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Social enterprise central to a successful economy

Securing a place for social enterprise in business is key for the continued prosperity of the economy, according to Industry and the Regions Minister Alun Michael. Speaking at the annual social enterprise conference on 25 January 2006, Michael outlined the main areas of focus in the Government's new social enterprise action plan to be launched in the spring.

The Government's action plan is set to include:

- Confirming the value and credibility of social enterprise through new research into the impact of social enterprise;
- Embedding social enterprise as a recognised business model by ensuring that the publicly funded business support provided by RDAs is readily available and applicable to social enterprise;
- Helping to open markets to social enterprise by working with other government departments and local authority purchasers to remove barriers within the procurement process for third sector organisations; and
- Encouraging new entrants to social enterprise by raising awareness of social enterprise among new entrepreneurs, working with Enterprise Insight, National Council of Graduate Entrepreneurship and the Social Enterprise Coalition.

Social enterprises are businesses with a social purpose designed to deliver lasting social and environmental change. Examples include Cafedirect, The Big Issue, The Co-operative Group, Welsh Water (Glas Cymru), the Eden Project and Jamie Oliver's Fifteen.

In a video message at the conference Prime Minister Tony Blair, said: "Today is about celebrating the success of social enterprise and looking to the future. "I share your ambition for the sector and I want to see social enterprise become a mainstream choice for anyone setting up in business."

Alun Michael, added: "The people running social enterprises are vital not just for Britain's economic success, but for their contribution to tackling many social and environmental issues, combining an entrepreneurial flair with a commitment to giving something back to the community. "That is why we are committed to encouraging and supporting the sector, to ensure that it is in the best position to grow.

"The new action plan is about aiming for the next level of growth in social enterprise. It aims to secure social enterprise's place within the business landscape, and help embed it in our economy as part of the mainstream.

"It is also important for the social enterprise sector to recognise, and celebrate the need to make a profit to survive and grow, and demonstrate that social enterprise is truly entrepreneurial."

The new action plan will build on the Government's strategy for social enterprise launched in 2002 to help raise the sector's profile.

DTI research has showed that there are approximately 15,000 social enterprises in the UK with a combined turnover of £18 billion. This represents a contribution to national GDP of over 5 billion pounds a year.