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NEW LAWS GIVE LOCAL BUSINESSES A BETTER SHOT AT GOVERNMENT CONTRACTS

NSW businesses will have a fairer crack at winning government contracts under the new Local Jobs First legislation, following years of advocacy by Business NSW.

The laws will put greater emphasis on local suppliers in government procurement, helping more businesses compete for work, grow their operations and create jobs.

The NSW Government spends about \$40 billion a year on procurement, with SMEs receiving just \$8.3 billion in 2024-25.

Business NSW, which has long advocated for stronger local procurement settings, is pushing for that spend to be at least \$12 billion.

Chief executive officer Daniel Hunter said these laws would help more local businesses break into government supply chains.

“This outcome matters because it responds directly to what our members have been telling us for years,” he said.

“Businesses want the chance to compete on a level playing field. They want their capabilities recognised and the opportunity to win government contracts based on the quality of what they offer.

“Too often, capable local businesses have struggled to break into government supply chains, with overseas players given greater access.

“This legislation gives more local businesses the opportunity to put their hand up, compete and win.”

Business NSW member Bill Cloros, managing director of Mongrel Boots, welcomed the initiative.

“We’ve been manufacturing work boots in Australia for nearly 100 years,” he said.

“It’s great to see local manufacturing recognised as part of the government’s procurement approach.

“We employ people, we all pay taxes and we invest here. Measures that help keep manufacturing and jobs in Australia make a real difference to businesses like ours.

“I applaud the Minns Government for taking this step.”

Business NSW has previously supported the government raising the small business procurement threshold from \$150,000 to \$250,000 and reducing the insurance requirements during the tendering process.

Mr Hunter said stronger local procurement could deliver benefits well beyond the businesses winning contracts.

“It means more jobs, more investment, and stronger local supply chains,” he said.

“Government is one of the largest purchasers of goods and services in the state. Giving local businesses a genuine opportunity to compete helps ensure more of that economic activity benefits businesses and communities across NSW.”

Mr Hunter said Business NSW would be looking for the new laws to translate into tangible opportunities.

“We have advocated for these changes because local businesses deserve a genuine chance to compete for government work,” he said.

“Now we want to see that opportunity translate into contracts won, businesses growing and jobs created across NSW.”

Key features of the Local Jobs First legislation include:

- 30% weighting for local content and economic benefits in major tenders
- more opportunities for local businesses to win government work
- support for local jobs, apprenticeships and skills development, and
- a Local Jobs First Commissioner to oversee the framework.

About Business NSW

Formerly the NSW Business Chamber, ***Business NSW*** is the peak policy and advocacy body which has been representing businesses in NSW since 1826. We represent almost 50,000 businesses.

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