

Aboriginal Participation on Construction Projects Policy

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Acronyms	Full form
NT	Northern Territory
NTG	Northern Territory Government
IDP	Indigenous Development Plan / Aboriginal Development Plan
DIPL	Department of Infrastructure, Planning and Logistics
IICD	Infrastructure Investment and Contracts division
ABN	Australian Business Number

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1. Purpose

To provide employment opportunities and build the capacity of Aboriginal business enterprises to successfully share in the delivery of construction projects in the Northern Territory.

2. Scope

Under the Aboriginal economic participation framework¹, it is a mandatory requirement for all Northern Territory Government agencies to consider opportunities to maximise Aboriginal participation and employment throughout the Procurement Lifecycle²

Aboriginal worker employment, skills development and retention opportunities on construction projects are evidenced by an Indigenous or Aboriginal Development Plan (IDP).

All Department of Infrastructure, Planning and Logistics (DIPL) construction and works contracts for Tier 4 (\$500 000 but less than \$2 million) and Tier 5 (\$2 million and greater) procurement activities mandate an Indigenous or Aboriginal Development Plan (IDP).

Consideration should also be given to the application of the Policy to all DIPL procurement activities.

In their tender response, tenderers make certain promises and commitments with regard to the total number of Aboriginal workers and the estimated number of days to be employed in the execution of the Works to be achieved by the Contractor as part of the construction contract. These commitments are assessed against actuals during the construction phase.

Officers should also make themselves aware of the Commonwealth Indigenous Procurement Policy³ and any Australian Government National Partnership Agreements that relate to the works and the Aboriginal employment provisions of those agreements to ensure that Northern Territory Government procurements achieve the required Australian Government Aboriginal employment outcomes.

3. Definitions

Aboriginal Business Enterprise (ABE) is defined in the Procurement Governance Policy⁴ as:

A business or community organisation that meets **all** of the following criteria:

- is 51 per cent or more Aboriginal and Torres Strait Islander owned;
- is operating as a business, including companies, incorporated associations, sole traders; partnerships, trust and social enterprises or registered charities (if they are operating as a business);
- can demonstrate that Aboriginal and Torres Strait Islander people are involved in the daily operation of the Enterprise and have effective control at least equal to the degree of ownership; and;

¹ [Aboriginal Economic Participation Framework | Aboriginal Affairs \(nt.gov.au\)](#)

² Northern Territory Government Procurement Rule 2.2

³ [Indigenous Procurement Policy \(IPP\) | Department of Finance](#)

⁴ [Procurement framework | NT.GOV.AU](#)

- is registered with one of the recognised certifying authorities:
 - NT Indigenous Business Network;
 - Supply Nation; and
 - Office of the Registrar of Indigenous Corporations (ORIC).

Aboriginal Person is a person of Australian Aboriginal or Torres Strait Islander descent who identifies themselves as Indigenous or Aboriginal and is accepted in the community in which the person lives as an Indigenous or Aboriginal person.

Aboriginal Economic Participation Framework is a whole-of-government approach which aligns with similar schemes operating in all other jurisdictions including the Commonwealth. It supports the NT Government's commitments to bring Aboriginal Territorians to the forefront of economic development in the Territory, comprising the National Agreement on Closing the Gap and the Closing the Gap NT Implementation Plan, the Everyone Together Aboriginal Affairs Strategy and the Local Decision Making Framework.

Aboriginal Development Plan (IDP) – for the purpose of this policy, the terminology Indigenous and Aboriginal are interchangeable. The conditions of contract currently refer to the IDP requirement, this is the same requirement. The acronym IDP is used for consistency.

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Local Development is economic growth and human/workforce development for the Northern Territory. In the context of this Policy, Local Development in the NT is the ongoing economic development of the Aboriginal community both at the Aboriginal Business Enterprise level and also the individual Aboriginal employee.

Local Benefit Commitments are the commitments and undertakings made by the successful respondent under the local content assessment criteria, incorporated into the contract.

Local Content is the utilisation of local resources and the provision of local benefits in the delivery of supplies. These activities aim to keep wealth in the Territory, which is also known as Value for Territory.

National Partnership Agreement is an agreement signed between the Australian Government and Northern Territory Government which defines the objectives, outputs and performance benchmarks related to the delivery of specified projects, to facilitate reforms or to reward those jurisdictions that deliver on national reforms or achieve service delivery improvements.

4. Policy Statement

The Department of Infrastructure, Planning and Logistics is seeking to improve opportunities for Aboriginal wealth creation by maximising employment and business opportunities for Indigenous or Aboriginal persons through:

- Increasing the number of contracts awarded to Aboriginal Business Enterprises;
- Improving the participation rate of Aboriginal employees, trainees/apprentices directly employed through Department issued contracts; and
- Equitably weighted assessment criteria for Aboriginal participation.

Northern Territory Government contracts will provide employment and/or apprentices/trainee opportunities for local Indigenous or Aboriginal persons.

5. Roles and Responsibilities

Department of Infrastructure, Planning and Logistics

The following procedures have been implemented to enable the Department to meet its policy objectives:

- Assess all quotes and tenders for Aboriginal participation under the Buy Local (Local Content and Benefits) initiative;
- Promote Aboriginal participation at the project planning stage;
- Identify Aboriginal Business Enterprises (ABEs) for each region in which work will be located by undertaking market research;
- Where identified, support relevant ABEs to increase capacity to tender and participate in construction projects.

Contractors

To achieve an increase in Aboriginal participation, Contractors are required to provide proposals in the tender response schedule to allow for assessment of:

- Aboriginal employees, including apprentices/ trainees directly employed on the Works;
- The intended use of group training schemes or recognised Territory Aboriginal community organisations to deliver the proposed Works;
- Nominated sub-contractors usage of Aboriginal employees, including registered Aboriginal apprentices or trainees.

Within fourteen (14) days of award of Contract, the Contractor shall submit a copy of a fully developed Indigenous or Aboriginal Development Plan (IDP) for approval.

Should the Contractor encounter difficulties in complying with contract requirements, reasons for non-conformance are to be provided in the form of a written report detailing the barriers to compliance and suggested solutions. The Principal may approve an exemption or partial exemption sought through a submission.

6. Exemptions

Where it can be demonstrated there is significant justification to do so, an exemption from the mandatory requirement for an Indigenous or Aboriginal Development Plan (IDP) may be granted in the planning phase. The department's Procurement and Contract Delegations describe who has authority to approve an exemption from this policy.

Where an exemption is granted, it remains mandatory to demonstrate consideration of opportunities to maximise Aboriginal participation and employment throughout the Procurement Lifecycle (planning, sourcing, and contracting).

7. Compliance

Audit

The Representative of the Principal may conduct audits on compliance of tender and contract against the Aboriginal Development Plan (IDP).

Project Reporting

A report at the completion of the Works is to be provided to the Superintendent. The report should address as minimum:

- General compliance with endorsed Aboriginal Development Plans objectives.
- Employment compliance (achievements against objectives).
- Training compliance (achievement against objectives).
- Lessons learned.

Contractor Performance

Contract performance outcomes may be taken into consideration for future construction project tender evaluations through the performance reporting (CPR/CPS) mechanism.

8. Review of the Policy

A review of the Policy will occur to accommodate changes in the elements of the Procurement Framework that influence intended outcomes of the Policy.

Related documentation

[Aboriginal Economic Participation Framework 2022-2032 \(nt.gov.au\)](https://www.nt.gov.au/aboriginal-economic-participation-framework-2022-2032)

[Aboriginal procurement policy | NT.GOV.AU](https://www.nt.gov.au/aboriginal-procurement-policy)

[Aboriginal procurement policy guidelines](https://www.nt.gov.au/aboriginal-procurement-policy-guidelines)

Enquiries

Matters relating to this policy, conditions of tendering, or conditions of contract, please contact procurementadvice.dipl@nt.gov.au

Matters relating to the audit of the IDP after contract award, please contact compliance.dipl@nt.gov.au