



# Cabinet Business Committee

## Minute of Decision

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### Supporting the Māori Economy and Achieving Economic and Social Outcomes through Te Kupenga Hao Pāuaua

**Portfolios** Economic and Regional Development / Māori Development

On 25 November 2020, the Cabinet Business Committee:

- 1 noted that in May 2020, Cabinet approved funding of \$7.3 million to June 2021 for the initiative, *Supporting the Māori Economy through Social Procurement* and invited responsible Ministers to report back by 30 November 2020 on the implementation of the initiative and how implementation aligns with the government's broader procurement strategy [CAB-20-MIN-0219.18];
- 2 noted the progress report set out in the paper under CBC-20-SUB-0072 on the implementation of *Te Kupenga Hao Pāuaua : Supporting the Māori Economy through Social Procurement* initiative;
- 3 noted that the proposed policy was outlined in the Labour Māori Manifesto as a commitment to support Whānau Māori enterprise and opportunities through a progressive procurement policy that would set a target for Māori business procurement;
- 4 noted that the policy fits within the scope of the government's *Achieving Broader Outcomes Through Government Procurement* work programme and Rule 17 'Increase access for New Zealand businesses' [CAB-19-MIN-0213.02];
- 5 agreed to the following policy features:
  - 5.1 a Māori business for government procurement purposes is one that has at least 50 percent Māori ownership or a Māori Authority as defined by the Inland Revenue Department;
  - 5.2 a procurement target for Māori businesses starting with an initial target of 5 percent of the number of relevant contracts across mandated government agencies;
  - 5.3 an intermediary independent of government be established to drive a more coherent and coordinated approach;
  - 5.4 long-term sustainable behavioural change across government procurement evidenced by greater supplier diversity;
- 6 noted that Te Puni Kōkiri and the Ministry for Business, Innovation and Employment will work together to develop the appropriate guidance and instructions for agencies, including the requirement to report against the target;

- 7 **noted** that the initial 5 percent target set out in paragraph 5.2 above should be considered a minimum requirement for agencies;
- 8 **agreed** that an initial review of the policy settings be undertaken in early 2022 by Te Puni Kōkiri and the Ministry for Business, Innovation and Employment;
- 9 **noted** that any future policy changes, including amendments to the target, will be informed by data for the period ending 31 December 2021;

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Janine Harvey  
Committee Secretary

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**Present:**

Rt Hon Jacinda Ardern (Chair)  
Hon Grant Robertson  
Hon Kelvin Davis  
Hon Dr Megan Woods  
Hon Chris Hipkins  
Hon Carmel Sepuloni  
Hon Andrew Little  
Hon David Parker  
Hon Nanaia Mahuta  
Hon Poto Williams  
Hon Damien O'Connor  
Hon Stuart Nash  
Hon Willie Jackson  
Hon Michael Wood  
Hon Dr David Clark  
Hon Meka Whaitiri

**Officials present from:**

Office of the Prime Minister  
Department of the Prime Minister and Cabinet