

Impacts of petrol prices on volunteering

Rises in the cost of petrol in the last half of 2005 are impacting significantly on volunteering, with both volunteering and nonprofit organisations being affected by rises in petrol prices.

Petrol prices a barrier to volunteering

The negative impact of high petrol prices on volunteering is confirmed by a Volunteering Australia survey of 841 volunteers, 609 nonprofit organisations and 15 organisations with staff volunteering programs. The survey was conducted in October 2005 over two and a half weeks. The survey found that 84 per cent of all respondents believe that rises in petrol prices present a barrier to volunteering.

52 per cent of organisations (317 organisations) surveyed reported increased travel costs have led to volunteers within their organisation questioning or stopping their volunteer hours as a direct result of increasing travel costs because of rising petrol prices. Similarly, of the volunteers surveyed, 42 per cent (353 volunteers) are questioning or stopping their volunteer hours. 11 per cent of volunteers have reduced their volunteering hours as a direct result of increases in out-of-pocket expenses because of petrol price rises.

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Volunteers and the Australian economy

These findings have significant implications for the massive economic and social contribution volunteering makes to Australian society. The value of volunteering to the Australian economy can be measured in the tens of billions



of dollars per annum. Various estimates rate the economic value of volunteering at between \$31 and \$42 billion dollars each year. Recent research has shown that 41 per cent of Australians volunteer, a figure which has been steadily on the rise since the 1990's when reliable data about volunteering in Australia first began to be collected.

Of the volunteers surveyed by Volunteering Australia, 54 per cent volunteer more than once a week. The widespread and valuable contribution of Australian volunteers is undermined by the impacts of rising petrol costs on volunteers and organisations.

The rising tide of petrol prices: who pays?

The activity of volunteering is not financially neutral – it is not free of cost. The Volunteering Australia survey found that 92 per cent of volunteers use their car to drive to their volunteering role at least some of the time. Additionally, most of this group always uses their own car to drive to and from the site of their volunteering activity. The travel costs incurred as a result are either borne by nonprofit organisations or volunteers. Of the nonprofit organisations surveyed, 51 per cent reimburse volunteers for travel costs in part or in full. 37 per cent of all volunteer-involving nonprofit organisations have experienced an increase in travel claims from volunteers as a result of petrol price rises.

Many volunteers cover the cost of out-of-pocket expenses incurred in the course of their volunteering activity. Reimbursement of travel costs in part or in full was unavailable to 80 per cent of the individual volunteers surveyed. The survey revealed a disparity in the results between the volunteers understanding of reimbursement policies in their organisations, and that of the nonprofit organisations themselves. While intriguing, these findings are inconclusive because the respondents from the respective cohorts do not necessarily belong to the same organisations.

Currently there is no scheme in Australia allowing volunteers to claim tax deductions or other government support for volunteer expenses, requiring that nonprofit organisations and/or volunteers cover the costs of expenses arising out of the activity of volunteering. This renders volunteering vulnerable to changes in the costs of out-of-pocket expenses.

Staff volunteering programs

Petrol prices are also undermining the aims of staff volunteering programs. Most volunteers in staff volunteering programs (92 per cent) use their own cars in the course of their volunteering activity, with many bearing any costs incurred as a result. These costs create a clear disincentive to participation. 58 per cent of organisations with a staff volunteering program reported staff either questioning or stopping/reducing their volunteering as a direct result of travel costs rising. 54 per cent of organisations with staff volunteering programs, who reimburse travel costs, have noticed an increase in the amount of travel costs claimed by staff volunteers.

Conclusion

A significant number of volunteer-involving nonprofit organisations report volunteers reducing their volunteering commitments as a direct result of travel cost increases, with many more considering doing so. Individual volunteers were similarly likely to report questioning, reducing, or stopping volunteering. Another major impact of rising petrol prices on Australian volunteering are the substantial increases in the number of volunteer travel claims received by nonprofit organisations and organisations with staff volunteering programs.

The survey findings underline how the volunteering sector can be affected by external pressures, with the results showing that volunteers are likely to question, reduce or end their volunteering commitments where out-of-pocket costs increase.

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