

# DEI and Supplier Diversity and Reconciliation in 2025 - Bridging Now to Next

It's National Reconciliation Week—a time to reflect on how far we've come and how far we still have to go. The Voice Referendum and the ongoing “culture wars” remind us that reconciliation isn't a box to tick over morning tea. It's a long-term commitment that demands more than symbolism.

This year's Nation Reconciliation Week (NRW) theme is “Bridging Now to Next”. So, let's talk about Indigenous Procurement, from now to next. But before we do, let's go back in in time and space to the United States.

**Social Procurement. Supplier Diversity. Indigenous Procurement.** In Australia, we tend to wrap these terms together. But in the United States, it's been called one thing for over fifty years: Supplier Diversity. But this DEI topic is not just a procurement policy—it's a movement. One that was born out of the Civil Rights era, when Dr. Martin Luther King Jr. and other leaders weren't just marching for justice and equality. They were marching for access. Access to the rooms where decisions were made. Access to economic opportunity.

They wanted what white America already had: a fair shot at participating in the economy. To be paid for services delivered. To compete in a market that wasn't closed off to them.

Dr. King knew that legal rights alone weren't enough—true equality meant economic empowerment. His Poor People's Campaign wasn't just about civil rights; it was about access to business. To contracts. To capital. To the same economic playing field white America already had.

Today, President Richard Nixon is mostly remembered for Watergate. But what's less known is that it was under his administration that the doors began to open for African American entrepreneurs. In 1969, Nixon signed Executive Order 11458, creating the Office of Minority Business Enterprise. That moment marked the beginning of what we now call supplier diversity. A few years later, in 1972, the National Minority Supplier Development Council (NMSDC) was formed to connect minority owned businesses with corporate supply chains.

Fast forward to the 1990s—President Bill Clinton's administration ramped things up. Through executive orders and policy reforms, federal agencies were directed to set ambitious goals, enforce subcontracting commitments, and expand access to programs like 8(a). While there was no blanket 4% requirement, these measures significantly boosted participation and accountability across government procurement.

Over the past five decades, supplier diversity in the U.S. has grown into a multibillion-dollar ecosystem. Today, Fortune 500 companies routinely set targets for diverse

supplier spend, and federal agencies are mandated to allocate a percentage of contracts to small, disadvantaged businesses. The model has proven that inclusive procurement is not just a moral imperative—it's a smart business strategy.

### **The Australian Context: Supply Nation and Indigenous Procurement**

In Australia, the conversation around supplier diversity has taken a slightly different path. Here, it's often framed under the broader umbrella of social procurement, with a strong emphasis on Indigenous procurement.

When Supply Nation launched in 2009, it changed the game. Inspired by the U.S. model, it gave Indigenous businesses visibility, credibility, and a seat at the table. It turned good intentions into real commercial opportunities.

Then came the Indigenous Procurement Policy (IPP) in 2015. The Australian Government set targets for federal agencies to engage Indigenous businesses, not just as a social good, but as a commercial imperative. The results have been significant: billions of dollars in contracts awarded, thousands of jobs created, and a growing ecosystem of Indigenous entrepreneurs.

### **The Global Headwinds—and Why Australia Must Stay the Course**

Globally, DEI is facing a reckoning. In the U.S., political shifts have led to rollbacks in affirmative action and increased scrutiny of corporate DEI programs. Some companies are scaling back. Others are rebranding. The language is changing—but the need remains. And while the U.S. is retreating, there are signs that Australia is, and should be, doubling down.

### **Australian Government doubling down on DEI**

In early 2025, as U.S. President Trump moved to dismantle workplace diversity initiatives, the Australian Labor Government introduced legislation that will block large companies from securing federal contracts if they fail to make progress on gender equality. The bill, read for a second time in the Senate, targets employers with 500 or more staff and ties eligibility for government contracts worth over \$80,000 to demonstrable progress on gender equity.

Finance Minister and Minister for Women Katy Gallagher described the reforms as “commonsense steps to improve gender equality in Australia.” The legislation would require companies to set and work toward targets related to board diversity, gender pay equity, flexible work, and prevention of sexual harassment—areas already tracked by the Workplace Gender Equality Agency (WGEA), but not previously tied to procurement eligibility. This move sends a clear message: inclusive procurement is not optional—it's a national priority.

## **What Does This Mean in Relation to Reconciliation and Indigenous Procurement**

I believe it all comes back to leadership. Real leadership. The kind that moves us from safe to brave. That was the theme for National Reconciliation Week back in 2022, and it still holds true today.

Eddie Cubillo, CEO of the Mabo Centre, put it plainly:

“Once you cut through the warm rhetoric that clouds Reconciliation Week, you can see the hypocrisy of institutions who proclaim their deep commitment to removing the entrenched structural barriers which prevent First Nations peoples thriving – but only show up for seven days a year.”

That’s the challenge. And for those of us in procurement, for all the C-Suites, we need to keep “bridging from now to next”. If you’ve invested in DEI, if you’ve got a RAP, if you’ve made public commitments, then you should be investing in results. But here’s the thing: my experience tells me you’re not asking the right questions. Not of yourselves, not of your executive teams, and not of your head contractors.

Sure, there are structural issues at play. Some of it is racism. Some of it is laziness. All of it is fixable. But only if we stop treating this like a box ticking exercise and start putting real checks and balances in place. The kind that drives accountability and outcomes—not just optics.

People often cry ignorance. But let’s be honest: it’s usually ignorance mixed with convenience. And that’s where leadership comes in. Real leadership isn’t just about knowing—it’s about driving change.

You might know procurement. You might even know how to report on Indigenous business spend. But do you know how to truly embed Indigenous Procurement and Supplier Diversity across every stage of your supply chain? Are you asking the right questions? How can you be confident that you, your suppliers and the community are getting the right return on investment?

If reconciliation means anything, it must mean economic inclusion—every day, in every contract, in every boardroom. Not just during Reconciliation Week. Not just when it’s convenient.