

# LOCAL JOBS FIRST

ANNUAL REPORT  
2023-24



## COVER IMAGE

Photo credit: Peter Foster

## ACKNOWLEDGEMENT OF COUNTRY

We acknowledge the traditional Aboriginal owners of Country throughout Victoria, their ongoing connection to this land and we pay our respects to their culture and their Elders past, present and future.

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Authorised by the Victorian Government Department of Jobs, Skills, Industry and Regions

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This document is available in PDF and accessible Word format at [localjobsfirst.vic.gov.au](https://localjobsfirst.vic.gov.au)

# Contents

Foreword by the Minister for Jobs and Industry.....	2
Foreword by the Minister for Employment.....	3
1. About Local Jobs First.....	8
2. Implementation of Local Jobs First.....	10
2.1. Local Jobs First Commissioner.....	10
2.2. Message from the Local Jobs First Commissioner – Ms Moana Weir.....	10
2.3. Industry Capability Network Victoria.....	12
2.4. Department of Jobs, Skills, Industry and Regions.....	12
3. Local Jobs First Outcomes in 2023-24.....	14
3.1. Strategic Projects.....	14
3.2. Commenced Projects.....	16
3.3. Completed Projects.....	16
3.4. Major Projects Skills Guarantee.....	16
3.5. Local Content.....	16
3.6. Grants.....	16
3.7. Exemptions.....	16
Local Jobs First Highlights.....	17
3.8. Strategic Project Records and Milestones.....	17
3.9. Additional Requirements set for Strategic Projects.....	17
3.10. Industry Impacts of Steel and FF&E Requirements.....	20
3.11. Local Jobs First Standard Projects.....	20
Appendix A: Completed Strategic Projects for 2023-24.....	24

# Foreword by the Minister for Jobs and Industry

On behalf of the Victorian Government and together with the Minister for Employment, I am pleased to present the 2023-24 Local Jobs First Annual Report.

Victoria's Local Jobs First Policy is Australia's longest standing industry participation policy. We remain committed to strengthening this policy and continuing to maximise opportunities for local jobs and businesses across the state.

Since 2014, Local Jobs First has set local content requirements for 349 Strategic Projects, enabling local companies to compete for both large and small government contracts. These projects have a combined total value of more than \$175 billion and have supported more than 60,000 jobs.

In 2023-24, \$30.5 billion worth of projects have had local content requirements set by the government, ensuring that Victorian businesses have a full and fair opportunity to compete for government contracts.

Training the next generation of workers is a major priority for the Victorian Government. Since the introduction of the Major Projects Skills Guarantee in 2016, more than 13,300 apprentices, trainees and cadets have been employed, gaining an invaluable entry-point into the industry.

With 3,037 apprentices, trainees and cadets having worked 4.3 million hours across 2023-24, we are continuing to build on this legacy and secure opportunities and skills for our future workforce.

During the last year, we have undertaken extensive stakeholder engagement on proposed reforms to compliance, enforcement and the role of the Local Jobs First Commissioner. Work is underway to progress a legislative reform package that balances the diverse range of stakeholder feedback for implementation in 2025-26.

I would like to thank the Local Jobs First Commissioner, Ms Moana Weir, for continuing to advocate on behalf of businesses, workers, apprentices, trainees and cadets on government procurement matters and ensuring that suppliers uphold their local content and jobs commitments.

The Local Jobs First program has been greatly supported by the Industry Capability Network (ICN), who are celebrating their 40th anniversary this year. ICN plays a pivotal role, connecting thousands of Victorian companies to government projects, while providing important data and insights about our industry capabilities.

As the largest procurer of goods, services and construction works in the state, the Victorian Government will continue to use our purchasing power to provide local businesses and workers with the opportunity to build Victoria's future.



*Natalie Hutchins*

**The Hon Natalie Hutchins MP**  
Minister for Jobs and Industry

# Foreword by the Minister for Employment

I am pleased to be jointly presenting the 2023-24 Local Jobs First Annual Report with the Minister for Jobs and Industry on behalf of the Victorian Government.

By leveraging the Government's significant investments, the Local Jobs First Policy strengthens our businesses, boosts our workforce capabilities, creates jobs and delivers economic and social benefits for Victorians.

In the 2023-24 financial year 334 projects commenced with local content requirements, supporting more than 3,500 jobs and providing 10,900 opportunities for small to medium enterprises (SMEs).

Under the Major Projects Skills Guarantee (MPSG), all construction projects valued at or over \$20 million are required to use Victorian apprentices, trainees or cadets for at least 10 per cent of the total estimated labour hours.

This initiative is helping to provide vital work experience for young Victorians, enabling us to build the next generation of skilled workers and deliver the infrastructure projects our state needs.

A great example of the MPSG in action is the Mental Health Beds Expansion Program, which gave 356 apprentices, trainees and cadets the opportunity to work with 54 businesses on one of Victoria's largest construction projects.

Additionally, 27 businesses involved in the mental health beds project achieved 30,800 hours worked by female apprentices, trainees and cadets, while 25 businesses achieved 14,400 hours worked by First Nations apprentices, trainees and cadets.

We are committed to creating opportunities for fulfilling careers for every Victorian, no matter their gender, age or background. Our ongoing investment into Victoria through large-scale government projects like the Suburban Rail Loop and Melbourne Metro Tunnel will continue to drive economic opportunities for local SMEs.

Victoria's Big Build also plays a key part in developing our skilled workforce. It provides a range of training programs and initiatives from apprenticeships and cadetships through to specialist training for experienced tradespeople and labourers, complemented by the Local Jobs First Policy.

Thank you to all the workers, employers and businesses who have contributed to the future of our state through Local Jobs First projects.

By prioritising local businesses and local jobs, we're growing our economy and ensuring more Victorians have meaningful employment opportunities.



A handwritten signature in black ink, appearing to read 'Vicki Ward'.

**Ms Vicki Ward MP**  
Minister for Employment

From 2014 until 30 June 2024, the Local Jobs First Policy has been applied to

# 349 STRATEGIC PROJECTS

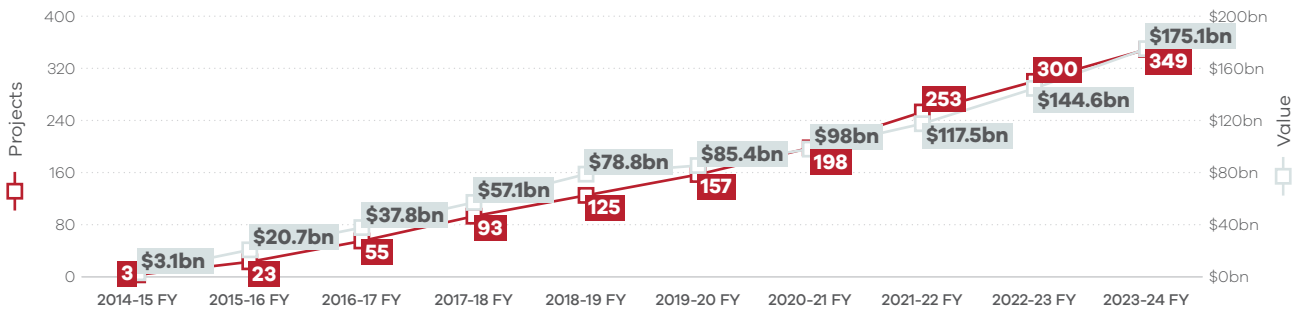
199 METRO PROJECTS

76 REGIONAL PROJECTS

74 STATEWIDE PROJECTS

## WORTH \$175.1 BILLION

CUMULATIVE STRATEGIC PROJECTS AND VALUE



### Ministerial requirements

**88%** AVERAGE MINIMUM LOCAL CONTENT

**113** PROJECTS WITH A LOCAL STEEL REQUIREMENT

### Local Industry Development Plan commitments

**80%** AVERAGE LOCAL CONTENT

**91%** AVERAGE LOCAL STEEL CONTENT

**63,790** JOBS COMMITTED

*A Strategic Project is a project with a budget of \$50 million or more or that has been declared as a Strategic Project by the Minister for Jobs and Industry.*

Since 2015, the Local Jobs First Policy has been applied to

# 2,836 STANDARD PROJECTS

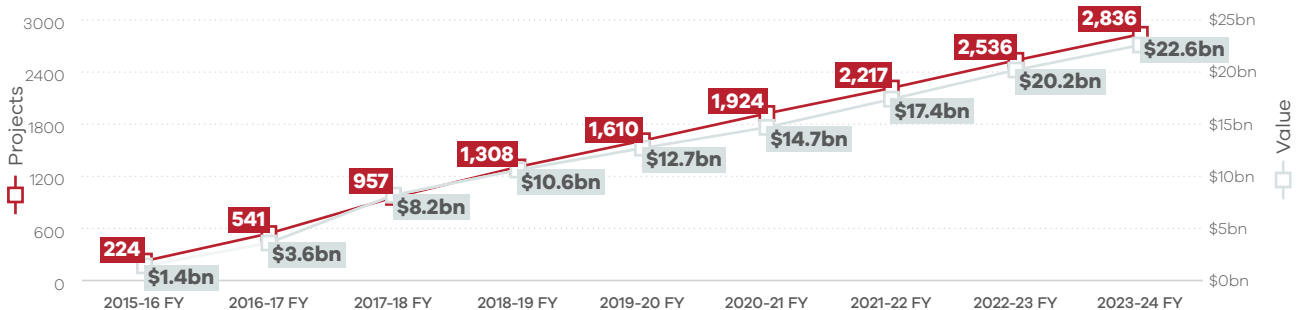
1,145 METRO PROJECTS

1,253 REGIONAL PROJECTS

438 STATEWIDE PROJECTS

## WORTH \$22.6 BILLION

CUMULATIVE STANDARD PROJECTS AND VALUE



### Local industry development plan commitments

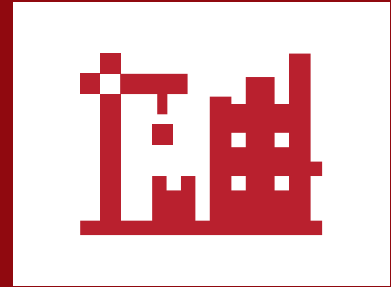
**76%** AVERAGE LOCAL CONTENT

**46,136** JOBS COMMITTED

**72,079** OPPORTUNITIES FOR SMEs

*A Standard Project is a project with a budget less than \$50 million and greater than \$1 million if it is regional, or greater than \$3 million if it is statewide or in metropolitan Melbourne.*

# 334 COMMENCED LOCAL JOBS FIRST PROJECTS



**WORTH \*\$14 BILLION**

133 METRO PROJECTS

**WORTH \$9.1 BILLION**

**34 STRATEGIC PROJECTS**

138 REGIONAL PROJECTS

**WORTH \$1.2 BILLION**

**300 STANDARD PROJECTS**

63 STATEWIDE PROJECTS

**WORTH \$3.6 BILLION**

 **3,594 JOBS COMMITTED**

 **10,896 OPPORTUNITIES FOR SMEs**

*\* This figure represents the metro Melbourne, regional Victoria and Statewide figures rounded up.*

# 188 COMPLETED PROJECTS



71 METRO PROJECTS

**14 STRATEGIC PROJECTS**

97 REGIONAL PROJECTS

**174 STANDARD PROJECTS**

20 STATEWIDE PROJECTS


**WORTH \*\$4.1 BILLION**


 **4,154 JOBS COMMITTED**

 **13,067 OPPORTUNITIES FOR SMEs**

*\* This figure represents the metro Melbourne, regional Victoria and Statewide figures rounded up.*

METRO MELBOURNE



 **71 COMPLETED PROJECTS**  
**WORTH \$2.8 BILLION**

REGIONAL VICTORIA



 **97 COMPLETED PROJECTS**  
**WORTH \$1.2 BILLION**

STATEWIDE



 **20 COMPLETED PROJECTS**  
**WORTH \$164.5 MILLION**

Since its introduction in 2016 and 30 March 2024<sup>1</sup>, the MPSG has been applied to 436 projects worth \$172 billion and supported:

# 436 MPSG PROJECTS



**7,624**  
APPRENTICES

**2,811**  
TRAINEES

**2,957**  
CADETS



**13,392** TOTAL APPRENTICES, TRAINEES & CADETS (ATCs)



**19.3 MILLION** HOURS



## METRO MPSG PROJECTS HAVE SUPPORTED



**9,293** ATCs



**16.3 MILLION** HOURS



## REGIONAL MPSG PROJECTS HAVE SUPPORTED



**2,386** ATCs



**2 MILLION** HOURS



## STATEWIDE MPSG PROJECTS HAVE SUPPORTED



**1,636** ATCs



**906,494** HOURS

1. MPSG Commitments and outcomes are reported separately to the annual report and include pre-award, commenced, ongoing and completed projects. Unlike figures elsewhere in this report, these figures are cumulative and are not exclusively from the 2023-24 financial year. The region type (metro, regional or statewide) was not available for 2 projects. These 2 projects achieved 77 ATC positions and 24,818 hours to date.





Photo credit:  
Department of Jobs, Skills,  
Industry and Regions

# 1. About Local Jobs First

Local Jobs First is designed to:

- promote employment and business growth by expanding market opportunities for local industry
- provide contractors with increased access to, and raised awareness of, local industry capability
- expose local industry to world's best practice in workplace innovation, e-commerce and use of new technologies and materials
- develop the international competitiveness and flexibility of local industry to respond to changing global markets by providing it with a fair opportunity to compete against foreign suppliers.

Local Jobs First supports Victorian businesses and workers by ensuring that small to medium enterprises (SMEs) are given a full and fair opportunity to compete for both large and small government contracts, helping to create job opportunities, including for apprentices, trainees and cadets (ATCs).

The *Local Jobs First Act 2003* (the Act) together with the Local Jobs First Policy and associated guidelines provide the regulatory framework, procedures and guidance for implementation of Local Jobs First.

Local Jobs First comprises both the Victorian Industry Participation Policy (VIPP) and Major Projects Skills Guarantee (MPSG).

- VIPP focuses on creating opportunities for local suppliers to compete for work on all types of government contracts, helping to create and sustain opportunities for local businesses and workers.
- MPSG focuses on providing opportunities to Victorian apprentices, trainees and cadets to work on high value government construction projects.

Local Jobs First must be applied to regional projects worth more than \$1 million, and state wide or metro Melbourne projects worth at least \$3 million. Local content requirements are set by the Minister for Jobs and Industry for all government projects worth \$50 million or more.

The MPSG automatically applies to construction projects at or over \$20 million in value. From design and planning to steel fabrication, welding, and plumbing, MPSG requires the contractor to invest in our future workforce by ensuring that Victorian ATCs are engaged for a minimum of 10% of the total number of estimated labour hours on the project.

The Local Jobs First Commissioner is established under the Act and is responsible for advocating for the Local Jobs First Policy and facilitating greater involvement from local businesses, workers and ATCs. The Commissioner's compliance and enforcement powers also help to ensure that agencies and contractors involved in government procurement understand and deliver on their obligations under the Act.

The Local Jobs First legislation requires that all departments and agencies subject to the *Financial Management Act 1994* report on their implementation of Local Jobs First by providing:

- a detailed report on Local Jobs First implementation as part of their required annual reporting arrangements
- a consolidated report to the responsible Ministers to enable the Ministers to report annually to Parliament.

Using the data provided by departments and agencies, this Annual Report presents the outcomes as they relate to Local Jobs First activities across government for the 2023-24 financial year.



#### CASE STUDY 1:

### CoMade

CoMade, a medium-sized design and construction services firm, based in South Melbourne, was one of the subcontractors engaged by Southern Program Alliance (SPA) to undertake work in conjunction with other electrical and fire systems and mechanical subcontractors as part of the Parkdale Level Crossing Removal project and the Melbourne Underground Rail Loop (MURL).

Since its commencement with SPA, CoMade has consistently exceeded the 10% Major Projects Skills Guarantee (MPSG) threshold.

The MURL was a truly city-shaping infrastructure project. As a significant contributor to the SPA's MURL upgrades, CoMade displayed a profound commitment to fostering new talent in the engineering and construction sectors, exceeding the MPSG targets consistently.

A leading national mechanical and electrical specialist with design, construction and commissioning services, CoMade is ensuring safety and efficiency for the MURL.

During 2023, across SPA projects CoMade recorded 47,288 work hours. CoMade upheld three MPSG-designated roles, comprising of two Apprentice Electricians and one Business Systems Trainee. The initiative formed part of a broader strategy to facilitate career opportunities for various community segments, including Aboriginal and Torres Strait Islander peoples, ex-offenders, and other priority job seekers in Victoria.

Remarkably, priority job seekers constitute nearly 20% of CoMade's workforce.

Through the MPSG, the Local Jobs First Policy helps to create opportunities for apprentices, trainees and cadets on some of Victoria's major projects ensuring that the next generation have access to valuable work experience and secure jobs.

This highlights the practical steps taken by CoMade to exceed MPSG requirements but also underscores the company's commitment to social responsibility and inclusive employment practices within the construction industry.

## 2. Implementation of Local Jobs First

### 2.1. Local Jobs First Commissioner

The Local Jobs First Commissioner advocates for local businesses, workers and ATCs, ensuring that they continue to benefit from Victorian Government procurement. By connecting with local industry, contractors, and government agencies applying the Local Jobs First Policy, the Commissioner educates stakeholders about the Local Jobs First Policy and assists with maximising outcomes for Victorian businesses and workers on government projects.

As part of the role, the Commissioner advocates to ensure that local businesses are provided with a full and fair opportunity to participate in Local Jobs First projects, and undertakes compliance activities to ensure that agencies and suppliers are delivering on their stated local content and jobs commitments.

Ms Moana Weir was appointed to the role of Local Jobs First Commissioner on 27 January 2022. In her time in the role, Ms Weir has led the Office of the Local Jobs First Commissioner (OLJFC) with a clear purpose to strengthen the participation of local industry and workers through Victorian government procurement to deliver economic and social benefits for Victorians.

### 2.2. Message from the Local Jobs First Commissioner – Ms Moana Weir

The 2023-24 financial year has been a successful year for the OLJFC during which there has been both consolidation, and expansion and growth in our strategic focus areas of Local Jobs First engagement, education, and enforcement.

The OLJFC has continued its extensive project engagement across all 118 Local Jobs First Strategic Projects in execution at the end of the financial year. The OLJFC has met with over 95% of these Strategic Projects covering the construction of road, rail, level crossings, schools, hospitals, housing and sport, community, and utilities facilities across Victoria.

The level of project engagement completed by the OLJFC during the year represents just over 200 project meetings held with 36 government agencies, and in some cases where required by the agencies, their head contractors.

There have been 2 key areas during the financial year where the OLJFC has provided targeted education and guidance across a broad range of agencies and Local Jobs First Strategic Projects: in the areas of the MSPG and the retention of strong evidence of Local Jobs First outcomes.

During the financial year, the OLJFC expanded its industry and broader government engagement both within and outside Local Jobs First Strategic Projects. The OLJFC met with 110 industry stakeholders to promote Local Jobs First Policy, within strategic project meetings, or at industry forums such as Industry Capability Network (ICN) Victoria events, or in meetings with industry associations including chambers of commerce, manufacturing associations, and industry institutes. In addition, the OLJFC conducted a number of site visits to major Local Jobs First Projects.

The OLJFC engages broadly with SMEs to support the removal of systemic blockers for small business to full and fair competition for Victorian government procurement work.

Through its focus on project performance and government agency and contractor accountability, the OLJFC requested that 7 Local Jobs First audits be conducted by agencies delivering Local Jobs First Strategic Projects during the financial year. In addition, there were a small number of compliance engagements with agencies and contractors in 2023-24. In response to this, agencies and contractors demonstrated constructive engagement, resulting in effective outcomes.

For financial year 2024-25, the OLJFC looks forward to continuing to support agencies, local businesses, and contractors in the delivery of economic and social benefits of enduring value for Victorians.



A handwritten signature in black ink, appearing to read 'Moana Weir'.

**Moana Weir**  
Local Jobs First Commissioner



Photo credit:  
Department of Jobs, Skills,  
Industry and Regions

### 2.3. Industry Capability Network Victoria

The ICN Victoria is a not for profit organisation that supports the Department of Jobs, Skills, Industry and Regions (DJSIR) with the implementation of the Local Jobs First Policy. It also assists Victorian Government departments, agencies, and businesses to comply with the requirements of the policy.

ICN Victoria assists agencies to understand their obligations under the Local Jobs First policy, this includes prescribing local content targets, assisting with Local Industry Development Plans (LIDPs) templates and evaluating bidder submissions, and supporting reporting requirements. This is managed through ICN Victoria's Victorian Management Centre (VMC).

ICN Victoria also provides localisation assistance for bidders as they are preparing their LIDPs, or as contractors are implementing their LIDPs. This support is provided through sector directories, Gateway pages, events and direct introductions between principal contractors and local SMEs through their experienced Industry Advisors.

SMEs can connect to Victorian government projects through Gateway by ICN Victoria, an online portal for suppliers to register their interest in supplying into Local Jobs First projects, this also builds an understanding of local industry capabilities.

In 2023-24, ICN Victoria reported a continuation of strong engagement activities with local SMEs, bidders/contractors, and agencies in order to apply the Local Jobs First policy and maximise local content in Victorian government funded projects. ICN Victoria directly influenced the localisation of over \$221 million of local procurement activation in the 2023-24 financial year, connecting more Victorian businesses to government project opportunities. Events were held in metro Melbourne, Ballarat, Geelong, Bendigo, Gippsland and Shepparton and included both virtual and in-person formats.

### 2.4. Department of Jobs, Skills, Industry and Regions

DJSIR's role in administering the Act includes developing the Local Jobs First Policy, guidelines and model clauses, as well as establishing structures to support delivery of the policy across Victorian Government departments and agencies. As part of this, DJSIR monitors and reports on implementation of the Local Jobs First Policy and provides regular advice and reporting to the responsible Minister and the Victorian Government as a whole regarding operation of the Local Jobs First Policy.

In addition, DJSIR is responsible for:

- working with agencies and the ICN Victoria to set Local Jobs First requirements on Strategic Projects
- managing the services delivered by the ICN Victoria under the Local Jobs First Policy
- leading engagement with the Commonwealth Government, other states and territories, and internationally, on the Local Jobs First Policy
- preparing whole of government reporting on the application of the Local Jobs First Policy.

For further details, please refer to the Local Jobs First website at [localjobsfirst.vic.gov.au](https://localjobsfirst.vic.gov.au).



## CASE STUDY 2:

### **The Aikenhead Centre for Medical Discovery (ACMD)**

This Local Jobs First Strategic Project is a \$206 million biomedical engineering research translation centre currently under construction at St Vincent's Hospital Melbourne.

The new state of the art, 11-storey building has been designed by local architecture firm Denton Corker Marshall and is being built by Kane Constructions.

Kane Constructions is targeting the engagement of over 500 SMEs as part of the ACMD project, ensuring the contract delivers wide-reaching economic benefits to local businesses.

The project is committed to using locally sourced construction materials and interior finishes, with locally sourced cement and aggregate used to make the concrete for the whole structure. Approximately 420m<sup>3</sup> was poured for the Level 11 slab and 1,600 tonnes of steel reinforcing has been used in the construction of the building's structure. Victorian manufactured plasterboard is also currently being installed to the project for all interior fit out partitions and ceilings.

Scheduled for completion in late 2024, over 2,000 local workers will be inducted on the site including 13 apprentices, trainees and cadets.

The new 16,500sqm building will include 3D printing laboratories, a human kinetics lab and insulated rooms for development of sensitive hearing and vision technologies, engineering workshops to produce medical device prototypes and robotics.

# 3. Local Jobs First Outcomes in 2023-24

Under the Local Jobs First Policy, each project is designated as either a Standard Project or a Strategic Project based on the project value and/or Ministerial determination.

As Victoria’s infrastructure spending has increased in recent years, the number and value of Local Jobs First Standard and Strategic Projects has reached record levels. The strong pipeline of current and future projects will continue to generate opportunities for local industry over the next decade and beyond.

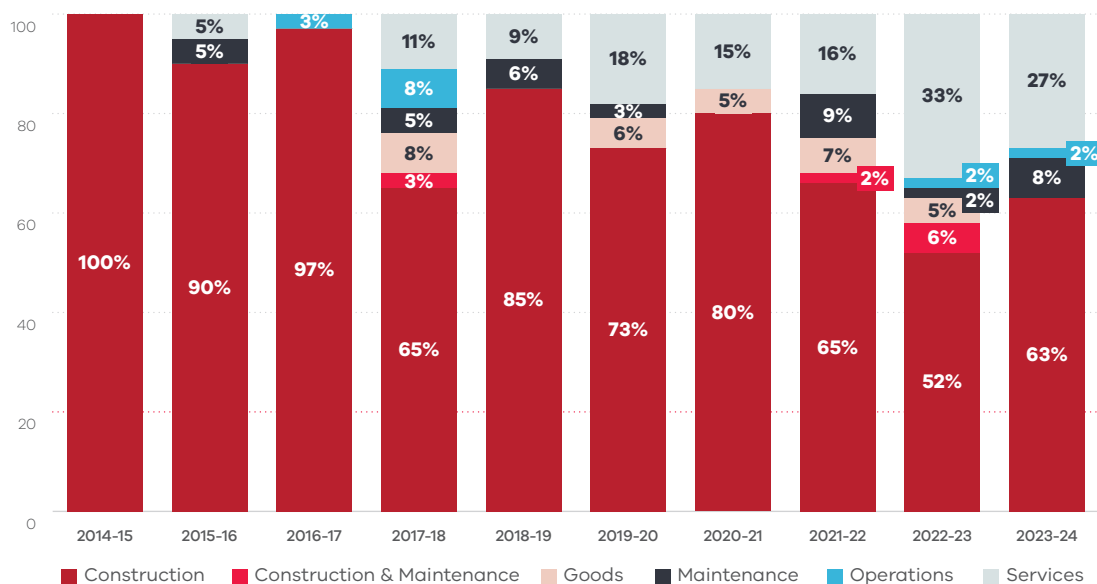
## 3.1. Strategic Projects

Since November 2014 to 30 June 2024, minimum local content requirements have been set on a total of 349 Local Jobs First Strategic Projects, with a combined value of \$175.1 billion. These projects are expected to deliver an average of 88% local content, provide more than 60,000 jobs, and provide tens of thousands of opportunities for local SMEs to get involved in large Victorian Government projects.

In 2023-24 alone, the Victorian Government set local content requirements for 49 Strategic Projects. The 49 Strategic Projects are worth just over \$30.5 billion collectively – representing a record high in terms of government investment in a financial year. These projects received an average minimum local content requirement of 86.5%.

Projects with Ministerial requirements continue to be set across a diverse range of industries in 2023-24. Of the 49 Strategic Projects that had minimum requirements set, 13 (27% of all projects) were services projects, and 31 (63% of all projects) were in construction. The overall local content requirement is lower than average due to the high percentage of services projects. The lower number of construction projects in 2023-24 can also be attributed to the number of construction projects announced in 2022-23 commencing their implementation phase of work. Construction projects that had Ministerial requirements set in 2023-24 received a minimum local content of 92.7%, which is consistent with previous years.

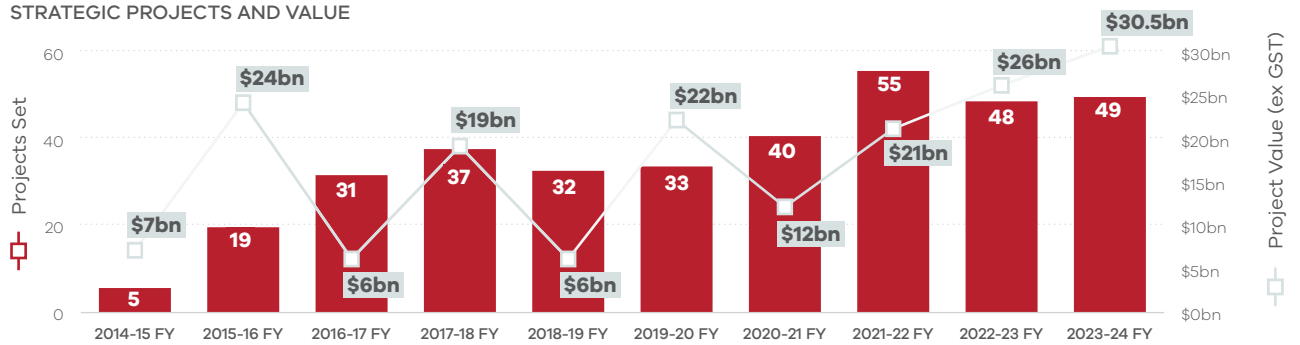
PROJECTS WITH REQUIREMENTS BY FINANCIAL YEAR AND TYPE OF PROJECT



Please refer to the Local Jobs First website for full project details at: [localjobsfirst.vic.gov.au/projects/strategic-projects](http://localjobsfirst.vic.gov.au/projects/strategic-projects).



## STRATEGIC PROJECTS AND VALUE



## Breakdown of Metro, Regional and Statewide Projects over 2023-24

### METRO MELBOURNE



	<b>133 COMMENCED PROJECTS</b>
	<b>115 STANDARD PROJECTS</b>
	<b>18 STRATEGIC PROJECTS</b>
	<b>WORTH \$9.1 BILLION</b>
	<b>1,693 JOBS COMMITTED</b>
	<b>5,002 OPPORTUNITIES FOR SMEs</b>
	<b>61% AVERAGE LOCAL CONTENT*</b>

	<b>71 COMPLETED PROJECTS</b>
	<b>62 STANDARD PROJECTS</b>
	<b>9 STRATEGIC PROJECTS</b>
	<b>WORTH \$2.8 BILLION</b>
	<b>2,401 JOBS COMMITTED</b>
	<b>6,435 OPPORTUNITIES FOR SMEs</b>
	<b>67% AVERAGE LOCAL CONTENT</b>

### REGIONAL VICTORIA



	<b>138 COMMENCED PROJECTS</b>
	<b>134 STANDARD PROJECTS</b>
	<b>4 STRATEGIC PROJECTS</b>
	<b>WORTH \$1.2 BILLION</b>
	<b>932 JOBS COMMITTED</b>
	<b>4,068 OPPORTUNITIES FOR SMEs</b>
	<b>65% AVERAGE LOCAL CONTENT*</b>

	<b>97 COMPLETED PROJECTS</b>
	<b>92 STANDARD PROJECTS</b>
	<b>5 STRATEGIC PROJECTS</b>
	<b>WORTH \$1.2 BILLION</b>
	<b>1,430 JOBS COMMITTED</b>
	<b>5,796 OPPORTUNITIES FOR SMEs</b>
	<b>69% AVERAGE LOCAL CONTENT</b>

### STATEWIDE



	<b>63 COMMENCED PROJECTS</b>
	<b>51 STANDARD PROJECTS</b>
	<b>12 STRATEGIC PROJECTS</b>
	<b>WORTH \$3.6 BILLION</b>
	<b>969 JOBS COMMITTED</b>
	<b>1,826 OPPORTUNITIES FOR SMEs</b>
	<b>52% AVERAGE LOCAL CONTENT^</b>

	<b>20 COMPLETED PROJECTS</b>
	<b>20 STANDARD PROJECTS</b>
	<b>0 STRATEGIC PROJECTS</b>
	<b>WORTH \$164.5 MILLION</b>
	<b>323 JOBS COMMITTED</b>
	<b>836 OPPORTUNITIES FOR SMEs</b>
	<b>35% AVERAGE LOCAL CONTENT^</b>

\* Projects commencing in the 2023-24 financial year recorded a lower average local content because of the higher than average service projects commencing, with these projects usually recording lower local content than construction projects. Construction projects announced in 2022-2023 have commenced implementation phase in 2023-2024, therefore local content is calculated in the previous year's figures.

^ Statewide Projects have a higher proportion of services projects, which have lower local content to other types of projects.

### 3.2. Commenced Projects

A total of 334 Local Jobs First projects worth \$14 billion commenced during 2023-24. This includes 133 metro Melbourne projects, 138 regional projects and 63 statewide projects. Of the 334 projects, 34 were Strategic Projects and 300 were Standard Projects. Together, these projects have committed to delivering 3,594 jobs and 10,896 opportunities for local SMEs.

Since 2015, the Local Jobs First Policy has been applied to 2,836 Standard Projects worth \$22.6 billion. In 2023-24, 300 Standard Projects worth a total of \$2.4 billion commenced, with 134 of these being delivered in regional Victoria. These projects will provide opportunities for 9,323 local SMEs and support 2,599 jobs.

### 3.3. Completed Projects

During 2023-24, 14 Local Jobs First Strategic Projects worth a total of \$2.9 billion were completed.

This brings the total to 86 Local Jobs First Strategic Projects that have been reported as complete by agencies since November 2014, worth a combined value of \$19.2 billion.

A total of 174 Standard Projects, valued at \$1 billion, were completed in 2023-24. Of these completed projects, 92 were in regional Victoria.

Please see **Appendix A** for a list of the completed Strategic Projects throughout 2023-24.

### 3.4. Major Projects Skills Guarantee

Since its introduction in 2016, the MPSG has been applied to 436 projects collectively worth \$172 billion, which have committed to 24.5 million contracted hours for 7,573 ATCs. This includes 111 regional projects that have committed to over 2.4 million hours for 747 ATCs.

### 3.5. Local Content

All Local Jobs First projects require an LIDP outlining the items that are contestable (both international and local providers) and the businesses that will be engaged to deliver different elements of the project, providing opportunities for local industry and workers. Local content includes goods produced, services supplied, and construction activities carried out, by local industry. The local assembly of imported materials, transport of goods, and local labour are all examples of local content or local added value.

'Local' is defined as businesses in Australia and New Zealand producing goods, providing services or construction activity, and when local content has been added to imported items through activities such as assembly or installation.

In 2023-24, 1,342 tenders were registered with the ICN Victoria. A total of 3,918 LIDPs were prepared by businesses in bidding for Local Jobs First projects.

### 3.6. Grants

Grant and loan recipients are required to apply the Local Jobs First Policy, where the value of the grant meets the Local Jobs First financial thresholds, and the recipient is not a State or Commonwealth government agency. Recipients of the relevant grants must engage with the ICN Victoria to discuss opportunities for local SME involvement.

During 2023-24, a total of 108 grants were registered with the ICN Victoria.

### 3.7. Exemptions

Under section 4A (3) of the Act, the Minister for Jobs and Industry may exempt a government department or agency from the requirements of the Local Jobs First Policy if exceptional circumstances apply.

There have been no exemptions granted in the 2023-24 financial year.

# Local Jobs First Highlights

## 3.8. Strategic Project Records and Milestones

It was another busy year in 2023-24, with requirements set for 49 Local Jobs First Strategic Projects. These 49 projects, collectively valued at over \$30.5 billion, represent the highest value of Strategic Projects with requirements set in a year. The requirements set on these projects will provide significant opportunity for local businesses and workers, including local ATCs to be involved and benefit from this significant investment.

In 2023-24, Victoria reached 349 Strategic Projects that have applied the Local Jobs First Policy since 2014. These projects have committed to support more than 60,000 local jobs. This includes a commitment to provide 18.5 million contracted hours to Victorian ATCs helping to form the next generation of skilled Victorian workers.

## 3.9. Additional Requirements set for Strategic Projects

Additional local content requirements have continued to be set and strengthened on Strategic Projects through the 2023-24 financial year by the Minister for Jobs and Industry. This has included working with other areas of government and leveraging other industry participation and development policies and programs. Setting additional requirements has ensured future projects continue to develop local industries, create jobs and boost economic activity across Victoria.

In 2023-24, additional requirements were set on 38 projects with a total of 100 additional requirements. These additional requirements are ensuring local production, businesses, research, and other valuable economic activities are incentivised and considered throughout the life of Local Jobs First projects.

These additional requirements include:

- A more refined and targeted approach to setting minimum local content requirements and/or the development of an engagement or sourcing plan for steel and development of an approach to mitigate offshoring of steel sourcing and fabrication by ensuring suppliers are given advanced notice of upcoming opportunities
- Strengthening support for the local MedTech manufacturing sector, including the development of targeted requirements such as a sourcing plan designed to increase project opportunities for engagement with local MedTech industry
- Further strengthening minimum local content requirements for fittings, fixtures, and equipment (FF&E) and when appropriate by separating out Information, Communications and Technology (ICT) equipment to maximise the outcome for construction related FF&E
- Targeted requirements have also been set particularly for health, education and housing projects and other building projects

### Additional requirements since 2015-16

Since 2015, 372 additional requirements were set on 186 Strategic Projects worth \$121.1 billion.

### Additional requirements set during 2023-24

In 2023-24, 100 additional requirements were set on 38 Strategic Projects worth \$24.9 billion.

### CASE STUDY 3

## Geelong Arts Centre Stage 3 Redevelopment

The purpose of the Stage 3 Redevelopment of the Geelong Arts Centre was to revitalise the Geelong cultural performing arts hub. The Project valued at \$140 million was delivered by Development Victoria from March 2021 to August 2023, working together with head contractor Lendlease.

It encompassed the construction of a comprehensive set of facilities enhancements: including the addition of a multi-format 500-seat theatre expanding to 800 in 'live gig' mode 'The Story House', and a new 250-seat contemporary hybrid venue theatre 'The Open House'. The centre opened in August 2023.

This project achieved the following Local Jobs First outcomes:

- Local Content: 93.4% on the Main Works exceeding the ministerial requirement of 90%
- MPSG: 10.27% on the Main Works exceeding the policy requirement of 10%.

Lendlease demonstrated a commitment to sourcing local content for the project from the Geelong area.

Lendlease, in partnership with ARM Architecture and Development Victoria, redefined the project's custom carpet specifications, originally intended to be sourced internationally. By working closely with Geelong-based carpet company, Godfrey Hirst, the team successfully transitioned from an international French supplier to a local manufacturer. As a result of this initiative, Godfrey Hirst has not only supplied the carpet for this project, but it has also enabled the strengthening and expansion of its organisational design and production capability more broadly.



Photo credit:  
Peter Foster



The project's glass glazing specifications, initially slated for glass supplied from overseas, were reworked by Lendlease in collaboration with ARM Architecture and Development Victoria. This enabled the team to be able to source glass locally from Viridian Glass in Geelong. Viridian were transitioning from a focus on the automotive industry and this large construction order may have helped with the transition.

The project demonstrated a commitment to local content by sourcing all stone paving from within Victoria and procuring all concrete and sub-base products from suppliers based in Geelong. The project saw the involvement of 18 major trade packages handled by Melbourne-based contractors, with approximately 5% of the workforce residing in the G21 region, which encompasses Colac Otway, Golden Plains, Greater Geelong, Queenscliff, and Surf Coast.

Lendlease partnered with GROW and the local social enterprise Gforce to develop an inclusive employment program. This initiative prioritised local jobseekers, leading to the placement of 4 apprentices who not only completed their training but also secured permanent employment.

Lendlease worked closely with ARM Architecture and 4 First Nations artists: Wadawurrung artist Kait James, and local First Nations artists Tarryn Love, Gerard Black, and Mick Ryan to integrate First Nations artwork into the fabric of the building, enriching the cultural significance of the Geelong Arts Centre.

### 3.10. Industry Impacts of Steel and FF&E Requirements

The inclusion of additional requirements focusing on the use of steel and FF&E are having an impact, with the number of these businesses operating in Victoria increasing significantly in recent years. FF&E and steel have been areas of focus for the Victorian Government for a number of years – the first specific Local Jobs First requirement for steel was set in 2015, with the first specific requirement for FF&E set in 2019.

Since 2015, until 30 June 2024, steel requirements have been set on 113 Strategic Projects valued at \$83 billion and FF&E requirements have been set on 70 Strategic Projects valued at \$27.6 billion; during that time Victoria's share of FF&E and steel businesses in Australia has increased consistently.

### 3.11. Local Jobs First Standard Projects

It was another strong year for Local Jobs First Standard Projects with 300 projects valued at \$2.4 billion being registered. As with Strategic Projects, Standard Projects also provide significant opportunities for local businesses and workers. As at 30 June 2024, the number of Standard Projects totalled 2,836 and were collectively valued at \$22.6 billion.

For Strategic Projects, the Minister for Jobs and Industry sets Local Jobs First requirements that successful contractors must meet. In contrast, Standard Projects involve a more market led approach where bidders must outline in their tender response:

- industry development commitments (local content, technology transfer, supply chain engagement)
- jobs outcomes commitments (new and retained jobs, training) including MPSPG commitments where applicable
- detailed information about how the LIDP will be implemented including the management of risks, industry engagement strategies, and the selection and benchmarking of local content

- monitoring and reporting requirements, including those to be delivered as part of project management procedures
- the number of SMEs that will be engaged as part of the contract.

The ICN Victoria can work with bidders to help them respond to tenders. The ICN Victoria also provides a range of other assistance to bidders, including helping them to identify local capability for a particular item or set of items, and advising bidders where further detail in the LIDP may be required.

Once all LIDPs for a tender are completed, a separate area of the ICN Victoria then reviews the LIDPs and provides a report to the Victorian Government delivery agency. The report must be used in the agency's tender evaluation process. Under the Local Jobs First Policy, 2 mandatory 10% weightings for both industry development and jobs outcomes must be incorporated by the agency into the tender evaluation. This helps to ensure bids with ambitious Local Jobs First proposals are more likely to be successful.

An example of a Standard Project is the supply and delivery of continence, wound care and nutritional products, a project undertaken by WorkSafe Victoria. Following a contestable outcome undertaken by the ICN Victoria, it was determined that goods and/or services required for this tender were available from competitive local and international manufacturers and/or suppliers. As a result, BrightSky Australia, a company that supports Victorian based social enterprises, was awarded the contract to supply the required products.

Further information about Standard Projects and the Local Jobs First Policy can be found at [localjobsfirst.vic.gov.au](https://localjobsfirst.vic.gov.au).



Photo credit:  
Level Crossing Removal Project

#### CASE STUDY 4

### Elise's cadetship

Elise's career started through a Level Crossing Removal Project Rail Signal Engineer Cadetship in 2021 after completing her Electrical Engineering degree in 2020. During her degree, she took part in a rail undergraduate challenge, which opened her eyes to how engineering concepts were applied to the world of rail.

This sparked her interest in a rail career, leading her to the Rail Signal Engineer Cadetship. The cadetship was the first in many steps for her career, particularly when she gained a cadet role at one of the participating employers, V/Line. Elise was just one of 5 women in the program that year. Cadetships like these form part of the MPSPG that support ATCs to build on-the-job skills.



Throughout the cadetship, Elise had the opportunity to grow her skills and her professional network, rotating across multiple Big Build projects, including the Fitzgerald and Robinsons Road Level Crossing Removal. Following the cadetship, Elise was promoted into her current role as a Signalling Power Systems Engineer at V/Line, one of a growing number of women in specialist engineering roles in rail.

When describing what she loves most about her career and industry, Elise says the people and opportunities are a highlight. The opportunity to continue pursuing her passion for supporting and encouraging girls to take up STEM in the future, particularly in regional areas of Victoria, is especially a highlight. *"I volunteer for Robogals and Curious Minds, who supports girls with learning about STEM. I've been so impressed with the students' abilities and knowledge".*

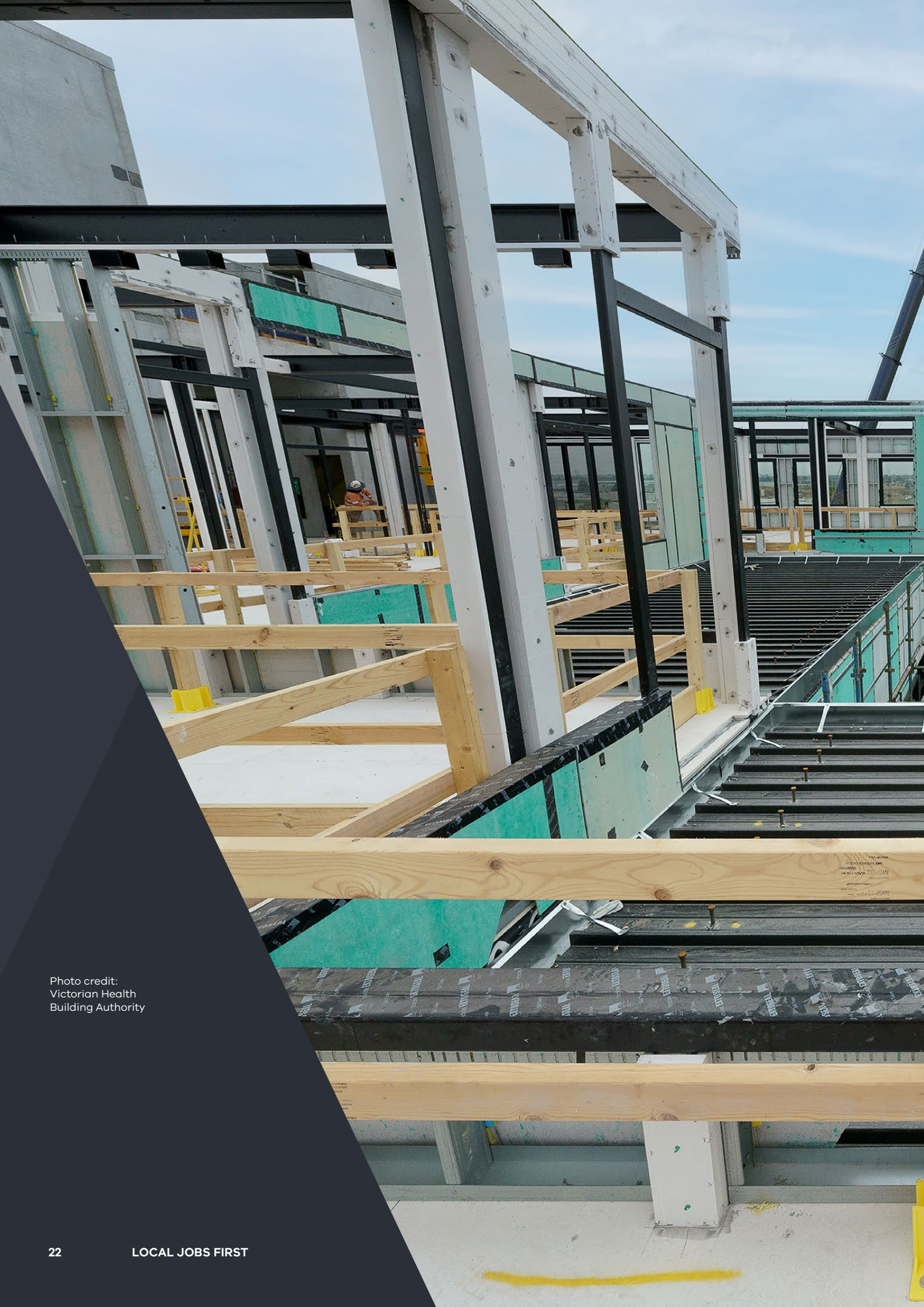


Photo credit:  
Victorian Health  
Building Authority





## CASE STUDY 5:

### Mental Health Beds Expansion Program

The Victorian Government's investment into the Mental Health Beds Expansion Program has delivered 120 acute mental health beds across Sunshine Hospital, Northern Hospital, the Royal Melbourne Hospital and the McKellar Centre in Geelong, with a further 24 Hospital-in-the-Home beds delivered across the metropolitan and Barwon regions. The delivery of these beds has increased capacity, reduced pressure on emergency departments and provides additional support for people experiencing mental illness who require immediate treatment.

This project generated opportunities for ATCs to work on one of Victoria's largest construction projects. In total, 356 apprentices, trainees and cadets worked 175,000 hours on the project for 54 businesses. Additionally, 27 businesses achieved 30,800 hours by female ATCs and 25 businesses achieved 14,400 hours by First Nations ATCs.

Local steel use was a priority for the Victorian Health Building Authority (VHBA) and Lendlease from the outset as over \$50 million of steel was used across the four sites. By ensuring that the use of local steel was integrated into the design and procurement processes from the outset, supply chain issues caused by the COVID-19 pandemic were able to be mitigated. All steel was fabricated in Victoria and raw steel was sourced from mills in Australia wherever possible resulting in 96.48% local content for steel.

This was the largest modular health project that the state has built with over \$100 million worth of modular (prefabricated) units successfully delivered by 2 Victorian businesses. This drove significant investment in the local community and built capability and capacity within the emerging prefabrication industry. Modscape delivered the prefabricated building modules for Northern Hospital and McKellar Hospital. From the outset Modscape engaged an external social procurement advisor and Lendlease assigned its Social Impact Team to provide support in developing new initiatives to maximise community and social outcomes.

# Appendix A: Completed Strategic Projects for 2023-24

Project	Local Jobs First requirements	Region
AWP5 – Preston LX – Part of the North Western Program Alliance	89% minimum local content for the project 100% local steel	Metro
AWP8 – Caroline Springs, Tarneit and Wyndham Vale commuter carparks – Part of the Metropolitan Roads Program Alliance	92% minimum local content for the project	Metro
Bendigo Law Courts Development Project	92% minimum local content for the project	Regional
Design and Construction of New Schools 2024 – Bundle A	91% minimum local content for the project Maximise local steel	State-wide
Geelong Arts Centre Stage 3 Redevelopment	90% minimum local content for the project	Regional
Kardinia Park Stadium (GMHBA) – Stage 5 Redevelopment	91% minimum local content for the project	Regional
Latrobe Regional Hospital Stage 3A	90% minimum local content for the project	Regional
Melbourne Park Redevelopment Stage 3	90% minimum local content for the project	Metro
North Melbourne Hill Primary School	92% minimum local content for the project  All consultants including but not limited to architects, designers, engineers and other advisors must preference solutions that maximise the use of local materials, finishes, products, goods and services in construction including fittings, fixtures and equipment wherever possible	Metro

Project	Local Jobs First requirements	Region
Program B – Sunbury Road Upgrade	96% minimum local content for the project  All consultants including but not limited to architects, designers, engineers and other advisors must preference solutions that maximise the use of local materials, finishes, products, goods and services in construction including fittings, fixtures and equipment wherever possible	Metro
Program E – Barwon Heads Road Duplication Stage 1	96% minimum local content for the project  95% local steel	Regional
Program F – Healesville Koo Wee Rup Road South Upgrade	97% minimum local content for the project  All consultants, including but not limited to architects, designers, engineers and other advisors must preference solutions that maximise the use of local materials, finishes, products, goods and services in construction including fittings, fixtures and equipment wherever possible	Metro
Rail Infrastructure Alliance – RIA – New Scope Direction Notice	96% minimum local content for the project  Maximise local steel	Metro
Wave 1 Public Housing Redevelopment – Design Consultancy Services & Construction	91% minimum local content for the project  All consultants, including but not limited to architects, designers, engineers and other advisors must preference solutions that maximise the use of local materials, finishes, products, goods and services in construction including fittings, fixtures and equipment wherever possible	Metro

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