LOCAL JOBS FIRST

Local Jobs First Commissioner

The Victorian Government's amendments to the *Local Jobs First Act 2003* (the Act) have passed in Parliament and are now law. This factsheet outlines the key changes to the Local Jobs First Commissioner's functions and powers which will come into effect by 1 July 2026.

The Local Jobs First Commissioner (the Commissioner) advocates for local businesses and workers ensuring that they continue to benefit from opportunities to respond to and participate in Victorian Government procurement.

The Commissioner also undertakes compliance activities to ensure that agencies meet their Local Jobs First obligations and suppliers are delivering their local content and jobs commitments.

Key changes to the Commissioner's powers and functions

The Local Jobs First Amendment Act 2025 (amending Act) introduces a suite of new powers and functions for the Commissioner and strengthens some existing powers and functions.

These changes clarify the Commissioner's compliance monitoring and reporting powers and provide expanded powers to investigate non-compliance and where necessary take enforcement action.

Enhancing Commissioner's reporting powers

The amending Act provides that the Commissioner may report to the Minister on any matter in relation to Local Jobs First or Local Industry Development Plans (LIDPs). This is additional to the current annual reporting function.

New investigation and complaints handling function

The amending Act introduces an explicit function for the Commissioner to investigate any matter related to the performance of their functions or exercise of their powers. This includes an ability to investigate a matter on the Commissioner's own initiative, at the direction of the Minister or in response to a complaint.

The Commissioner will develop a complaint handling policy which will be available on their website.

These changes provide greater clarity in relation to the Commissioner's role to investigate, monitor, and report on supplier compliance with Local Jobs First.

New power to conduct site inspections (with notice)

This change will support the Commissioner to obtain information or evidence that cannot be readily obtained through their existing powers. A site inspection notice must include the purpose, location and a proposed time for the inspection and be issued at least 3 days prior to the proposed inspection.

New function to support the resolution of non-compliance issues

This new function will allow the Commissioner (if both contracting parties agree) to provide advice and support the resolution of



potential or actual non-compliance with the Local Jobs First Policy, a LIDP or the Act.

Non-binding recommendations to agencies

The Commissioner may make non-binding recommendations to agencies regarding resolution of complaints or matters of non-compliance or how practices and processes relating to Local Jobs First could be improved.

New consequences for non-compliance

The amending Act provides the Commissioner with new enforcement powers to respond to supplier non-compliance.

Deprioritisation

Suppliers may be deprioritised if they fail to achieve one or more of their aggregate LIDP commitments or fail to provide completion reporting within 90 days of practical completion. The deprioritisation regime, and associated Commissioner powers, will not apply to Local Jobs First projects which have already commenced when these changes come into effect by 1 July 2026.

Civil Penalties

Suppliers found non-compliant with the Commissioner's information notices or new site inspection notices may be liable for a financial penalty if the Commissioner refers the matter to a court.

Where can I find more information?

A link to the amending Act can be found here: <u>Local Jobs First Amendment Act 2025</u>.

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 general factsheet on the changes 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, Agency and Supplier Guidelines and Local Jobs First Model Clauses to support the reforms which commence by 1 July 2026. Regulations may be made in relation to some reforms to the Act, such as deprioritisation.

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

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