

Business for good:

The size and economic contribution
of social enterprise in Australia



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The full potential of social enterprise

A social enterprise is a business, for good. They trade like any other business, but exist specifically to make the world a better place.

They provide:

- Environmental care
- People-centred services
- Community-led innovation
- Access to decent work, particularly for people shut out of the labour market

Public and policy interest in social enterprise and its impacts are growing. But what social enterprise brings to Australia has been little known — until now.

Social Enterprise Australia commissioned this research to better understand the size and economic contribution of social enterprise in Australia.

The report that follows presents this research.

It shows that — despite limited Federal Government recognition and support — the social enterprise sector makes a significant economic contribution to Australia.

Why is this such a big deal?

Firstly, it makes visible the value of the people and organisations that make up the social enterprise sector. They should be recognised, celebrated and learned from.

Secondly, the significance of this value warrants greater partnership from governments. Off the back of this research, we call on the Federal Government to work with our sector on a national strategy to unlock the full potential of social enterprise.

A handwritten signature in black ink, appearing to read "Jess Moore".

Jess Moore
CEO
Social Enterprise Australia



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Executive summary



Australia has over 12,000 social enterprises.



Social enterprises contribute \$21.3 billion to the Australian economy and account for 1% of GDP.



Over 206,000 people are employed in Australian social enterprises. That's 1 in 60 jobs or 1.6% of the workforce. It's about the same number of jobs as arts and recreation services or the mining industry.

About this research

Who

Social Enterprise Australia commissioned Impact Tracks to do this research. Its authors are Ben Gales and Josie Khalil. It was funded by Lord Mayor's Charitable Foundation.

Background, purpose and scope

Social Enterprise Australia determined the purpose and scope of this research.

It is the peak body for social enterprise in Australia. It aims "to connect the sector to plan, act and learn together. [It does] this to have a shared national strategy and voice, and to build social and environmental wellbeing" (Social Enterprise Australia, n.d.).

The purpose of this research is to:

- Enable the social enterprise sector in Australia to be more seen and understood
- Highlight current data and research gaps and limitations
- Speak to the macroeconomic value and latent potential of social enterprise

The scope of this research is to estimate the size and economic contribution of social enterprise in Australia ("the Estimate"), including:

- Number of social enterprises and spread by state
- Total economic output and spread by state
- Total value of goods and services produced
- Contribution to gross domestic product (GDP)
- Number of people employed and spread by state

For the purposes of this research, social enterprise is defined using the criteria for certification in Australia:

A social enterprise exists to create impact through trade by doing three things:

1. Having a defined primary social, cultural or environmental purpose consistent with a public or community benefit
2. Deriving a substantial portion of their income from trade
3. Investing efforts and resources into their purpose such that public/community benefit outweighs private benefit (Social Traders, n.d.)

This definition is derived from and operationalises the seminal definition in the Finding Australia's Social Enterprise Sector ("FASES") reports (Barraket et al., 2010, 16; Barraket et al., 2016, 41).

Its final point updates the following words in the FASES definition: "reinvest the majority of their profit/surplus in the fulfillment of their mission" (Barraket et al., 2010, 16). When consulted, Social Traders explained that this was to recognise that:

- many social enterprises invest significant efforts and resources in their purpose prior to calculating profit; and
- a social enterprise may invest in its purpose even if it does not generate a profit.

The Estimate is based on existing data.

The Estimate does not include the environmental and social impact that social enterprise exists to create, known as positive externalities. This is due to a lack of common data points and available data.

Methodology

Source data

The baseline for the Estimate is the raw data from Map for Impact: The Victorian Social Enterprise Mapping Project (Castellas et al., 2017; “Map for Impact”) and updated for 2021 (State of Victoria, Department of Jobs, Precincts and Regions, 2022). The data covers Victoria only.

There are a number of reasons the raw data from Map for Impact is used for source data. It provides the most up-to-date social enterprise estimates in Australia. The methodology used to calculate them is transparent (Castellas et al., 2017, 41-43). It adopts a broad approach to identify social enterprises, “allowing data to be narrowed, if preferred” (Castellas et al., 2017, 42). Through extensive desktop research, 66% of the estimated number of social enterprises were individually validated. Further, the Victorian Government made the raw data available for this research, enabling interrogation

Map for Impact and the raw data for it use the following definition of a social enterprise: “Social enterprises are organisations:

- that are led by an economic, social, cultural, or environmental mission consistent with a public or community benefit;
- service a substantial portion of their income from trade; and
- reinvest the majority of their profit/surplus in the fulfilment of their mission” (Castellas et al., 2017, 7).

This is consistent with the definition in the Finding Australia’s Social Enterprise Sector reports (Barraket et al., 2010, 16; Barraket et al., 2016, 41).

First scale back

There is a difference between the Map for Impact raw data and the estimate given in the associated report. There are 3,949 social enterprises in the raw data (State of Victoria, Department of Jobs, Precincts and Regions, 2022) and 3,500 social enterprises in the official estimate (Castellas et al., 2017, 10).

The reduction in the official estimate was to address skews in the raw data. For example, multiple locations for single enterprises are included in the raw data.

Given this, all raw data categories are scaled back proportionally for the Estimate to align them to the official 3,500 Map for Impact estimate

Second scale back

Following the first scale back, the raw data are divided into two groups based on industry tags in the data. These groups are Base and Broad. This approach enables estimates for each state and territory to be brought in line with the Map for Impact definition, and the calculation of the Estimate.

Base

The Base data set comprises industry categories that are considered uncontentious for a social enterprise to fall into.

It excludes the following contentious categories:

- Childcare centres
- Aged care providers
- Disability services, including disability employment services
- Employment service providers
- Community art galleries and collections
- Affordable housing providers
- Community owned banks
- Private schools and universities
- Private hospitals, GP clinics, health and wellbeing clinics
- Insurers
- Local recreation clubs
- Superannuation funds

Some or all of these industry categories are not counted in some social enterprise state sector estimates. The reasons given include that many organisations in these industry categories derive most of their income from government, have private beneficiaries and/or have a primary focus on profit. However, the exclusion of these industry categories from the Base data set means some organisations that meet the definition of a social enterprise are not part of this Base data set (see Annexure A).

Broad

The Broad data set is made up of data from the industry categories excluded from the Base data set.

These are included in the Estimate, as organisations that operate in competitive markets with government revenues or have private beneficiaries can still meet the definition of a social enterprise.

These are sorted into Broad A and Broad B data sets.

The Broad A data set includes:

- Childcare centres
- Aged care providers
- Disability services, including disability employment services
- Employment service providers
- Community art galleries and collections
- Affordable housing providers
- Community owned banks

All of the Broad A data, after the first scale back, is used to make the Estimate.

The Broad B data set includes:

- Private schools and universities
- Private hospitals, GP clinics, health and wellbeing clinics
- Insurers
- Local recreation clubs
- Superannuation funds

The second scale back is to the Broad B data. After the first scale back, it is scaled back 95% to make the Estimate.

This second scale back of the Broad B data set is informed by Impact Track's insights, expert consultations, and methodologies used in State estimates, such as KPMG's (2019) work to estimate the size of the social enterprise sector in Queensland. It is based on the assessment that:

- Many Broad B organisations do not have “a defined primary social, cultural or environmental purpose consistent with a public or community benefit” (Social Traders, n.d.) and so do not meet the definition of a social enterprise.
- Many Broad B organisations derive the majority of their income from government grants.

Reassessment is considered reasonable as Map for Impact notes:

“... the data that is required to demonstrate that organisations accurately fit the definition, are often not publicly available...In particular, it was often difficult to determine what portion of income an organisation derived from trade. In most cases it was also not feasible to determine whether organisations reinvested the majority of profit/surplus into the fulfilment of their mission (Castellas et al., 2017, 42).”

Number of social enterprises in states and territories

The Base data set plus the Broad data set, after both the first and second scale backs, comprise the Estimate for the number of social enterprises in Victoria.

This, the Map for Impact raw data, and the Map for Impact official estimate, and their composition, are detailed further in Annexure B.

The sector size for all other states and territories in Australia are estimated by taking the estimate for Victoria, and scaling it relative to proxy data for each remaining state and territory.

For the Broad data set, proxy data includes the number of entities in each state and territory, for each of the industry categories excluded from the Base data set. These are detailed in Annexure C.

For the Base data set, proxy data was created by:

1. Firstly, for each state or territory, adding together:
 - Social Traders certified entities
 - BuyAbility certified entities
 - Business Council of Co-operatives and Mutuals registered entities

The associated numbers are detailed in Annexure D.

2. Then, applying a population index, giving 50% weighting to the proportion of the Australian population in each state or territory.

The population index was applied in response to expert opinion and insights that the certified and registered entities data alone skews towards smaller states and territories, in particular for the ACT, NT and Tasmania, and over represents business-to-business enterprises.

Number of social enterprises in Australia

The estimated number of social enterprises in each of the states and territories are added together to estimate the total number of social enterprises in Australia.

Estimate for economic and employment contributions

The economic and employment contributions of social enterprise in Australia are calculated based on the average for each social enterprise in Map for Impact.

To escalate these values from 2016 to 2021 terms, a GDP price index is used.

These indexed values are then multiplied by the estimated number of social enterprises in Australia.

Acknowledgements

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- Malcolm Abbott, former Associate Professor, Centre for Social Impact Swinburne
- Michelle Baulderstone, Director, Health, Ageing and Human Services Sector, KPMG
- Tara Anderson, CEO, Social Traders
- Georgina Cohen, Social Enterprise Certification Advisor, Social Traders
- Alex Hooke, Executive Director, Advocacy and Engagement, Social Traders
- Michael Stuart, Impact and Data Manager, Social Traders

They were not asked to endorse this research. Accountability for this research remains with its authors.

Findings

Number of social enterprises in Australia

There are an estimated 12,033 social enterprises in Australia.

This means the average number of social enterprises per 1 million people in Australia is 466 (see Annexure E).

For comparison, the average number of social enterprises per 1 million people:

- In Scotland is 1,102
- In Hong Kong is 571
- In New Zealand is 528
- In Canada is 183

See Annexure E for more detail and sources.

Breakdown by state and territory

For each state and territory in Australia the estimated number of social enterprises are:

- 3,148 in Victoria
- 2,174 in Queensland
- 399 in Tasmania
- 851 in South Australia
- 995 in Western Australia
- 4,042 in New South Wales
- 244 in the Northern Territory
- 180 in the Australian Capital Territory

These totals and the Base and Broad data sets that comprise them are detailed in Table 1.

	Vic	QLD	Tas	SA	WA	NSW	NT	ACT	Total
Total number of social enterprises	3,148	2,174	399	851	995	4,042	244	180	12,033
Base	1,998	1,184	168	480	619	2,239	67	97	6,852
Broad	1,150	990	231	371	376	1,803	177	83	5,181

Table 1: Estimated number of social enterprises in Australia by state and territory

The average number of social enterprises per 1 million people by state or territory are detailed in Table 2.

State or territory	# of social enterprises (Estimate)	Population (million) at end 2021 (Australian Bureau of Statistics, 2022b)	# of social enterprises per 1 million in people
VIC	3148	6.6	477
QLD	2174	5.3	410
TAS	399	0.6	700
SA	851	1.8	473
WA	995	2.8	355
NSW	4042	8.1	499
NT	244	0.3	976
ACT	180	0.5	400
Total	12,033	25.8	466

Table 2: The number of social enterprises per 1 million people by state or territory

Economic contribution

Social enterprise makes an estimated contribution of \$21.27 billion per year to the Australian economy. This is the sector's gross output, or measure of total economic output. It is based on gross (operating and capital) expenditure (Australian Bureau of Statistics, 2015).

For comparison, arts and recreation services contribute \$14.98 billion to the Australian economy and agriculture, forestry and fishing contribute \$50.86 billion to the Australian economy (see Annexure H).

Social enterprise accounts for an estimated 1.03% of GDP in Australia.

Social enterprise in Australia makes an estimated contribution of \$13.09 billion gross value added per year. Gross value added is the value of goods and services produced. It includes labour costs plus surpluses and excludes purchases from other sectors (Australian Bureau of Statistics, 2015).

The calculations to estimate gross output, GDP and gross value added for the social enterprise sector in Australia are detailed in Annexure F.

Though social enterprises exist to support positive social and environmental impacts and avoid negative ones, these economic contribution estimates do not include any value created, or costs avoided, that result from this. For example, they do not include any savings by government when a social enterprise employs a person who was previously shut out of the labour market.

Breakdown by state and territory

For each state and territory in Australia the estimated annual economic contribution of social enterprise is:

- \$5.57 billion in Victoria
- \$3.84 billion in Queensland
- \$0.71 billion in Tasmania
- \$1.50 billion in South Australia
- \$1.76 billion in Western Australia
- \$7.15 billion in New South Wales
- \$0.43 billion in the Northern Territory
- \$0.32 billion in the Australian Capital Territory

See Annexure I for more detail and sources.

Employment contribution

Social enterprise employs an estimated 206,278 people in Australia.

The calculations that underpin this estimate are detailed in Annexure G.

Based on workforce data at June 2021 (Australian Bureau of Statistics, 2021c), this is 1 in 60 jobs in Australia or 1.6% of the Australian workforce. It is about the same number of people as arts and recreation services or the mining industry (see Annexure H).

These numbers also show that social enterprise is employment intensive. For every \$1 million in turnover, social enterprise produces 9 jobs. For comparison, the mining industry and the construction industry each produce around 1 job for every \$1 million in turnover (see Annexure H).

This is likely because a common purpose of social enterprise is to provide access to decent work, particularly for people shut out of the labour market. Indeed, 58.5% of certified social enterprises have this purpose (Social Traders, 2022).

Breakdown by state and territory

For each state and territory in Australia the estimated number of people social enterprises employ are:

- 53,967 in Victoria
- 37,269 in Queensland
- 6,843 in Tasmania
- 14,590 in South Australia
- 17,058 in Western Australia
- 69,282 in New South Wales
- 4,181 in the Northern Territory
- 3,089 in the Australian Capital Territory

See Annexure I for more detail and sources.

Annexures

Annexure A: Examples of Social Enterprises in Broad data set

Each industry category included in the Broad data set, and an example or examples of a social enterprise that falls in it are:

- Childcare centres - Goodstart Early Learning
- Aged care providers - HammondCare
- Disability services, including disability employment services - Ability Works
- Employment service providers - SYC
- Community art galleries and collections - APY Art Centre Collective, Starwin
- Affordable housing providers - Housing Plus
- Community owned banks - Bendigo Bank, Adelaide Bank
- Private schools and universities - CQUniversity, Giant Steps
- Private hospitals, GP clinics, health and wellbeing clinics - Miwatj Health Aboriginal Corporation
- Insurers - HCF
- Local recreation clubs - PCYC
- Superannuation funds - Australian Ethical

Annexure B: Estimates for Victoria

There are 3,949 social enterprises in Victoria in the Map for Impact raw data (State of Victoria, Department of Jobs, Precincts and Regions, 2022), comprising 2,254 Base, 1,277 Broad A and 418 Broad B entities.

There are 3,500 social enterprises in the Map for Impact official estimate (Castellas et al., 2017), comprising 1,998 Base, 1,131 Broad A and 371 Broad B entities.

There are 3,148 social enterprises in this Impact Tracks estimate, comprising 1,998 Base, 1,131 Broad A and 19 Broad B entities.

These estimates and their breakdown are shown in Figure 1.

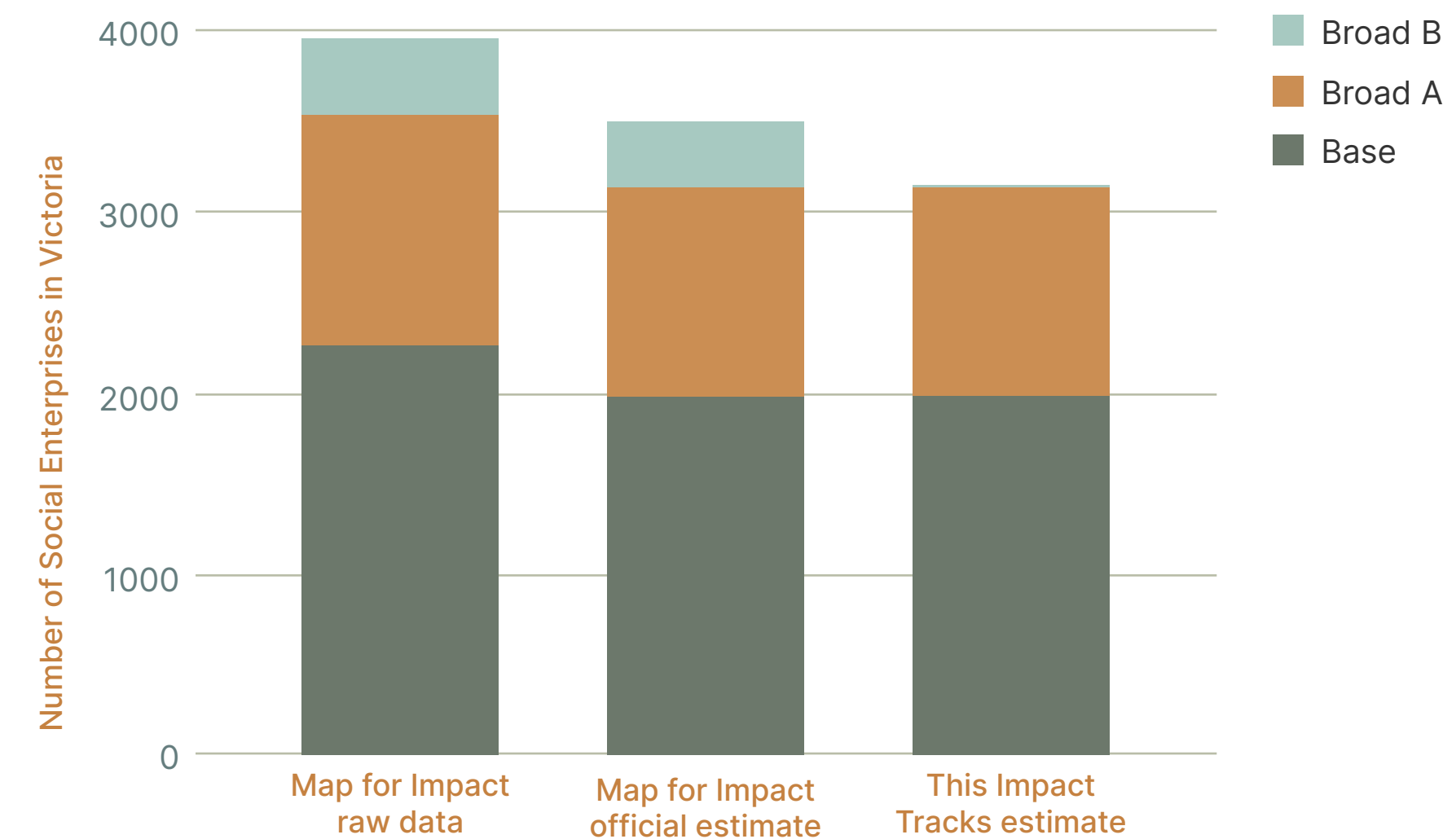


Figure 1: Estimates for Victoria

Annexure C: Proxy data for Broad data set

Industry	Calculation basis and sources	Key assumptions	Confidence rating
Childcare centres	<ul style="list-style-type: none"> Map for Impact raw data contains 286 childcare centres (State of Victoria, Department of Jobs, Precincts and Regions, 2022) There are 3,213 childcare centres in Victoria (Department of Education, Skills and Employment, 2022a) The proportion of childcare centres that Map for Impact counts as a social enterprise is 9% There are 13,685 childcare centres in Australia (Department of Education, Skills and Employment, 2022a) 	<ul style="list-style-type: none"> Childcare centre social enterprises may be not for profit, or for profit, so this research used the proportion of childcare centres in Map for Impact to the total in Victoria, and applied this ratio to the other states' data Same proportional distribution of social enterprise childcare centres as Victoria 	High
Aged care providers	<ul style="list-style-type: none"> Map for Impact raw data contains 146 aged care providers (State of Victoria, Department of Jobs, Precincts and Regions, 2022) There are 1,254 not for profit aged care providers in Victoria (Australian Institute of Health and Welfare, 2022a) The proportion of aged care providers that Map for Impact counts as a social enterprise is 12% There are 5,941 not for profit aged care providers in Australia (Australian Institute of Health and Welfare, 2022a) 	<ul style="list-style-type: none"> Same proportional distribution of social enterprise aged care providers as Victoria All social enterprise aged care providers are not for profit. The Estimate therefore included not for profit organisations and excluded private organisations and government run organisations Data based on location of services, as per Map for Impact map 	High
Disability services, including disability employment services	<ul style="list-style-type: none"> Map for Impact raw data contains 124 disability services (State of Victoria, Department of Jobs, Precincts and Regions, 2022) There are 2,171 disability services in Victoria (Department of Social Services, 2022) The proportion of disability services that Map for Impact counts as a social enterprise is 6% There are 8,495 disability services in Australia (Department of Social Services, 2022) 	<ul style="list-style-type: none"> Same proportional distribution of social enterprise disability services as Victoria Disability employment services are treated the same as disability services; many but not all provide employment services as part of their service offering 	Low

Table 3: Calculation basis, sources and key assumptions for proxy data for Broad data set

Industry	Calculation basis and sources	Key assumptions	Confidence rating
Employment service providers	<ul style="list-style-type: none"> Map for Impact raw data contains 153 employment service providers (State of Victoria, Department of Jobs, Precincts and Regions, 2022) There are 406 employment service providers in Victoria (Department of Education, Skills and Employment, 2020; Department of Education, Skills and Employment, 2022b) The proportion of employment service providers that Map for Impact counts as a social enterprise is 38% There are 1,630 employment service providers in Australia (Department of Education, Skills and Employment, 2020; Department of Education, Skills and Employment, 2022b) 	<ul style="list-style-type: none"> Same proportional distribution of social enterprise employment service providers as Victoria Data set combines Jobactive providers (now known as Workforce Australia providers) and Transition To Work providers. It does not include disability employment services, which are included in the disability services industry category 	High
Private schools and universities	<ul style="list-style-type: none"> Map for Impact raw data contains 15 private schools and universities (State of Victoria, Department of Jobs, Precincts and Regions, 2022) There are 710 private schools and universities in Victoria (Productivity Commission, 2020) The proportion of private schools and universities that Map for Impact counts as a social enterprise is 2%; and this is scaled back 95% There are 2,873 private schools and universities in Australia (Productivity Commission, 2020) 	<ul style="list-style-type: none"> Same proportional distribution of social enterprise private schools and universities as Victoria; scaled back 95% 	High
Private hospitals, GP clinics, health and wellbeing clinics	<ul style="list-style-type: none"> Map for Impact raw data contains 37 private hospitals, GP clinics, health and wellbeing clinics (State of Victoria, Department of Jobs, Precincts and Regions, 2022) There are 174 private hospitals in Victoria (Australian Bureau of Statistics, 2018) The proportion of private hospitals, GP clinics, health and wellbeing clinics that Map for Impact counts as a social enterprise is 5%; and this is scaled back 95% There are 657 private hospitals in Australia (Australian Bureau of Statistics, 2018) 	<ul style="list-style-type: none"> Same proportional distribution of social enterprise private hospitals, GP clinics, health and wellbeing clinics as Victoria; scaled back 95% Tasmania, the Northern Territory and the Australian Capital Territory have an equal share of hospitals (only the aggregated number are provided by the Australian Bureau of Statistics) Note: Map for Impact raw data is based on private hospitals, GP clinics, health and wellbeing clinics and Australian Bureau of Statistics data is based on private hospitals only 	Low

Table 3: Calculation basis, sources and key assumptions for proxy data for Broad data set

Industry	Calculation basis and sources	Key assumptions	Confidence rating
Local recreation clubs	<ul style="list-style-type: none"> Map for Impact raw data contains 244 local recreation clubs (State of Victoria, Department of Jobs, Precincts and Regions, 2022) There are 18,215 local recreation clubs in Victoria (Australian Sports Foundation, 2020) The proportion of local recreation clubs that Map for Impact counts as a social enterprise is 5%; and this is scaled back 95% There are 70,967 local recreation clubs in Australia (Australian Sports Foundation, 2020) 	<ul style="list-style-type: none"> Same proportional distribution of social enterprise local recreation clubs as Victoria; scaled back 95% 	High
Superannuation funds	<ul style="list-style-type: none"> Map for Impact raw data contains 22 superannuation funds (State of Victoria, Department of Jobs, Precincts and Regions, 2022) There are 20 superannuation funds in Victoria (Business Council of Co-operatives and Mutuals, 2022) The proportion of superannuation funds that Map for Impact counts as a social enterprise is 110%; and this is scaled back 95% There are 51 superannuation funds in Australia (Business Council of Co-operatives and Mutuals, 2022) 	<ul style="list-style-type: none"> Same proportional distribution of social enterprise superannuation funds as Victoria; scaled back 95% All industry and mutual superannuation funds are members of the Business Council of Co-operatives and Mutuals 	Medium
Community art galleries and art collections	<ul style="list-style-type: none"> Map for Impact raw data contains 84 community art galleries and art collections (State of Victoria, Department of Jobs, Precincts and Regions, 2022) There are 333 community art galleries and art collections in Victoria (Australian Bureau of Statistics, 2009b) The proportion of community art galleries and art collections that Map for Impact counts as a social enterprise is 25% There are 1,456 community art galleries and art collections in Australia (Australian Bureau of Statistics, 2009b) 	<ul style="list-style-type: none"> Same proportional distribution of social enterprise community art galleries and art collections as Victoria 	Low

Table 3: Calculation basis, sources and key assumptions for proxy data for Broad data set

Industry	Calculation basis and sources	Key assumptions	Confidence rating
Community owned banks	<ul style="list-style-type: none"> Map for Impact raw data contains 164 community owned banks (State of Victoria, Department of Jobs, Precincts and Regions, 2022) There are 41 community owned banks in Victoria (Business Council of Co-operatives and Mutuals, 2022) The proportion of community owned banks that Map for Impact counts as a social enterprise is 400% There are 132 community owned banks in Australia (Business Council of Co-operatives and Mutuals, 2022) 	<ul style="list-style-type: none"> Same proportional distribution of social enterprise community owned banks as Victoria All community owned banks are members of the Business Council of Co-operatives and Mutuals 	Medium
Affordable housing providers	<ul style="list-style-type: none"> Map for Impact raw data contains 174 affordable housing providers (State of Victoria, Department of Jobs, Precincts and Regions, 2022) There are 99 community housing organisations in Victoria (Australian Institute of Health and Wellbeing, 2022b) The proportion of affordable housing providers that Map for Impact counts as a social enterprise is 175% There are 132 community housing organisations in Australia (Australian Institute of Health and Wellbeing, 2022b) 	<ul style="list-style-type: none"> Same proportional distribution of social enterprise affordable housing providers as Victoria Affordable housing providers are synonymous with community housing organisations 	Medium
Insurers	<ul style="list-style-type: none"> Map for Impact raw data contains 52 insurers (State of Victoria, Department of Jobs, Precincts and Regions, 2022) There are 7 insurers in Victoria (Business Council of Co-operatives and Mutuals, 2022) The proportion of insurers that Map for Impact counts as a social enterprise is 747%; and this is scaled back 95% There are 31 insurers in Australia (Business Council of Co-operatives and Mutuals, 2022) 	<ul style="list-style-type: none"> Same proportional distribution of social enterprise insurers as Victoria scaled back 95% Assume all not for profit, community owned insurers are members of the Business Council of Co-operatives and Mutuals and operate in health or motor services 	Low

Notes:

- Confidence ratings are based on a simplified version of the Australian Bureau of Statistics Data Quality Framework (2009a), using three criteria of equal weighting: relevance and accuracy; timeliness; and coherence.

Table 3: Calculation basis, sources and key assumptions for proxy data for Broad data set

Sector	VIC	QLD	NSW	WA	SA	TAS	NT	ACT	Total
Childcare centres	286	233	442	112	76	23	16	26	1,216
Aged care providers	146	150	223	58	66	26	12	12	693
Disability services, including disability employment services	124	108	157	24	45	19	3	5	486
Employment service providers	153	141	193	42	40	29	5	13	616
Private schools, and universities	1	1	1	0.3	0.2	0.1	0.0	0.1	3
Private hospitals, GP clinics, health and wellbeing clinics	2	1	2	1	1	0.1	0.1	0.1	7
Local recreation clubs	12	9	16	4	3	2	0	1	47
Superannuation funds	1	0.3	1	0.1	0.2	0.1	0.0	0.2	3
Community art galleries and art collections	84	65	96	50	36	21	10	6	368
Community owned banks	164	68	228	12	36	8	4	8	528
Affordable housing providers	174	212	439	72	67	102	126	12	1,204
Insurers	3	1	4	1	1	1	0.4	0.0	12
Total Broad	1,150	990	1,803	376	371	231	177	83	5,181

Table 4: Proxy data for Broad data set

Notes:

- Numbers are rounded in Table 4. Any appearance that rows and columns do not add up is a result of this; and totals are correct.

Annexure D: Proxy data for Base data set

	Data source	VIC	QLD	TAS	SA	WA	NSW	NT	ACT	Total
Social Traders certified	(Social Traders, 2022)	240	78	2	31	4	99	1	3	458
BuyAbility certified	(Buyability, 2022)	117	41	15	57	53	164	3	3	453
Business Council of Co-operatives and Mutuels registered*	(Business Council of Co-operatives and Mutuels, 2022)	604	249	61	109	134	705	24	21	1,907
Total		961	368	78	197	191	968	28	27	2,818

Table 5: Proxy data for base data set

Notes:

- These organisations are not all considered to be social enterprises. They have been counted to give an indication of the relative size of the social enterprise sector in each state and territory.
- *This data set excludes Business Council of Co-operatives and Mutuels registered insurers, superannuation funds and community owned banks, as this specific source was used for proxy data for the Broad data set.

Annexure E: Benchmarking number of social enterprises to population by country

Country	Number of social enterprises	Population (million)	Number of social enterprises per 1 million in population
Scotland	6,025 (Social Value Lab, 2019)	5.466 (Office for National Statistics, 2022)	1,102
Hong Kong	4,000 (British Council and Social Enterprise UK, 2022)	7 (British Council and Social Enterprise UK, 2022)	571
New Zealand	2,589 (Hurren et al., 2018)	4.9 (Stats NZ, 2019)	528
Canada	7,000 (Elson et al., 2016)	38.2 (Statistics Canada, 2021)	183
Australia	12,033	25.8	466

Notes:

- The definition of a social enterprise varies by source.
- Different definitions of social enterprise and different applications of social enterprise definitions impact estimates.

Table 6: Benchmarking number of social enterprises to population by country

Annexure F: Calculations for economic contribution

The following was used to calculate the gross output of social enterprise in Australia:

- The Map for Impact estimate of a \$5.2 billion contribution to the Victorian economy from 3,500 social enterprises (Castellas et al., 2017) is used as a baseline. This is a \$1.49 million contribution per social enterprise.
- To escalate these values from 2016 (Castellas et al., 2017) to 2021 terms, GDP is used as an index. The index grew from 90.1 in June 2016, to 107.0 in December 2021 (Australian Bureau of Statistics, 2021a). This is a 19% increase. This means a \$6.2 billion contribution to the Victorian economy and a \$1.77 million contribution per social enterprise.
- The \$1.77 million contribution per social enterprise is multiplied by the estimated number of social enterprises in Australia of 12,033. This is a \$21.27 billion contribution per year to the Australian economy.

GDP was calculated based on the estimated economic contribution of \$21.27 billion over the annual GDP for Australia at June 2021 of \$2.07 trillion (Australian Bureau of Statistics, 2021a).

The following was used to calculate gross value added by social enterprise in Australia:

- The Map for Impact estimate of a \$3.5 billion contribution to gross value added from 3,500 social enterprises (Castellas et al., 2017) is used as a baseline.
- To escalate these values from 2016 (Castellas et al., 2017) to 2021 terms, GDP is used as an index. The index grew from 90.1 in June 2016, to 107.0 in December 2021 (Australian Bureau of Statistics, 2021a). This is a 19% increase. This means a \$3.8 billion contribution to gross value added and a \$1.09 million contribution per social enterprise.
- The \$1.09 million gross value added contribution per social enterprise is multiplied by the estimated number of social enterprises in Australia of 12,033. This is \$13.09 billion per year of gross value added.

Annexure G: Calculations for number of people employed

The following was used to calculate the number of people employed by social enterprise in Australia:

- The Map for Impact estimate of 60,000 people employed by 3,500 social enterprises (Castellas et al., 2017) is used as a baseline. This is 17.14 people employed per social enterprise.
- The 17.14 people employed per social enterprise is multiplied by the estimated number of social enterprises in Australia of 12,033. This gives a total of 206,278 people employed nationally.

Annexure H: Benchmarking to industry categories

Industry	GDP / Output (\$ million), 2020-21, at end June (Australian Bureau of Statistics, 2021a)	Share of GDP (%)	Employment ('000), 2020-21, at end June (Australian Bureau of Statistics, 2022a)	Share of employment (%)
Financial & insurance services	153708	9.0%	487.6*	4%
Construction	140032	8.2%	1196	10%
Health care & social assistance	154215	9.0%	1446	12%
Professional, scientific & technical services	144530	8.5%	1200	10%
Manufacturing	113661	6.7%	839	7%
Mining	198410	11.6%	189	2%
Public administration & safety	110995	6.5%	90	1%
Education & training	97845	5.7%	451	4%
Transport, postal & warehousing	81231	4.8%	639	5%
Retail trade	86402	5.1%	1388	11%
Wholesale trade	79184	4.6%	569	5%
Administration & support services	62003	3.6%	930	8%
Rental, hiring & real estate services	56284	3.3%	413	3%
Agriculture, forestry & fishing	50862	3.0%	439	4%
Information media & telecommunications	44868	2.6%	167	1%
Electricity, gas, water & waste services	46780	2.7%	123	1%
Accommodation & food services	39224	2.3%	1055	9%
Other services	32580	1.9%	534	4%
Arts & recreation services	14979	0.9%	217	2%
All industries	1,707,793	1	12,373	100%

Table 7: Benchmarking to industry categories

Notes:

- *Financial and insurance services employment is at end May 2021 and source data comes from Australian Bureau of Statistics (2021b).
- Overall GDP in Table 7 (for benchmarking purposes) uses a different denominator than the one used in the calculation of overall social enterprise contribution to gross output. This is because the Estimate is based on current prices for 2021, consistent with the rest of the data here and latest available full year data. In contrast, in Table 7 the industry GDP measures are based on GDP 2020 prices. This creates a minor but not material difference; and an insignificant potential risk margin of error based on relative price increase. Further, Table 7 is only used for benchmarking purposes.
- Employment numbers differ (are less than) for the same period in the Australian Bureau of Statistics Labour Force catalogue.

Annexure I: Economic and employment contribution

	VIC	QLD	TAS	SA	WA	NSW	NT	ACT	Total
Number of social enterprises	3,148	2,174	399	851	995	4,042	244	180	12,033
Economic contribution (\$)	5,565,752,646	3,843,679,618	705,767,519	1,504,684,387	1,759,270,690	7,145,233,444	431,187,458	318,545,180	21,274,120,943
Number of people employed	53,967	37,269	6,843	14,590	17,058	69,282	4,181	3,089	206,278

Table 8: Economic and employment contribution

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