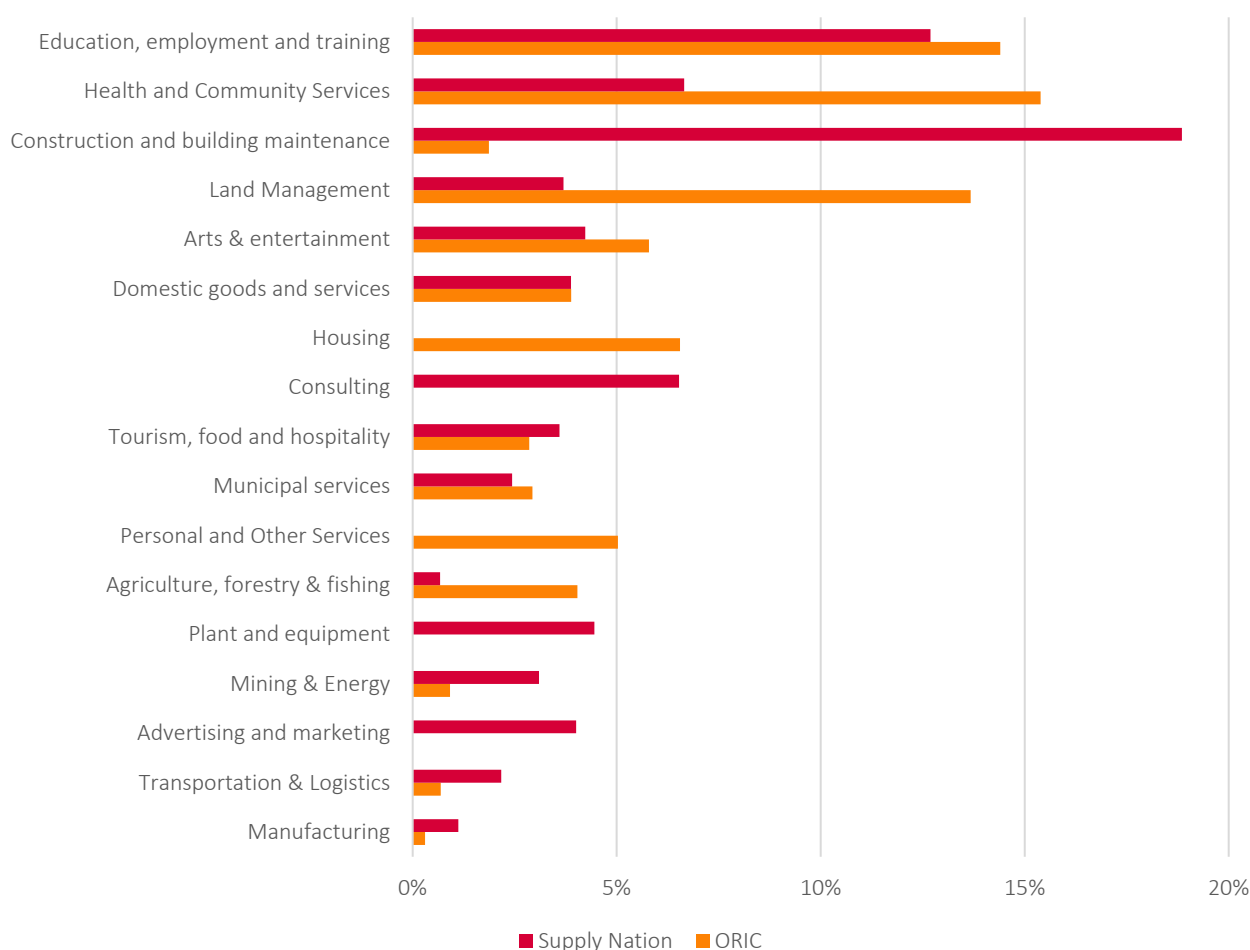
Figure 11 Remoteness of Supply Nation businesses in different industries



3.3 Geographies of Indigenous business

A detailed analysis of the location and size of Supply Nation and ORIC businesses reveals patterns in their distribution, type, and industry focus. Figure 12 provides an overview of the number of ORIC, and Supply Nation registered Indigenous enterprises operating in different industry sectors (groupings as shown in Appendix 3). There are important differences in industry concentration between these different business types. Supply Nation businesses have a larger presence in construction, facilities management, consulting, manufacturing, and equipment hire, marketing and communications, events management, graphic design and photography, specialist services (such as legal services, laboratory services and library services), office supplies and printing, transportation logistics and storage, mining, travel and tourism. Meanwhile, ORIC businesses have a relatively larger presence in land management and environmental services, health and community services, housing, arts and entertainment, and agriculture, forestry, and fishing. Both types of enterprise have high presence in the industries of education, employment and training, municipal services, domestic goods and services, communication services and good and hospitality. The following sections provide more detailed information on the types of businesses operating in different industries across Australia.

Figure 12 Proportion of Supply Nation and ORIC businesses operating in key industries



It should be noted that many enterprises appear on more than one map because of their involvement in multiple sectors. As such, the presence of large ORIC corporations operating in across multiple industries may skew the results. The likely effect would be overrepresentation of ORIC participation and average business size, as would occur, when a high-income ORIC corporation with a small component of work in one sector is included in the mapping and descriptive statistics for that sector. This should be kept in mind in interpreting the results.

3.3.1 Construction, housing and building maintenance

This category includes the Supply Nation categories of ‘construction and building maintenance’ and alongside the ORIC categories of ‘construction’ and ‘housing’. Construction and building maintenance is the most common category of Supply Nation businesses with 1,346 businesses in this category. These are primarily (99%) for-profit businesses, registered as corporations (75%) employing on average 14 workers including 4 Indigenous workers. They are located mostly in major cities (55%) and typically earn less than \$500,000 in annual revenue (56%). By contrast, ORIC corporations in this sector are primarily registered charities (>75%) and are relatively large. They are mostly located in remote areas, particularly in the Northern Territory and Western Australia. These differences suggest that these enterprises have fundamentally different orientations. Many ORIC businesses focus on delivering construction services to remote areas and have a charitable role in these settings. By contrast, Supply Nation businesses are small, for-profit corporations servicing major cities.

Figure 13 Indigenous enterprises in construction, housing and building maintenance

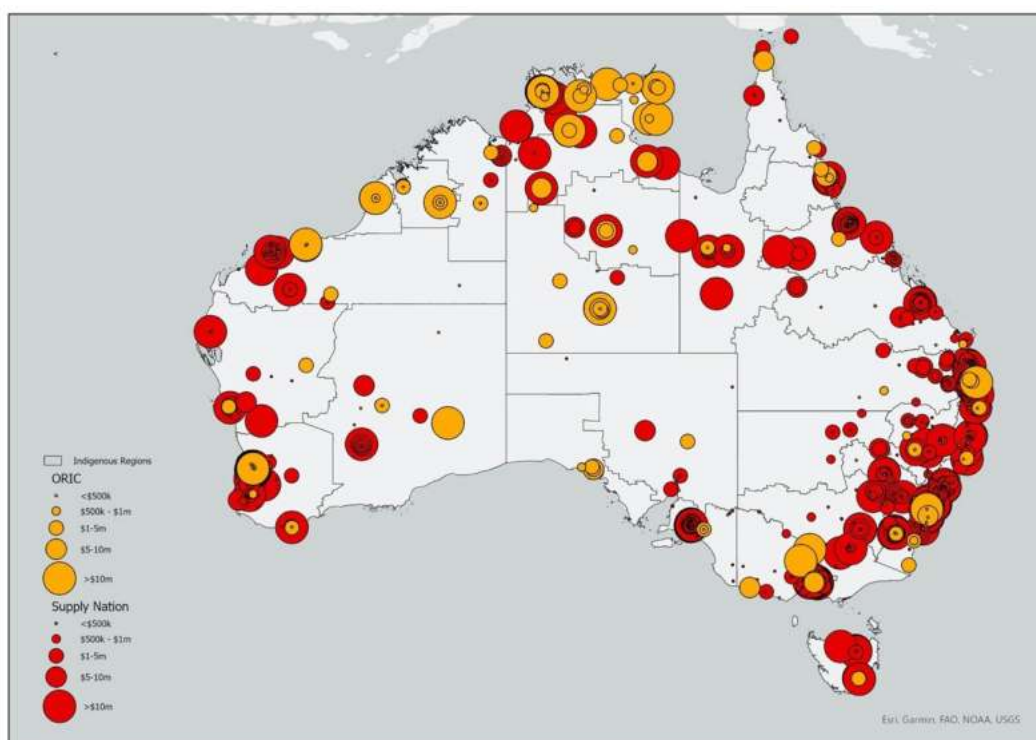


Table 2 Key features of construction, housing and building maintenance enterprises

	Supply Nation	ORIC	
	Construction and building maintenance	Construction	Housing
Number of enterprises	1,346	49	172
Not-for-profits & charities	1%	80%	75%
Average income	n/r	\$10m	\$3.6m
Income under \$500k / over \$10m	55.9% / 6.4%	20.4% / 27%	54.1% / 9.3%
Average employees / proportion Indigenous	14 / 30%	44/-	17/-
Corporations / Sole Traders	74.9% / 9.7%	100% / 0%	100% / 0%
In major cities / remote areas	55.4% / 13.9%	4.1% / 67%	13.4% / 47%

3.3.2 Education, employment and training

This category includes the Supply Nation sectors of ‘education and training’ and ‘human resources and recruitment’, alongside the ORIC categories of ‘employment and training’ and ‘education (including childcare)’. Visualisation of Indigenous enterprises in education, employment and training reveals several large ORIC corporations operating in this space in remote areas, particularly in the Northern Territory and Northern Western Australia. ORIC corporations in this industry are mostly not for-profit, generally large, and mostly located in regional and remote Australia. Supply Nation businesses in the education, employment and training sector by contrast tend to be in capital cities (68%), be for-profit (97%), and be smaller in size.

Figure 14 Indigenous enterprises in education, employment and training

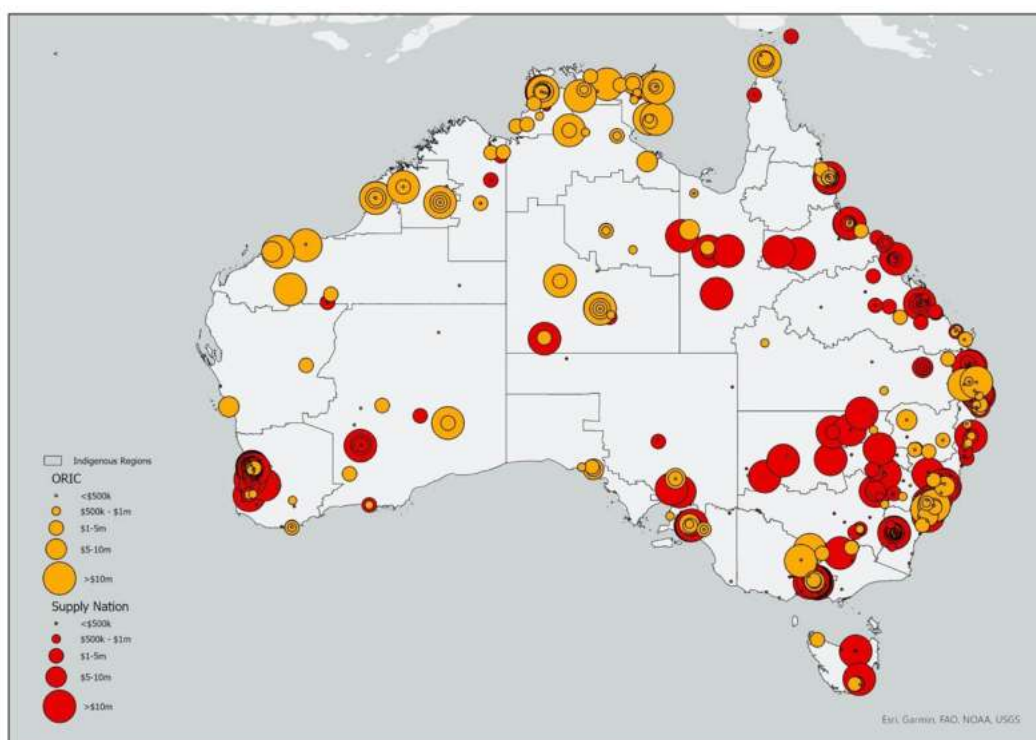


Table 3 Key features of education, employment and training enterprises

	Supply Nation		ORIC	
	Education and training	Human resources and recruitment	Employment and training	Education (including childcare)
Number of enterprises	584	322	225	153
Not-for-profits & charities	4.1%	1.6%	68%	72%
Average income	-	-	\$4.1m	\$3.2m
Income under \$500k / over \$10m	78.9% / 1.7%	62.4% / 5.9%	42% / 11.6%	43% / 7.8%
Average employees / proportion Indigenous	6 / 56%	26 / 24%	20/-	18/-
Corporations / Sole Traders	53.9% / 33.6%	81.1% / 7.5%	100% / 0%	100% / 0%
In major cities / remote areas	64.4% / 7.1%	65.1% / 11.2%	8.9% / 52%	24% / 37%

3.3.3 Health and community services

This category includes the Supply Nation sectors of ‘healthcare’ and ‘community and social services’, alongside the ORIC category of ‘health and community services’. There are 169 Supply Nation enterprises in the healthcare sector and 306 in the community and social services sector. Interestingly, these are primarily for-profit enterprises (over 90%). These enterprises are typically quite small, with healthcare and community and social services having 83% and 76% of enterprises earning less than \$500,000 in annual revenue and employing 10 and 16 employees on average respectively. Healthcare has a relatively high Indigenous employment rate at 54%, and both enterprise types operate mostly in major cities, although there are several large enterprises operating in regional and remote Australia. By contrast, ORIC businesses in health and community services are mostly registered charities 77%, employing on average 26 people, and operating in a range of remote and urban locations across Australia.

Figure 15 Indigenous enterprises in health and community services

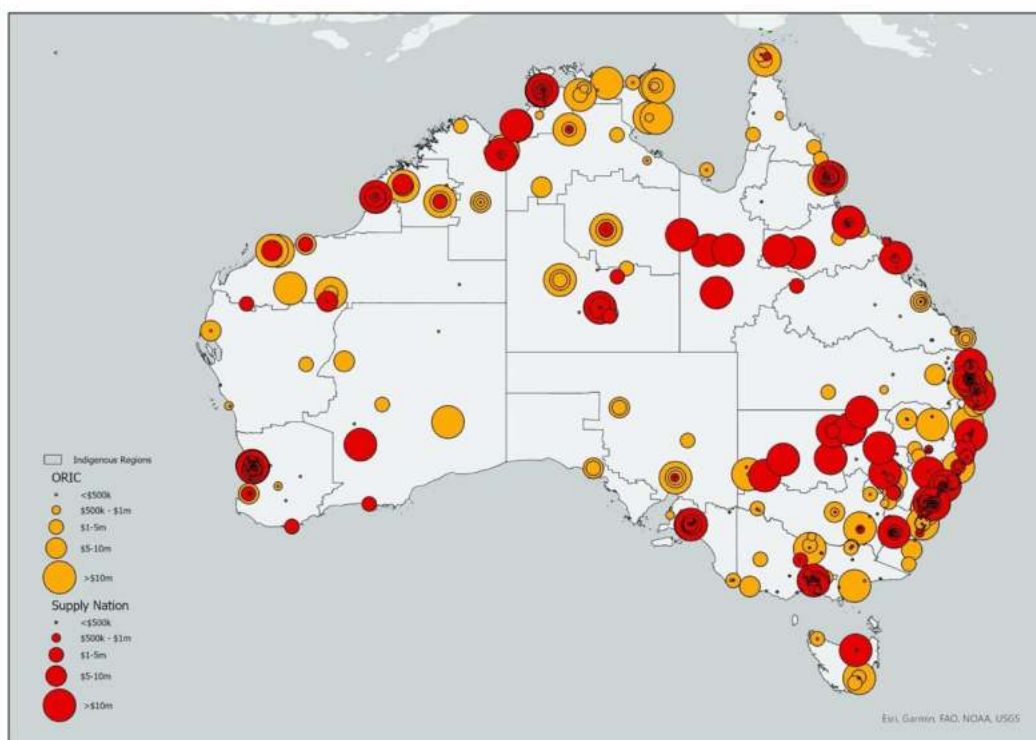


Table 4 Key features of health and community services enterprises

	Supply Nation		ORIC
	Healthcare	Community and social services	Health and community services
Number of enterprises	169	306	404
Not-for-profits & charities	5.9%	10.5%	77%
Average income	n/r	n/r	4,282,503
Income under \$500k / over \$10m	83% / 1%	76% / 2%	36% / 14%
Average employees / proportion Indigenous	10 / 54%	16 / 33%	28
Corporations / Sole Traders	50% / 34%	44% / 36%	100% / 0%
In major cities / remote areas	68% / 6%	56% / 12%	23% / 38%

3.3.4 Land management

This category includes the Supply Nation sectors of ‘environmental and heritage services’ and ‘horticulture and arboriculture’, alongside the ORIC category of ‘land management’. Supply Nation enterprises in this sector are primarily small, for-profit enterprises with relatively high Indigenous employment rates (68% for environmental and heritage services and 46% for horticulture and arboriculture). The high rate of Indigenous employment in environmental and heritage services is likely linked to the Indigenous nature of this work, as discussed in section 3.1.3. ORIC enterprises in this sector are typically smaller than in other ORIC sectors with an average annual income of \$1.7 million and are mostly (64%) small businesses of less than \$500,000 annual income. This sector also has a lower proportion of registered charities than other ORIC sectors, with 48% of corporations in this sector not registered as a charity. This sector therefore tends to include smaller businesses which are mostly for-profit.

Figure 16 Indigenous enterprises in land management

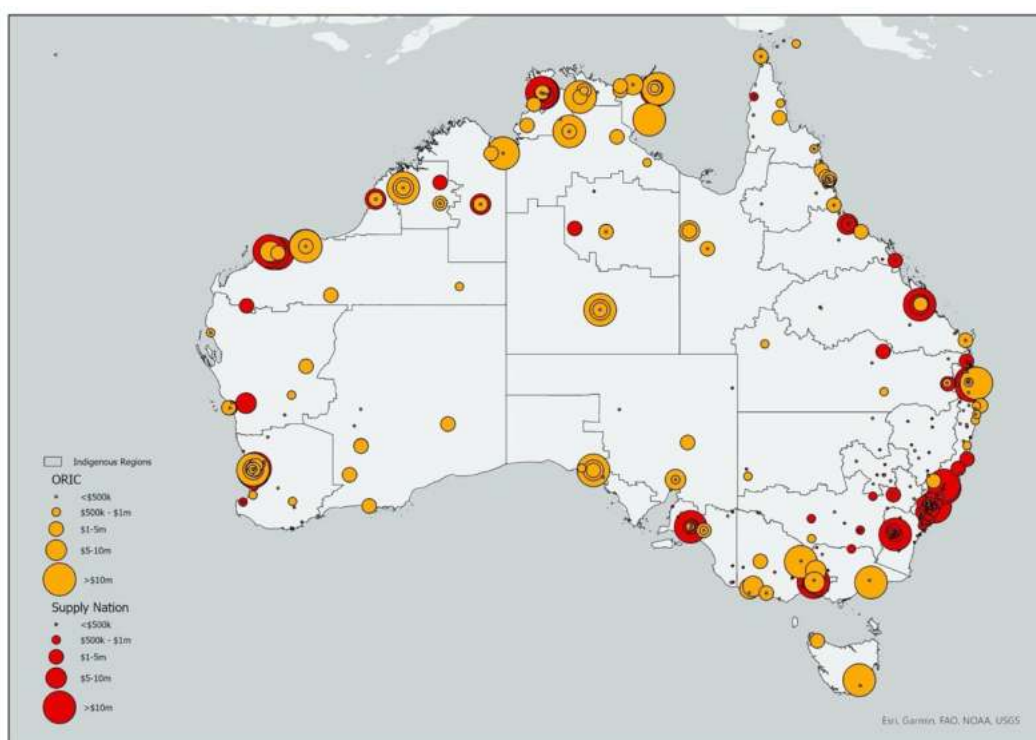


Table 5 Key features of land management enterprises

	Supply Nation		ORIC
	Environmental and heritage services	Horticulture and arboriculture	Land management
Number of enterprises	133	131	359
Not-for-profits & charities	8%	9%	52%
Average income	n/r	n/r	\$1.7 m
Income under \$500k / over \$10m	68% / 2%	67% / 3%	64% / 4%
Average employees / proportion Indigenous	6 / 63%	14 / 46%	9
Corporations / Sole Traders	65% / 16%	57% / 21%	100% / 0%
In major cities / remote areas	51% / 9%	41% / 14%	14% / 45%

Figure 16 shows Supply Nation businesses in these two categories separately. This reveals large numbers of environmental and heritage service providers in New South Wales, as well as several large enterprises in Northern Western Australia. Horticulture and arboriculture businesses are also common in New South Wales, as well as in Perth and Brisbane. These two sectors have similar overall characteristics, and it is likely that there are a mix of different types of enterprises represented here, including landscaping businesses as well as Indigenous land management businesses which require Indigenous knowledge to operate.

Figure 17 Indigenous enterprises in horticulture and arboriculture

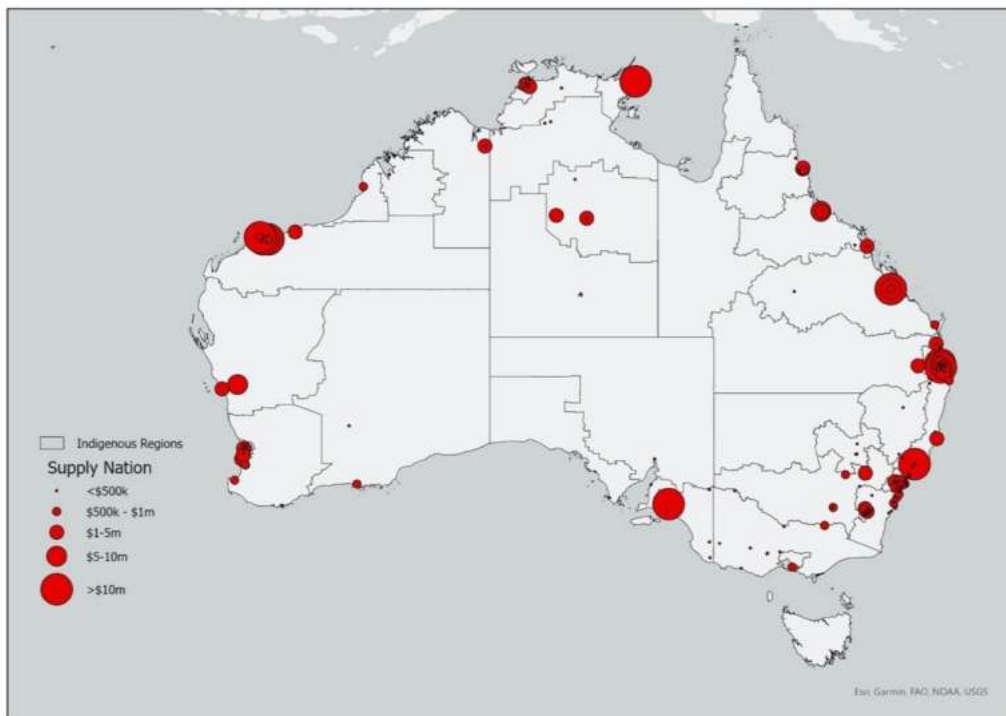
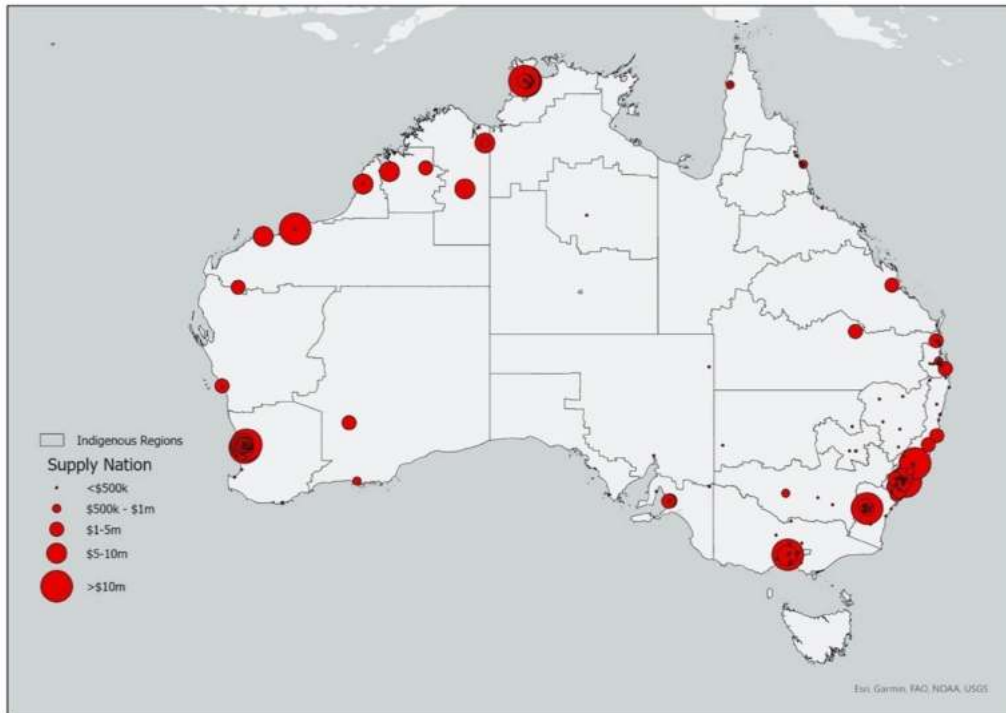


Figure 18 Indigenous enterprises in environmental and heritage services



3.3.5 Arts and entertainment

There is a total of 454 ORIC and Supply Nation enterprises in the arts and entertainment space, including Supply Nation 'arts and entertainment' enterprises and ORIC 'art centres'. Supply Nation enterprises in this category are overwhelmingly small (93% under \$500k annual revenue), for-profit (99%), sole traders (66%), employing on average just two people, both of which are likely to be Indigenous. The most common service provided is that of 'professional artists' (provided by 48% of businesses in this category), followed by paintings (26%), fine arts (21%) and Aboriginal artefacts (14%). There are also performing artists (8%), dancers (4%) and a range of other professions. They are concentrated in New South Wales, although they can be found across Australia, mostly (59%) in major cities. ORIC corporations in this category are different in nature since they are 'art centres' rather than individual arts businesses. ORIC art centre corporations are small relative to other ORIC corporations at \$1.7 m in annual average revenue, but they are much larger than Supply Nation enterprises in this space. They employ on average 12 people and are typically registered charities (70%). They are concentrated in the Northern Territory but are also found across Australia, primarily in remote areas (61%).

Figure 19 Indigenous enterprises in arts and entertainment

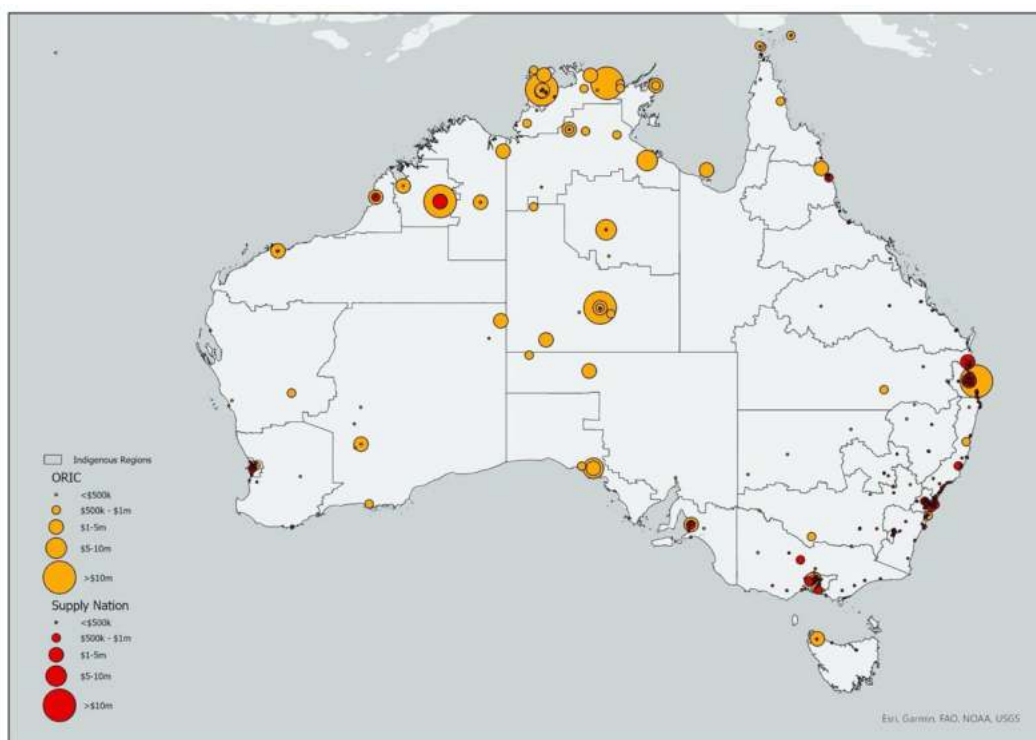


Table 6 Key features of arts and entertainment enterprises

	Supply Nation	ORIC
	Arts and entertainment	Art centres
Number of enterprises	302	152
Not-for-profits & charities	1%	70%
Average income	n/r	\$1.6 m
Income under \$500k / over \$10m	93% / 0%	50.0% / 3%
Average employees / proportion Indigenous	2 / 81%	12
Corporations / Sole Traders	24% / 66%	100% / 0%
In major cities / remote areas	59% / 9%	13% / 61%

3.3.6 Domestic goods and services

There is a total of 378 ORIC and Supply Nation enterprises providing domestic goods and services, including Supply Nation ‘domestic goods and services’ enterprises and ORIC ‘shops’. Supply Nation enterprises in this category are typically small (77% under \$500 k annual revenue), for-profit (100%), corporations (50%), employing on average four people, two of which on average are Indigenous. They sell goods such as furniture (35%) and / or clothing (27%) and other products, and are mostly located in Southeast Australia, as small, private retailers. ORIC corporations involved in operating shops are by contrast large corporations (\$4.9 average annual revenue), registered as charities (79%). They are mostly located in remote Australia (90%) and are concentrated in the Northern Territory. It is likely that the purpose of these corporation-managed shops is to provide access to products such as groceries to remote communities who may lack other access, and their purpose is primarily social rather than profit-driven.

Figure 20 Indigenous enterprises providing domestic goods and services

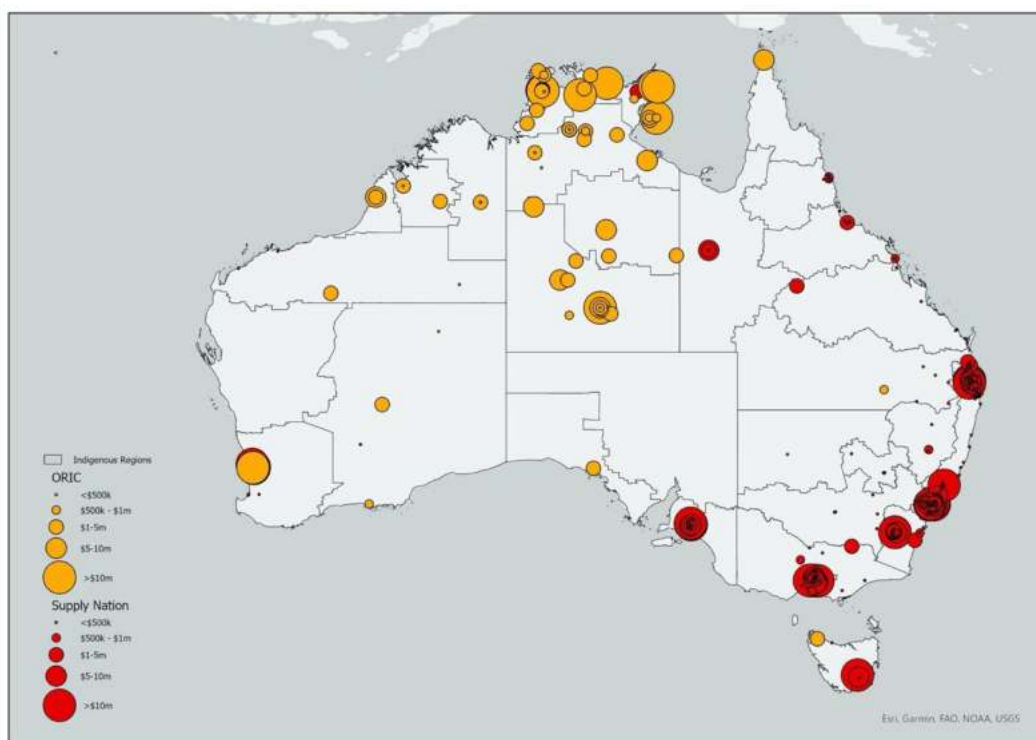


Table 7 Key features of domestic goods and service enterprises

	Supply Nation	ORIC
	Domestic goods and services	Shops
Number of enterprises	277	102
Not-for-profits & charities	0%	79%
Average income	n/r	\$4.9 m
Income under \$500k / over \$10m	77% / 1%	16% / 10%
Average employees / proportion Indigenous	4 / 49%	16
Corporations / Sole Traders	50% / 36%	100% / 0%
In major cities / remote areas	70% / 5%	2% / 90%

3.3.7 Management advisory services

This category includes only Supply Nation enterprises since there is no comparable categorisation in the ORIC database. There are a total of 466 management advisory service providers registered with Supply Nation. These are mostly for-profit (98%) corporations (67%) which mostly (76%) earn less than \$500k in annual revenue and employ on average 5 workers. These enterprises provide services such as project management (15%) and/or community and business development advice (10%) and/or procurement services (6%) and/or governance training (5%) and/or social research (4%), among many others. They are concentrated in major cities (71%) as well as regional New South Wales, Darwin, and Alice Springs. The relatively high number of enterprises operating in this space is likely at least partially linked to the need for management and governance advice by many Indigenous corporations initiating new ventures, and it would be interesting to examine the clientele of these businesses to examine the extent to which they service Indigenous and non-Indigenous clients.

Figure 21 Indigenous enterprises providing management advisory services

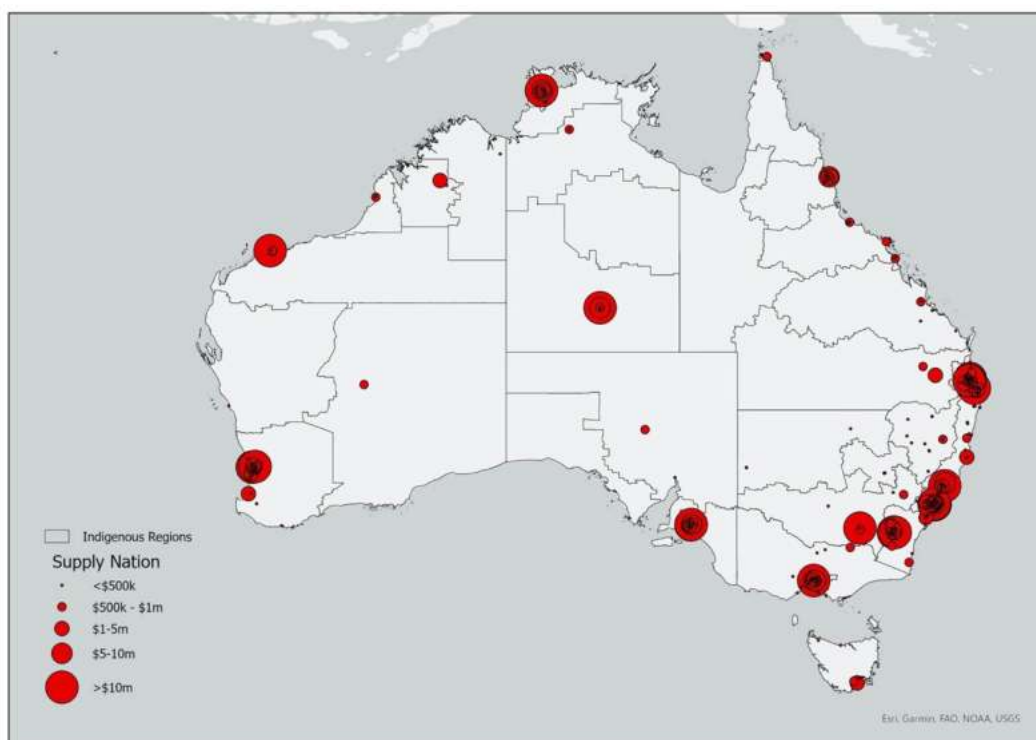


Table 8 Key features of management advisory service providers

	Supply Nation
	Management advisory services
Number of enterprises	466
Not-for-profits & charities	2%
Average income	n/r
Income under \$500k / over \$10m	76% / 3%
Average employees / proportion Indigenous	5 / 48%
Corporations / Sole Traders	67% / 22%
In major cities / remote areas	71% / 6%

3.3.8 Tourism, food and hospitality

This category includes Supply Nation enterprises in the ‘travel and tourism’ and ‘food and hospitality’ sectors as well as the ORIC ‘accommodation, cafes and restaurants’ category. Supply Nation enterprises in these categories are primarily small, for-profit enterprises employing more than ten people on average. The Supply Nation ‘travel and tourism’ category is differentiated from other Supply Nation enterprises by its high proportion of businesses in remote areas (30%). Businesses in this category provide services such as cultural tours (21%) and/or accommodation (9%). In the food and hospitality sector, Supply Nation enterprises operate primarily in capital cities (56%), offering catering (57%) and/or food and beverage retail (38%). ORIC enterprises by contrast are mostly registered charities (79%) in remote areas (75%) and are concentrated in the Northern Territory. They are relatively large, earning on average \$6m in annual revenue and employing on average 22 people. It is likely that many of these

enterprises do not specialise only in accommodation, cafes, and restaurants, but operate these enterprises alongside a range of other activities, as discussed at the start of Section 3.3.

Figure 22 Indigenous enterprises in tourism, food and hospitality

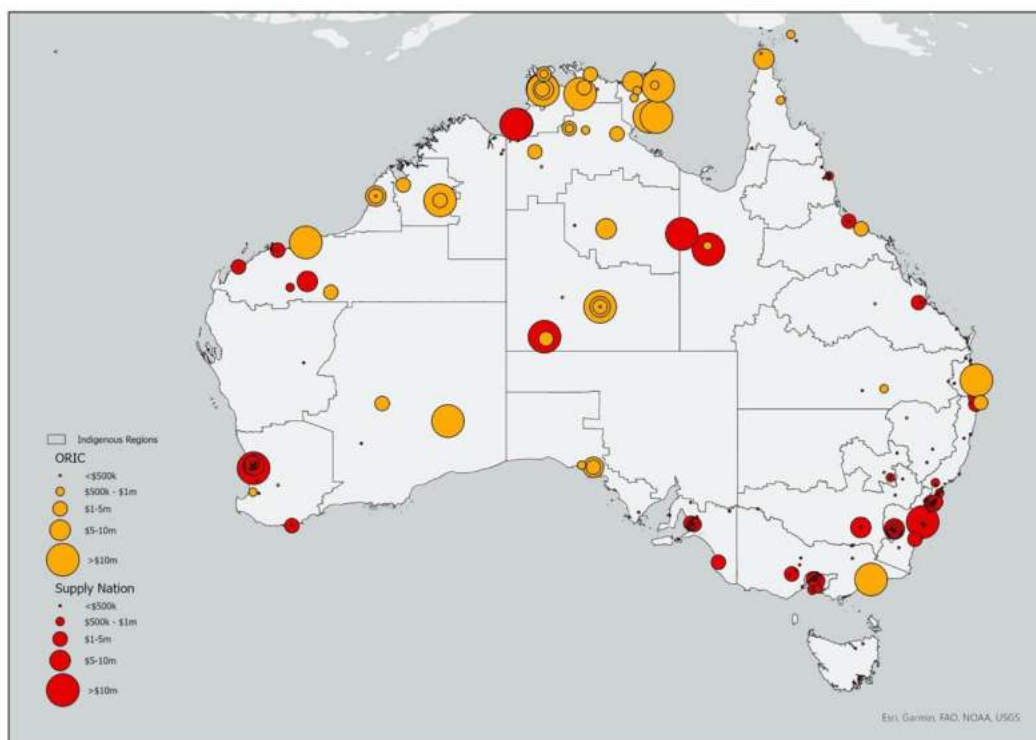


Table 9 Key features of tourism, food and hospitality enterprises

	Supply Nation		ORIC
	Travel and tourism	Food and hospitality	Accommodation, cafes and restaurants
Number of enterprises	108	149	75
Not-for-profits & charities	6%	2%	79%
Average income	n/r	n/r	\$6 m
Income under \$500k / over \$10m	84% / 2%	73% / 3%	29% / 17%
Average employees / proportion Indigenous	14 / 47%	11 / 42%	22
Corporations / Sole Traders	43% / 31%	64% / 23%	100% / 0%
In major cities / remote areas	36% / 30%	56% / 14%	3% / 75%

3.3.9 Farming, forestry and fishing

In the Supply Nation industry categorisations, horticulture and arboriculture are included in the ‘agriculture, forestry and fishing’ industry classification. This makes the industry appear bigger, and as such ‘horticulture and arboriculture’ are included under ‘land management’ in this analysis. This category now includes only activities directly related to agriculture, forestry and fishing as described in Appendix 2. The Supply Nation businesses provide services such as feral animal management (30 enterprises), farming services and equipment (29), agistment (7 enterprises), fishing and aquaculture services and products (24 enterprises), forestry management (28%) and logs (7%). There are only 48 of these enterprises in total and they are generally small (79% earn less than \$500,000 in annual revenue), corporations (50%), located in regional areas (67%) employing on average 4 people, two of which

are on average Indigenous. ORIC corporations engaging in agriculture, forestry and fishing are larger in number (106) but still relatively uncommon, and large corporations in this category are found mostly in Victoria and the Northern Territory. They are small relative to other corporations (\$1.6 m in annual income and on average 11 employees) and are mostly in remote areas (55%).

Figure 23 Indigenous enterprises in farming, forestry and fishing

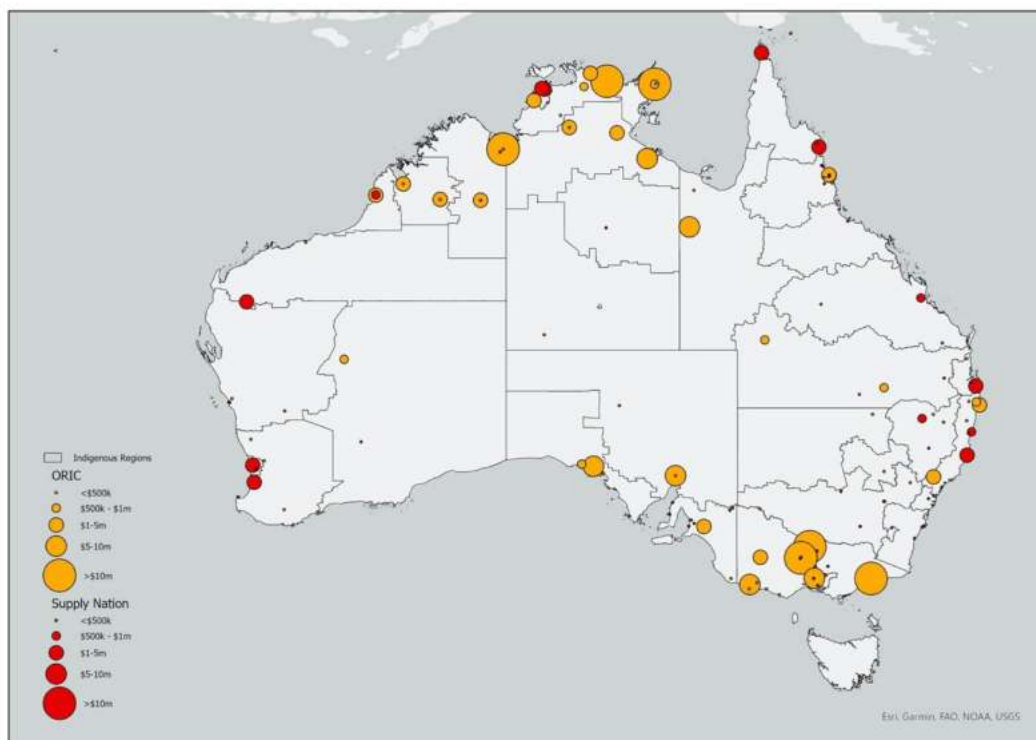


Table 10 Key features of farming, forestry and fishing enterprises

	Supply Nation	ORIC
	Farming, forestry and fishing	Agriculture, forestry and fishing
Number of enterprises	48	106
Not-for-profits & charities	4%	51%
Average income	n/r	\$1.6 m
Income under \$500k / over \$10m	79% / 0%	67% / 6%
Average employees / proportion Indigenous	4 / 55%	11
Corporations / Sole Traders	50% / 20%	100% / 0%
In major cities / remote areas	18% / 15%	4% / 55%

3.3.10 Plant and equipment hire

This category includes only Supply Nation enterprises as there is no comparable categorisation in the ORIC database. There are a total of 318 plant and equipment providers registered with Supply nation. These are mostly for-profit (99.7%) corporations (79%) earning less than \$500k in annual revenue (54%) and employing on average 13 workers (four of whom are on average Indigenous). These enterprises provide services such as plant and equipment hire, purchase and installation and serving. They are common in major cities (50%) but also operate widely in regional and remote Australia (50%). Although many of these businesses are small, 19 of them earn annual revenues more

than \$10 m. The large number of businesses in this sector may be due to the procurement policies of large organisations, such as Fortescue Metals Group, Rio Tinto and the Commonwealth Department of Defence (which together account for more than half of total spend with Supply Nation businesses in the 2022 financial year (see above)).

Figure 24 Indigenous enterprises providing plant and equipment hire

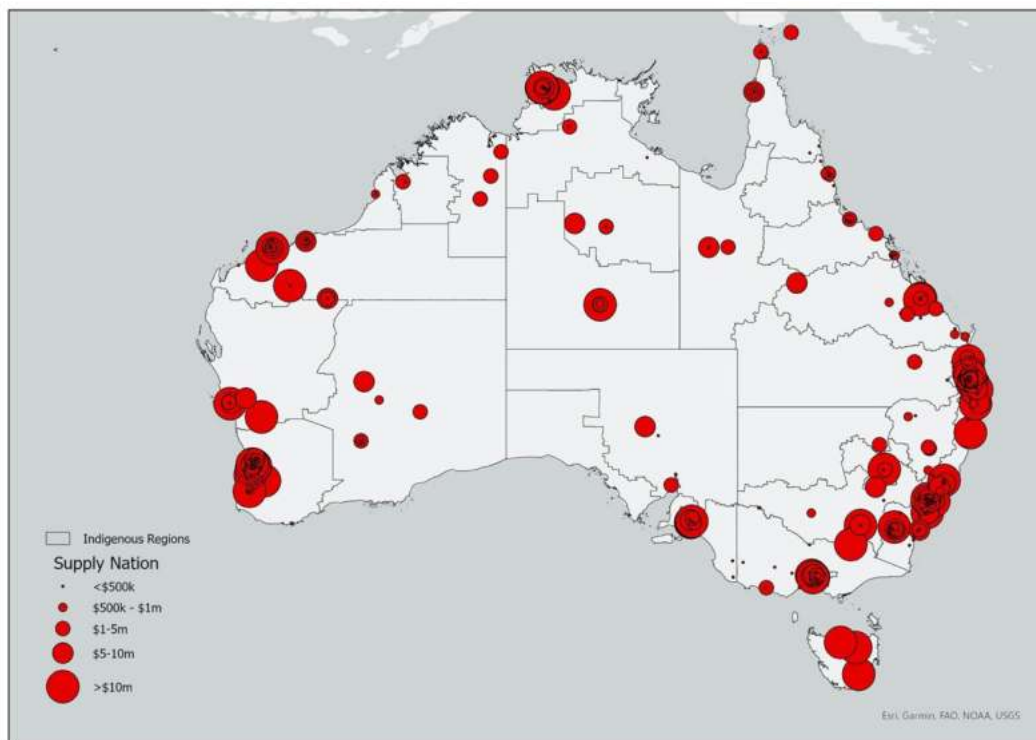


Table 11 Key features of plant and equipment providers

	Supply Nation
	Plant and equipment providers
Number of enterprises	318
Not-for-profits & charities	0.3%
Average income	n/r
Income under \$500k / over \$10m	54% / 6%
Average employees / proportion Indigenous	13 / 33%
Corporations / Sole Traders	79% / 9%
In major cities / remote areas	50% / 18%

3.3.11 Mining and energy

There are 221 Supply Nation enterprises in mining and energy, providing mining services such as mining and quarrying machinery (53%) and/or mining services (68%), as well as energy products such as solar power (38%) and/or power generation (37%). There are relatively few ORIC corporations in the mining sector (24 in total). These include 4 large corporations earning over \$10m in annual revenue, located in Bendigo, South Hedland, and Nhulunbuy.

Figure 25 Indigenous enterprises providing goods and services in mining and energy

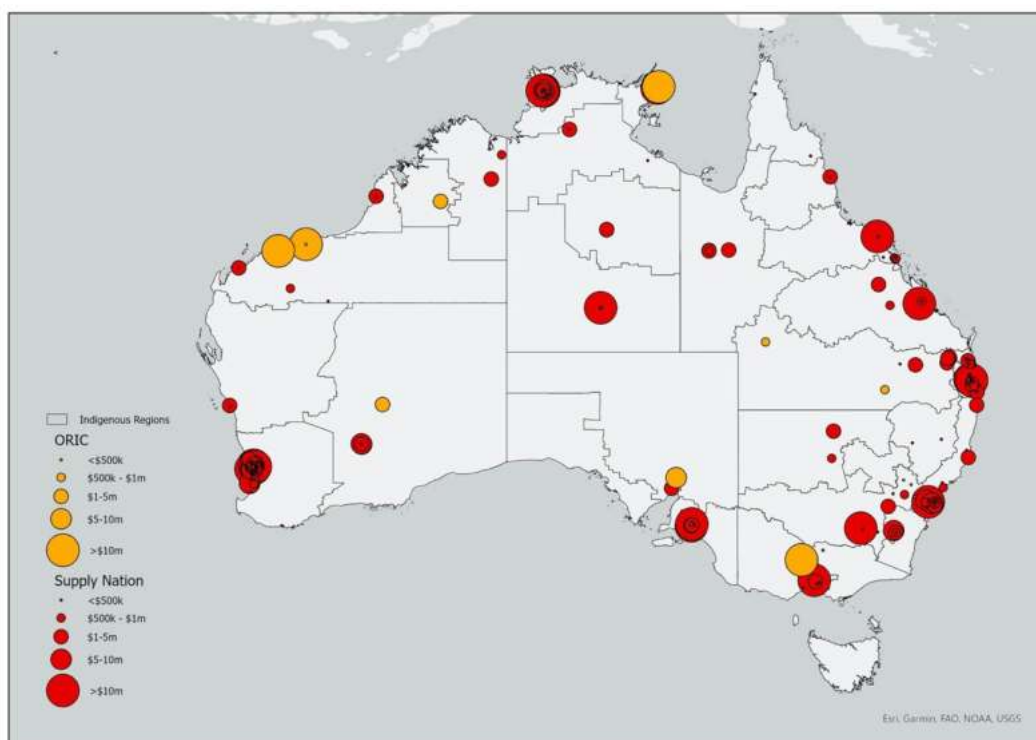


Table 12 Key features of mining and energy service providers

	Supply Nation	ORIC
	Mining and energy	Mining
Number of enterprises	221	24
Not-for-profits & charities	0.5%	54%
Average income	n/r	\$4.1 m
Income under \$500k / over \$10m	54% / 7%	63% / 17%
Average employees / proportion Indigenous	14 / 35%	14
Corporations / Sole Traders	81% / 6%	100% / 0%
In major cities / remote areas	50% / 18%	17% / 42%

3.3.12 Marketing and communications

This category includes only Supply Nation enterprises as there is no comparable categorisation in the ORIC database. There are a total of 286 enterprises providing advertising, media, marketing, and communications services registered with Supply Nation. These are mostly for-profit (98.3%) organisations and are split between sole traders (41%) and corporations (43%). They are primarily located in major cities (68%), mostly in Southeast Australia. They are primarily small, with 78% earning less than \$500,000 annual revenue, and have a relatively low proportion of Indigenous workers (26%). Further research with these enterprises could reveal more about the types of clients they service and how these businesses could be better supported.

Figure 26 Indigenous enterprises providing marketing and communication services

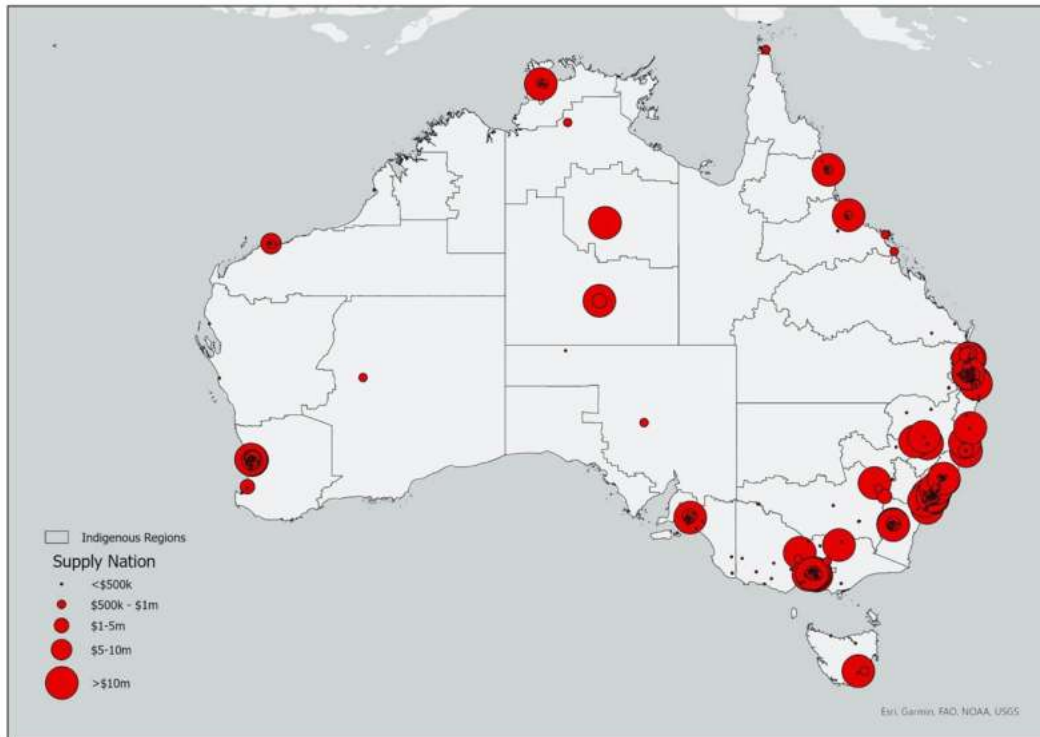


Table 13 Key features of marketing and communication service providers

	Supply Nation
	Advertising and marketing
Number of enterprises	286
Not-for-profits & charities	1.7%
Average income	n/r
Income under \$500k / over \$10m	78% / 2%
Average employees / proportion Indigenous	11 / 26%
Corporations / Sole Traders	43% / 41%
In major cities / remote areas	68% / 5%

3.3.13 Transportation and logistics

There are 155 Supply Nation enterprises engaged in transportation and logistics, and these are mostly small for-profit (99.4%) corporations located in major cities. There are only 18 ORIC corporations engaged in transport and storage, and these are primarily registered charities operating in remote areas, likely supporting remote store activities.

Figure 27 Indigenous enterprises providing transportation and logistics services

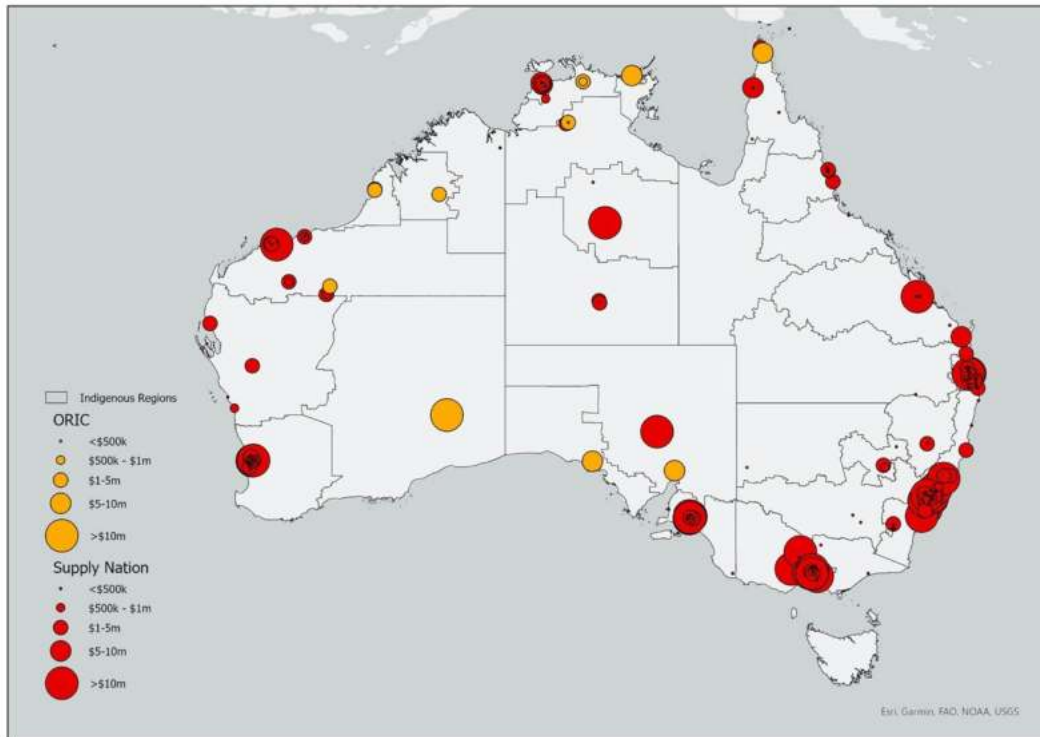


Table 14 Key features of transportation and logistics service providers

	Supply Nation	ORIC
	Transportation and logistics	Transport and storage
Number of enterprises	155	18
Not-for-profits & charities	0.6%	78%
Average income	n/r	\$2.9 m
Income under \$500k / over \$10m	64% / 5%	39% / 6%
Average employees / proportion Indigenous	13 / 23%	20
Corporations / Sole Traders	69% / 14%	100% / 0%
In major cities / remote areas	55% / 18%	6% / 72%

4. Discussion and implications

This report has combined data from Supply Nation, the Office of the Registrar of Indigenous Corporations, and the Australian Bureau of Statistics to provide a detailed description of Indigenous Australian enterprises post COVID-19. The scale of the Indigenous business sector in Australia is striking; Indigenous enterprises manage around \$10 billion in annual income and employ more than 70,000 people. They operate under various business structures, providing diverse goods and services in pursuit of a range of social and financial goals. This report contributes a more detailed understanding of the geographical contours of these businesses to support informed policy initiatives.

The analysis examined the activities of 3,688 Supply Nation registered Indigenous enterprises and 1,412 active ORIC corporations. Most of these enterprises are small, reporting less than \$500,000 annual revenue. There appear to be an additional 6,499 Indigenous owned and managed businesses which are not associated with either ORIC or Supply Nation. These are mostly unincorporated enterprises, with only 10% of unincorporated Indigenous owned and managed enterprises being certified as Indigenous enterprises by either ORIC or Supply Nation. The benefits of Supply Nation registration likely vary between industries and business types.

One of the main benefits of Supply Nation registration and certification is improved access to opportunities through the IPP. The IPP policy has been widely recognised as successful in its goals of increasing the number of Indigenous businesses awarded contracts, and the overall volume and value of contracts awarded to Indigenous businesses (NIAA 2023). In addition, some corporations have developed their own Indigenous procurement policies, and these have led to significant corporate spending with Indigenous businesses, especially by mining companies. In FYE 2022, just three corporate/government members were responsible for more than half of the value of contracts awarded to Supply Nation businesses: the Commonwealth Department of Defence (\$1.0b), iron ore company Fortescue Metals (\$452m) and metals and mining company Rio Tinto (\$504m) (NIAA 2023; Ernst & Young 2022; Beyer 2023). These procurers offer contracts in a limited range of sectors – the Commonwealth Department of Defence in sectors such as Building and Facility Construction and Maintenance Services, Management and Business Professionals and Administrative Services and Fortescue in civil and earth works within mining operations, facilities maintenance, equipment and machinery operations and hire (Ernst & Young Australia 2022). As such, growth in Indigenous enterprises registered with Supply Nation may have been unevenly distributed across industries because of the nature of companies participating in procurement programs. Efforts to broaden the suite of purchasers in procurement could support access to opportunities for a wider range of Indigenous businesses and provide greater benefits to Supply Nation registration from a wider range of businesses. It could also improve the resilience of the wider Indigenous business sector to risks associated with the business activities of these three procurers.

Indigenous businesses employ Indigenous workers to different extents. This analysis reveals that smaller enterprises are more than twice as likely to employ Indigenous workers as larger businesses and that remote and regional businesses are more than twice as likely to employ Indigenous workers as those located in major cities. Growth in the numbers of Indigenous employees in Australia overall could be targeted within the broader Indigenous business sector by either supporting growth of businesses with strong Indigenous employment outcomes (such as those in regional and remote areas and small businesses) or by supporting businesses with lower Indigenous employment rates to increase their Indigenous employment (such as large businesses and businesses in major cities).

The proportion of employees who identify as Aboriginal or Torres Strait Islander also varies considerably by industry, with sector-average Indigenous employment rates ranging from 16% for administrative services to 81% for arts and entertainment, although this is also related to differences in the average size of businesses operating in different industries. Indigenous businesses have advantages in the delivery of goods and services in certain industries. For example, Aboriginal and Torres Strait Islander workers and businesses necessarily capture the market for the supply of Indigenous specific goods and services such as Indigenous art, heritage services, and welcome to countries, and have an advantage in the delivery of certain services where Indigenous lived experiences provide a non-compulsory

benefit, such as the delivery of community services to Indigenous populations. There are also a range of industries where they do not have a clearly visible business advantage beyond access to corporate and government Indigenous procurement policies. 75% of services offered by Supply Nation businesses were in industries in which a clear Indigenous competitive advantage could not be readily identified. This is likely linked to the dominance of Indigenous procurement programs in driving the growth of the sector.

There are important differences between enterprises registered with ORIC and Supply Nation. ORIC registered corporations are mostly not-for-profit and are located mostly in remote and regional areas, while Supply Nation registered enterprises are mostly for-profit enterprises located in major cities. Supply Nation enterprises have a stronger presence in construction, building maintenance, management advisory services and plant and equipment provision, while ORIC corporations operate in greater numbers in health and community services, land management, housing, personal services and agriculture, forestry, and fishing. Both types of enterprise commonly provide goods and services in the sectors of education, employment and training, arts and entertainment and domestic goods and services. This highlights key differences between ORIC, and Supply Nation registered enterprises which are evident across industries. The mapping of Supply Nation and ORIC corporations visualises patterns in their distribution, type, and industry focus. It shows that despite these overall patterns in the financial/social goals, industry concentration and geographic locations of Supply Nation and ORIC enterprises, there are a range of different types of enterprises providing goods and services within each industry. Enterprises in different sectors pursue different combinations of social and financial goals, and policies aiming to support Indigenous enterprise would benefit from taking this diversity into account.

5. Conclusion

This report highlights the diversity of Indigenous businesses in Australia. The analysis offers one of the most detailed analyses of the post-COVID-19 Indigenous businesses sector available. The report shows that ORIC and Supply Nation enterprises are fundamentally different in their social and financial goals, geographies, and scale, but also that within Supply Nation businesses there is a great deal of diversity. The report highlights the types of Supply Nation businesses which are likely to employ larger proportions of Indigenous workers and differences between businesses in different industries and locations and provides a useful starting point to understand Indigenous business in more detail. By revealing differences in revenue and Indigenous employment outcomes between businesses based on their size, industry and remoteness, these findings can inform more targeted policy to support the Indigenous business sector to grow and more effectively provide benefits to Aboriginal and Torres Strait Islander people.

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Appendices

A.1 Indigenous Owner-Managers in Australia

Census data on the numbers of Indigenous Owner-Managers in Australia are as shown.

	2006	2011	2016
Sydney	978	1275	1830
Rest of NSW	1317	1856	2719
Melbourne	405	547	823
Rest of VIC	287	357	469
Brisbane	643	819	1122
Rest of Queensland	1228	1568	2035
Greater Adelaide	167	247	309
Rest of South Australia	122	164	171
Greater Perth	343	428	535
Rest of Western Australia	315	397	400
Greater Hobart ⁹	173	194	228
Rest of Tasmania ¹⁰	320	408	421
Greater Darwin ¹¹	110	168	167
Rest of NT ¹²	188	306	172
ACT	109	146	165
Total	6705	8880	11566

Average Compound Annual Growth Rates (CAGR) were calculated for the periods 2006-2011, 2011-2016, and 2006-2016 as shown in Figure A.2.1. Notably, there is significant variation between locations, with the NT (other than Darwin) experiencing a reduction in numbers from 2011-2016. Shirodkar, Hunter & Foley (2020) suggest that this could be linked to the end of the mining boom, the effects of the intervention, or other factors. Another possible explanation is relocation of successful Indigenous business-owner managers to other parts of Australia. Further research is needed to understand the drivers of this change.

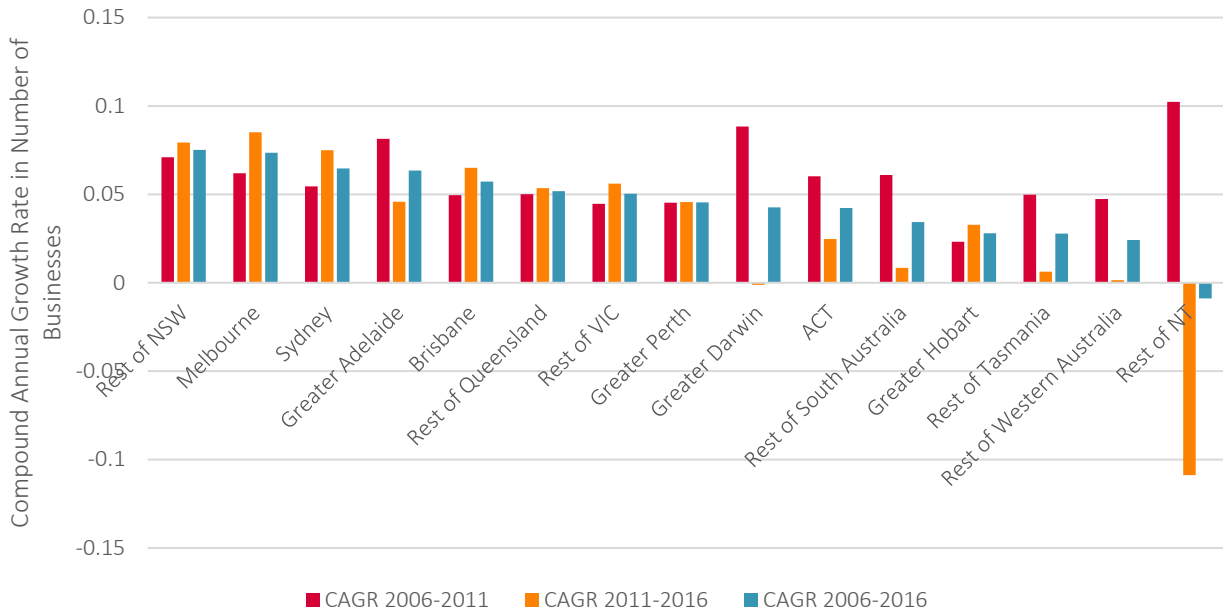
⁹ 2006 figures derived from Statistical Divisions of Hobart and Darwin, following Shirodkar, Hunter & Foley (2020, p.7).

¹⁰ 2006 figures derived as differences between GCCSA for Tasmania and the Northern Territory and the Statistical Divisions of Hobart and Darwin, following Shirodkar, Hunter & Foley (2020, p.7).

¹¹ 2006 figures derived from Statistical Divisions of Hobart and Darwin, following Shirodkar, Hunter & Foley (2020, p.7).

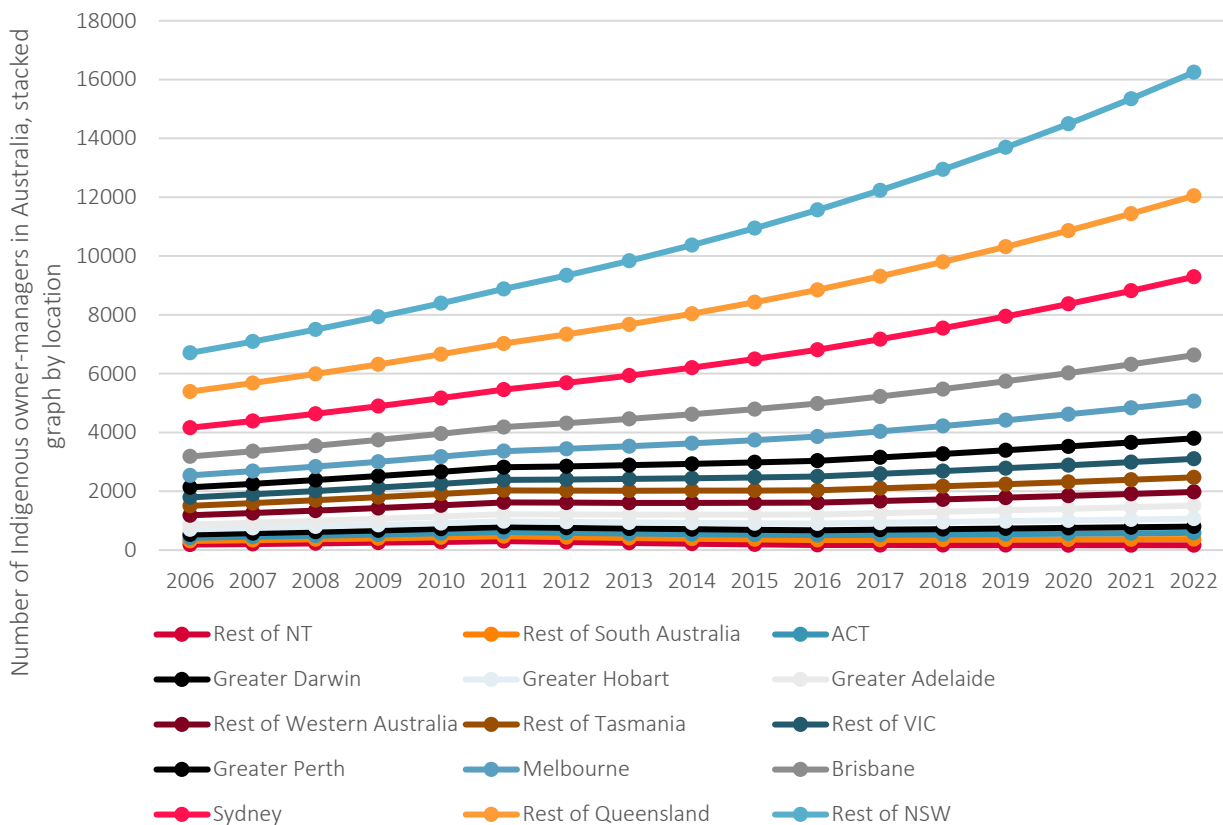
¹² 2006 figures derived as differences between GCCSA for Tasmania and the Northern Territory and the Statistical Divisions of Hobart and Darwin, following Shirodkar, Hunter & Foley (2020, p.7).

Figure A.1.1 Compound Annual Growth Rates in the number of Indigenous owner-managers identifying in Australian censuses



Using the 10-year CAGR for each location to project growth from 2016-2022, the number of Indigenous owner-managers in Australia can be projected to 2022 as shown in Figure A1.2.2, resulting in an estimate of 16,248 for all Australia.

Figure A.1.2 Number of Indigenous owner-managers in Australia as self-reported in the census (2006-2016) and projected based on 10-year CAGR (2016-2022)



The Australia wide 10-year CAGR is 5.6%. Shirodkar, Hunter & Foley (2020) propose a new method for estimating the number of business owner managers in Australia which accounts for undercounting of Indigenous Australians in the census, and changes in Indigenous identification rates which are seeing an increasing proportion of businesses identifying as Indigenous. They estimate 2016 numbers of Indigenous owner-managers at 19,400 with a 10-year CAGR of 6.3% from 2006 to 2016. If it is assumed that growth from 2016-2022 occurs at the same rate, there would be an estimated 28,039 Indigenous owner-managers in Australia in 2022. There are many uncertain variables which might lead actual numbers to vary from these projections and the 2021 census results will provide greater insight into dynamics over the last six years. It is therefore expected that there are between 11,566-28,039 Indigenous owner-managers in Australia, and the conservative figure of 16,248 based on census data projection is used for the purpose of this analysis.

Assuming the 2016 proportion of incorporated businesses remains constant at 63.4% (despite ABS data which shows a trend of increasing proportion of incorporated businesses), it is estimated that in 2022 there would be 5,954 Indigenous owner managers of incorporated businesses and 10,294 Indigenous owner managers of unincorporated businesses. Subtracting numbers of Supply Nation registered businesses leads to an estimate of 3,206 Indigenous owner managers of incorporated businesses not registered with Supply Nation and 9,365 Indigenous owner managers of unincorporated businesses not registered with Supply Nation. This can be compared with Supply Nation listing rates of 2,747 incorporated enterprises and 930 unincorporated enterprises, and ORIC listings of 1,412 enterprises.

It is difficult to compare number of Indigenous owner-managers with numbers of Indigenous enterprises due to the different nature of these entities. Indigenous owner-managers may register multiple corporations which each have different levels of activity. Similarly, there may be corporations with no active owner managers, as is the case for at least 59% of currently registered ORIC corporations¹³. These factors complicate the comparison of owner-manager and enterprise numbers. For comparison, the following assumptions are made:

- Indigenous owner-managers each operate one active enterprise
- Inactive ORIC corporations (failure to report at any point in the last three years, or reported no income, no assets and no employees) have no census recorded Indigenous owner-managers
- Active ORIC corporations have one census recorded Indigenous owner manager (it is common for ORIC corporations to have many directors, so it is not clear whether these directors would self-identify as both employed, and the owner-manager of a business, based on this directorship. For the purpose of analysis, it is assumed that only one of the directors would do so, however, this is an area worth further study as if many of the directors are identifying as Indigenous owner-managers this would lead to overestimation of the number of Indigenous corporations in Australia.

The results of this analysis are shown in Figure 2 in the main text.

Income and Employees

Evans et al. (2021) for FY 2018 undertook a comprehensive analysis of ORIC, Supply Nation, ICN and census data and reported that from 2006 to 2018, annual income for indigenous businesses more than doubled from \$2.27 billion to \$4.88 billion. The most recent estimate of the total income of the Indigenous business sector comes from Supply Nation (2020a, p.8), who estimated the total value of the Indigenous sector at 8.8 billion in revenue with 60,100 employees.

It is difficult to estimate the rate of revenue growth over the past two years due to the impact of COVID. Supply Nation data provides business revenue within a range. The minimum value is taken by multiplying the minimum value in each range by the number of businesses in that category. As such is represents the activities of only the

¹³ Based on analysis of ORIC data as described in the methodology section – there were 3,430 corporations registered with ORIC at the time of analysis, however, only 1,412 of these had two criteria: 1) they must have met their reporting requirements at some point in the last three years; and 2) in this report they must have reported some income, assets or employees. This is a very generous definition of ‘active’ and is likely to overestimate activity rates.

1,086 largest Supply nation businesses. The maximum values are estimated by multiplying the largest value in each range by the number of businesses. For the largest category of >\$10 million revenue, the value of \$10 million was used. The minimum and maximum provided therefore bound the range of revenue. This analysis indicates that the total revenue of Supply Nation businesses is between \$2.6 – 6.6+ billion dollars annually.

In their 2020 report (Supply Nation 2020a), Supply Nation use audit data to estimate the total revenue of Supply Nation businesses at \$3.9 billion and total employees at 30,689. Their FY2022 database records 38,336 employees, representing an annual growth rate of 11.8%. Using this growth rate as a proxy for revenue growth yields an estimate of current revenue of \$4.9 billion. If the remainder of Indigenous businesses have growth at the 10-year CAGR (calculated above) of 5.6% for the last two years, it is estimated that their revenue has grown from \$4.9 billion (Supply Nation 2020a, p.8) to \$5.5 billion and employees from 29,411 to 32,797. This estimate is subject to revision based as greater understanding of the impact of COVID-19 on Indigenous business emerges. Subtracting the estimate of total ORIC revenue of \$3.1 billion and 17,231 employees (gained from review of publicly corporation reports) an estimate of \$2.4 billion in revenue and 15,566 employees for the remainder of the Indigenous business sector is reached. Summing these provides an estimate of the current size of the Indigenous business sector at \$10.4 billion in revenue and 71,133 employees. This analysis assumes that active ORIC businesses are included in the census data by virtue of having at least one member reporting as the employed owner-manager of the corporation, it would be estimated that the rest of the (non-registered) Indigenous business sector manages \$2.4 billion in revenue. If the ORIC businesses are assumed to not be counted in the census (no members self-identify as owner managers) this figure would be \$5.5 billion. The lower estimate is used as the basis of this analysis.

A.2 Groupings of Supply Nation Sectors

Industry Grouping	Supply Nation Sector
Administrative services	Administrative services
Advertising & media	Advertising & media
	Graphic design
	Marketing & communications
Arts & entertainment	Photography
	Arts & entertainment
Cleaning services	Cleaning services
Community & social services	Community & social services
Construction and building maintenance	Material handling & lifting equipment
	Signs & barriers
	Parking & traffic services & equipment
	Building products & materials
	Engineering & research & technical based services
	Building repairs & maintenance services
	Construction & operations
Domestic goods and services	Personal & domestic services
	Music & games & toy & educational equipment
	Furniture & furnishings (indoor & outdoor)
	Retail & domestic products & gifts
	"Luggage, merchandise & personal products"
	Clothing & workwear
Education and Training	Training & development
Electrical	Audio visual equipment & supplies
	Electrical systems & lighting & equipment & services
Environmental & heritage services	Environmental & heritage services
Events Management	Event management & services
Farming, forestry and fisheries	Forestry
	Fishing & aquaculture
	Farming & animal services & equipment
Food & Hospitality	Food & beverage products
	Catering & hospitality
Healthcare	Health & wellbeing services
	Drugs & pharmaceutical products
	Healthcare services & medical equipment & supplies

Horticulture & arboriculture	Horticulture & arboriculture
Human resources & recruitment	Human resources & recruitment
Information Technology	Information Technology
Management advisory services	Management advisory services
Manufacturing	Industrial automation & process control
	Industrial production & manufacturing services
Mining & Energy	Fuel & oils
	Power generation & transmission & distribution
	Mining & quarrying & oil & gas
Office Supplies and Printing	Office related supplies & services
	Printing & distribution services
Plant and equipment supply	Hardware & hand tools
	Service industry machinery & equipment
	Plant & equipment (purchase)
	Mechanical plant & equipment & services
	Plant & equipment (hire & disposal)
Professional services	Laboratory & measuring & observing & testing equipment
	Library services
	Real estate & property services
	Legal services
	Architecture & urban design & planning services
	Financial & insurance services
	Digital and Data
	Financial Technology
Safety	Safety equipment
	Fire & safety
Security	Security services & equipment
Transportation & Logistics	Aircraft & aviation services
	Marine transport & products & services
	Transportation, freight & logistics
Travel & tourism	Travel & tourism
Vehicle hire	Vehicles
	Fleet servicing & accessories
Waste Management	Waste management & landfill
Water & sewage	Water & sewage
Other	Telecommunications

Sport & Recreation

Chemicals & gas

Venue hire

Defence

Sport & recreation equipment & services

Venue hire

A.3 Comparison of Supply Nation and ORIC data

Supply Nation codes	ORIC codes	Overall category name	Proportion of ORIC businesses in category	Proportion of Supply Nation businesses in category
Manufacturing	Manufacturing	Manufacturing	0.30%	1.12%
Transportation & Logistics	Transport and Storage	Transportation & Logistics	0.69%	2.17%
Advertising, media, marketing, communications		Advertising and marketing		4.01%
Mining & Energy	Mining	Mining & Energy	0.91%	3.10%
Plant and equipment		Plant and equipment		4.45%
Farming, forestry and fisheries	Agriculture, Forestry and Fishing	Agriculture, forestry & fishing	4.04%	0.67%
	Personal and Other Services	Personal and Other Services	5.03%	
Water & sewage; Waste Management	Municipal Services	Municipal services & waste management	2.93%	2.44%
Travel & tourism; food and hospitality	Accommodation, Cafes and Restaurants	Tourism, food and hospitality	2.86%	3.60%
Management advisory services		Management advisory services		6.53%
Domestic goods and services	Shops	Domestic goods and services	3.89%	3.88%
Arts & entertainment	Art Centres	Arts & entertainment	5.79%	4.23%
Environmental & heritage services; Horticulture & arboriculture	Land management	Land Management	13.68%	3.70%
Construction and building maintenance	Construction; Housing	Construction, housing and building maintenance	8.42%	18.85%
Community & social services; healthcare	Health and Community Services	Health and Community Services	15.39%	6.65%
Education and training; human resources and recruitment	Employment and Training; Education (including child care)	Education, employment and training	14.40%	12.69%
	Other	Other	21.68%	21.91%

A.4 Indigenous competitive advantage

In the Supply Nation database there are 936 unique services provided by 3,688 Supply Nation businesses, with each business offering on average 14 services. In total, the database contains 51,583 unique business-service combinations (combinations of unique businesses with unique services on offer). These services can be categorised according to the importance of an Indigenous perspective to their provision as follows:

Types of goods & services	Description	% of services	Examples (and number of businesses providing this services)
Indigenous	Goods and services which can only be provided by Indigenous people.	4 %	Cultural awareness training (411) Reconciliation Action Plan (RAP) implementation and assistance (235) NAIDOC products & services (167) Cultural tours (120) Aboriginal artefacts (99) Bush tucker (57)
Possibly Indigenous	Goods and services which are not specified as to whether the good or service offered is Indigenous in nature and may or may not be marketed as such.	5%	Professional artists (238) Community event management (170) Photographer (123) Tours and tour operation (76) Dance performance (47) Soap (28)
Indigenous perspective possibly beneficial	Goods and services which while not necessarily supplied by Indigenous people, may be more effectively provided by Indigenous people in certain areas, such as the provision of services to Indigenous people.	16%	Training delivery (423) Management consulting (401) Indigenous support services (348) Community and business development (264) Remote and regional development programs (168) Dispute resolution and mediation services (81) Legal services and lawyers (51)
No Indigenous competitive advantage	Goods and services which do not specifically require an Indigenous perspective (although they may benefit from them in other ways).	75%	General construction (483) Demolition services (288) Concreting (244) Drainage services (235) Landscaping (233) Bobcat hire (145) Road signs (93) Office supplies (59)