



Local Industry Development Plans

Under the *Local Jobs First Act 2003* (the Act) suppliers must comply with each commitment in their Local Industry Development Plan (LIDP). This factsheet provides an overview of LIDPs.

What is an LIDP?

An LIDP outlines a supplier's commitments to meet the Local Jobs First requirements for a project, including the expected local content and job outcomes.

Under the Act, all bidders for a Local Jobs First project must submit an LIDP.

What are LIDPs used for?

Agencies use LIDPs to inform the mandatory 20% Local Jobs First weighting applied during tender evaluation.

A successful bidder's LIDP is incorporated into the contract, which requires the supplier to comply with Local Jobs First and the LIDP.

Agencies and suppliers are required to monitor and report on the delivery of LIDP commitments on all Local Jobs First projects.

What do suppliers need to do to comply with their LIDP?

Suppliers **must** comply with each commitment in their LIDP that relates to:

- local content
- job outcomes
- any additional requirements specified by the Minister (e.g., a requirement to use a specified amount of steel products)
- Major Projects Skills Guarantee, if applicable.

Suppliers must comply with their LIDP commitments made to projects in an aggregate sense, rather than with the individual line items in the LIDP (e.g. aluminium window frame, timber door).

For example, if the Minister sets requirements for a Strategic Project at 90% local content and 90% steel, and the supplier committed to 92% local content and 91% for steel in its LIDP, then the supplier must comply with its commitments of 92% and 91% respectively.

What if the scope or value of the project changes during delivery?

If an agency or supplier varies a contract, Local Jobs First must be considered when changing the value of the contract or scope of work. In some cases, a revised LIDP may be required.

What if a supplier proposes a change to local sourcing from the LIDP?

Under the Act, if a supplier is, or is likely to be, unable to meet the local content commitment in their LIDP, they must comply with the **significant diversion process**. This process is set out in the Agency Guidelines and Supplier Guidelines.

What happens if a supplier does not comply with their LIDP?

All suppliers must report on the outcomes achieved against their LIDP commitments when a project is complete.

Failure to meet any LIDP commitment may result in:

- the agency taking action under contract
- compliance and enforcement action by the Local Jobs First Commissioner, including potential deprioritisation.



Where can I find more information?

The Act can be found on the [Victorian Legislation](#) page.

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

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