



Changes to the *Local Jobs First Act 2003*

The final set of changes to the *Local Jobs First Act 2003* (the Act) commenced on 1 July 2026. This factsheet provides an overview of the key changes to the Act.

Why has the Act been changed?

In August 2025, the Victorian Government amended the Act to strengthen Local Jobs First. The changes make sure that the Local Jobs First scheme continues to maximise opportunities for local jobs and businesses, supporting a stronger workforce, local industry and the Victorian economy.

What has changed?

The reforms to the Act focus on compliance with and the enforcement of Local Industry Development Plans (LIDPs) and strengthening the powers and functions of the Local Jobs First Commissioner (the Commissioner).

A summary of the key changes is outlined in the table below.

When do the changes start?

Some of the reforms came into effect on 20 August 2025, and the remainder commenced on 1 July 2026.

The Commissioner's new compliance and enforcement powers and functions commenced on 1 July 2026.

More information on when the changes to the Act commenced and what projects they apply to is outlined in the table below.

What does this mean for agencies?

The changes to the Act strengthen agencies' obligations to monitor and manage suppliers' compliance with their LIDPs and Local Jobs First obligations, including project reporting requirements under the Local Jobs First Policy. Consult the table below for more information on the changes to the Act and how they impact agencies.

What does this mean for suppliers?

The changes to the Act provide greater clarity in relation to suppliers' Local Jobs First obligations. They also strengthen the compliance and enforcement measures for non-compliance with Local Jobs First delivery and reporting requirements.

Suppliers remain responsible for complying with their Local Jobs First obligations and should contact their procuring agency with any project specific questions.

Do the changes apply to all Local Jobs First projects?

All changes to the Act which commenced on 1 July 2026 automatically apply to all new Local Jobs First projects tendered from 1 July 2026.

Transitional regulations have been made to manage the shift from the old rules to the new rules for Local Jobs First projects that are in different stages of development or delivery. You can access the regulations [here](#).

Some of the earlier changes to the Act apply to all Local Jobs First projects tendered from 20 August 2025.

Consult the table below for information on which projects the changes apply to.

Where can I find more information?

The Act can be found on the [Victorian Legislation](#) website. Updated Local Jobs First Policy, Local Jobs First Supplier Guidelines and Local Jobs First Agency Guidelines are on the [Key Documents](#) page.

Additional factsheets on Local Jobs First and changes to the Act, as well as other useful information, are available on the [Local Jobs First factsheets](#) page.



What has changed in the <i>Local Jobs First Act 2003</i> ?	What projects does the reform apply to?
Changes to the Act that commenced on 20 August 2025	
New definition of 'Local Jobs First' as the scheme established under the Act and set out in the Act, the regulations and the Local Jobs First Policy.	N/A – impacts definitions not projects
New emergency exemption from Local Jobs First for projects that are undertaken as part of an agency's Emergency Procurement Plan	New projects from 20 August 2025 onwards
Agencies not required to apply Local Jobs First to projects determined to be non-contestable following the mandatory contestability assessment process outlined in the Local Jobs First Policy.	New projects from 20 August 2025 onwards
New provision allowing the Minister to set requirements to use a specified amount of uniform and PPE produced by local industry.	New projects from 20 August 2025 onwards
Additional objectives to inform the development of the Local Jobs First Policy and the Minister in setting new requirements for projects , including but not limited to providing equitable opportunities for Aboriginal businesses and promoting the use of Australian Standards.	New projects from 20 August 2025 onwards
Changes to the Act that commenced on 1 July 2026	
Deprioritisation for non-compliance with any LIDP commitment or not providing completion reporting within 90 days of practical completion.	Projects which go out for tender on or after 1 July 2026
Requirement for agencies to include a contingent payment mechanism in project contracts against Local Jobs First deliverables unless it is not practicable or appropriate.	Projects which go out for tender on or after 1 July 2026
Clarifying Local Jobs First compliance requirement for suppliers' obligation to comply with LIDP commitments in aggregate.	Projects which go out for tender on or after 1 July 2026
Statutory requirement for suppliers to comply with the significant diversion process if they are, or are likely to be, unable to meet their local content commitment.	All Local Jobs First projects
Expanded compliance and enforcement powers for the Commissioner including power to investigate matters and power to conduct site inspections (with notice).	All Local Jobs First projects
Civil penalties for non-compliance with the Commissioner's information gathering power and new site inspection power.	All Local Jobs First projects
Other powers and functions for the Commissioner supporting a graduated approach to enforcement and compliance including a function to provide advice to assist resolution of actual and potential non-compliance issues faced by contracting parties.	All Local Jobs First projects
An ability of the Commissioner to make non-binding recommendations to agencies on specific or systemic issues.	All Local Jobs First projects
Strengthening agencies' obligations to comply with Local Jobs First and to monitor and manage suppliers' compliance with their LIDPs and Local Jobs First obligations, including completion reporting.	All Local Jobs First projects

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