



The appropriateness and effectiveness of the objectives, design and evaluation of
JobActive
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About Volunteering Australia

Volunteering Australia is the national peak body for volunteering. We work to advance volunteering in the Australian community.

Volunteering Australia's vision is to promote strong, connected communities through volunteering. Our mission is to lead, strengthen, promote and celebrate volunteering in Australia.

We work collectively with the seven State and Territory volunteering peak bodies to deliver national, state/territory and local volunteering programs and initiatives in accordance with the Government's priorities.

As the primary link between the volunteering sector and federal government, Volunteering Australia provides feedback into key decision making. All feedback is informed by research, evidence and consultation with the volunteering sector.

Introduction

Volunteering Australia welcomes the opportunity to provide a submission to the Senate Education and Employment Committees on *the appropriateness and effectiveness of the objectives, design and evaluation of JobActive*.

The global volunteer workforce is comparable to 109 million full-time equivalent workers. Of this, 30 per cent of volunteering occurs formally through organisations, institutions and groups.ⁱ In Australia, volunteering is at the centre of our national identity, with 5.8 million Australians or 31 per cent of the population engaging in formal volunteering activities and programs.ⁱⁱ

Research demonstrates that volunteering yields a 450 per cent return for every dollar invested.ⁱⁱⁱ Nationally this is an estimated annual economic and social contribution of \$290 billion.^{iv}

In this submission, Volunteering Australia will discuss how volunteering produces better employment outcomes for jobseekers. We will also look at how Volunteering Support Services play a crucial but often undervalued role when delivering on jobactive. This response will focus on the following inquiry terms of reference:

- The nature and underlying causes of joblessness in Australia;
- The methods by which Australians gain employment and their relative effectiveness;
- The fairness of mutual obligation requirements;
- The adequacy and appropriateness of activities undertaken within the Annual Activity Requirement phase, including Work for the Dole, training, studying and volunteering programs and their effect on employment outcomes;
- The impacts and consequences of the jobseeker compliance framework;
- The appeals process, including the lack of an employment services ombudsman;
- The funding of jobactive, including the adequacy of the 'outcome driven' funding model, and the adequacy of this funding model to address barriers to employment;
- Alternative approaches to addressing joblessness

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Volunteering Australia Response

The nature and underlying causes of joblessness in Australia

“...volunteerism can be a way to help unemployed workers expand their network of contacts, improve their resumes, and make a positive impression in a competitive job market... The truth is – volunteering may actually expose job seekers to new opportunities.”^v

Recent data from the Australian Bureau of Statistics (ABS) indicating there is only 1 job available for every 10-people looking for paid work.^{vi} Over the last decade, there have been many changes to the labour market, including the casualisation of the workforce, increases in insecure work, and a decline in wage growth which is causing financial hardship for many people. The number of unemployed and underemployed in Australia has also increased with less full-time work available in the areas that they are needed.

People from culturally and linguistically diverse backgrounds, people with a disability, Aboriginal and Torres Strait Islander peoples, older people, or those with a mental illness, can face multiple barriers to finding employment, such as discrimination. For example, the Australian Human Rights Commission reports that those who experience age discrimination gave up looking for work entirely.^{vii}

The *2016 Willing to Work National Inquiry into Employment Discrimination Against Older Australians and Australians with Disability* highlighted that in relation to culturally and linguistically diverse people (CALD), “The combination of a ‘strange’ surname, heavy accent, qualifications that are not recognised in Australia and the fact that they are nearing conventional retirement age effectively place many older CALD people at the back of the queue in trying to access the job market...”^{viii}

The Commission’s *National prevalence survey of age discrimination in the workplace* found that the highest incidence of age discrimination was observed in those aged between 55 and 64 years.^{ix} The impact of this includes involuntary early retirement, unemployment or long-term unemployment, social exclusion and the outdatedness of work-related skills.^x

Access to technology or the internet can also be attributed to joblessness, with people from low income households, older or culturally or linguistically diverse backgrounds, or from rural, remote or regional areas, facing additional barriers to employment. According to the ABS, almost 2.6 million Australian do not use the internet while 1.3 million households are not connected.^{xi}

Age is a contributory factor, with older Australians between the aged of 55 to 64 less likely to be connected. It is also important to give significant consideration that with varying levels of digital literacy skills, there is a need to enhance skills to keep pace with technological advances.^{xii}

Volunteering Australia underscores that strategies are required to address systemic disadvantage and the underlying causes of joblessness in Australia – this includes the creation of more full-time jobs in rural, regional and remote areas, and the support of organisations promoting volunteering that can play such a critical role in assisting people to gain entry into the workforce.

The methods by which Australians gain employment and their relative effectiveness

There is strong evidence that reinforces the social and economic impacts of volunteering. Volunteering Australia stresses that volunteering is a legitimate pathway to employment, by increasing workforce participation, and connecting people to career paths that are better paid and more stable.^{xiii} Our *2016 State of Volunteering in Australia* report outlined that gaining skills and experience was one of the top reasons that people chose to volunteer.^{xiv}

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“In my experience, both complacency and ignorance of the enormous value volunteers contribute results in a lack of regard of volunteers as strategic assets.”

2016 State of Volunteering in Australia

Research conducted for SEEK.com.au by Nature Research revealed, 95 per cent of employers agree that volunteering can be a great way to gain experience and skills that can be used in paid work, with 95 per cent also agreeing that volunteering can be a credible way of getting real-work experience (especially for first-time job seekers).^{xv}

A 2013 report from the United States group, *The Corporation for National and Community Service*, found that unemployed individuals who volunteered over the next year had a 27 per cent higher odds of being employed at the end of that year than non-volunteers.^{xvi}

The relationships developed through volunteering can also assist community members to develop skills and connections required for formal employment.^{xvii} According to the *State of the World's Volunteerism Report 2018*, volunteering strengthens “...community capacity by training people in new skills, widen(s) access to resources and enhance(s) opportunities for employment, all of which can strengthen community resilience for the longer term.”^{xix}

Volunteering can be an effective method of assisting people to gain entry into the workforce. Australian organisations who engaged volunteers in the disability support sector found there was a marked difference in the outcomes achieved by volunteers compared with paid staff.^{xx} Individuals from CALD backgrounds have attributed significant skills development to volunteering, saying they felt more patient and confident. Similarly, people who indicated they were Aboriginal or Torres Strait Islander stated volunteering improved their resourcefulness, attention to detail, and confidence.^{xxi}

Territory peak body, Volunteering and Contact ACT runs the Inclusive Volunteering Program to assist people who identify as having a barrier to connect with their community or secure paid work. Volunteering Australia emphasises that there must be recognition of the value of Australia’s voluntary contributions, and ensure that this input is valued equally to that of the paid workforce.

The fairness of mutual obligation requirements

The goal of the social security system should be to support people experiencing financial hardship, ease monetary stress and ensure individuals have adequate income to access food, transport and secure housing. However, the burden to make ends meet for many mutual obligation participants is increasing.

Volunteering Australia highlights that the current mutual obligation requirements have a high rate of non-compliance. This is because jobseekers are under the compulsion to apply for jobs they would ordinarily not be inclined to accept, just to meet mutual obligation requirements. This system, administered through jobactive, does little to improve the future job prospects of participants, does not sufficiently address joblessness and undermines positive employment outcomes.

While this cohort aged 55-59 are no longer valued as prospective paid employees, it makes no sense to force them to vacate regular positive volunteer roles to have the time it takes to meet a quota of fruitless job applications. The result of this is the removal of valuable contributions to society. Alongside this loss is the inevitable negative physical and mental health outcomes that go hand in hand with being stigmatised as 'unemployed' and the accompanying burden on society and government.

Manager of Volunteers, Barwon Region

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A survey conducted by the Australian Council of Social Service (ACOSS) shows that while people are accepting that they need to engage in job search, they believe that current activity requirements are “not suited to their circumstances.”^{xxii}

The inflexibility of mutual obligation requirements also has a negative impact for employers, with many receiving large numbers of applications from jobseekers attempting to comply with their mutual obligation requirements as opposed to genuinely seeking employment. A recent submission from ACOSS also highlighted this stating, “The activity requirements, and their administration by jobactive, are getting in the way of effective job search, while employers are losing trust in the system because they receive too many unsuitable applications.”^{xxiii}

Anecdotal evidence suggests that compelling people to apply for jobs that don’t have gainful employment outcomes is not just demoralising, but an ineffective use of time. Volunteering Australia stresses that by engaging these people in a volunteer role would contribute economically, socially and culturally.

“Job-hunting (for jobs that don’t exist) is a full-time job in itself. I would lose valued and essential volunteers if they had to go back into that demoralising and time-wasting space. The impact on individuals would be significant with a negative, rippling effect in communities.”

Manager of Volunteers, Barwon Region, Victoria

Volunteering Australia also highlights that forcing people to engage in programs, under some form of compulsion, such as through mutual obligation requirements, does not meet the definition of “time willingly given, for the common good and without financial gain.”^{xxiv} While Volunteering Australia is pleased to see more people engaged in volunteering, the act of volunteering should be an end unto itself. Those engaged in volunteering should be doing so of their own free will, rather than being forced to as part of a mutual obligation requirement.

Feedback from the volunteering sector suggests that the current jobactive model and mutual obligation requirements do not meet the needs of the unemployed.

“From my experience and seen firsthand in my current role; the present employment services (JobActive) does not do enough in supporting and finding work for people with disability, older and disadvantaged jobseekers.”

Volunteer Centre Coordinator, Volunteering Support Service, Western Australia

The adequacy and appropriateness of activities undertaken within the Annual Activity Requirement phase, including Work for the Dole, training, studying and volunteering programs and their effect on employment outcomes

Despite Volunteering Australia’s stance regarding mutual obligations, once a person makes the decision to volunteer, whether it is through jobactive as part of a mutual obligation requirement, they are still considered a volunteer. As one volunteer coordinator stated:

“We want more people walking through the door. It doesn’t matter what brought them here.”

Elizabeth, Swan Volunteer Resource Centre, Western Australia

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Volunteering Australia believes volunteering encourages economic participation, builds work skills, and is a genuine pathway to employment. Volunteering Australia's report on *The Value of Volunteering Support Services* demonstrates that 75 per cent of volunteer contacts result in successful placements, while Volunteering Support Services enabled nearly 12.3 million hours of volunteering in the last year.^{xxv}

"For the past 18 months, I have been managing a Work for the Dole Program – in fact we are the most successful host in South Australia for transitioning attendees into real jobs. In the program, we are training attendees to be motivated to get to work (on time) and to learn teamwork, computer skills, scanning skills, filing skills as well as providing encouragement, support, help with resume, counselling to make them more interview savvy and to deal with the many issues including mental health."

Work for the Dole Volunteer, Glenelg North Community Centre, South Australia

"The opportunity to volunteer is transformative, with this cohort, as individuals, are given the chance to actively contribute to their community and to be the best versions of themselves. The depth of knowledge, life and work experience and skills from this group is invaluable..."

Manager of Volunteers, Barwon Region

However, it is important to note that place-based services such as Volunteering Support Services, frequently use their local knowledge to assist jobseekers to find a volunteer role with a pre-approved Volunteer Involving Organisation. This interaction occurs within the existing resources, staffing capacity and funding of the Volunteering Support Service.

Research provided by the Department of Jobs and Small Business shows that JobActive provider consultant turnover is approximately three times the national average, making it problematic to provide high quality, and tailored services, particularly for disadvantaged jobseekers.^{xxvi}

"Contracting private companies for this has also eroded the option of enabling any care for the individual's needs."

Erica, Esperance Volunteer Resource Centre, Western Australia

Volunteering Australia emphasises it is vital to consider the positive employment outcomes enabled by volunteering as a pathway to employment, and the key role Volunteering Support Services play to achieve this. Feedback received from City of Kwinana Volunteer Centre reinforces this, with a volunteer stating:

"You have done more for me, and my self-esteem than all my time with my JobActive provider."

Volunteer Centre Coordinator, Volunteering Support Service, Western Australia

The funding of jobactive, including the adequacy of the 'outcome driven' funding model, and the adequacy of this funding model to address barriers to employment

At present, the current funding model of jobactive has a strong focus on operational 'outputs' as opposed to 'outcomes'. The current model has a direct link to the compliance system with participants unable to exercise choice in their employment outcomes. Instead, employment services administering jobactive are focused on compliance with activity requirements, as opposed to gainful, long-term employment outcomes.

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Feedback from a Volunteering Support Service supports a funding model that is fit-for-purpose rather than a one size fits all approach.

“I would encourage the system to enable the face-to-face, wrap around options of those with higher needs. For individuals to be treated like individuals rather than trying to work a one size fits all. For the encouragement of not-for-profits within this space, rather than organisations looking to make a profit – not-for-profits tend to be more people centred.”

Erica, Esperance Volunteer Resource Centre, Western Australia

Volunteering Australia reiterates that it is not only important to invest in programs that facilitate employment such as jobactive, but also essential to properly fund the services that support these programs. We reaffirm previous submissions that Volunteering Support Services require adequate financing to place participants as part of jobactive.

Volunteering Support Services are being overlooked despite their key role in addressing barriers to employment. These organisations frequently use their local knowledge to assist mutual obligation participants to find a volunteer role with a pre-approved Volunteer Involving Organisations. This interaction is done completely within the existing resources and funding of the Volunteering Support Service.

Volunteering Australia recommends that Volunteering Support Services should be adequately resourced and recognised as part of jobactive, given the important role they play in improving employment outcomes. The lack of acknowledgement supports a narrative on a focus on stronger outputs and less of focus on outcomes.

Alternative approaches to addressing joblessness

Volunteering Australia suggests the resourcing of Volunteering Support Services and Volunteer Involving Organisations to run purpose-driven volunteering programs for jobseekers as an alternate approach to facilitate positive employment outcomes for potential jobseekers.

We reiterate previous calls that a program should be introduced to explore genuine opportunities to assist people into employment, while programs such as PaTH and jobactive should be reconsidered or replaced. Volunteering is a key path to employment and should be considered as a legitimate alternate for any new program. We also recommend that the program should provide subsidised placements in roles within the community and not-for-profit sectors.

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Recommendations

- Recognition of the role of volunteering as a pathway to paid employment
- Volunteering Australia recommends that Volunteering Support Services should be adequately resourced and recognised as part of jobactive, given the important role they play in improving employment outcomes.
- Purpose-driven volunteering programs for jobseekers as an alternate approach to facilitate positive employment outcomes for potential jobseekers.
- A program should be introduced to explore genuine opportunities to assist people into employment, while programs such as PaTH and jobactive should be reconsidered or replaced. The new program should provide subsidised placements in roles within the community and not-for-profit sectors.

Conclusion

Volunteering Australia thanks the Senate Education and Employment Committees for the opportunity to provide a response.

As demonstrated, volunteering is critical in addressing joblessness by allowing individuals to engage with the workforce, build key employable skills and connecting them to career paths that are more stable. Volunteering Australia stresses that this inquiry should consider the role that Volunteering Support Services play in delivering employment outcomes through jobactive, and should recognise the need to invest and support both individuals and services in the volunteering sector to achieve positive outcomes

We look forward to working with the Government to ensure that the benefits of volunteering as a pathway to paid employment are acknowledged and supported. Volunteering Australia would welcome further opportunity to consult or expand on any of our recommendations raised in this submission.

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Authorisation

This submission has been authorised by the Chief Executive Officer of Volunteering Australia.



Ms Adrienne Picone

Chief Executive Officer

Endorsements

This submission has been endorsed by the seven State and Territory volunteering peak bodies.

Glossary

VA	Volunteering Australia is the national peak body for volunteering in Australia. It works collectively with the peaks to deliver national, state and local volunteering programs and initiatives.
VIO	Volunteer Involving Organisations are organisations that engage volunteers as part of their workforce.
VSS	Volunteering Support Services (also known as Volunteer Resource Centres or Volunteer Support Organisations) provide place-based volunteer support services to volunteers and VIOs in their locality.

ⁱ United Nations Volunteers (2018), State of the World's Volunteerism 2018, <https://www.unv.org/sites/default/files/2018%20The%20thread%20that%20binds%20final.pdf>, pX

ⁱⁱ Australian Bureau of Statistics (2015), General Social Survey, Summary Results, Australia, 2014, <http://www.abs.gov.au/ausstats/abs@.nsf/mf/4159.0>.

ⁱⁱⁱ Ibid.

^{iv} Flinders University (2014), Volunteering worth \$290 billion a year, <http://blogs.flinders.edu.au/flinders-news/2014/10/31/volunteering-worth-290-billion-a-year>

^v IAVE (2014), Handbook: Youth volunteering as a Pathway to Employment, https://www.iave.org/iavewp/wp-content/uploads/2016/08/Youth-Handbook_Intro_Web.pdf

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- ^{viii} Ibid.
- ^{ix} Ibid.
- ^x Ibid.
- ^{xi} The Conversation (2017), Australia's Digital Divide is Not Going Away, <https://theconversation.com/australias-digital-divide-is-not-going-away-91834>
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- ^{xiii} Indicators of Community Strength in Victoria, op. cit., p17.
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- ^{xviii} Jastrzab, JoAnn, and others (2006), Serving Country and Community: A Longitudinal Study of Service in AmeriCorps. Cambridge, MA: Asbt Associates Inc.
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