



Sydney, NSW

www.fairbusiness.org.au

Purpose

To provide jobs for long-term unemployed or those experiencing significant barriers to employment by developing integrated, supportive workplaces where the previously long-term unemployed work side-by-side other staff.

Rationale for SVA Investment

The individual reasons for long-term unemployment are many and varied but the costs to individuals and society are significant. The long-term unemployed and those experiencing significant barriers to employment include people with disabilities, mental health problems, lack of skills, qualifications or work history, Indigenous Australians, refugees and asylum seekers. Recent research shows that the labour force participation rate for these groups is far smaller than that of the general population, while the unemployment rate is significantly higher than the national average.

Individuals facing long-term unemployment experience social isolation, low self esteem, poorer physical and mental well-being and the increased risk of economic hardship. While the cost of welfare payments, health and social services, public housing, homeless support services, mental health services and family support services, directly impact the economy and broader community.

Currently in Australia, 73,000 people are long-term unemployed, and there are approximately 700,000 people on the Disability Support Pension (DSP), with less than 10 per cent of those receiving the DSP earning any income at all from employment. There is enormous potential for people who have to date been unable to work, to make a valuable contribution in the community, given the chance. But the opportunities to move out of long-term unemployment are few and far between.

Fair Business addresses this situation with a unique approach to rewriting the futures of those struggling with more than two years unemployment or those who have never worked. Fair Business (Australia) Pty Ltd buys and grows existing businesses creating new jobs in the process. Fair Business then proactively recruits long-term unemployed into



these positions and actively manages these social enterprises to ensure the on-going establishment of supportive work environments. This initiative enables those previously unemployed to develop their business and management skills in a sustainable business, giving them a real stake in their own futures.

SVA believes Fair Business's work in implementing proactive employment strategies and the continued development and growth of integrated, supportive workplaces, is crucial in decreasing the instance of long-term unemployment in Australia.

Historical Achievement

Founded in April 2008, Fair Business (through Fair Business (Australia) Pty Ltd) acquired its first two businesses in December and has since created jobs for seven people who previously faced barriers to employment. The organisation is currently in the process of adding two companies to its portfolio.

Growth Goals as agreed with SVA

Fair Business's strategy (2009 - 2012)

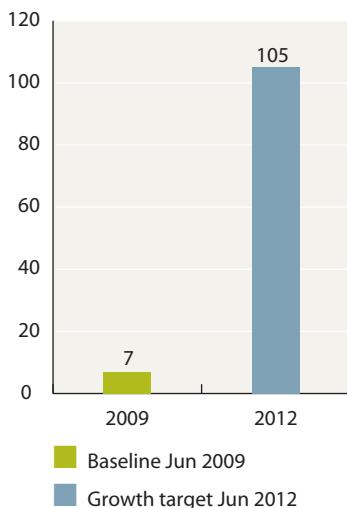
To increase the employment rate among the long-term unemployed and those experiencing significant barriers to employment and consequently decrease government expenditure on unemployment benefits.

Goals

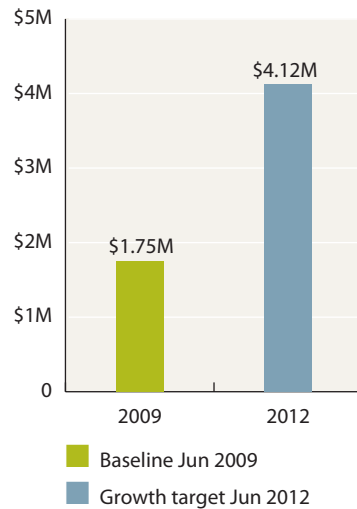
1. Grow the annual turnover of existing social enterprise from \$1.75 million in 2009 to \$4.12 million in 2012.
2. Establish new social enterprises, increasing the number of employees per social enterprise with a history of long-term unemployment and/or other significant barriers to employment from seven (14 per cent) in 2009 to 36 (40 per cent) in 2012.
3. Grow the total number of employees in new social enterprises to 69 and annual turnover per social enterprise to \$4.74 million.
4. Develop two social enterprise clusters.
5. Attain sustainability through scale by generating management fee income by the social enterprises, reducing externally funded infrastructure costs by 71 per cent over three years and increasing the combined turnover of the social enterprises from \$1.75 million to \$8.8 million over three years.
6. Grow the total number of employees with a history of long-term unemployment and/or other significant barriers to employment from seven to 105 in 2012.

Performance Indicators

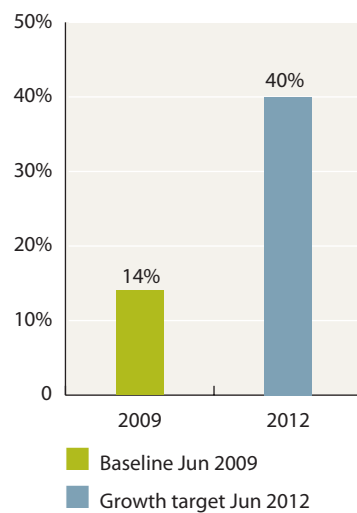
- Employment outcome: To increase number of employees in social enterprises with a history of long-term unemployment and/or other significant barriers to employment.



- Growth of existing social enterprises: Turnover per social enterprise per annum.



- Percentage of employees per social enterprise with a history of long-term unemployment and/or other significant barriers to employment.



Full detailed performance indicators are contained in the Fair Business Strategic Plan.

Venture Team

Board of Directors

Alex Shead (Founder)
Marc Manion (Executive Director)
Emma Hutton (Executive Director)
Michael Traill
James Mollison

Alex Shead, Founder and CEO

Alex Shead conceived Fair Business in 2008, while working with Social Ventures Australia.

Alex has more than 25 years of experience in entrepreneurial business management both in the UK and Australia and has an in-depth knowledge of company acquisitions, having completed over 24 successful business purchases. Prior to relocating to Australia, he was the co-founder and CEO of Stuart Alexander which became one of the UK's largest insurance intermediaries within 10 years of start-up. Alex initiated an equity participation scheme for staff at Stuart Alexander, which resulted in a highly successful management and employee buy-out.