

# MAJOR PROJECTS SKILLS GUARANTEE



# MPSG Vision and Purpose

The Major Projects Skills Guarantee (MPSG) provides opportunities for apprentices, trainees and cadets to work on Victoria's largest construction projects. This helps to ensure Victorians starting their career in the construction industry have more opportunities to receive on-the-job training.

From design and planning to steel fabrication, welding and plumbing, MPSG requires government suppliers to invest in our future workforce skills, supporting a strong and resilient economy.

# What is the MPSG?

The MPSG is part of the Victorian Government's Local Jobs First Policy. It is helping to grow the next generation of skilled workers in Victoria by providing opportunities for Victorian apprentices, trainees, and cadets to work on high value government construction projects.

Local Jobs First also includes the Victorian Industry Participation Policy (VIPP), which ensures that small and medium-sized enterprises in Victoria are given the opportunity to compete for government contracts of all sizes and types.

The MPSG is legislated with VIPP under the [Local Jobs First Act 2003](#), which is administered by the Department of Jobs, Precincts and Regions.



## MPSG Contributes to Local Jobs First Objectives

**MPSG** creates employment opportunities for apprentices, trainees and cadets to kickstart their careers on large Victorian Government construction projects.

MPSG supports future industry capability by:

- demonstrating the value local apprentices, trainees and cadets can add to projects
- helping to train the next generation of skilled workers
- exposing local apprentices, trainees and cadets to workplace practices, technologies, innovations, and materials.

### Local Jobs First

**Objective 1:** promoting employment and business growth.

**Objective 2:** increasing access to and awareness of local industry capability.

**Objective 3:** exposing local industry to global innovation, e-commerce, materials, and technology.

**Objective 4:** developing local industry's international competitiveness and flexibility.



# How does it work?

MPSG requirements apply to all Victorian Government construction projects valued at or above \$20 million.

All Local Jobs First projects are designated as either Standard or Strategic, based upon their value and/or as determined by the minister. The MPSG can apply to both Standard and Strategic Projects.

MPSG-applicable projects include a requirement for the contractor to deliver at least 10 per cent of labour hours using apprentices, trainees and cadets. This is based on estimated labour hours provided by bidders at project tendering.



## For Victorian Government agencies

Victorian government agencies are responsible for implementing MPSG by incorporating it into tender processes and contracts. Once a project is underway, Victorian Government agencies must ensure that suppliers meet and report on their MPSG commitments.



## For government contractors

Head contractors and sub-contractors are required to employ apprentices, trainees and cadets to deliver 10 per cent of the project hours. This includes hours worked on site or offsite to deliver project inputs. Contractors must report progress periodically to the relevant agency.



## Who counts towards MPSG?

**Apprenticeships, traineeships, and cadetships are three different learning pathways that combine on-the-job training and formal study.**

Both **apprenticeships** and **traineeships** are undertaken under a National Training Contract, completed at a Victorian TAFE institute or Registered Training Organisation.

**Cadetships** combine formal tertiary training with paid practical work experience in entry-level roles.

*Note that professional traineeships (experienced workers undertaking professional development training) cannot count towards MPSG.*

**Further information for agencies and suppliers on applying the MPSG, including apprentice, trainee and cadet eligibility can be found on the [Local Jobs First Website](#) and in the [Local Jobs First Agency and Supplier Guidelines](#).**

# Who benefits from the MPSG?

## Local construction businesses and their supply chains

By providing opportunities for apprentices, trainees and cadets to gain practical experience, MPSG helps maintain a strong pipeline of job ready workers entering the Victorian workforce. This assists businesses to access the skills they need now and into the future.

## Apprentices, trainees and cadets

The MPSG guarantees the availability of on-the-job learning opportunities each time the government builds major infrastructure, directly benefiting those looking to upskill and enter the local workforce.

Through MPSG, apprentices, trainees and cadets gain a unique opportunity to build experience and skills working on significant state construction projects.

Since the MPSG was introduced in 2016, thousands of apprentices, trainees and cadets have worked on some of Victoria's biggest infrastructure projects.

Examples include:



Victorian Health Building Authority employed apprentice electricians to help deliver the **Barwon Health North healthcare facility** for Geelong.



Stage 3 of the Victorian Government's **Melbourne Park Redevelopment** project enabled 10 new apprentice carpenters, plumbers and electricians to kickstart their careers. 40 different apprentices worked on the project over its duration.



The Victorian School Building Authority is delivering on the State Government's commitment to build **100 new schools by 2026**. These projects are creating apprenticeships for plumbers, metal workers and electricians.



Apprentices, trainees and cadets delivered thousands of labour hours building Phillip Island's new **Penguin Parade Visitors Centre**. More than 13% of total hours worked on the project were completed by apprentices, trainees and cadets, in trades such as carpentry, plumbing, steel fabrication and electrical works.



# How does the MPSG interact with other policies?

MPSG interacts with a range of Victorian Government policies, including:

- Social Procurement Framework
- Building Equality Policy.

Procuring agencies can leverage MPSG to deliver additional benefits such as social, economic, and training outcomes by specifying how apprentice, trainee and cadet roles are filled on a project basis. Examples include:

- boosting women's participation on construction projects
- supporting Aboriginal apprentice, trainee and cadet employment
- supporting refugees and asylum seekers
- addressing identified skills shortages.

# Key contacts

## Department of Jobs, Precincts and Regions (DJPR)

DJPR administers MSPG under the Local Jobs First Policy and coordinates ministerial approval of local content and jobs requirements on Strategic Projects valued at \$50 million or above. [LocalJobsFirst@ecodev.vic.gov.au](mailto:LocalJobsFirst@ecodev.vic.gov.au)

## Local Jobs First Commissioner

The Local Jobs First Commissioner advocates on behalf of Victorian small and medium enterprises, promotes the employment of apprentices, trainees and cadets and oversees Local Jobs First and MSPG compliance. [commissioner@localjobsfirst.vic.gov.au](mailto:commissioner@localjobsfirst.vic.gov.au)

## Industry Capability Network Victoria (ICN)

ICN provides agencies and bidders with end-to-end assistance and practical advice on applying MSPG. ICN also hosts the [Victorian Management Centre](#) digital reporting system, which covers MSPG project registration, reporting and completion. [info@icnvic.org.au](mailto:info@icnvic.org.au)

## Apprenticeships Victoria (AV)

AV oversees and coordinates apprentice and trainee employment and training across all industry sectors and areas of the state. AV may support suppliers to plan for apprentice and trainee involvement in MSPG-applicable projects.



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