

## LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

### WRITTEN QUESTION

Mr Wood to the Minister for Infrastructure:

#### Department of Infrastructure Policy

1. *Is it the intended policy of Government to hand 70 per cent of maintenance contracts in communities over to Indigenous Corporation in three years' time?*

The Department of Local Government and Community Services (DLGCS) will oversee the implementation of the recently launched, Remote Contracting Policy (Attachment A).

The policy contains employment and business development targets to be achieved by 2017. Included, is the target for 70 per cent of tenders in remote areas for minor repair and maintenance contracts on essential services, housing and transport assets to be awarded to local Aboriginal businesses through open and select tendering processes. This target will be measured as a percentage of the total number of tenders in remote areas. As the largest procuring agency in the Northern Territory Government (NT Government), the Department of Infrastructure (DoI) will have a pivotal role in assisting the NT Government in meeting the established targets to support Aboriginal economic development in remote areas.

The overarching principle of 'Best Value for Money' has not changed through the introduction of the Remote Contracting Policy. All NT Government procurement is designed to achieve the best value for money outcomes and to select suppliers and solutions that best achieve objectives, considering both cost and non-cost criteria.

Separate to the Remote Contracting Policy is DoI's agency specific *Indigenous Participation on Construction Projects Policy* (Attachment B). DoI's policy has been implemented on construction projects across the Northern Territory, with an estimated value over \$500 000, whether urban, regional or remote.

DoI's policy does not establish employment or business targets. The policy aims to provide employment opportunities and build the capacity of Indigenous businesses to successfully share in the delivery of construction projects in the Northern Territory. This is achieved through the application of an Indigenous Employment Provisional Sum on affected projects.

2. *Is it the intended policy of the Government to hand 30 per cent of any other contracts over \$500 000 to Indigenous Corporations in three years' time?*

The Office of Aboriginal Affairs located within DLGCS's, Remote Contracting Policy applies to all NT Government procurements in remote areas.

Dol will continue to operate within the NT Government's Procurement Framework when applying procurement methods to obtain supplies and services, including both the public and select tendering processes.

As stated previously, the NT Government's overarching procurement principal of 'Best Value for Money' has not changed through the introduction of the Remote Contracting Policy. All NT Government procurement is designed to achieve the best value for money outcomes and to select suppliers and solutions that best achieve objectives, considering both cost and non-cost criteria.

3. *If so, is that legal and / or discriminatory?*

Government procurement policy has been observed.

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