



2023 Next Economy Jobs Challenge Guidelines

This catalytic grant round will offer a total of \$800,000 through a collaboration between Lord Mayor's Charitable Foundation and Paul Ramsay Foundation.

Grants will support eligible charities and their partners to test and develop new models, enterprises and programs that encourage 'next economy' transitions to employment for individuals and communities experiencing entrenched socio-economic disadvantage.

The challenge seeks to achieve impact through the following shared strategic intent of the participating Foundations:

- 1.** A focus on transitions to employment for people experiencing disadvantage as a way of ensuring economic security, inclusion and wellbeing (labour market supply side).
- 2.** A focus on Social Enterprise support as a way of increasing the number of jobs for cohorts experiencing barriers to employment (labour market demand side).

In addition, the Lord Mayor's Charitable Foundation places a climate lens across all its work and is particularly focused on contributing towards a just transition to an inclusive and sustainable economy. To read more about this approach, [click here](#).

The next economy

Complex interconnected challenges such as the COVID-19 Pandemic, the climate crisis and growing inequality are reshaping Australia's economy and creating a critical shortage in skilled workers. New industries and sectors are emerging, existing ones are rapidly growing, and some are shrinking. For example, an additional 286,000 care workers are needed by 2050 and 600,000 more clean energy workers to reach 82% renewables by 2030.

The transition to net-zero carbon emissions must provide equitable opportunities for all Australians and ensure that the next economy can be leveraged to increase economic inclusion for those facing disadvantage, particularly through quality employment pathways in growth sectors. This challenge will focus on the following sectors with potential for job creation and pathways out of disadvantage (see explanatory notes below for further detail).

- Care economy (health, disability, child & aged care)
- Clean energy and community energy
- Construction/retrofitting of sustainable, affordable, quality housing
- Regenerative food/urban agriculture
- Digital economy
- Waste/circular economy



Transitions to quality employment

Economic stability through a secure income and/or quality work are vital for people's economic security, health, wellbeing and social connection. However, contemporary labour markets, with skill requirements dictated by technical change, globalization and the capacity of the skilled labour supply to keep up with demand, contribute to the intergenerational transmission of poverty. Greater Melbourne has pockets of entrenched socio-economic disadvantage. Where you live affects your education and job opportunities.

The COVID-19 Pandemic has impacted some groups more than others with the majority of those affected by deep income losses being women and young people. The crisis deepened spatial disadvantage in Melbourne. The pandemic is also accelerating digitalisation, the automation of jobs, the polarisation of skill profiles and a transition to greener jobs.

This challenge seeks to increase economic inclusion and quality transitions to employment for individuals and communities experiencing socio-economic disadvantage such as young people, women, refugee and migrant, First Nations and people with a disability. Ensuring that jobs created constitute both quality and security is a focus of this challenge. The Foundation for Young Australian's [New Work Standard](#) and the World Economic Forum's [Good Work Framework](#) can guide employers and help protect Australians in the workplace.

Social enterprise support

Work integrated Social Enterprises have been found to produce higher and better employment outcomes than mainstream employment services for people experiencing significant disadvantage and can contribute to a more equitable, sustainable economy that is embedded in both 'the social' and 'the environmental'.

This challenge is not limited to eligible Social Enterprises. It will seek to support innovative and new enterprises, programs, eligible charitable organisations and collaborative initiatives working within clean and growing sectors.

1. Grant types

A total funding pool of \$800,000 is available for successful projects and initiatives. Grants will focus on building the capacity of organisations and enterprises to generate employment outcomes, build sustainability, and/or position to scale for social procurement opportunities and greater impact. With the overall goal of job creation, these grants can assist with:

- Theory of Change or impact evaluation development.
- Business/financial planning – building deeper understanding of a market opportunity and a business or feasibility case for execution.
- Enterprise /operational development – allowing time for leaders to develop key operational capacity for the next stage of growth.
- Partnership development – developing governance structures for innovative collaborative programs and initiatives.
- Raising capital – developing impact investment and/or contract readiness or other innovative funding and financing models.

Seed or feasibility grants up to \$50,000

Seed Grants are for piloting or prototyping employment focussed enterprise or projects. Feasibility grants are for eligible early-stage projects wanting to further understand growth potential.

Scaling grants up to \$100,000

Scaling grants are for enterprises or projects that are ready for next phase of development and aiming to create significant training and employment pathways. The total grant can be awarded across one or two years.

2. Eligibility

The Next Economy Jobs Challenge is open to eligible organisations that:

- are endorsed as a Tax Concession Charity (TCC).
- are operating in Victoria (may also operate in New South Wales or ACT).

Note that eligible charitable organisations may be working in partnership with a B- Corp or cooperative however auspicing is not allowed and the partnership must be genuine and led by the eligible organisation. Applicants working in partnership will need to document the nature of that relationship.

3. Assessment Criteria

The following criteria will apply to both grant types, although applicants for the Feasibility/seed grants may not be able to demonstrate the same level of evidence for the assessment criteria as for the scaling up grants. The Foundation's approach to grantmaking is reflected in its [granting principles](#).

A. Addressing socio-economic disadvantage through pathways to quality work.

Successful projects will demonstrate the ability to create quality employment pathway outcomes and social impact for the Foundation's priority groups and/or a focus on specific geographic disadvantage (Local Government Areas and neighbourhoods that are ranked lower on [SEIFA Indexes](#)).

- Young people (transitioning from school to work, 15-25 yrs old).
- Women (post school leavers to 65 yrs old)
- People with a disability
- Culturally and linguistically diverse groups (particularly recently arrived migrants and refugees)
- Indigenous Australians (living in Greater Melbourne)

B. Capacity of the applicant to undertake the project or enterprise

Applicant will be required to provide evidence of organisational capability to deliver type and size of the enterprise or project.

- Evidence of previous project management of a similar scale, including experience managing budgets and timelines
- Executive capability – applicants will need to demonstrate appropriate leadership and governance capability for the enterprise or project.

C. Clearly articulated Next Economy market/sector opportunity

Successful projects will demonstrate an understanding of the potential market and/or sector opportunity in the growth sectors identified, including the Victorian and Australian Governments programs and policies that speak directly and indirectly to this challenge. (See explanatory notes below for growth sectors and examples of relevant government programs and policies).

D. Project/enterprise sustainability

Successful applicants will demonstrate the potential to achieve a significant measure of necessary financial sustainability. The Foundation is interested in seeing its support leverage other finance and funding. Projects/enterprises that can demonstrate a measure of environmental sustainability will be highly regarded.

E. Project/enterprise scalability

Enterprises and projects that can demonstrate potential scalability (50 plus employees) will be highly regarded.

F. Collaborative approach

The Foundation seeks to support enterprises and projects that can demonstrate a collaborative approach to achieving social, environmental and economic outcomes.



4. Timeline

The Next Economy Jobs Challenge has a two-step application process.

- 1. The applicant will initially submit an enquiry.**
- 2. Selected applicants will be asked to submit a full application.**

These are indicative time frames.

Enquiries open
20 March – 13 April 2023

Selected enquiries submit full applications
28 April 2023

Successful applicants announced
June 2023

Enquiries

Enquiries must be submitted via the [Lord Mayor's Charitable Foundation Grant Enquiry Form](#) to be considered.

You may be contacted by Stephen Torsi, Program Manager – Inclusive, Sustainable Economy & Jobs, regarding your enquiry.

About the Partners

For 100 years, Lord Mayor's Charitable Foundation has been supporting new ideas and approaches that address the key issues and challenges facing the communities of Greater Melbourne. The Foundation's vision is a thriving Melbourne for all.

Paul Ramsay Foundation aims to help end cycles of disadvantage in Australia by enabling opportunities for people and communities to thrive.

Explanatory notes

Next economy growth sectors

The OECD June 2020 snapshot for Australia suggests economic recovery support should focus on improving resilience and social and physical infrastructure, including strengthening the social safety net and investing in energy efficiency and social housing. Recent policy proposals focus on the promise of a renewable and infrastructure-led

economic recovery; Beyond Zero Emissions, World Wildlife Fund, Climate Works and Clean Energy Council. The transition to net-zero will accelerate the demand for workers with high levels of digital literacy.

Labour-intensive industries such as Health Care and Social Assistance are projected to make the largest contribution to employment growth up to 2025. The gender-biased nature of the COVID-19 Pandemic economic impacts has prompted calls for a bigger focus on the care economy and social housing to support job creation and economic recovery for women. There is significant scope to further develop the circular and regenerative economies to reduce material extraction, diversify and localise economies and create jobs. This creates opportunity for the for-purpose and social enterprise sectors to create next economy jobs.

<u>Beyond Zero Emissions – 1 million Jobs Plan (2020)</u>	<u>Climate Council – Clean Jobs Plan (2020)</u>	<u>C40 cities (2020) – City-led climate action</u>	<u>World Wildlife Fund (2020) - A renewable-led recovery</u>	<u>Clean Energy Council (2020) – A Clean Recovery</u>
<ul style="list-style-type: none"> • Energy • Building • Manufacturing • Transport • Recycling • Land Use • Training 	<ul style="list-style-type: none"> • renewable energy • ecosystem restoration • transport construction • organic waste, energy efficiency in buildings, urban green spaces, community-scale storage & more. 	<ul style="list-style-type: none"> • Energy Efficiency • Transport 	<ul style="list-style-type: none"> • Renewable energy • Manufacturing Transport 	<ul style="list-style-type: none"> • Renewable Energy

Relevant government programs and policies

Victorian and Australian Governments have programs that speak directly and indirectly to this challenge. The list below is illustrative but not exhaustive list of potential government linkages.

Australian Government

- The development of an **Employment White Paper** will provide a roadmap for Australia to build a bigger, better trained and more productive workforce.
- The **Local Jobs Program** runs in 25 regions throughout Australia. It brings together expertise, resources and access to funding at the local level to focus on reskilling, upskilling and employment pathways for people in each region.
- The **Towards 2025** seeks to boost Women's Workforce Participation.
- **Transitioning to a more Circular Economy**

Victorian Government

- **The Social Services Jobs Guarantee**
- **Workforce Skill Set Pilot Program** support employers, in partnership with a training provider, to offer their own skill sets – providing Victorians with an opportunity to learn hands-on skills from those in the industry.
- **Big Housing Build**
- **Workforce Training and Innovation Fund**
- **Social Enterprise Strategy**
- Social
- **Recycling Victoria A New Economy Strategy**
- **Circular Economy Business Innovation Centre**
- **Victoria's Climate Change Strategy**