



State of Indigenous Business

An analysis of procurement spending patterns with
Indigenous businesses 2023-2024

Dr Gautam Pingali

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Acknowledgement of Country

Supply Nation acknowledges the Traditional Owners of Country throughout Australia and recognises their continuing connection to land, skies, waters and community. We pay our respect to them and their cultures; and to Elders past and present.

Supply Nation

Supply Nation is Australia's leader in supplier diversity. Since 2009, we have worked with Aboriginal and Torres Strait Islander businesses, along with procurement teams from government and corporate Australia to shape today's rapidly evolving Indigenous business sector.

Supply Nation is the custodian of Indigenous Business Direct, Australia's largest national directory of verified Aboriginal and Torres Strait Islander businesses. Our five-step verification process ensures all businesses listed on Indigenous Business Direct are Indigenous-owned and regularly audited for changes in company structure and ownership.

Supply Nation partners with members from the government, corporate and not-for-profit sectors to include supplier diversity in procurement policies. We work with our members to develop and support supplier diversity aligned with global best practice, which enables greater participation of the Indigenous business sector.

In 2019, Supply Nation established an internal research function to deliver evidence-based programs that strengthen our advocacy for the needs and benefits of Indigenous business and procurement. One 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.

Supply Nation collaborates with a range of university centres, government and independent research agencies on research projects of relevance to Indigenous peoples and businesses. Our research is primarily disseminated through:

- Supply Nation Research Reports – substantial, original pieces of research on topics of relevance to our mission and suppliers.
- Supply Nation Research and Policy Briefs – concise papers that summarise key areas of research or policy relevant to the Indigenous business sector and other key stakeholders.

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Definitions and acronyms

Definitions	Description
Certified Supplier	A business that is 51% or more Aboriginal and/or Torres Strait Islander owned, managed, and controlled.
Registered Supplier	A business that is 50% or more Aboriginal and/or Torres Strait Islander owned. This category caters for equal partnerships with non-Indigenous owners.
Indigenous business	An Aboriginal and/or Torres Strait Islander owned business, including Registered and Certified Suppliers.
Indigenous Business Direct	Supply Nation's publicly available, national online directory of Aboriginal and Torres Strait Islander businesses.
Spend	A Supply Nation member's procurement spend with Indigenous businesses.
Supply Nation member (purchasing organisation)	A corporate, government or not-for-profit organisation that pays a membership fee to Supply Nation and commits to purchasing goods and/or services from Indigenous businesses.
First-tier spend	First-tier spend is earned when a member partners directly with a supplier.
Second-tier spend	Second-tier spend occurs when a member engages with a supplier through their relationship with a sub-contractor.

Acronyms	Description
AIMSC	Australian Indigenous Minority Supplier Council
FY	Financial year
IJV	Incorporated joint venture
IPP	Indigenous Procurement Policy
NFP	Not-for-profit
NMSDC	National Minority Supplier Development Council
ORIC	Office of the Registrar of Indigenous Corporations
RAP	Reconciliation Action Plan

Foreword

2024 has been an exciting year for Supply Nation as we proudly celebrate 15 years of working to grow the Indigenous business sector in Australia.

Supply Nation's objective is to increase opportunities for Aboriginal and Torres Strait Islander businesses by facilitating connections, improving capability, advocating for supplier diversity, and driving systemic change. We have achieved these objectives over the last 15 years by growing our network to over 5,000 verified suppliers and more than 820 corporate and government members (purchasing organisations). From 2009 to 2024, we facilitated almost \$20 billion in procurement spend between Supply Nation suppliers and members.

Our supplier network has grown by an average of 40% each year since the founding cohort of 13 organisations in 2009. Supply Nation members have also grown by an average of 25% each year since the 32 founding members in 2009. We have also seen members increasing their spend with suppliers, representing a 68% year-on-year average increase from 2010 to 2024.

It is my great pleasure to share that in the financial year 2023-24, we have had another record year, hitting \$4.6 billion in total spend by our members with Aboriginal and Torres Strait Islander businesses – an increase from \$4.1 billion in the previous financial year.

This report also highlights other significant findings, including that small- to medium-sized businesses received 89% of procurement spend in 2023-24, with 713 contracts worth more than \$1 million, and 22% of those contracts going to female-owned businesses. Members and suppliers with strong business relationships were those listed with Supply Nation for five to nine years, with members spending \$1.3 billion and suppliers receiving \$1.4 billion in contracts.

While this is a great achievement, there is more work to do to ensure the long-term sustainability of the sector. Supply Nation will continue to ensure that the number and value of contracts being awarded to suppliers is increasing; more Aboriginal and Torres Strait Islander businesses are engaged; and more second-tier spending is explored.

We hope that our research will build a deeper understanding of what is needed to support Aboriginal and Torres Strait Islander businesses to enter the market and grow. It will support opportunities for suppliers to access contracts and procurement initiatives, and build their capabilities of as they transition into different stages of the business lifecycle.

This report is testament to the important role played by the corporate and government sectors in stimulating the growth of Indigenous businesses. These entities have become increasingly conscious of their spending habits and how they can positively impact broader social outcomes for Aboriginal and Torres Strait Islander peoples. I am proud to be leading this organisation at such a pivotal time, and especially proud of our members and suppliers who continue to show their strength, resilience, and dedication to growing a thriving Indigenous business sector in Australia.



Kate Russell
CEO
Supply Nation

Executive summary

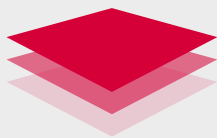
Procurement trends FY23-24



Procurement with Supply Nation suppliers has grown from \$3.8 billion in FY21-22 to **\$4.6 billion in FY23-24**.



89% of procurement spend in FY23-24 was with small-to medium-sized businesses.



96% of procurement was first-tier spend. Members who spent the most (**\$1.3 billion**) have been with Supply Nation for **5-9 years**.



703 or **41%** of female-owned businesses received spend totalling **\$941 million**.

Contract trends FY23-24



Contracts between Supply Nation suppliers and members totalled **284,864** in FY23-24.



Largest contract valued at **\$91 million** between a mining company and a facilities management business.



713 contracts valued over **\$1 million** each.



22% of the contracts that were over \$1 million went to **female-owned businesses**.



Suppliers who received the most contracts (**\$1.4 billion**) have been with Supply Nation for **5-9 years**.



66% of Certified Suppliers received procurement contracts, compared to **35%** of Registered Suppliers.

Recommendations to ensure the long-term sustainability of the Indigenous business sector



- Increase second-tier spending.
- Increase the value of contracts with suppliers.
- Increase the distribution of contracts among different Indigenous businesses across the sector.

1. Introduction

In 2009, Supply Nation, known then as the Australian Indigenous Minority Supplier Council, was established in response to the inquiry into Indigenous Economic Development. The model was intended to emulate the National Minority Supplier Development Council model from the United States, which was established during the Civil Rights Movement in the 1960s to support growth in diversity of businesses and employment.

Diversifying supply chains enables businesses to be more flexible, innovative, and sustainable. Supply Nation is helping organisations of all sizes across Australia to implement best practice approaches to help procurement teams successfully engage with Indigenous businesses and diversify their supply chains.

Supply Nation's mission is to:

- Help people and organisations to understand the positive social impacts that can be created through business purchasing power.
- Facilitate connections between Indigenous businesses and purchasing organisations.
- Manage the Indigenous business verification (registration, certification, and audit) process.

Indigenous businesses can be registered or certified by Supply Nation, with many benefits available, including a business profile listing on Indigenous Business Direct; support, advice, tools and resources; as well as access to networking events, training, and information sessions.

Supply Nation applies a five-step process to verify businesses that are listed on Indigenous Business Direct. Since our inception, Supply Nation has been driving Indigenous business diversity across Australia, with over 5,300 Indigenous businesses verified as of October 2024.

Supply Nation members include federal, state, and local government agencies, corporate businesses and not-for-profit organisations. Government agencies are required under the Indigenous Procurement Policy to utilise Indigenous Business Direct 'as the first port of call for procurement officers to search for Indigenous businesses to fulfil their targets'¹. Private corporations are adopting similar approaches, developing procurement plans to increase engagement and spend with Indigenous businesses.

This report drew on a variety of Supply Nation's collated data to understand trends in procurement spending, as well as identify areas to increase engagement between our members and suppliers.

2. Methodology

Our research approach included the analysis of two key datasets:

- SpendTracker for members' spend.
- A separate dataset for supplier data).

The above is known collectively as the 'dataset'.

2.1 Quantitative analysis

A condition of membership with Supply Nation is that purchasing organisations report their procurement spend with suppliers using a tool called SpendTracker. Members are encouraged to report quarterly to allow for effective and current benchmarking with member peers. Members are responsible for entering data into SpendTracker, including the number of contracts, contractual value, suppliers used, and dates payable. This data

¹ Supply Nation (2021) Why join Supply Nation? supplynation.org.au/benefits/government

also allows Supply Nation to track any movements in spend by Supply Nation members over time and to tailor support to assist members to achieve their supplier diversity goals.

The findings in this report derive primarily from an analysis of Supply Nation's SpendTracker dataset. This provides a nuanced understanding of members' spend, along with an examination of how this spend varies due to supplier location; industry sector; ownership structure; level of Indigenous ownership (Certified Supplier versus Registered Supplier) and female ownership.

The separate supplier dataset relies on Indigenous businesses entering information on the types of services they provide. Suppliers may select up to five different types of services, which are then merged into categories relating to industry sector. Supply Nation determines the main industry category based on the industry in which the supplier provides most of its services.

The two datasets were merged to match contracts awarded by our members with the industry of the supplier providing the goods and services.

The analysis was used to understand trends in procurement spending and identify areas to increase engagement between Supply Nation members and suppliers.

2.2 Limitations

There were some data limitations. These included:

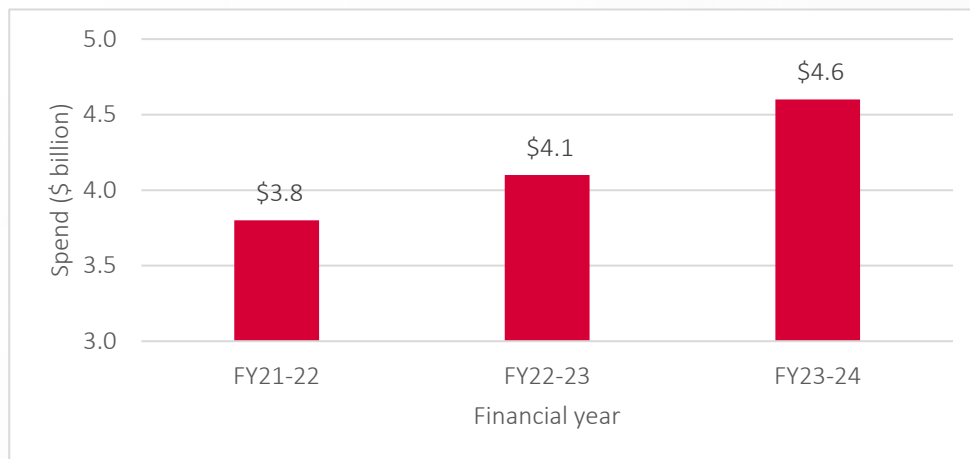
- Inconsistencies in data entry and frequency of reporting, as not all Supply Nation members report their spend on a quarterly basis. The spend dates reported by members in SpendTracker may not always align with the date the spend occurred.
- Descriptive data (such as ownership structure, supplier services, number of employees) were not always available for some suppliers, even though they received revenue from contracts in at least one of the financial years examined. In these cases, descriptive data of the available financial year were used.
- There were several zero-dollar, small value and negative value contracts recorded in the dataset, which were not excluded from the analysis. Any analysis of the number of contracts or average value of contracts may result in higher amounts or values reported than is the case.
- Suppliers report their employment data upon registering or certifying their business with Supply Nation. Indigenous employment has been calculated from the available data at a point in time, which may, therefore, be outdated.

3. Key findings

3.1 Indigenous business growth

Procurement with Indigenous businesses has continued to grow in the past three years, from \$3.8 billion in FY21-22 to \$4.6 billion in FY 23-24. There were a total of 284,864 contracts in FY23-24, with the largest contract valued at \$91 million between a mining company and a facilities management business. The number of Registered and Certified Suppliers and Supply Nation members has grown steadily over the past three years².

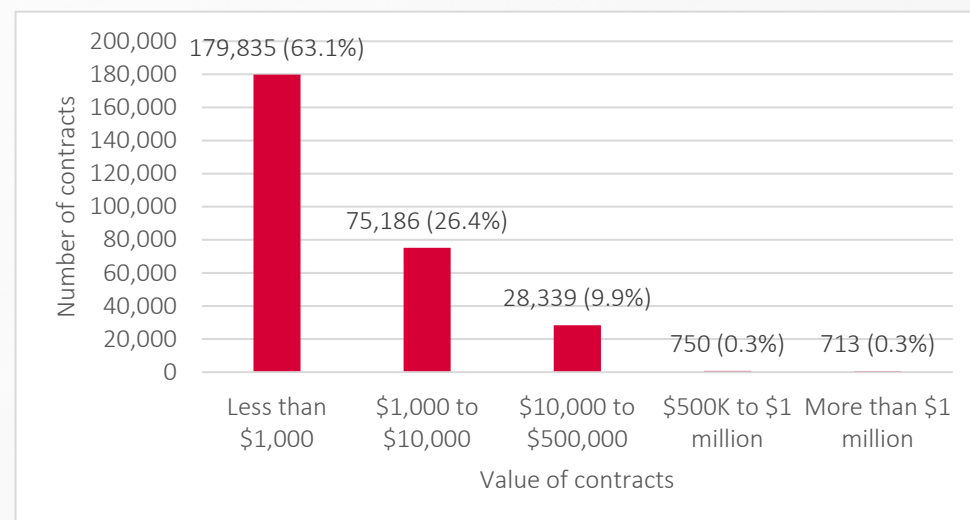
Figure 1: Growth in spend in the last three years



Interestingly, when breaking down the FY23-24 spend by the value of contracts, we see that:

- 63.1% of the contracts were worth less than \$1,000
- 26.4% of contracts were worth \$1000 to \$10,000
- 9.9% of contracts were worth \$10,000 to \$500,000
- 0.3% of contracts were worth \$500,000 to \$1 million
- 0.3% of contracts were worth more than \$1 million.

Figure 2: Breakdown of FY23-24 spend by value of the contracts



² Supply Nation's Research Report No. 9: Legacy – Supply Nation's 15-year Anniversary Report.

Of the 713 contracts that were worth more than \$1 million, 54% were received by suppliers who have been with Supply Nation for five to nine years; 40% were in Western Australia; 60% were Certified Suppliers; and 22% were female-owned businesses.

Figure 3: Suppliers who won contracts worth more than \$1 million compared to their length of time with Supply Nation in FY23-24

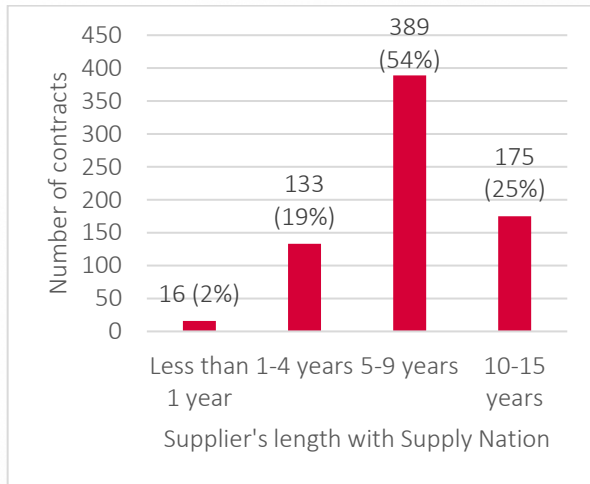


Figure 4: Suppliers who won contracts worth more than \$1 million by their location in Australia in FY23-24

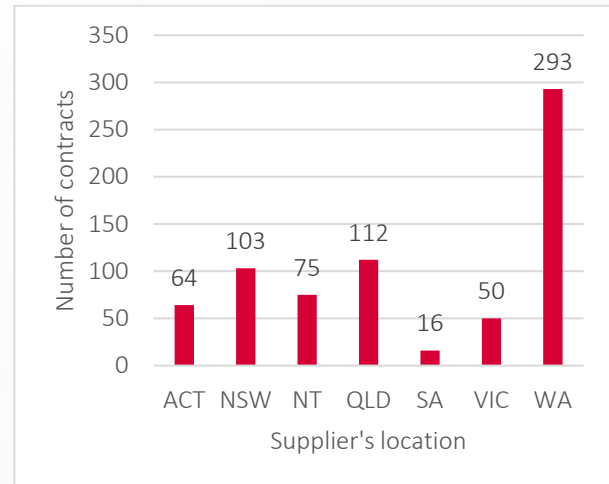


Figure 5: Suppliers who won contracts worth more than \$1 million compared to their level of Indigenous ownership in FY23-24

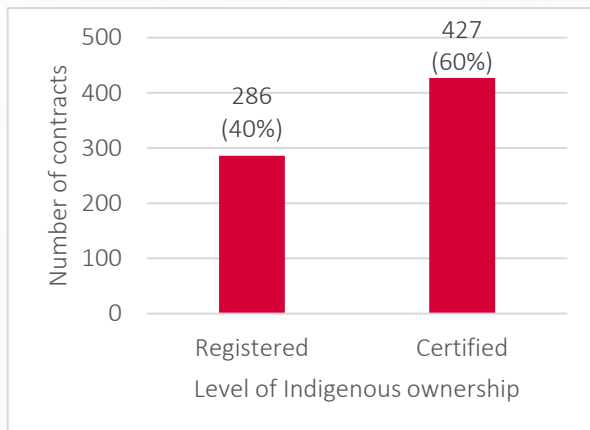
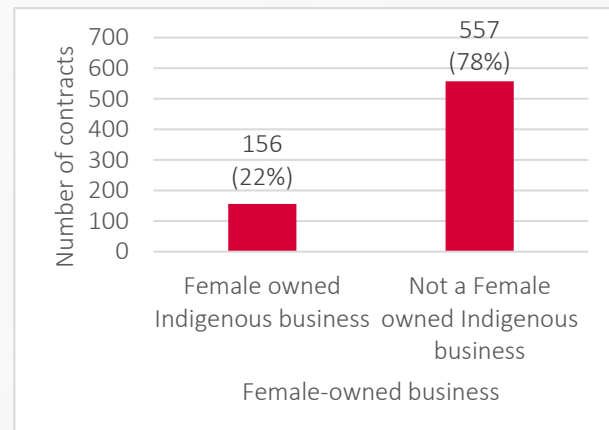


Figure 6: Suppliers who won contracts worth more than \$1 million compared to their level of female ownership in FY23-24



3.2 Employment and revenue

Sole traders employed the greatest number of Aboriginal and Torres Strait Islander employees (82%), followed by partnerships (66%), while corporations and joint ventures employed fewer Aboriginal and Torres Strait Islander employees (32% and 30% respectively). Indigenous employment by state is relatively similar with the lowest being 20% in South Australia and the highest being 34% in Northern Territory.

Figure 7: Aboriginal and Torres Strait Islander employees by supplier ownership structure in FY23-24

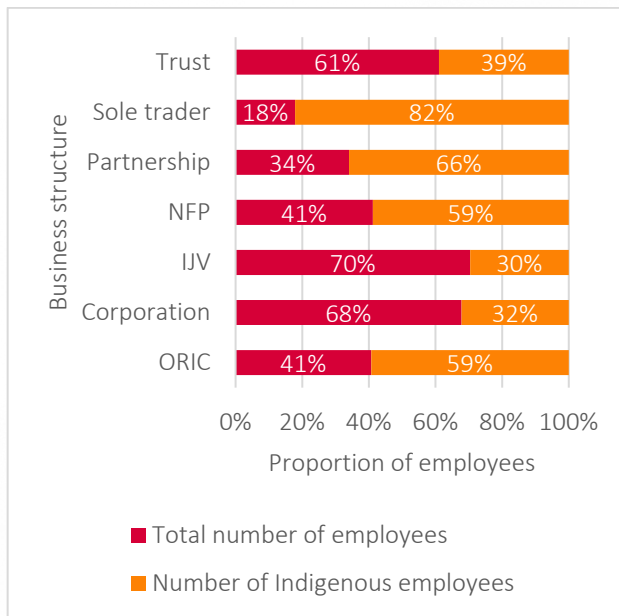


Figure 8: Aboriginal and Torres Strait Islander employees by supplier location in FY23-24



Suppliers who received 89% of procurement spend in FY23-24 were small- to medium-sized businesses³. Suppliers with a total of one to nine employees received \$1.3 billion in contracts (28%); suppliers with 10 to 49 employees received \$1.6 billion in contracts (35%); and suppliers with 50 to 199 employees received \$1.1 billion in contracts (24%). Eighty per cent of suppliers with an annual revenue of more than \$10 million are also small- to medium-sized businesses, with 37% of them having 10 to 49 employees; 26% having 50 to 199 employees; and 18% having one to nine employees. Suppliers with an annual revenue of more than \$10 million received \$2.3 billion in contracts (50%) in FY23-24.

Figure 9: Members' spend by suppliers' employee headcount in FY23-24

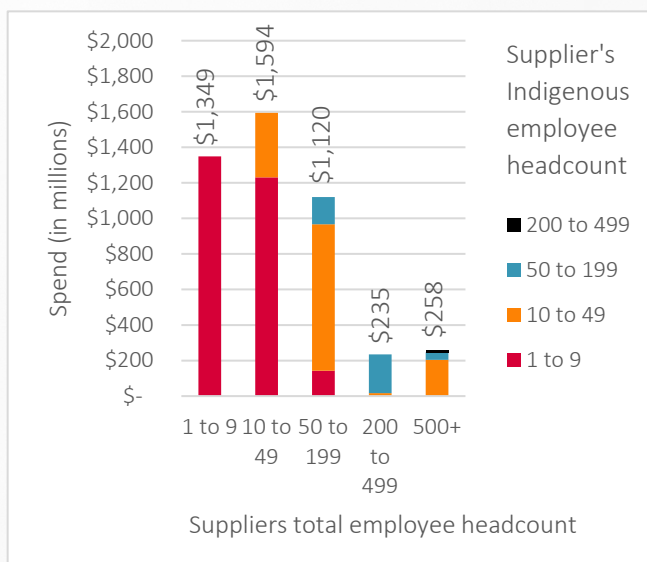
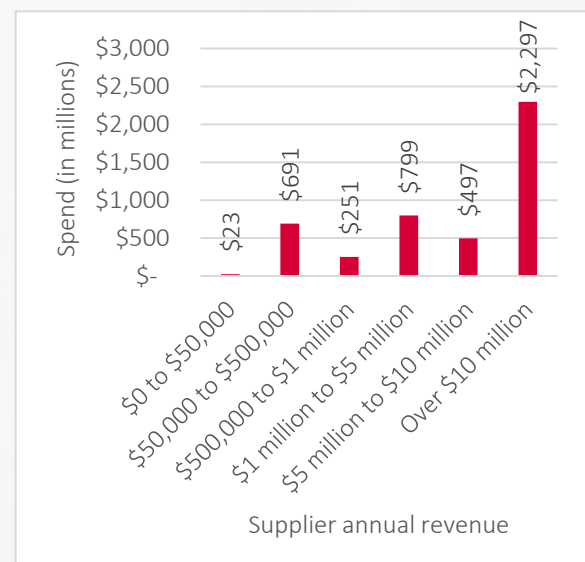


Figure 10: Members' spend compared to suppliers' annual revenue in FY23-24



³ Small businesses have zero to 19 employees; medium businesses have 20 to 199 employees; and large businesses have more than 200 employees, according to the Australian Bureau of Statistics.

3.3 Industry

Supply Nation members who had the greatest increase in procurement spend from FY21-22 to FY23-24, broken down by industry sector were:

- Mining – increased from \$673 million to \$1.3 billion.
- Construction – increased from \$730 million to \$996 million.

Other sectors with increased procurement spend annually included Facilities Management, Energy, and Financial & Insurance Services.

The sectors with the largest decrease in procurement spend included:

- Government – decreased from \$1.7 billion in FY21-22 to \$1.1 billion in FY23-24.
- Marketing & Communications – decreased from \$209 million in FY21-22 to less than \$1 million in FY23-24.

Other sectors with decreased procurement spend included Retail, Domestic Goods & Services, Food & Hospitality, and Vehicle Hire.

Figure 11: Top five member industries by increased amount of spend from FY21-22 to FY23-24

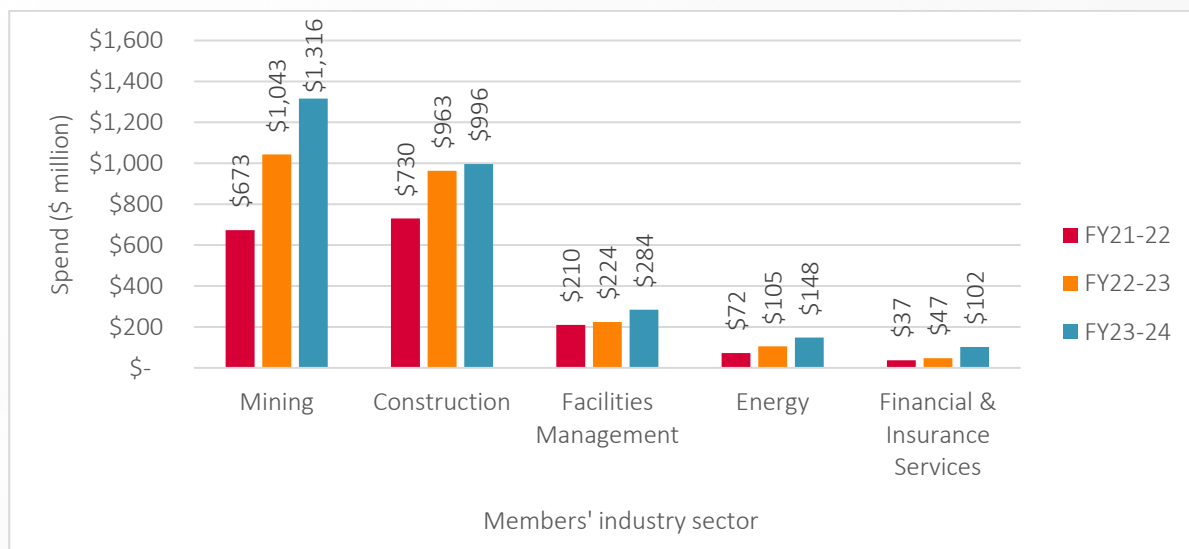
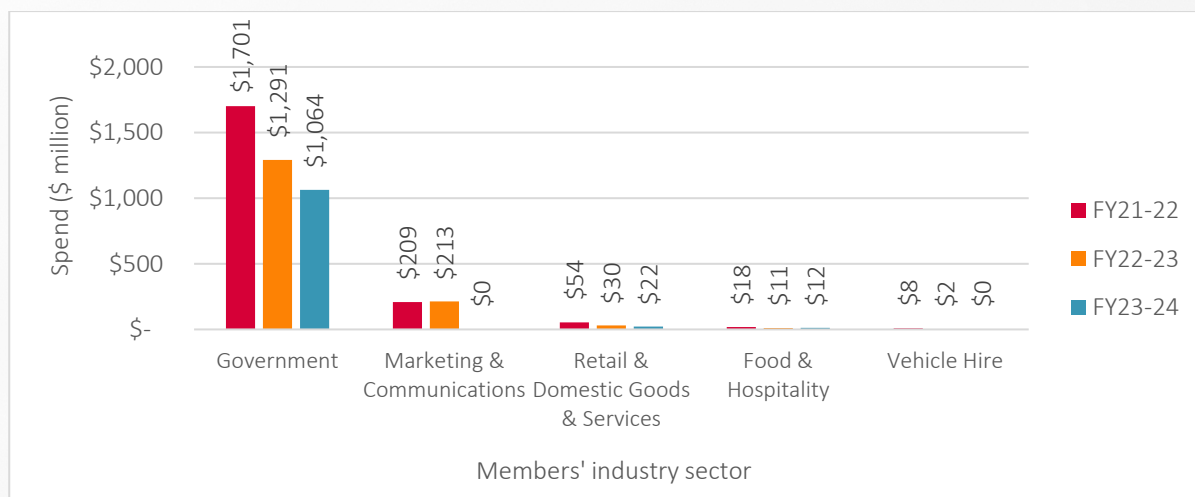


Figure 12: Bottom five member industries by decreased amount of spend from FY21-22 to FY23-24

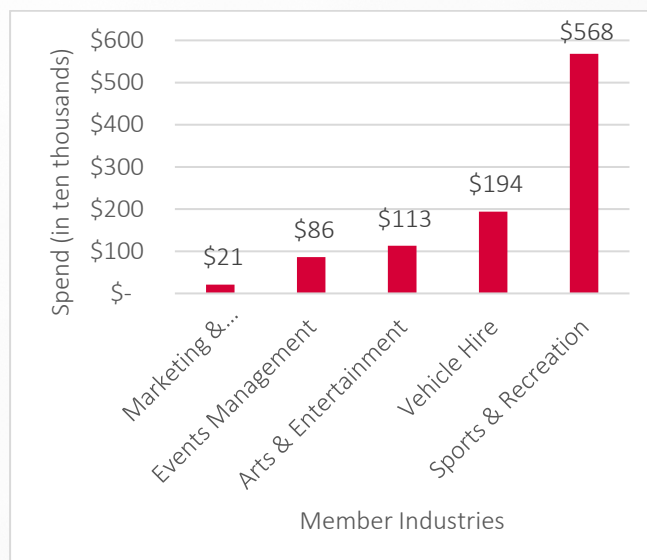


Despite the Government sector's procurement spend decreasing in the past three years, it was still the second-largest procurer of Indigenous goods and services in FY23-24. The largest procurers of Indigenous goods and services in FY23-24 was the Mining sector (\$1.3 billion); followed by the Government sector (~ \$1 billion); Construction (\$996 million); Facilities Management (\$284 million); and Energy (\$148 million).

Figure 13: Top five member industries by total spend in FY23-24



Figure 14: Bottom five member industries by total spend in FY23-24



Supply Nation suppliers who received the greatest increase in procurement contracts from FY21-22 to FY23-24, broken down by industry, were:

- Construction – increased from \$1.6 billion to \$1.9 billion.
- Facilities Management – increased from \$845 million to \$966 million.

Other supplier industries that had an increase in procurement contracts included IT, Telecomms & Digital, Manufacturing & Equipment Hire, and Mining.

The sectors that had the largest decrease in procurement contracts were Retail & Domestic Goods & Services, which dropped from \$317 million in FY21-22 to \$91 million in FY23-24. Other sectors that experienced a drop in procurement contracts were Health Care, Advertising & Media, Marketing & Communications, and Real Estate.

Figure 15: Top five supplier industries by increase in contractual value from FY21-22 to FY23-24

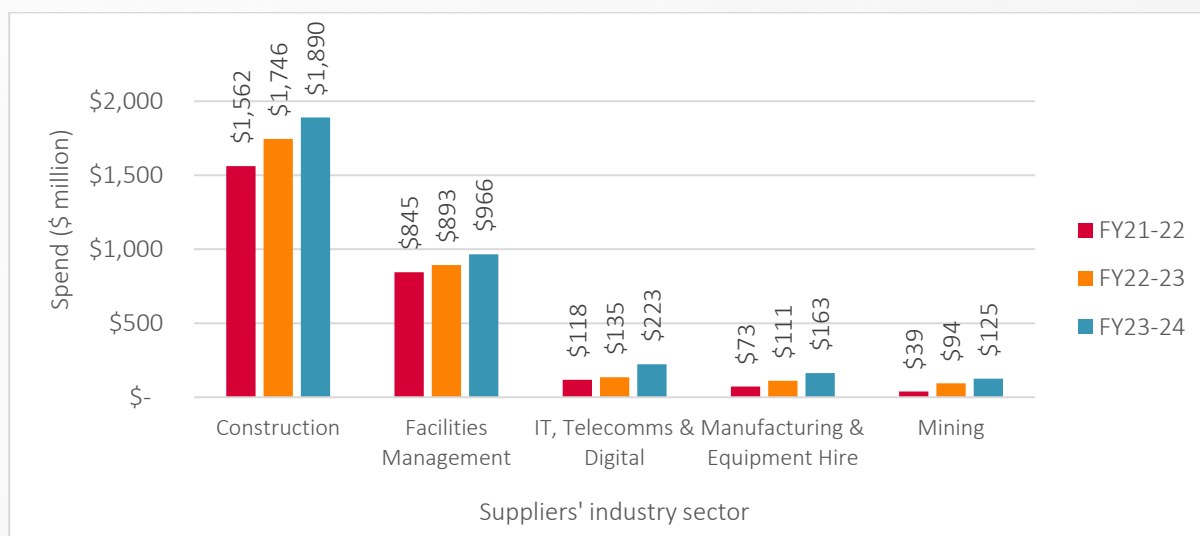
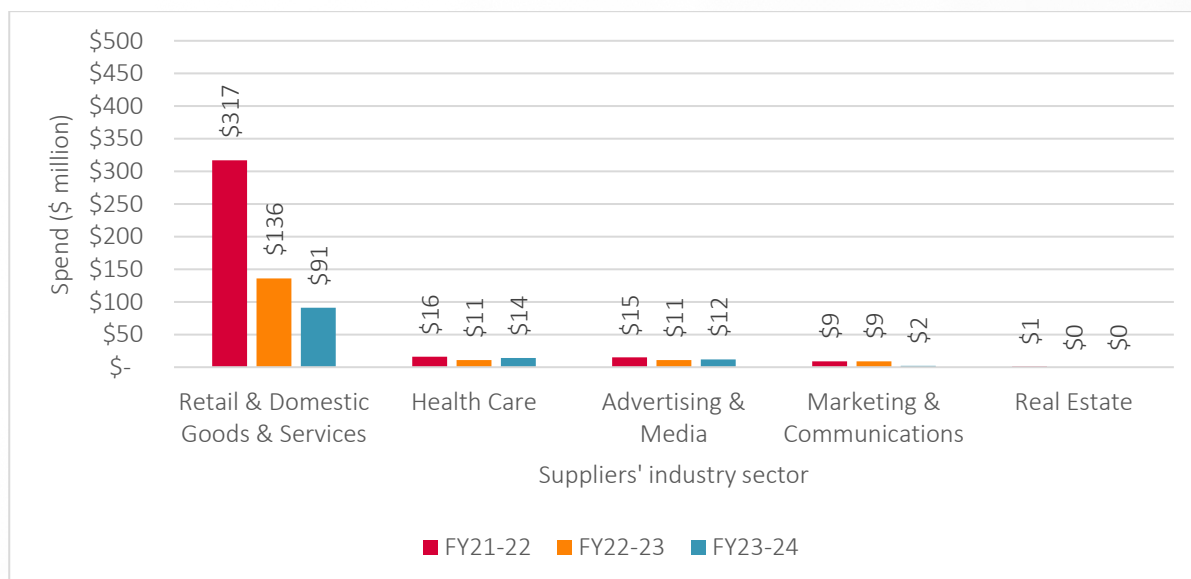


Figure 16: Bottom five supplier industries by decrease contractual value from FY21-22 to FY23-24



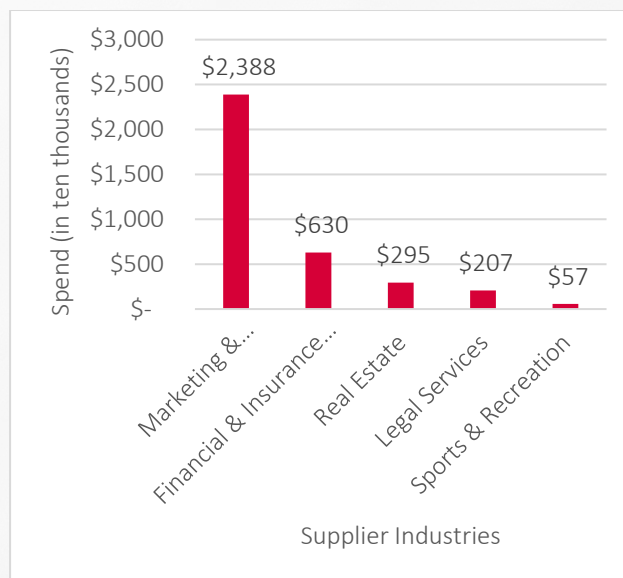
In FY23-24, Aboriginal and Torres Strait Islander businesses in the Construction sector received the most procurement contracts at \$1.9 billion, followed by Facilities Management at \$996 million.

The other supplier industries that received large procurement contracts included Recruitment & Administrative Services, IT, Telecomms & Digital, and Manufacturing & Equipment Hire. The suppliers who received the lowest procurement contracts included Marketing & Communication at \$2.3 million; followed by Financial & Insurance Services at \$630,000; Real Estate at \$295,000; Legal Services at \$207,000; and Sports & Recreation at \$57,000.

Figure 17: Top five supplier industries by value of procurement contracts received in FY23-24



Figure 18: Bottom five supplier industries by value of procurement contracts received in FY23-24



3.4 Business structure and ownership

Corporate buyers were the largest procurers from Indigenous businesses in FY23-24, totalling \$3.4 billion; followed by government buyers at \$1.2 billion; and not-for-profit buyers at \$17 million. Indigenous businesses who received the most spend, broken down by organisation type were:

- Corporate (\$3.4 billion).
- Incorporate joint venture (\$885 million).
- Sole traders (\$16 million).
- Partnerships (\$6 million).

Figure 19: Members' spend by organisation type in FY23-24

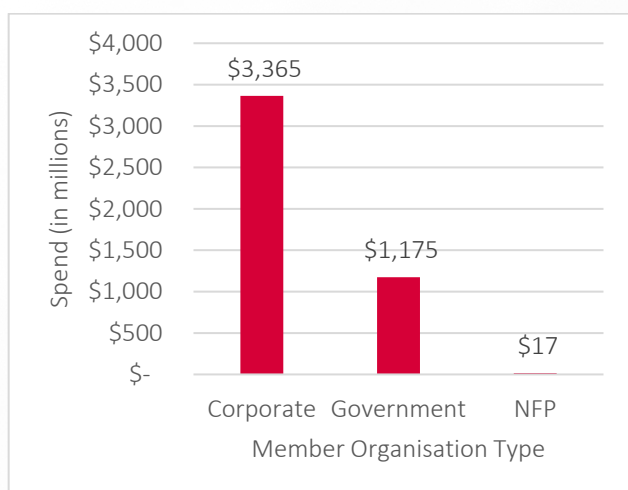
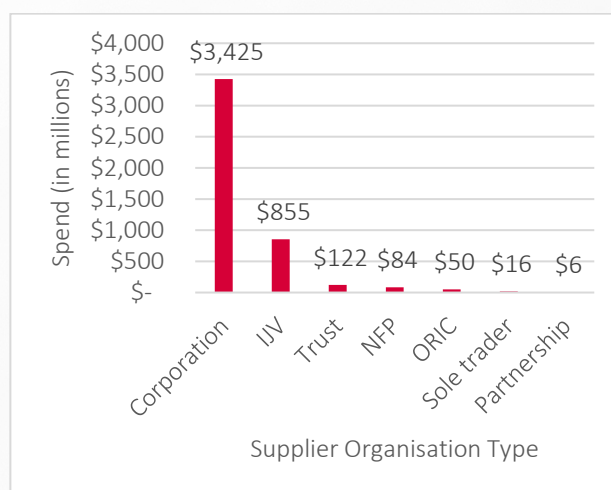


Figure 20: Spend received by supplier organisation type in FY23-24



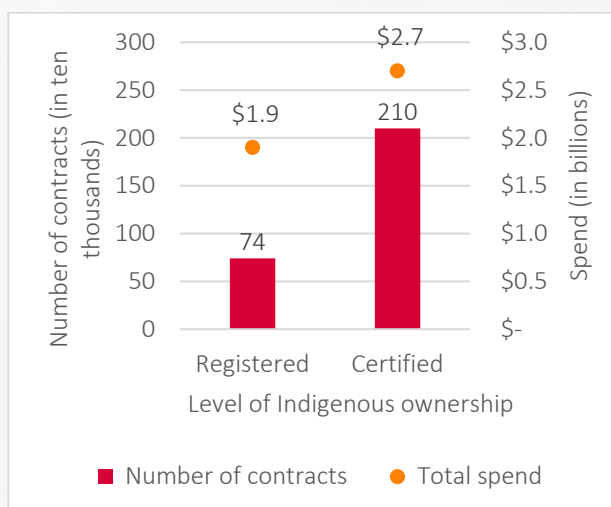
Looking at the ownership control of these suppliers, we see that \$2.1 billion in contracts went to businesses that had Indigenous ownership of 51% to 59%; followed by \$1.2 billion in contracts that went to businesses who were 100% Indigenous-owned.

Registered Suppliers received a total of 74,000 contracts valued at \$1.9 billion, whereas Certified Suppliers received three times more contracts, 210,000 contracts valued at \$2.7 billion.

Figure 21: Value of procurement contracts received by suppliers, by Indigenous ownership status, in FY23-24



Figure 22: Number of contracts and total value received by Registered and Certified Suppliers in FY23-24



3.5 Supplier and member location and length of time with Supply Nation

Members from New South Wales (NSW) and Western Australia (WA) were the largest procurers of Indigenous goods and services. Members from WA and NSW largely sourced Indigenous businesses locally within their own states, 84% and 49% respectively. Members in Queensland and Victoria relied on other states to meet their demand, with Queensland members relying on WA to meet its demand, and Victoria relying on WA and NSW to meet its demand. \$824 million in contracts (18%) went to Aboriginal and Torres Strait Islander businesses in remote and rural areas, whereas \$3.7 billion in contracts (82%) went to suppliers located in urban areas.

Figure 23: Members' spend by location in FY23-24

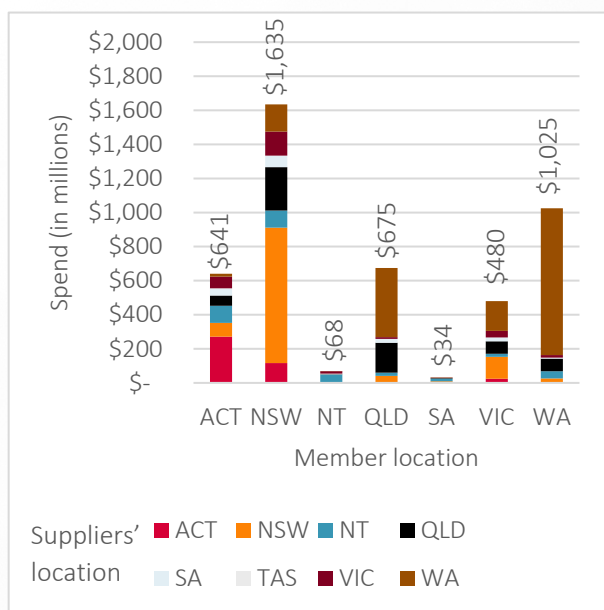
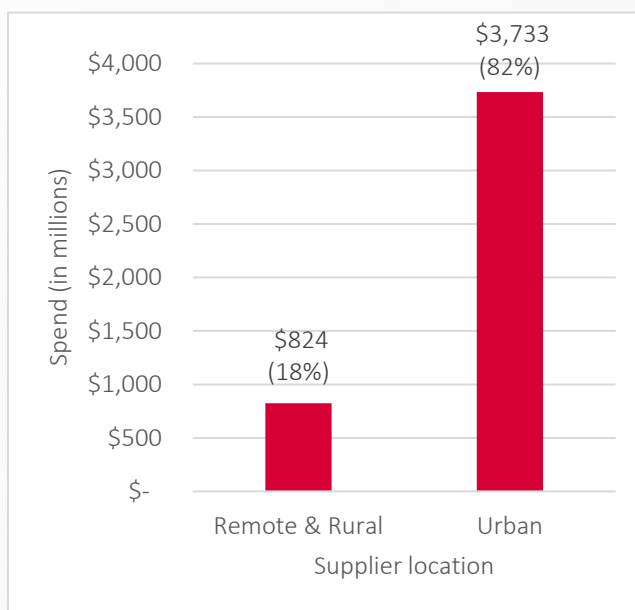
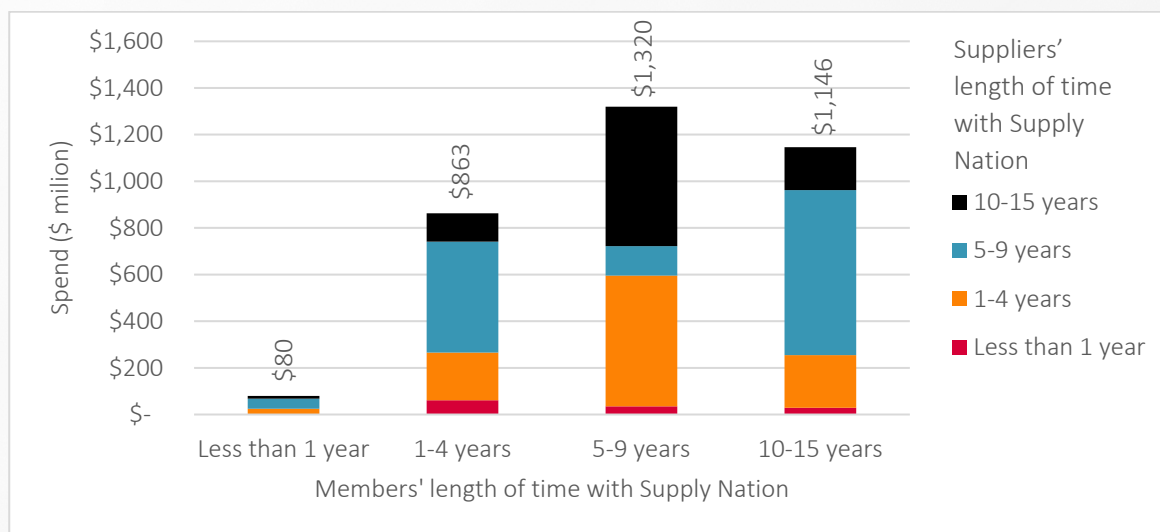


Figure 24: Members' spend by remote rural and urban locations in FY23-24



More than \$1.3 billion was spent by members who have been with Supply Nation for five to nine years, followed by \$1.1 billion by members who have been with Supply Nation for more than 10 years. Comparatively, members who joined Supply Nation in the last year only spent \$80 million with Aboriginal and Torres Strait Islander businesses.

Figure 25: Members' spend compared to the length of time with Supply Nation in FY23-24



Suppliers who received the majority of contracts (totalling \$1.4 billion) have been with Supply Nation for five to nine years. Suppliers who have been with Supply Nation for between one and four years received contracts totalling \$1 billion; and suppliers with Supply Nation for 10 to 15 years received contracts totalling \$916 million. Comparatively, businesses who joined Supply Nation in the last year received contracts totalling \$126 million.

3.6 Reconciliation Action Plan, exporting and tier spend

Members with a Reconciliation Action Plan (RAP) outspent members without a RAP. Members who had a RAP in place in FY23-24 spent \$3.8 billion with suppliers, whereas members without a RAP spent \$776 million. The type of RAP also influenced their spend. Members who had an Elevate RAP spent \$1.3 billion and members with an Innovate RAP spent \$1.2 billion. Members with Reflect, Stretch, and General RAPs spent \$739 million, \$465 million and \$196 million respectively⁴.

Figure 26: Spend by members with a RAP in FY23-24

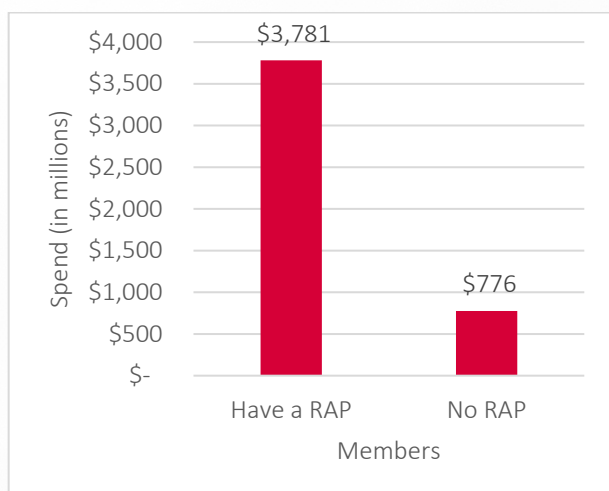
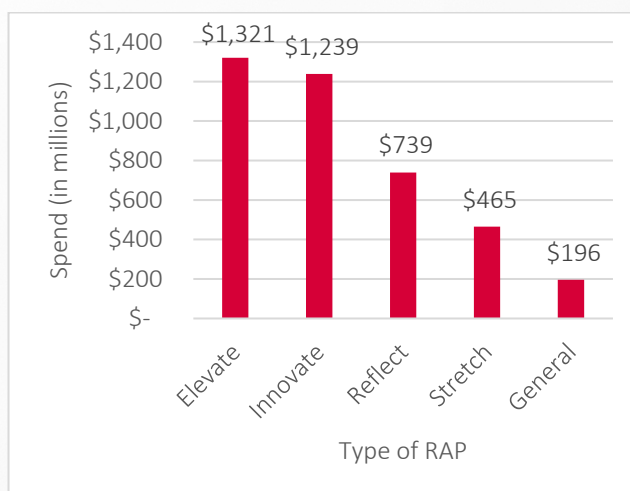


Figure 27: Members' spend by the type of RAP they had in FY23-24

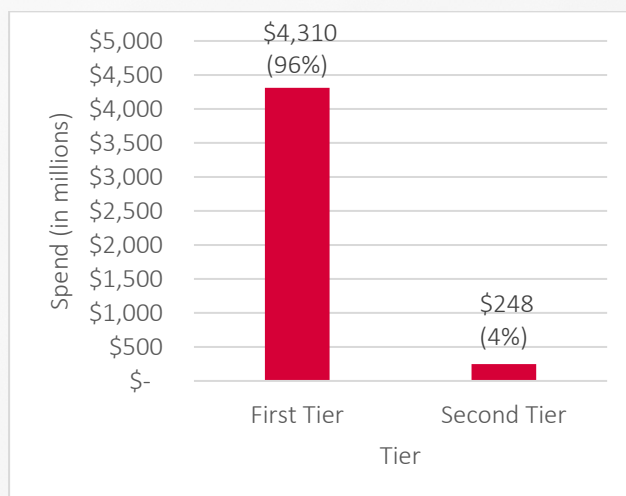


Procurement contracts received by Aboriginal and Torres Strait Islander businesses who export their goods or services received a total of \$225 million in contracts. Most of the procurement was first tier at \$4.3 billion (96%), compared to \$248 million (4%) for second tier.

Figure 28: Members' spend with suppliers who export their goods and services in FY23-24



Figure 29: Members' spend broken down by tier in FY23-24



⁴ To learn about the different types of RAPs, visit [Reconciliation Australia](https://www.reconciliation.org.au).

Since 2009, when Supply Nation was founded, until 2024, the split between first and second tiering year-on-year has remained unchanged at 96% and 4% respectively.

3.7 Female-owned businesses

In FY23-24, there were 1,685 female-owned suppliers (32%) on Indigenous Business Direct. Most of the female-owned businesses had an annual revenue between \$50,000 to \$500,000. 354 of the female-owned businesses (21%) were Certified Suppliers, and a total of 703 female-owned businesses (41%) received spend totalling \$941 million.

Figure 30: Number of female-owned businesses by revenue range in FY23-24

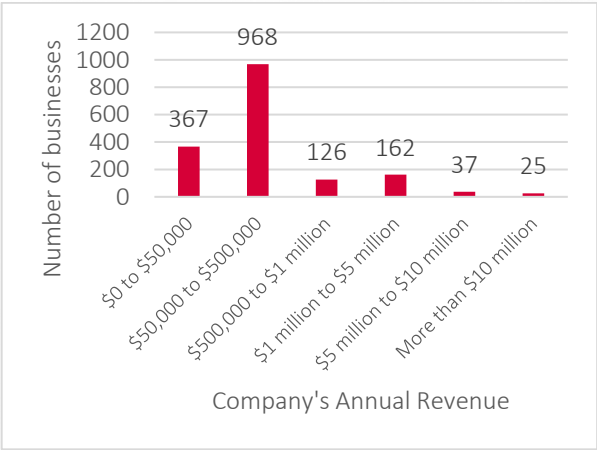
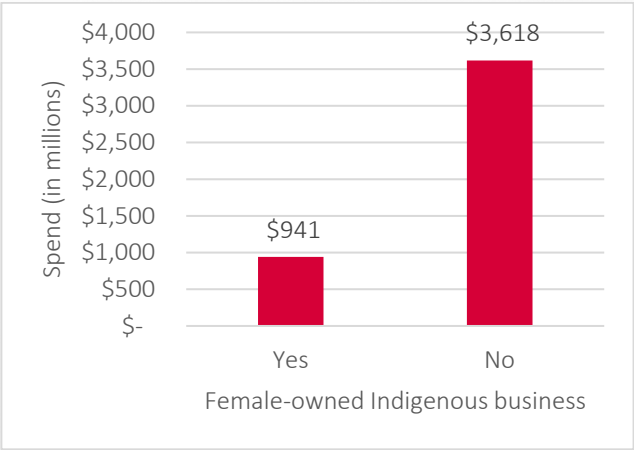


Figure 31: Spend received by female-owned businesses in FY23-24



The top sectors that procured with female-owned businesses included Mining, Government, Construction, Facilities Management, and Real Estate. The Mining sector procured a total of \$421 million from female-owned businesses; followed by Government at \$139 million; and Construction at \$123 million. Member sectors with the least procurement spend with female-owned businesses were Architecture & Urban Design, Legal Services, Arts & Entertainment, Vehicle Hire, and Events Management. From these sectors, Architecture & Urban Design procured \$75 million from female-owned businesses, while Events Management procured \$14 million.

Figure 32: Top five members' spend with female-owned businesses in FY23-24

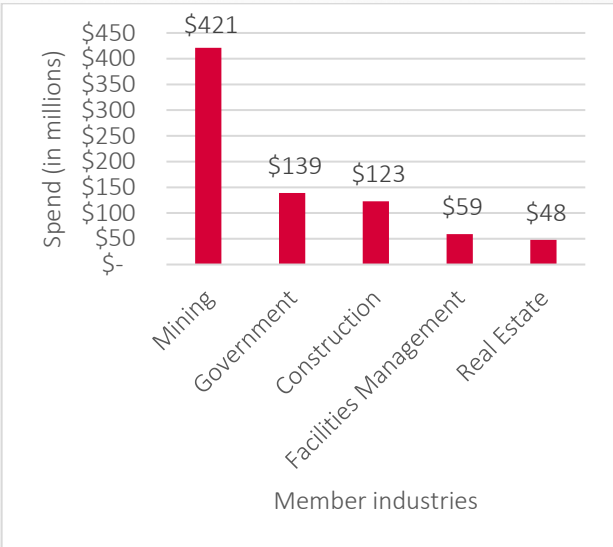
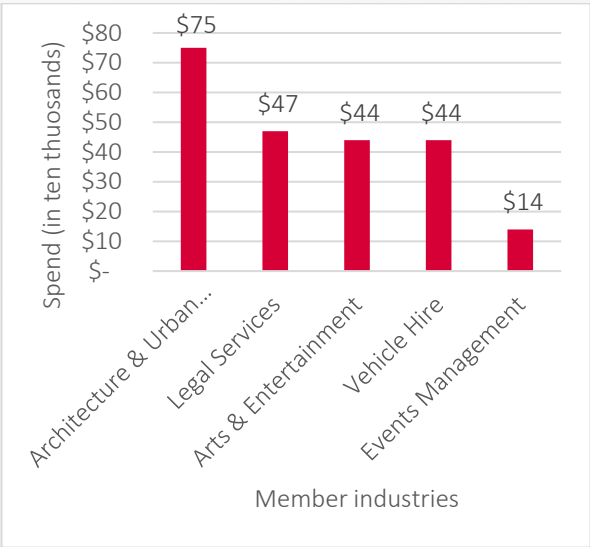


Figure 33: Bottom five members' spend with female-owned businesses in FY23-24



Supplier industry sectors that received the most procurement spend for female-owned businesses were Facilities Management, Construction, Recruitment & Administrative Services, Manufacturing & Equipment Hire, and Vehicle Hire. Female-owned businesses in Facilities Management received contracts worth \$398 million, followed by Construction (\$297 million). Sectors in which female-owned businesses received the least amount of procurement contracts included Chemicals & Gas, Travel & Tourism, Real Estate, Financial & Insurance Services, and Water & Sewage.

Figure 34: Top five female-owned businesses to receive spend by industry sector in FY23-24

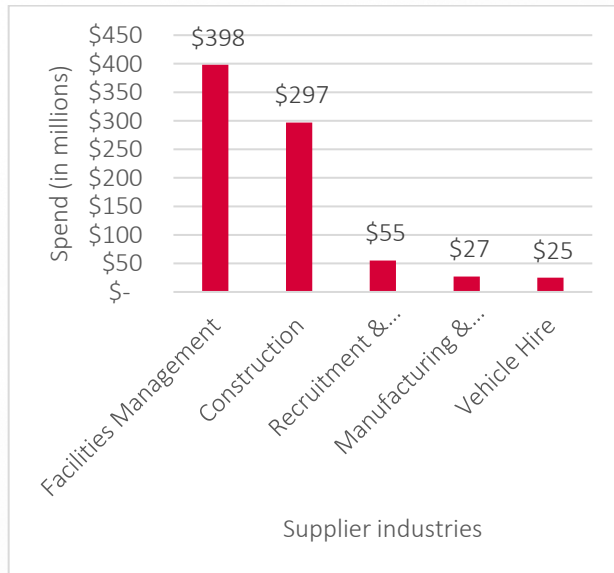


Figure 35: Bottom five female-owned businesses to receive spend by industry sector in FY23-24



3.8 Suppliers without contracts

Figure 36: Number of suppliers by industry in FY23-24

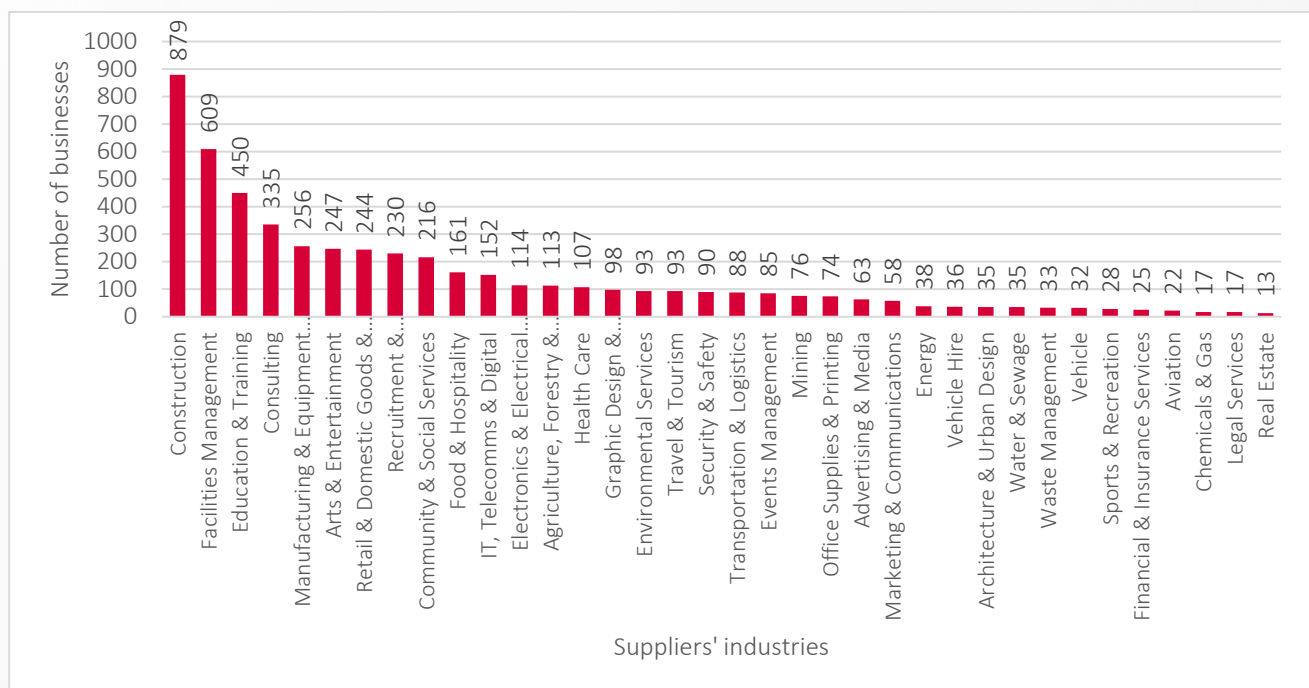
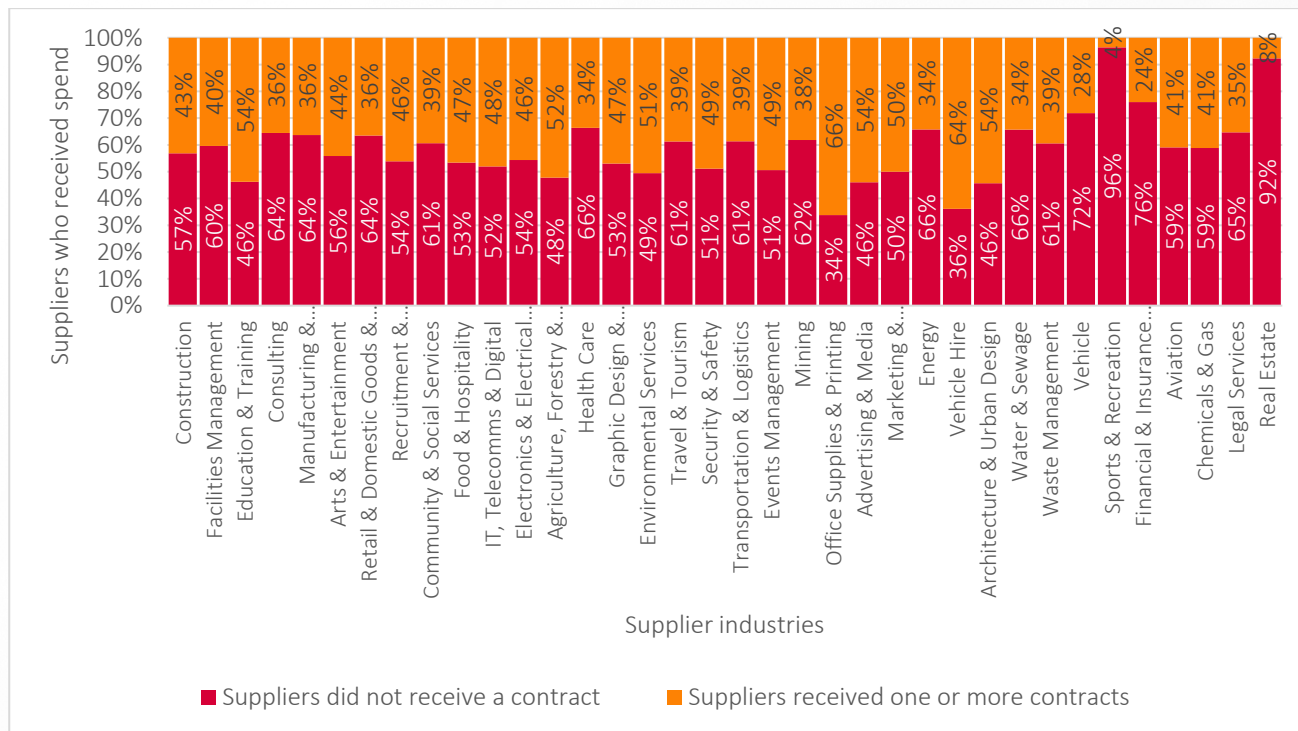


Figure 37: Suppliers with and without contracts by industry in FY23-24



A total of 3,040 suppliers (57%) did not receive procurement contracts from Supply Nation members in FY23-24. These businesses may have generated revenue by selling directly to customers or they may have received contracts from non-Supply Nation members, both of which Supply Nation does not track.

Top industry sectors in which suppliers received contracts, proportionally to the number of businesses in that sector, were:

- Office Supplies & Printing (66%)
- Vehicle Hire (64%)
- Architecture & Urban Design (54%)
- Advertising & Media (54%)
- Education & Training (54%)

Industries in which suppliers proportionally received the least number of contracts were:

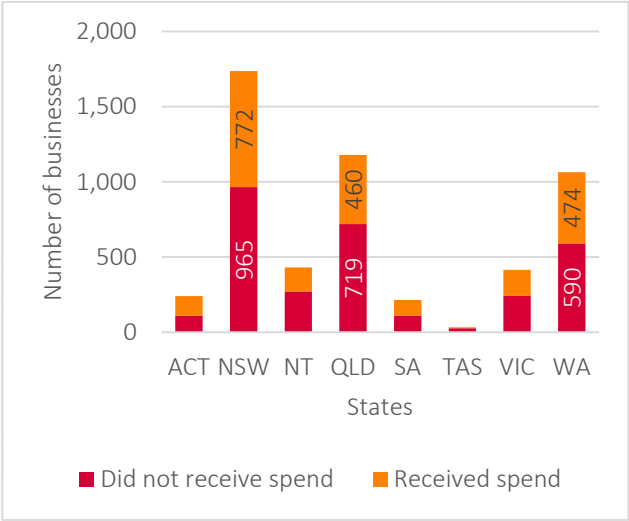
- Sports & Recreation (96%)
- Real Estate (92%)
- Financial & Insurance Services (76%)
- Health Care (66%)
- Energy (66%)

In FY23-24, 66% of Certified Suppliers received procurement contracts, compared to 35% of Registered Suppliers, suggesting that members are procuring more regularly from businesses with Indigenous ownership, management and control. NSW had the most suppliers in FY23-24, as well as the most suppliers who received procurement contracts. This was followed by WA, despite it having fewer suppliers than Queensland.

Figure 38: Number of suppliers with and without contracts by level of Indigenous ownership in FY23-24



Figure 39: Number of suppliers with and without contracts by location in FY23-24



4. Conclusion

Procurement spend with Supply Nation suppliers continues to grow steadily year-on-year. In FY23-24, members spent \$4.6 billion with Aboriginal and Torres Strait Islander businesses, an increase from \$4.1 billion in FY22-23. The State of Indigenous Business Report analysed the \$4.6 billion spend by business size; industry sector; business structure and ownership; location; and length of time with Supply Nation.

The report presents surprising insights, such as:

- Small- to medium-sized businesses received 89% of procurement spend in FY23-24.
- Members and suppliers who have been with Supply Nation for five to nine years spent the most (a total of \$1.3 billion) and received the most contracts (a total of \$1.4 billion).
- Members with a Reconciliation Action Plan (RAP) spent \$3.8 billion in contrast to \$776 million by those who did not have a RAP.
- 66% of Certified Suppliers received procurement contracts, compared to 35% of Registered Suppliers.
- A total of 713 contracts were worth more than \$1 million, of which 54% were received by suppliers who have been with Supply Nation for five to nine years; 40% were in Western Australia; 60% were Certified Suppliers; and 22% were female-owned businesses.

Most importantly, the findings highlight that there is more work to do to ensure the long-term sustainability of the Indigenous business sector. This includes:

- **Increasing the value of contracts with suppliers** – 63.1% of the contracts in FY23-24 were less than \$1,000 in value and 26.4% of contracts were valued between \$1,000 to \$10,000. Only 0.6% of the contracts were over \$500,000. We must understand why 89.5% of the spend is below \$10,000 and find ways to increase the value of contracts that are under \$10,000.
- **Increasing second-tier spending** – 96% of procurement was first-tier spend, compared to 4% being second-tier spend, which interestingly has remained unchanged in the last 15 years. Supply Nation will work with our members to understand the challenges of second-tier spending, and develop a strategy that encourages members to engage in more second-tier spending. These engagements can also be recorded in their annual SpendTracker report.
- **Increasing the distribution of contracts among different Aboriginal and Torres Strait Islander businesses across the sector** – In FY23-24, 57% of suppliers did not receive procurement contracts from Supply Nation members, compared to 42% in FY22-23. These businesses may have generated revenue by directly selling to customers or receiving contracts from non-Supply Nation members, both of which Supply Nation does not track. Supply Nation will work with our members to broaden their engagement, to ensure that the number of contracts being awarded to Aboriginal and Torres Strait Islander businesses is growing and being distributed widely across the sector.

The continued growth of Indigenous business sector is a demonstration of the resilience of Aboriginal and Torres Strait Islander business owners during a time when the Australian economy is struggling with inflation and high interest rates. The findings in this report highlight the strength of the sector, represented by the record growth in contract revenue, and the increase in Supply Nation members and Registered and Certified Suppliers.

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