

## LOCAL INDUSTRY DEVELOPMENT PLAN

This document provides a template to prepare a Local Jobs First Local Industry Development Plan (LIDP). Bidders must consult with the Industry Capability Network (Victoria) Ltd (ICN) for certification of their Local Industry Development Plan. ICN can be contacted on (03) 9864 6700 or at [info@icnvic.org.au](mailto:info@icnvic.org.au). Please refer to the Local Jobs First Supplier Guidelines document for more details.

### 1. Company Details

<b>Company name:</b>	Click here to enter text.
<b>Contact person:</b>	Click here to enter text.
<b>Contact phone:</b>	Click here to enter text.
<b>Email:</b>	Click here to enter text.

### 2. Project Details

<b>Tender name:</b>	Click here to enter text.
<b>Tender reference number:</b>	
<b>Tender due date</b>	Click here to enter text.
<b>Lead agency:</b>	Click here to enter text.
<b>Lead agency contact:</b>	Click here to enter text.

### 3. Project Description

Click here to enter contract description.

## 4. Commitments Table

Local Jobs First Criteria	Notes	Commitment				
ANZ value-added activity	The bidder shall demonstrate its ability to deliver:					
	<ol style="list-style-type: none"> <li><b>XX%</b> minimum local content for the project.</li> <li><b>XX%</b> of estimated labour hours (MPSG applicable projects. Please outline deemed hours formula at part 8)</li> </ol>	<p><a href="#">Click here to enter %.</a></p> <p><a href="#">Click here to enter %.</a></p>				
Employment (AEE)	<p>Refers to the number of actual new and/or retained annualised employee equivalent opportunities (jobs) to be created in Australia and New Zealand as a result of the contract.</p> <p><b>Total jobs created/retained includes apprentice and trainee related employment.</b></p> <p><b>If this is an MPSG applicable, please complete Attachment D Estimated Occupational profile</b></p>		Created: Total	Victorian Created	Retained: Total	Victorian Retained
		Total				
		Apprentices				
		Trainees				
		Cadets				

### Local Content Calculation

Local content (ANZ value added activity) of a good or service is determined on a cost basis and is the part of a product or service left once the cost of the international component has been subtracted. It can be expressed by the following equation: Local content = total cost of the good or service less international content

Consideration should be given to use of the contestable items by competitive local suppliers. For Strategic Projects the ICN has provided an indicative list of contestable items (refer to **Attachment A**) that may be required to complete the project, based on the information provided to it by government. The use of contestable items will assist in meeting the minimum local content requirements and in completing **Attachment B**.

### Employment Calculation

**AEE** replaces Full Time Equivalence (FTE), and is calculated by dividing the total number of ordinary working hours that an employee worked and was paid (includes paid leave) over the reporting period (e.g. length of contract) by the total number of full-time working hours paid per annum (this is generally 38 hours per week for 52 weeks). Bidders may attach employment modelling as an appendix to this LIDP should they wish to provide further information on their employment commitments

The sections below require bidders to outline processes for **identifying, assessing, selecting** and **monitoring** local products, services and capabilities to meet the commitments stated in this LIDP.

## 5. VIPP - Identifying local products and capabilities to meet contract requirements

### Section 5.1 Consultation Process

Many of the technologies and materials for this project may be available locally. Where applicable, bidders should propose procedures to work with various stakeholders to minimise the need to source from overseas and promote the concept of local industry participation. This could include consulting with:

- Subcontractors
- Industry associations
- ICN
- Government organisations and agencies
- ANZ industry and other groups
- Employment associations
- TAFEs
- Department of Economic Development, Jobs, Transport and Resources - Industry Portfolio

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### Section 5.2 Alerting Local Industry

Bidders should detail methods to alert local industry of upcoming tenders and contract requirements. This could include:

- Issuing work packages on ICN Gateway
- Advertising in the local newspapers' tender section
- Contacting local suppliers and subcontractors directly at tender time to attract interest from local industry
- Utilising industry databases/websites to alert local industry
- Hosting industry forums in metropolitan and regional Victoria

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### Section 5.3 Liaising With International Suppliers

Bidders should detail methods to liaise with international suppliers to increase opportunities for local industry, including manufacturing under overseas licensing arrangements and technology transfer. This may include identifying work packages and items with the potential for import replacement by local products and services. Where no local supply options can be identified, the bidder should consult with ICN to ensure local options have not been overlooked.

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## 6. VIPP - Assessing and Comparing Local Products and Capabilities With Overseas

### Section 6.1 Benchmarking

Where applicable, bidders should develop benchmarks (based on “whole-of-life” cost parameters and appropriate quality and performance indicators) for the evaluation of proposals and alternatives. This may include the application of the principles of VIPP in their procurement process and setting a benchmark of a nominal percentage point (for local value-added activities) for evaluating proposals and alternatives. This could be expressed in the form of a Local Jobs First declaration, which should be agreed upon between the proposed subcontractor and the bidder before implementation. Bidders may seek assistance from ICN to improve the set benchmark set.

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### Section 6.2 Assessing the Local Value-Added Content

Bidders should develop procedures for assessing the local value-added content in a product or service. This could include a checklist to assess local content in a product or service, to ensure that the company, as well as the goods and services they are supplying are local.

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### Section 6.3 Comparing Local Products and Services Against Overseas Equivalents

Bidders should develop procedures for ensuring that local products and services are evaluated against imported goods and services. For example, the bidders may choose to instruct, in their Conditions of Tender guidelines, subcontractors that tender submissions should consider local products and services alongside imported alternatives and/or identifying work packages for import replacement so that they can make a value-for-money judgement as appropriate.

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## 7. VIPP - Product or Service Selection Policy Or Procedure

Describe the procedures or policies for the selection of products and services that provide the opportunity for local industry participation over the life of the contract. Bidders should apply the principles of the Local Jobs First to their selection process.

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## 8. MPSG – Deemed Hours Formula

Bidders for MPSG applicable projects must complete the deemed hours formula outlined below.

$$\frac{\text{Total Contract Sum} - (10\% \text{ GST} - \text{Profit Margin} - \text{Specialist Equipment}) = \text{Adjusted Contract Price}}{\text{Adjusted Contract Price} \times \text{Deemed Labor Ratio}} = \text{Total Labour Hours}$$
$$\frac{\text{Deemed Hourly Rate}}{\text{Total Labour Hours}} = \text{Minimum 10\% target}$$

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## 9. Monitoring and Reporting

Bidders should detail how they will monitor and report on outcomes for local industry involvement and job outcomes. The response should include answers to all of the following items:

- The number of jobs created and retained (AEE for the whole project, including sub-contractors, apprentices and trainees);
- The number of apprentices and trainees and cadets created and retained (labour hours);
- Local Jobs First commitments secured against contract levels;
- Frequency of monitoring and reporting and associated mechanisms;
- Procedures for corrective action should inappropriate or ineffective action be determined;
- For the Major Projects Skills Guarantee the strategy and/or plan that will be adopted in order to achieve the minimum requirement (if applicable);
- Frequency and level of internal assessment of the effectiveness of the implementation of the Plan;
- Frequency of external assessment of sub-contractor and supplier commitment to local industry participation;
- For the VIPP, level of use of ICN and other organisations to assist in the identification of competitive local sources of supply; and
- Use of Attachment C: Local Jobs First Monitoring Table.

The ICN can assist in the monitoring of compliance with Local Jobs First commitments as part of overall performance management.

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## 10. Statement of Compliance

**Insert Organisation Name** shall:

- Take all reasonable steps to comply with Local Jobs First principles;
- Agree to be monitored by the Department or Agency, the Department of Economic Development, Jobs, Transport and Resources (DEDJTR), Local Jobs First Commissioner for compliance with Local Jobs First commitments as part of overall performance management;
- Agree to complete the Statutory Declaration (Attachment F) at practical completion of the project, confirming Local Jobs First outcomes achieved;
- Agree to allow DEDJTR, Local Jobs First Commissioner and ICN to review the Local Jobs First outcomes at the completion of the contract;
- Acknowledge that the Local Industry Development Plan shall be centrally recorded by the Victorian Government; and
- Agree to the Terms and Conditions as set out in Attachment F of this document.

To confirm that you agree to the Statement of Compliance as listed above, please sign below.

**Note:** If submitting a Local Industry Development Plan online via the Victorian Local Jobs First Management Centre – VMC ([www.icnvic.org.au/vmc](http://www.icnvic.org.au/vmc)) acceptance of the Terms and Conditions must be acknowledged and agreed to prior to submission, therefore no signature is required within the Local Industry Development Plan.

<b>Signed on behalf of:</b>	Click here to enter text.
<b>Signature:</b>	(Note: If submitting Local Industry Development Plan online, a signature is not required here)
<b>Name:</b>	Click here to enter text.
<b>Position Title:</b>	Click here to enter text.
<b>Date:</b>	Click here to enter date.

**Attachment A: Contestable Products and Services**

**Contestable items**


## Attachment B: Local Content Commitments

The table will inform assessment by Agencies, and ICN on the local content commitments for contestable and non-contestable items for the project. Local Content commitments in the table will be a deliverable under the contract.

WBS/ Item Number  <i>Insert number e.g. 1</i>	Item/Description  <i>Insert item name</i>	Potential or selected Manufacturer  <i>Insert brand/manufacture</i>	Potential or selected Supplier  <i>Insert supplier</i>	ICN Assist  <i>Y/N</i>	% ANZ Local Value Activity per line item		% Contract Content (expressed as % of the contract value)  <i>Insert percentage</i>  (B)	% ANZ Value Activity (expressed as % of the contract value)  <i>C = A x B</i>  (C)	No. of SMEs in supply chain <i>Insert no. of SMEs engaged in the chain</i>  (D)	Total No. of suppliers in supply chain <i>Insert total no. of SMEs engaged in the chain</i>  (E)	% of SMEs in supply chain  <i>F = (D/E) *100</i>  ( F)	
					% Import  <i>Insert % e.g. 30%</i>	% Local  <i>Insert % e.g. 70% (A)</i>						
Total								100%	<i>[Insert total ANZ Value added activity % (add all of C</i>	<i>[Insert total no. of SMEs (add all of D)</i>	<i>[Insert total no. of suppliers (add all of E )</i>	<i>[Insert total % of no. of SMEs (add all of F)</i>



## Attachment C: Local Jobs First Monitoring Table

The monitoring table must be completed by or at practical completion of the project and/or delivery of the goods or services to demonstrate that Local Jobs First outcomes have been achieved through the project. Additional comments may need to be provided to reasonably explain any discrepancies between the expected outcomes from the agreed LIDP to the outcomes reported in the monitoring table. The Agency contract manager will request this table and provide it to ICN and the DEDJTR Office of Industry Participation and Jobs for verification.

WBS/ Item Number	Item Description	Brand / Manufacturer/ Supplier	LIDP Commitments	Secured VIPP Outcomes						Progress/Comments
			% ANZ Value Activity #	% Local (A)	% of Contract Content (B)	% ANZ Value Activity (C)	No. of SMEs in supply chain (D)	% of SMEs in supply chain (E)	ICN Assist [Y/N]	
[Insert number e.g. 1]	[Insert description e.g. Item 1]	[Insert brand/ manufacturer]	[Insert percentage e.g. 1.5%]	[Insert percentage e.g. 85%]	[Insert percentage]	[Insert percentage here using the formula $C = A\% \times B\%$ ]	[Insert no. of SMEs engaged in the supply chain of this item]	[Insert percentage using the formula $E = D / \text{Total no. of suppliers on the project}$ ]		
[Insert number here e.g. 30]										
Total Committed				Total Secured:	100%					

### Employment

New Jobs		Existing Jobs		Total Jobs Committed	Total Jobs Secured	Progress / Comments
Committed	Secured	Committed	Secured			

### Trainees

New trainees		Existing Trainees		Total Trainees Committed	Total Trainees Secured	Progress / Comments
Committed	Secured	Committed	Secured			

### Apprentices

New Apprentices		Existing Apprentices		Total Apprentices Committed	Total Apprentices Secured	Progress / Comments
Committed	Secured	Committed	Secured			

### Cadets

New Cadets		Existing Cadets		Total Cadets Committed	Total Cadets Secured	Progress / Comments
Committed	Secured	Committed	Secured			

## Attachment D: MPSG - Estimated Occupational profile

Please specify what types of apprentices, trainees or cadets are expected to be employed on the project.

Occupational type	Estimated Number	Estimated number	
		Existing	New
Apprentices a. e.g. plumbers b. c. d. e.	6	1	5
Trainees a. b. c. d.			
Cadets a. b. c. d.			

## Attachment E: Statutory Declaration

State of Victoria

### Statutory Declaration

I, \_\_\_\_\_

[full name]

of \_\_\_\_\_

[address]

\_\_\_\_\_, do solemnly and sincerely declare that:-

[occupation]

\_\_\_\_\_ achieved the Local Jobs First objectives and outcomes relating to local content; employment; skills and technology transfer; and apprentices/ trainees /cadets reflected in the Local Jobs First Monitoring Table for \_\_\_\_\_ as submitted to

[name and tender number of procurement activity]

\_\_\_\_\_ on \_\_\_\_/\_\_\_\_/\_\_\_\_

[agency]

[date]

**I acknowledge that this declaration is true and correct, and I make it with the understanding and belief that a person who makes a false declaration is liable to the penalties of perjury.**

Declared at \_\_\_\_\_

this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_ .....

Signature of person making this declaration

[to be signed in front of an authorised witness]

Before me,

.....

Signature of Authorised Witness

The authorised witness must print or stamp his or her name, address and title under section 107A of the *Evidence (Miscellaneous Provisions) Act 1958* (as of 1 January 2010), (previously *Evidence Act 1958*), (e.g. Justice of the Peace, Pharmacist, Police Officer, Court Registrar, Bank Manager, Medical Practitioner, Dentist)

## **Attachment F: Terms and Conditions**

In submitting to ICN information relating to your Local Jobs First Local Industry Development Plan (LIDP) you agree to the following:

### **Purpose for which information submitted**

Before submitting information to ICN relating to your LIDP you have familiarised yourself with the terms and conditions on which you have submitted your tender to the relevant Government agencies. This includes the provisions that relate to the Local Jobs First and ICN's role under the Local Jobs First.

Accordingly, you are fully aware of the role performed by ICN for the relevant government agencies under Local Jobs First in relation to both your tender and in relation to other bidders.

You understand and agree that the purpose for which you have submitted the information about your LIDP to ICN is to enable ICN to deal with the information in accordance with ICN's role under the Local Jobs First.

### **Authority to perform role**

You expressly consent, authorise and permit ICN to do everything reasonably required of ICN by the relevant government agencies to perform ICN's role under the Local Jobs First throughout all stages of the tender process.

You also expressly consent, authorise and permit ICN to do everything reasonably required of ICN by the relevant government agencies to perform ICN's role under the VIPP to report on VIPP outcomes whenever required during the performance of any tender contract or upon completion.

Amongst other things, you understand and agree that in the course of dealing with the information you provide in relation to your Local Jobs First LIDP, ICN will compare information provided by all short listed tender respondents in relation to their Local Jobs First LIDP, assess their relevant merits and report to the relevant government agencies.

You undertake and agree to co-operate with ICN in the performance of its role under the Local Jobs First.

### **Accuracy of information submitted**

You acknowledge and agree that regardless of any assistance you may be given by ICN in relation to the preparation of your LIDP, the LIDP you submit for consideration is your document and you are responsible for its content.

You agree and represent that the information submitted by you to ICN in relation to your LIDP has been carefully prepared by you or on your behalf and is complete, current and accurate and is not misleading or deceptive.

You undertake and agree on a continuing basis to make ICN aware of any errors or misrepresentations of fact and of any other matters that it would be important for ICN to know in consequence of relying upon that information for the purposes of performing ICN's role under the Local Jobs First. You also agree to inform ICN of any changes in matters of fact that may have occurred since any information or material was first provided by you.

You agree that upon request from the relevant government agencies you will provide the relevant government agencies with your written confirmation of the truth, accuracy and completeness of all information provided and representations made by you in your LIDP particularly (but without limitation) information which is not capable of independent confirmation and verification from independent sources.

### **Reliance on accuracy of information**

You understand and acknowledge that the relevant government agencies and ICN will be relying upon your representations as to the completeness, currency and accuracy of all information that you submit in relation to your Local Industry Development Plan and that ICN can not be responsible for or liable in any way for the consequences of you submitting incomplete or inaccurate information or information that is not current

### **Confidentiality of information**

In so far as information that you provide in your Local Industry Development Plan is confidential information, ICN undertakes and agrees to keep that information and the LIDP confidential as between ICN, the government agencies responsible for administering the Local Jobs First and the Government agency issuing the tender request.

### **Submission of information electronically**

You are aware there are inherent risks with the transmission of information via the internet. ICN will endeavour to keep secure information that it receives from you that is submitted by you via the Internet, however, you will be assuming all risks associated with the use of ICN's website and any associated databases including the risks of your computer, software or data being damaged by any virus which might be transmitted, downloaded or activated by ICN website and/or the relevant database its contents and your access to it.

### **Submission of information physically**

If you have any concerns regarding the transmission of information via the internet, ICN can receive information via mail, facsimile or telephone or by physical delivery. Please refer to the ICN website for details.

### **Indemnities**

You agree to indemnify the relevant government agencies and ICN on a continuing basis and so as to survive the consideration and acceptance of any tender and the term of any agreement including any contract arising from the acceptance of a tender by any Government agencies against any action, claim, demand, liability, loss or expense, costs or damage, including legal costs on a solicitor client basis, arising out of the reliance by ICN upon any information, material or documentation provided by you in relation to your Local Industry Development Plan which is incomplete, inaccurate, false or misleading or omits any material particulars or arising from a failure to supply relevant information, documentation or material.

### **Release**

You acknowledge and agree that the relevant government agencies and ICN will not be liable to you in any way or for any reason whatever by reason of a government agency to whom you submit a tender incorporating your Local Industry Development Plan not awarding you a contract in response to your tender submission and you release the relevant government agencies and ICN from any action, claim, demand, liability, loss or expense, costs or damage, including legal costs on a solicitor client basis, arising out of a government agency not awarding you a contract in response to your tender submission. You further acknowledge and agree that this release may be pleaded as an absolute bar to any proceedings you seek to commence against the relevant government agencies and ICN in any capacity whatever.

