

# LOCAL JOBS FIRST POLICY

Under the *Local Jobs First Act 2003*

Updated October 2025

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# 1 Introduction

The [Local Jobs First Act 2003](#) (the Act) is Australia's longest-standing industry participation legislation and is focused on promoting employment growth by expanding market opportunities for local industry and providing for industry development.

The Act enshrines the Victorian Industry Participation Policy (VIPPP) and the Major Projects Skills Guarantee (MPSG) requirements in legislation – ensuring that Victorian businesses, workers, apprentices, trainees and cadets continue to benefit from Victorian Government procurement.

The Act emphasises the importance of jobs and business growth and commits all Victorian Government agencies to comply with the Local Jobs First scheme, including any reporting obligations under the Local Jobs First Policy and the associated guidelines.

The Act also establishes a Local Jobs First Commissioner who balances advocacy, facilitation and compliance functions, working closely with industry and agencies to create opportunities for small and medium sized businesses on government projects.

This Local Jobs First Policy document should be read in conjunction with the Local Jobs First Agency Guidelines and the Local Jobs First Supplier Guidelines. These documents are prepared by the Minister responsible for Local Jobs First and include important information about Local Jobs First application and obligations. They are available at [www.localjobsfirst.vic.gov.au](http://www.localjobsfirst.vic.gov.au).

## 2 About Local Jobs First

Local Jobs First is the scheme established under the Act and is set out in the Act, any regulations made under the Act and the Local Jobs First Policy. For the purposes of the Act, the Local Jobs First Policy includes any guidelines or material prepared by the Minister responsible for Local Jobs First regarding the application of, and procedures to be followed in complying with the Act, the regulations or the Local Jobs First Policy. This includes this Local Jobs First Policy document, Local Jobs First Agency Guidelines and the Local Jobs First Supplier Guidelines.

Local Jobs First is administered by the Department of Jobs, Skills, Industry and Regions (DJSIR).

Local Jobs First is mandatory and must be applied by all Victorian Government agencies defined as either a public body or a department under section 3 of the *Financial Management Act 1994*, and suppliers, contractors and grant and loan recipients for projects that fall within the scope of Local Jobs First.

Detailed instructions that agencies and suppliers/contractors must follow to ensure compliance with Local Jobs First are provided in the Local Jobs First Agency and Local Jobs First Supplier Guidelines, which are publicly available at [www.localjobsfirst.vic.gov.au](http://www.localjobsfirst.vic.gov.au).

Consistent with the Act, the Local Jobs First Policy is comprised of the Victorian Industry Participation Policy (VIPPP) and the Major Projects Skills Guarantee (MPSG).

## Local Jobs First Policy



Victorian Industry  
Participation Policy



Major Projects  
Skills Guarantee

### 2.1 Victorian Industry Participation Policy (VIPP)

VIPP is an industry development policy designed to ensure small and medium-sized enterprises (SMEs) are given full and fair opportunity to compete for Victorian government contracts.

VIPP supports local industry participation by embedding consideration of local industry capability and jobs into the tendering process for all projects that meet the policy thresholds and setting local content and other requirements on projects of strategic significance.

### 2.2 Major Projects Skills Guarantee (MPSG)

MPSG is an industry policy designed to ensure job opportunities are provided for apprentices, trainees and cadets (ATCs) on high-value Victorian Government construction projects.

MPSG requires that all construction projects valued at \$20 million or more utilise Victorian registered apprentices, trainees or cadets for at least 10 per cent of the contract works' total estimated labour hours.

MPSG applies to all aspects of a construction project including goods and services procurement. This includes project inputs such as prefabricated or modular components that are manufactured away from the construction site.

### 2.3 Objectives and Principles

In developing the Local Jobs First Policy regard must be had to the following objectives:

- promoting employment and business growth by expanding market opportunities for local industry
- providing Aboriginal businesses with equitable opportunities to participate in projects undertaken or funded (whether wholly or partially) by the State
- encouraging the participation of SMEs based in regional areas in projects undertaken or funded (whether wholly or partially) by the State
- encouraging the use of local content at each stage of construction or manufacturing projects undertaken or funded (whether wholly or partially) by the State, including but not limited to project planning, design and execution

- promoting the use of standards published by or on behalf of Standards Australia in projects undertaken or funded (whether wholly or partially) by the State
- ensuring that the processes and mechanisms for tenders and procurements for projects undertaken or funded (whether wholly or partially) by the State are structured and designed to provide fair and reasonable opportunities for local industry participation
- providing contractors with increased access to, and raised awareness of, local industry capability
- exposing local industry to world's best practice in workplace innovation, e-commerce and use of new technologies and materials
- developing local industry's international competitiveness and flexibility in responding to changing global markets by giving local industry a fair opportunity to compete against foreign suppliers.

MPSG contributes to these objectives by supporting future industry capability, through:

- helping to train the next generation of skilled workers,
- demonstrating the value that local ATCs can add to construction projects, and
- exposing local ATCs to the workplace practices, technologies, innovations and materials adopted by large, high value Victorian Government construction projects.

The Local Jobs First Policy must take into account and be consistent with the following principles relating to procurement, tendering and the provision of financial assistance by the State:

- value for money considerations in purchasing and supply decisions, and
- open, clear and accountable tendering mechanisms and processes.

### 3 Applicable Projects

Local Jobs First applies to the full range of projects, developments, procurements and other initiatives that are undertaken or funded (whether wholly or partially) by the Victorian Government and meet the relevant Local Jobs First financial thresholds, unless a project exemption applies (see 3.5).

Local Jobs First applicable projects include but are not limited to:

- purchase of goods and/or services, regardless of the method of procurement (including but not limited to individual project tenders, State Purchase Contracts, and supplier panels),
- construction projects (incorporating design and construction phases, including if administered through a competition, and all related elements), including but not limited to individual projects, Public Private Partnerships, Alliance Contracts, Market Led Proposals, auctions, supplier panels and registers, and
- grant and loan projects, including but not limited to grant agreements or loan arrangements to private, non-government and local government organisations for a single project or group of projects.

The value of the project refers to the total budget allocated over the life of the project excluding GST and not the value of individual contracts. This ensures opportunities for industry development and workers are maximised under Local Jobs First.

The source of a project budget does not impact the application of Local Jobs First. For example, a project budget may be sourced from State Government appropriations, internal agency resources, grants and loans or other contributions, which together make up the project value for Local Jobs First purposes.

Local Jobs First projects are designated either Standard or Strategic, based upon their value and/or Ministerial determination. There are different processes for applying Local Jobs First to Standard Projects, Strategic Projects, grants, loans and panel contracts.

### 3.1 Standard and Strategic Projects

A Local Jobs First Standard Project is a project:

- with a budget of \$1 million or more in rural and regional Victoria, or
- with a budget of \$3 million or more for statewide projects or for projects in metropolitan Melbourne, or
- declared to be a Standard Project by the Minister responsible for Local Jobs First under section 7A (1) of the Act.

A Local Jobs First Strategic Project is a project:

- with a budget of \$50 million or more, or
- declared to be a Strategic Project by the Minister responsible for Local Jobs First under section 7A (2) of the Act.

For example, if a construction project involves stages such as early works, design, construction activities and maintenance, with a combined total value of \$50 million or more, then the project must be treated as a Local Jobs First Strategic Project, with minimum local content requirements to be applied.

A further example would be if a services project involves annual delivery activities to the value of \$500,000 per year for each of four years. This project would have a total value of \$2 million and as such it would be treated as a Local Jobs First Standard Project if in regional Victoria. If the project had an option to renew for a further four years, its total value would be \$4 million and as such it would be treated as a Local Jobs First Standard Project irrespective of location.

### 3.2 MPSG Projects

The MPSG applies to all Victorian Government construction projects with a budget of \$20 million or more and can therefore apply to both Standard and Strategic Projects. MPSG may also be applied to non-construction projects, for example manufacturing projects, at the discretion by the Minister responsible for Local Jobs First.

The MPSG applies regardless of the amount given over in a project budget to the actual construction. For example, if only \$10 million of a \$30 million construction project is for the construction component, with the remainder budgeted for other things such as traffic / transport management, furniture or equipment, the MPSG applies to the total project value of \$30 million.

Eligible ATCs can be utilised across all aspects of the project to meet the MPSG requirement.

### 3.3 Grants and Loans

A Local Jobs First grants or loan project is a project:

- with a state contribution of \$1 million or more in rural and regional Victoria, or
- with a state contribution of \$3 million or more for statewide projects or for projects in metropolitan Melbourne.

For example, if a Victorian Government agency is providing a \$1 million grant to a local council in regional Victoria for delivery of a project, it would be treated as a Local Jobs First project and the process for grants would apply.

Note that a grant or loan with a state contribution of \$50 million or above may be treated as a Local Jobs First Strategic Project, notwithstanding the funding source.

Grant or loan recipients are considered as suppliers for Local Jobs First purposes and must follow the process for grants and loans as outlined in the Local Jobs First Supplier Guidelines.

### 3.4 Panel Contracts

All agencies establishing or renewing a panel contract should consider the Local Jobs First Policy objectives. If the estimated or historical contract spend meets the thresholds, the agency must consult with DJSIR prior to contract establishment / market approach to determine how Local Jobs First will apply. Note that this requirement also applies to State Purchase Contracts or Sole Entity Purchase Contracts where the contract is anticipated to or may be awarded to a sole supplier. Further information is available in the Local Jobs First Agency Guidelines.

### 3.5 Project Exemptions

In some circumstances projects are exempt from Local Jobs First. Detailed information on the application of these exemptions can be found in the Local Jobs First Agency Guidelines and Local Jobs First Supplier Guidelines.

#### **Emergency exemptions**

Local Jobs First does not apply to projects carried out for the purposes of the response to, or recovery from, an emergency as defined by the *Emergency Management Act 2013*.

This exemption only applies if the procurement of goods or services for the project is undertaken as part of an agency's Emergency Procurement Plan and is consistent with any relevant supply policy made under the *Financial Management Act 1994*.

#### **Exceptional circumstances**

In exceptional circumstances, the minister responsible for a specific project may request an exemption from Local Jobs First and/or the requirements for a Local Industry Development Plan (LIDP) through the Minister responsible for Local Jobs First.

The request for exemption must be submitted **at least 30 days prior** to the planned release of solicitation documents (e.g. Expressions of Interest (EOI), request for tender (RFT) or grant

documents) to the market or agreements being issued to prospective grant recipients. Agencies that are unable to meet the 30-day requirement must contact DJSIR at [localjobsfirst@ecodev.vic.gov.au](mailto:localjobsfirst@ecodev.vic.gov.au).

## 4 Local Jobs First Requirements

### 4.1 Contestability Assessment

Before undertaking a tender process for a Local Jobs First project, agencies must obtain a contestability assessment from the Industry Capability Network Victoria (ICN) to determine whether the project is contestable or non-contestable. **Agencies are not required to apply Local Jobs First to non-contestable projects.**

For the purposes of Local Jobs First, goods and services are usually non-contestable where there is only a local supplier or only international suppliers, but not both. An example of a non-contestable local project could be a demolition project where it is impossible for the demolition works to be undertaken elsewhere. An example of a non-contestable international project could be a licencing agreement for ICT software where no local capability exists.

### 4.2 Local Content and Related Requirements

The Act provides that the Minister responsible for Local Jobs First must set local content and other requirements for Strategic Projects.

The Minister responsible for Local Jobs First must, unless a project exemption applies or is granted (see 3.5), set these requirements at no less than the following for selected Strategic Project types:

- 90 per cent for a construction project
- 80 per cent for a services project or a maintenance project, or
- 80 per cent for the maintenance or operations phase of a Strategic Project.

Local content requirements for other types of Strategic Projects will be set on a case-by-case basis. The Minister responsible for Local Jobs First may also set requirements for Standard Projects.

#### **About Local Content**

Under Local Jobs First, local content refers to Australia and New Zealand value-added activity reflecting:

- goods produced by local industry
- services supplied by local industry
- construction activities carried out by local industry.

In practice, the local content of a good, service or construction activity is determined on a cost basis and is the part of a product, service or activity 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*

The content of a good, service or construction activity may include the following:

- manufactured goods
- service provision (e.g. engineering, design, ICT, planning, testing and analysis certification, commissioning)
- direct capital costs (e.g. equipment, machinery)
- freight, transport and warehousing
- fees, taxes (excluding GST), margins and insurances – up to 10 per cent allowable of a project's local content.

Australia and New Zealand are treated as a single market under the Australia and New Zealand Government Procurement Agreement. All other countries are considered 'international'. Items imported into New Zealand as part of New Zealand sourced goods and services are considered to be international content.

### 4.3 MPSG Requirements

Under Local Jobs First, at least 10 percent of the estimated labour hours on MPSG-applicable projects must be delivered by ATCs. The requirement is based on labour estimates at project tendering.

Suppliers must meet their MPSG commitment using eligible ATCs and hours, as described in the Local Jobs First Supplier Guidelines. Agencies may further specify how ATC roles must be filled on a project basis as required, to deliver additional benefits such as social, economic, and training outcomes.

### 4.4 Tender Evaluation Weightings

The Act requires the following two minimum weightings to be applied in evaluating tenders for all Local Jobs First projects:

- **10 per cent for industry development.** The 10 per cent weighting will include commitments made in relation to VIPP, such as local content and the number of SMEs in the supply-chain included in the LIDP.
- **10 per cent for job outcomes.** For MPSG-applicable projects, the 10 per cent weighting will include commitments to providing opportunities for ATCs.

This is designed to ensure that local content, supply chain development and job opportunities for new and retained employees are maximised by bidders in delivery of the project.

Focus on job outcomes ensures that bids which commit to creating a **higher number of Victorian jobs and job development opportunities** are scored more highly than bids that commit to a lower number of jobs.

Guidance for the specific application of weightings is provided in the Local Jobs First Agency Guidelines.

## 4.5 Local Industry Development Plans (LIDPs)

All tenders, proposals or other submissions for a Local Jobs First project must submit an LIDP to the ICN noting this will be available to the agency and DJSIR. This requirement does not apply to projects that are exempt from Local Jobs First or are assessed as non-contestable.

The LIDP must comply with the Act and the Local Jobs First Policy, including this Local Jobs First Policy document, the Local Jobs First Agency Guidelines and Local Jobs First Supplier Guidelines. An LIDP should:

- specify how the requirements of Local Jobs First will be met
- make clear industry development and job outcome commitments, including regional development opportunities.

The ICN will issue an Acknowledgement Letter to a bidder via email if the LIDP has been completed properly and submitted on time. A tender proposal is not complete without an ICN Acknowledgement Letter and only bidders with an acknowledged LIDP may be considered by the agency during selection of the preferred bidder.

Agencies and suppliers who enter into Local Jobs First projects must agree to monitoring and reporting requirements, including following notification processes when changes to local sourcing commitments of an accepted LIDP is proposed (see Local Jobs First Agency Guidelines).

The information required in the LIDP will reflect the nature and complexity of the project.

LIDPs for MPSG-applicable projects will also contain directions for the use of 10 per cent of labour hours for apprentices, trainees and cadets.

An agency must not accept a tender, proposal or other submission that does not include a compliant LIDP. The LIDP will be a required deliverable under the contract and agencies must monitor LIDP commitments and follow notification processes.

Agencies may request bidders resubmit an LIDP, including during the procurement process in order to address issues identified during evaluation of the LIDP. The agency's project manager must notify the ICN that a bidder is going to revise their LIDP. Once a plan is re-submitted, it will go through the same process for an Acknowledgement Letter and evaluation.

If a bidder's tender is accepted, they must comply with delivery, monitoring and reporting requirements of the Act and Local Jobs First Policy. This includes information and documents pertaining to Local Jobs First being accessible to the Local Jobs First Commissioner, in addition to the agency.

If the sourcing of goods, materials or labour needs to vary from what was proposed in the approved LIDP during the delivery of the contract, suppliers and agencies must follow a notification process set out in the Local Jobs First Agency Guidelines and Local Jobs First Supplier Guidelines.

Projects and contracts should not be structured by agencies to avoid the application of the Local Jobs First Policy.

## 4.6 Monitoring, Reporting and Compliance

Agencies and suppliers are responsible for monitoring and reporting on the delivery of Local Jobs First requirements and commitments and ensuring compliance with the Act, the Local Jobs First Policy, the associated guidelines and any further requirements in project contracts.

Agencies must ensure that project contracts require suppliers to comply with Local Jobs First and the LIDP.

Agencies are responsible for ensuring that contracted local content and job commitments are being monitored, are on track and are being achieved. This includes taking appropriate action if they are not. Compliance issues can be raised with the Local Jobs First Commissioner.

Agencies must also request that suppliers complete end of contract verification at or before practical completion of the project and/or delivery of the goods or services to confirm the Local Jobs First outcomes achieved. Appropriate action should be taken for any discrepancies identified.

Each agency must include in its report of operations under Part 7 of the *Financial Management Act 1994* a report on the agency's compliance with Local Jobs First in the financial year to which the report of operations relates.

Consistent with the requirements of the Act, each agency must provide requested information for inclusion in a report to DJSIR no later than six weeks after the end of the financial year to which the report relates.

Directions under the *Financial Management Act 1994* may include directions as to the form and content in relation to the report of operations. For further information on the Financial Reporting Directions in relation to Local Jobs First see FRD-25 Local Jobs Disclosures in the Report of Operations available at <https://www.dtf.vic.gov.au/financial-reporting-directions-and-guidance>.

DJSIR may undertake monitoring and reporting on progress at initiation, during delivery or commissioning, and at the completion of Local Jobs First projects.

Agencies and suppliers must retain documentation relating to Local Jobs First projects to demonstrate outcomes and compliance with Local Jobs First and related commitments.

The Act provides a transparent compliance framework, involving a series of steps that the Local Jobs First Commissioner and Minister responsible for Local Jobs First can apply to confirm delivery of LIDP commitments and actions to take if suppliers are not complying.

The Local Jobs First Agency Guidelines and Local Jobs First Supplier Guidelines provide specific instructions related to Local Jobs First monitoring, compliance and reporting requirements.

## 5 Roles and Responsibilities

### 5.1 Agencies

Agencies are defined as either a public body or a department under section 3 of the *Financial Management Act 1994*.

Agencies are responsible for meeting and applying the requirements of Local Jobs First to all Local Jobs First applicable projects. This includes monitoring supplier commitments as set out in LIDPs and reporting on agency compliance with Local Jobs First.

Each agency is required to nominate a Local Jobs First Administrator, to support implementation, monitoring, reporting and compliance activities. Key functions of the role include:

- championing Local Jobs First application within the agency and providing general information on Local Jobs First
- acting as a liaison point with DJSIR, the ICN and the Local Jobs First Commissioner's Office
- supporting the agency's Local Jobs First monitoring and reporting to the Minister responsible for Local Jobs First, DJSIR, the Local Jobs First Commissioner and through the agency's normal financial reporting such as the agency's annual report
- acting as a coordination point for Local Jobs First communications
- supporting project teams with Local Jobs First processes including market approaches and contracting, if deemed appropriate by the agency.

An agency's Chief Procurement Officer (CPO) will be deemed to be the Local Jobs First Administrator unless DJSIR is otherwise advised.

An agency's CPO is responsible for acting as a coordination point for Local Jobs First auditing activities and must be consulted about any proposed variation to Local Jobs First model clauses on a project. If the CPO in an agency is not the most appropriate contact to perform these functions, this responsibility may be assigned to another senior officer within the agency. Agencies should inform DJSIR of the appropriate contact in these circumstances.

An agency must, on request by DJSIR:

- confirm current, upcoming and completed project opportunities
- provide advice on contracted suppliers and their supply chains for any Local Jobs First project
- provide advice on strategies to connect Victorian industry and workers to project opportunities
- support, where possible, events and communications activities related to Local Jobs First and Local Jobs First projects
- provide regular reports on Local Jobs First implementation and progress with the achievement of Local Jobs First outcomes and contracted commitments, including early notification of potential non-compliance.

Agencies must also:

- engage with the Local Jobs First Commissioner and assist the Commissioner in the performance of the Commissioner's functions under the Act, and
- engage with the ICN consistent with the processes outlined in this Local Jobs First Policy document and Local Jobs First Agency Guidelines or as otherwise advised by Minister responsible for Local Jobs First, DJSIR or the Local Jobs First Commissioner.

## 5.2 Suppliers/Contractors

The term supplier refers to any private, non-government or local government organisation that is a supplier, contractor, or grant or loan recipient for a project that falls within the scope of Local Jobs First.

Suppliers to Victorian Government projects must deliver the Local Jobs First commitments as set out in the LIDP contained within their project contract with the agency. A key part of this is engaging with local businesses and supply chains.

Suppliers are responsible for retaining documents, monitoring progress and reporting on compliance with Local Jobs First and must follow the Local Jobs First Supplier Guidelines.

## 5.3 Industry Capability Network (Victoria)

The ICN is a not-for-profit organisation funded by the Victorian Government to support the delivery of Local Jobs First.

The ICN's key responsibilities include:

- working with DJSIR and agencies to support Local Jobs First implementation
- managing the Victorian Management Centre (VMC)
- identifying local goods and services for a project
- acknowledging and evaluating bidders' local content, job and other commitments upon full completion of an LIDP
- providing local suppliers with the opportunity to register interest in upcoming government projects
- connecting Victorian SMEs located in metropolitan Melbourne and regional Victoria with Local Jobs First project and supply chain opportunities
- mapping local supply chain capability
- undertaking post-contract verifications on whether contractors have achieved their LIDP local content commitments
- managing Gateway by ICN, which enables local suppliers to register capability and interest in supplying into upcoming government procurement projects.

The ICN administers its LIDP review function separately from its other assistance functions, such as identification of local goods and services, for probity and privacy reasons.

## 5.4 Department of Jobs, Skills, Industry and Regions (DJSIR)

DJSIR administers Local Jobs First and provides information and advice to support Local Jobs First delivery across Victorian Government agencies. As part of this, DJSIR undertakes monitoring and reporting activities related to Local Jobs First. It also provides advice and

regular reporting on Local Jobs First to the Minister responsible for Local Jobs First and the Victorian Government.

In addition, DJSIR is responsible for:

- coordinating ministerial approval of local content and jobs requirements on Strategic Projects
- managing the services delivered by the ICN Victoria to support Local Jobs First delivery
- leading engagement with the Commonwealth Government, other states and territories, and international bodies on Local Jobs First
- preparing the whole-of-government annual report on the implementation of Local Jobs First, for the Minister responsible for Local Jobs First to table in Parliament as required under the Act
- managing any updates to the Local Jobs First Policy and supporting documents.

DJSIR engages directly with agencies and has access to Local Jobs First documentation developed by agencies, submitted to agencies or submitted to the ICN by potential and contracted suppliers. DJSIR also collects reporting data for inclusion in the annual report by the Minister responsible for Local Jobs First to Parliament on Local Jobs First outcomes.

## 5.5 Local Jobs First Commissioner

The Local Jobs First Commissioner promotes Local Jobs First across agencies and local industry, advocates for the private sector and local government to procure local goods, employ local workers and enhance their skills, and monitors and reports on compliance with Local Jobs First and LIDPs. The Local Jobs First Commissioner's functions are established under the Act, subject to any further direction issued by the Minister responsible for Local Jobs First.

## 5.6 Responsible Minister

Under the Act, the Minister responsible for Local Jobs First:

- determines local content requirements for Strategic Projects, and may set additional requirements
- may determine local content and other requirements for Standard Projects
- may include other requirements for MPSG projects
- reports annually to Parliament on the implementation of Local Jobs First, and
- appoints the Local Jobs First Commissioner.

The responsible Minister for the Act is listed in the General Order issued by the Premier.

## 6 Contact Us

For further information or assistance on Local Jobs First and processes please contact:

Department of Jobs, Skills, Industry and Regions

121 Exhibition Street, Melbourne, VIC, 3000

[localjobsfirst@ecodev.vic.gov.au](mailto:localjobsfirst@ecodev.vic.gov.au)

Ph: 13 22 15

## 7 Glossary

Terms used in this Local Jobs First Policy document that are not defined in the Glossary have the same meaning as is given to those terms in the Act.

**Acknowledgement Letter** - is the letter received by bidders after the ICN has assessed the LIDP. This is achieved when the bidder's LIDP is submitted before the procuring agency's due date, and all sections have been adequately completed.

**Apprentice** - undertake under a training contract with an employer that combines structured training with paid employment. Apprenticeships are generally at Certificate III level and above and extend across a range of trades. Apprenticeships typically have a duration of three to four years and are competency based. For an apprentice to be counted towards the MPSG requirement for a project they must be:

- undertaking a course that relates directly to their role on a Local Jobs First project and is consistent with the training contract, and
- registered with the Victorian Registration and Qualification Authority (VRQA).

**Australia and New Zealand Government Procurement Agreement (ANZGPA)** - was entered into by Australian State and Federal Governments and New Zealand in 1991. The objective of the agreement is to maximise opportunities for competitive Australian and New Zealand suppliers to supply into government procurement. The agreement aims to reduce the costs of doing business for both government and industry and applies to all Australian and New Zealand local industry participation policies.

**Cadet** - undertake entry-level roles that combine formal tertiary training with paid practical work experience. There are many types of cadetships offered across different industries. Cadetships can vary in length but are generally 18 months to 2 years. A cadetship does not fall under a training contract. For a cadet to be counted towards the MPSG requirement for a project they must be:

- enrolled in Australian tertiary education
- receiving learning opportunities as part of their engagement on a Local Jobs First project (e.g. cadets in architecture, quantity surveying and engineering), and
- undertaking work that is directly tied to their associated tertiary qualification.

Cadetships are different to professional traineeships (an employee who is not in an entry level role and is undertaking professional development training), which cannot count towards MPSG.

**Contestable Goods and Services** - is when there are competitive international and local suppliers that can supply the good or service.. Competitive means the suppliers can offer comparable goods or services that meet the specifications given by the agency. Contestable items can be goods or services at any stage of a project.

**Department of Jobs, Skills, Industry and Regions** - is the Victorian Government department responsible for administering the Act and Local Jobs First.

**Emergency** - has the same meaning as in the [Emergency Management Act 2013](#).

**Emergency Procurement Plan** - means a plan for the procurement of goods and services in response to an emergency prepared by an agency in accordance with a supply policy made under section 54L of the *Financial Management Act 1994*. More information on emergency procurement plans can be found at the Buying For Victoria website: <https://www.buyingfor.vic.gov.au/develop-emergency-procurement-plan-goods-and-service-guide>.

**Expression of Interest** - is used to identify suppliers interested in, and capable of, delivering the required goods or services. Potential suppliers are asked to provide information on their capability and capacity to do the work. It is usually the first stage of a multi-stage procurement process.

**Local** - means all suppliers producing Victorian, Australian or New Zealand goods or services or when they have added value to imported items, such as providing a local employment outcome to an imported product.

**Local Content** - is goods that are produced by local industry, services that are supplied by local industry, or construction activities carried out by local industry. Local Content is intended to capture all suppliers producing Australian or New Zealand goods or services or when they have added value to imported items. Local assembly of imported materials, transport of goods, and local labour are all examples of local content or local added value.

**Local Industry** - means industry and other businesses based in Australia or New Zealand.

**Local Industry Development Plan (LIDP)** - is a document prepared by the supplier as part of the Expression of Interest, Request for Tender and/or tender submission for a Local Jobs First project. The LIDP details the supplier's commitment to address the Local Jobs First requirements and details the expected local content and job outcomes. An LIDP must have an ICN Acknowledgement Letter from the ICN to be compliant.

**Local Jobs First Commissioner** - is an independent statutory officer with advocacy, engagement and compliance powers in relation to Local Jobs First. Further details can be found at [www.localjobsfirst.vic.gov.au/local-jobs-first-commissioner](http://www.localjobsfirst.vic.gov.au/local-jobs-first-commissioner).

**Major Projects Skills Guarantee (MPSG)** - is a policy that provides job opportunities for apprentices, trainees and cadets on high value construction and infrastructure projects.

**Non-contestable Project** - is a Standard Project or a Strategic Project that is determined to be non-contestable in accordance with section 4B of the Act. Agencies are not required to apply Local Jobs First to a non-contestable project.



**Practical Completion** - has the same meaning as specified in the contract for the project or, if the contract does not specify the meaning of that term, it means the day on which all of the supplier's obligations (other than minor or administrative obligations) to provide goods or services, or carry out construction activities, under the contract are fulfilled.

**Request for Tender** - is an invitation to supply or a request for offer against a set of clearly defined and specified requirements. Invitees are advised of all requirements involved including the conditions of participation and proposed contract conditions.

**Rural and Regional Victoria** - has the same meaning as in the [Regional Development Victoria Act 2002](#). That Act defines Rural and Regional Victoria as the 48 local government areas, including six alpine resort areas. The 10 regional city local government areas are [Ballarat](#), [Greater Bendigo](#), [Greater Geelong](#), [Greater Shepparton](#), [Horsham](#), [Latrobe](#), [Mildura](#), [Wangaratta](#), [Warrnambool](#) and [Wodonga](#). The remaining 38 local government areas, including six alpine resort areas, are referred to as the rural local government areas.

**Sole Entity Purchase Contract (SEPC)** - is a procurement arrangement established when a sole organisation has a specific requirement for frequently purchased goods and services. A sole supplier or panel of suppliers are appointed to provide goods or services specific to an agency over the life of the contract.

**SMEs** - means small to medium-sized enterprises.

**State Purchase Contract (SPC)** - refers to standing offer agreements for Victorian government common use goods and services, which are established when value for money can best be achieved through aggregating demand. SPCs are established and managed by the Department of Treasury and Finance, the Department of Premier and Cabinet or other government entities with specific knowledge and business drivers. A sole supplier or panel of suppliers are appointed to provide goods or services over the life of the contract, for use by Victorian Government departments and agencies.

**Supply Policy** - means a supply policy made under section 54L of the [Financial Management Act 1994](#).

**Trainees** - undertake entry-level roles under a training contract with an employer that combines training with paid employment. Traineeships are undertaken at Certificate II level and above including Diploma and Advanced Diploma. Traineeships typically have a duration of one to two years and are competency based. Traineeships can be in areas including civil construction, design, business services, information technology, human resources and community services. For a trainee to be counted towards the MPSG requirement for a project they must be:

- undertaking a course that relates directly to their role on a Local Jobs First project and is consistent with the training contract, and
- registered with the Victorian Registration and Qualification Authority.

Traineeships are different from professional traineeships (an employee who is not in an entry level role and is undertaking professional development training), which cannot count towards MPSG.

**Training Contract** - is a formal agreement between an employer and an apprentice or trainee. Further details can be found at [www2.vrqa.vic.gov.au/training-contracts](http://www2.vrqa.vic.gov.au/training-contracts). The term has the same meaning as in the *Education and Training Reform Act 2006*, which defines a training contract as an apprenticeship training contract or a traineeship contract.

**Value for Money** - is a balanced judgement of a range of financial and non-financial factors. It considers the mix of quality, cost and resources; fitness for purpose; total cost of ownership and risk. Consistent with the definition in the Act, value for money has the same meaning as the relevant supply policy, standard or direction under the [\*Financial Management Act 1994\*](#) or the [\*Project Development and Construction Management Act 1994\*](#) (as the case may be). For more information about value for money when procuring goods and services see: <https://www.buyingfor.vic.gov.au/value-money-goods-and-services-guide>.

**Victorian Management Centre (VMC)** - is an online system hosted by the ICN and used by agencies and suppliers for Local Jobs First project registration, reporting and completion.

Department of Jobs, Skills, Industry and Regions  
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