



Changes to the *Local Jobs First Act 2003*

The Victorian Government's amendments to the *Local Jobs First Act 2003* (the Act) have passed in Parliament and are now law. This factsheet provides an overview of the key changes and commencement information for each reform.

What is changing?

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

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

When do the changes start?

The reforms are starting in two separate stages. Some of the reforms came into effect on 20 August 2025, and the remainder will start by 1 July 2026.

All the new Local Jobs First Commissioner compliance and enforcement powers and functions will commence by 1 July 2026.

A summary of the commencement information is outlined in the table below.

What does this mean for suppliers?

The reforms to the Act provide greater clarity in relation to suppliers' Local Jobs First obligations and 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.

Will the changes apply to new or existing Local Jobs First projects?

Some reforms can only apply at the start of a new project. The deprioritisation regime will commence by 1 July 2026 and will only apply to new projects.

It is anticipated that regulations will be made to provide for transitional arrangements for the other reforms. Guidance on what this means for new and existing projects will be released ahead of 1 July 2026. This is outlined in the table below.

Where can I find more information?

A link to the amending Act can be found here: [Local Jobs First Amendment Act 2025](#).

Updated Local Jobs First Policy, Local Jobs First Supplier Guidelines and Local Jobs First Agency Guidelines will be available shortly here: <https://localjobsfirst.vic.gov.au/key-documents>.

A factsheet on the changes to the Local Jobs First Commissioner's powers and functions can be found here:

<https://localjobsfirst.vic.gov.au/about/policy-updates-and-transitional-arrangements>.

What support is available to help implement these changes?

The Department of Jobs, Skills, Industry and Regions (DJSIR) will provide more information on the reforms as they come into effect. This information will be published on the Local Jobs First website.

DJSIR will also prepare further updates to the Local Jobs First Policy, Local Jobs First Agency Guidelines, Local Jobs First Supplier Guidelines and Local Jobs First Model Clauses to support the reforms which commence by 1 July 2026. Regulations may be made on some reforms to the Act, such as deprioritisation.

Further information can be found here: <https://localjobsfirst.vic.gov.au/>.

What is changing in the <i>Local Jobs First Act 2003</i> ?	When does it start?	Application to new or existing projects?
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.	20 August 2025	New and existing projects
New emergency exemption from Local Jobs First for projects that are undertaken as part of an agency's Emergency Procurement Plan.	20 August 2025	New projects only
Projects determined to be non-contestable following the contestability assessment process outlined in the Local Jobs First Policy are no longer required to prepare LIDPs. Agencies are required to obtain contestability assessments for all standard and strategic projects (including individual tenders for sub-projects that are part of a larger standard or strategic project) prior to undertaking a tender process.	20 August 2025	New tenders only in relation to new and existing projects
New provision allowing the Minister to set requirements to use a specified amount of uniform and PPE produced by local industry on Strategic Projects.	20 August 2025	New projects only
Additional objectives to inform the development of the Local Jobs First Policy and the Minister in setting new requirements for projects , including providing equitable opportunities for Aboriginal businesses, encouraging participation of regional small to medium enterprises, promoting the use of Australian Standards, encouraging design teams to prioritise local content, and ensuring that tenders are structured to support the local market.	20 August 2025	New projects only
Deprioritisation for non-compliance with LIDP aggregate commitments or not providing completion reporting within 90 days of practical completion.	by 1 July 2026	New projects only
Clarifying Local Jobs First compliance requirements including: <ul style="list-style-type: none"> suppliers' obligation to comply with aggregate LIDP commitments, and statutory requirement to comply with the significant diversion process. 	by 1 July 2026	Application to projects intended to be set out in regulations
Civil penalties for non-compliance with the Local Jobs First Commissioner's information gathering power and new site inspection power.	by 1 July 2026	Application to projects intended to be set out in regulations
Requirement for agencies to include a contingent payment mechanism in project contracts against Local Jobs First deliverables where appropriate and feasible.	by 1 July 2026	Application to projects intended to be set out in regulations
Expanded compliance and enforcement powers for the Local Jobs First Commissioner including power to investigate matters and power to conduct site inspections (with notice).	by 1 July 2026	Application to projects intended to be set out in regulations
Other powers and functions for the Local Jobs First Commissioner supporting a graduated approach to enforcement and compliance including an explicit function to provide advice and support to assist resolution of actual and potential non-compliance issues faced by contracting parties.	by 1 July 2026	Application to projects intended to be set out in regulations
An ability of the Local Jobs First Commissioner to make non-binding recommendations to agencies on specific or systemic issues.	by 1 July 2026	Application to projects intended to be set out in regulations
Strengthening agencies' obligations to comply with Local Jobs First and to monitor and manage suppliers' Local Jobs First obligations including completion reporting.	by 1 July 2026	Application to projects intended to be set out in regulations

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