Submission to the Inquiry into Workforce Australia Employment Services

March 2023

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Overview

Volunteering is an important pathway to employment and a meaningful activity through which job seekers connect with and contribute to their communities. Connecting people with meaningful and fulfilling opportunities to volunteer should be supported in government employment programs. However, a future employment services system should emphasise the voluntary nature of these activities, and should not require participants to volunteer to receive government payments. Participants should have the choice to volunteer as part of Workforce Australia, or a future employment services program, and volunteering should be acknowledged as a meaningful pathway to employment and as a valuable form of community participation.

The inclusion of volunteering in the employment services program should follow extensive consultation with the volunteer ecosystem on how volunteering should be incorporated and supported within the employment services system. It must also be accompanied by ongoing strategic investment in the common infrastructure required to support the referral and placement of volunteers.

Based on the evidence presented below on volunteering and employment, mutual obligations, and Workforce Australia, we make the following recommendations to improve the inclusion of volunteering in future employment programs:

1. Include participation in volunteering as an optional activity in future employment programs, ensuring that volunteering opportunities are supported and accessible to participants on their own terms.
2. Consult with the volunteering ecosystem on how to include volunteering and what resourcing is needed to support volunteering as an activity undertaken to fulfil mutual obligations.
3. Ensure organisations that provide common infrastructure to support volunteering, such as volunteering support services and other organisations that provide local volunteering support, are funded strategically for their role in the Workforce Australia system.

Introduction

About the Inquiry

The House of Representatives Select Committee on Workforce Australia Employment Services was established by a resolution of appointment that passed the House of Representatives on 2 August 2022. The Committee will present its final report by no later than 29 September 2023.¹

The Committee's formal remit is to inquire into and report on:

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¹ https://www.aph.gov.au/Parliamentary_Business/Committees/House/Workforce_Australia_Employment_Services/WorkforceAustralia
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- the implementation, performance and appropriateness of Workforce Australia Employment Services
- the extent to which Workforce Australia Employment Services delivers services in a way that is fair, leaves no one behind, respects individuals’ diverse needs, and supports jobseekers into secure work, in particular, its support for long-term unemployed and young people
- other matters in relation to Workforce Australia Employment Services.

About this submission

Volunteering Australia and the State and Territory volunteering peak bodies welcome the opportunity to provide a submission to the House of Representatives Select Committee on Workforce Australia Employment Services.

The Select Committee’s remit includes all activities and complementary programs that are part of the broader Workforce Australia service offer to jobseekers or employers. This includes Provider-led Voluntary Work and Participant-led Voluntary Work undertaken through Workforce Australia to fulfil mutual obligation requirements, which will be the focus of this submission. Where relevant to our recommendations, this submission also discusses Work for the Dole, a work experience program in which most participants are placed in not-for-profit organisations including those which involve volunteers.

This submission was drafted by Volunteering Australia in collaboration with the State and Territory volunteering peak bodies.

Volunteering and Workforce Australia

Volunteering is recognised in Workforce Australia Employment Services (Workforce Australia) as a valuable activity which can allow participants to gain important work-related skills and experience. For this reason, individuals connected to a provider under Workforce Australia may count voluntary work towards their mutual obligation requirements if their provider considers the voluntary work to be beneficial in giving them the necessary experience to help them into paid employment. Participant-sourced voluntary work is also a suitable activity that individuals in Workforce Australia, including those in Workforce Australia Online, may undertake as part of their mutual obligation requirements. Some participants may also be placed with volunteer involving organisations as part of the Work for the Dole program.

Provider-sourced and participant-sourced voluntary work are allocated points under Workforce Australia’s Points Based Activation System (PBAS). Participants in Workforce Australia may undertake voluntary work sourced by their provider for over 15 hours per week and accrue 20 points per week, or up to 15 hours per week and accrue 15 points per week. Participants in both Workforce Australia Services and Workforce Australia Online who undertake and declare approved

voluntary work they have sourced themselves can earn 5 points for 5 hours of participation (rounded up), up to a maximum of 10 points per month.\textsuperscript{4} Participant-sourced voluntary work must be genuine voluntary work with a not-for-profit organisation, must be approved by Services Australia,\textsuperscript{5} and must not be undertaken in a person’s own home.\textsuperscript{6} Workforce Australia Online participants who source their own voluntary work must record and report their own activity through their Workforce Australia homepage or mobile app.

Consultation with the volunteering ecosystem

Volunteering was included as a mutual obligation activity in the Workforce Australia system without consultation with the volunteering ecosystem. In the current system, neither the point allocations for volunteering nor the differentiation between “participant sourced” and “provider sourced”\textsuperscript{7} volunteering opportunities were designed with or effectively communicated to volunteers, volunteer involving organisations, peak bodies, volunteering support services, and other members of the ecosystem. This caused significant confusion for participants, for volunteer involving organisations, and for the volunteering peak bodies when the program commenced in July 2022.

The mutual obligation system is complex and not widely understood by volunteer involving organisations. This has created challenges under the previous jobactive system and the current Workforce Australia system, as organisations struggle to assist volunteers to undertake applicable roles, provide evidence of their volunteering, and report voluntary commitments through the system to be eligible for payments. If volunteering is to be promoted as a mutual obligation activity, this process should be streamlined, simple guidance should be communicated to support this change, and organisations should be provided with clear resources and training to support their volunteers to fulfil their requirements.

Volunteering to fulfil mutual obligations is a significant source of volunteers for many volunteer involving organisations. If mutual obligation requirements are reduced, then volunteer involving organisations may need to engage volunteers through other routes. The impact on these organisations must be considered alongside any changes to the employment services system. The involvement of employment services participants in not-for-profits and charities is discussed further in the section on volunteering and mutual obligations below.

If the Committee recommends, as in the \textit{Your Future Planning Interim Report on ParentsNext}, that reporting and participation requirements are radically reduced in a future program,\textsuperscript{8} volunteer involving organisations that currently engage people who volunteer to fulfil mutual obligations will also require support to adapt to a new model. The experiences of volunteer involving organisations

\textsuperscript{4} \textit{ibid}
\textsuperscript{5} https://www.servicesaustralia.gov.au/su462
\textsuperscript{6} Information provided to Volunteering Australia by the Australian Government Department of Employment and Workplace Relations in July 2022
\textsuperscript{7} https://www.workforceaustralia.gov.au/individuals/obligations/learn/points/earn-points
with employment services participants has been varied. While some, as highlighted in the New Employment Services Trial Evaluation Phase 1 Report,\(^9\) report challenges engaging volunteers who are required to participate, others rely on employment services participants to deliver services in their communities. Further, the requirement that volunteering to fulfil mutual obligations must not be undertaken in a person’s own home greatly limits the accessibility of volunteering and does not acknowledge changes in volunteer engagement, particularly since the start of the COVID-19 pandemic. To ensure these concerns are appropriately considered, the inclusion of volunteering in future employment programs should be designed in consultation with the volunteering ecosystem.

**Strategic investment to support volunteering**

Volunteering across sectors requires fit-for-purpose infrastructure, including policy, research and data, systems, tools, and resources. Currently, the volunteering ecosystem is hindered by low investment in capacity and capability-building initiatives, which may limit the effectiveness of volunteering through Australia’s employment services system in the future.\(^{10}\)

Volunteering support services play a crucial role in facilitating safe, effective, and sustainable volunteering by connecting prospective volunteers to formal roles and supporting organisations to recruit, retain, and manage their volunteers. In the context of employment support services, this is primarily achieved by providing information and referral services to job seekers. In one example, a 2017 report found a select group of volunteering support services were shown to have enabled nearly 12.3 million volunteer hours across Australia. This volunteering was valued at $477.5 million and demonstrates the value-add of support services as an intermediary.\(^{11}\)

Funding of $4 million to boost up to 37 volunteering support services (also known as Volunteering Resource Centres) was recently announced by the Department of Social Services.\(^{12}\) The funds will be released over two years from 2022-23 and 2023-24 and will equate to $50,000 per organisation each year. Future funding decisions should aim to deliver more strategic and sustainable investment in common infrastructure for the volunteering ecosystem in alignment with Strategic Objective 3.3 of the National Strategy for Volunteering, to ensure that volunteering is supported across Australia by common infrastructure and continuous strategic investment.\(^{13}\)

**Volunteering and mutual obligations**

Volunteering provides a flexible option for jobseekers to undertake prevocational training, build skills, connect with the community, and ensure social supports. Research undertaken by

employment company SEEK found that 95 per cent of employers identify that volunteering is just as credible as paid work.\textsuperscript{14} Further, 92 per cent of employers identified that relevant volunteering experience gave a candidate an advantage in job interviews.\textsuperscript{15} Volunteering also creates opportunities to make new connections and to maintain existing skills while searching for paid work. A quantitative study from the US found that people who volunteered were 27 per cent more likely to find employment than those who did not volunteer.\textsuperscript{16} Connecting people with meaningful and fulfilling opportunities to volunteer should be supported in government policy.

However, requiring participants to engage in programs to receive a payment does not meet the definition of volunteering as “time willingly given for the common good and without financial gain.” Requiring participants to volunteer may also impact volunteering more broadly. Research suggests that participation in mandated volunteering can reduce intentions to volunteer in the future, potentially inhibiting volunteering rates in the long-term.\textsuperscript{17} Further research on volunteering to fulfil mutual obligations, or as part of employment programs more broadly, is needed to better understand its effect on volunteering in the Australian context. While volunteering is a key pathway to employment and enhances social connectedness, emphasis should be put on the voluntary nature of the activity, with no requirement for individuals to participate in volunteering.

Given these concerns, and the implications of compulsory participation for future volunteering, participation in all forms of voluntary work through the employment services system, as well as activities undertaken at not-for-profit organisations through the Work for the Dole program, should be voluntary. Participants should have the choice to volunteer through employment programs in the future, and volunteering should be acknowledged as a meaningful pathway to employment and as a valuable form of community participation.

Volunteer involving organisations and employment program participants

Many volunteer involving organisations are supported by the contributions of employment program participants in Australia. This includes those who chose to participate as volunteers in either Provider-led or Participant-led Voluntary Work, as well as those who are required to participate in the Work for the Dole program. The final evaluation of the jobactive program reported that there were 428,734 commencements in Work for the Dole activities between 1 July 2015 and 31 December 2018.\textsuperscript{18} While this is a work experience program and not a volunteering program, 87.3 per cent of these commencements were with not-for-profit organisations.\textsuperscript{19} The most common activities

\begin{itemize}
\item \textsuperscript{14}https://www.seek.com.au/career-advice/article/3-reasons-volunteering-can-put-you-ahead-of-the-pack
\item \textsuperscript{15}ibid
\item \textsuperscript{16}https://americorps.gov/sites/default/files/evidenceexchange/FR_2013_VolunteeringasaPathwaytoEmployment_1.pdf
\item \textsuperscript{18}https://www.dewr.gov.au/employment-research-and-evaluations/resources/evaluation-jobactive-final-report, 144
\item \textsuperscript{19}ibid
\end{itemize}
undertaken by these participants were gardening and property maintenance (24.8 per cent), retail (op shop store) (24.5 per cent), building and construction (17.8 per cent), and administration/office work (14.8 per cent).\textsuperscript{20}

More than 17,000 people volunteered to earn points under the Workforce Australia system in the second half of 2022. This includes 4,458 people in Online Services and 13,284 people in Provider Services who submitted Voluntary Work tasks or activities to meet their Points Based Activation System (PBAS) requirements between July and December 2022. Of these, the vast majority (99.5 per cent) were participant-sourced activities.\textsuperscript{21} Between Provider-led and Participant-led Voluntary Work and the Work for the Dole program, these numbers indicate that a substantial number of employment services participants support volunteer involving organisations in Australia. Any changes to Workforce Australia as a whole must consider how these organisations would be affected and ensure measures are in place to mitigate this impact.

**The National Strategy for Volunteering (2023-2033)**

The new National Strategy for Volunteering (2023–2033) is a ten-year blueprint for a reimagined future for volunteering in Australia. It is the first National Strategy for Volunteering in a decade, providing a strategic framework for enabling safe, supported, and sustainable volunteering. The National Strategy for Volunteering was developed through a 12-month co-design process with members of the volunteering ecosystem.\textsuperscript{22}

The initiatives recommended in this submission are based on the strategic objectives which emerged through the co-design process. In particular:

- Including participation in volunteering as an optional activity in future employment programs, ensuring that volunteering opportunities are supported and accessible to participants on their own terms aligns with:
  - Strategic Objective 1.3, to ensure that volunteers are engaged safely and ethically with appropriate supports in place to protect their safety, interests, and wellbeing.
- Consultation with the volunteering ecosystem on how to include volunteering and what resourcing is needed to support volunteering as an activity undertaken to fulfil mutual obligations aligns with:
  - Strategic Objective 3.3, to ensure that volunteering is supported across Australia by common infrastructure and continuous strategic investment.
- Ensuring organisations that provide common infrastructure to support volunteering, such as volunteering support services and other organisations that provide local volunteering support, are funded strategically for their role in the Workforce Australia system aligns with:


\textsuperscript{21} Data on volunteering to fulfil mutual obligation requirements under jobactive and Workforce Australia provided to Volunteering Australia by the Australian Government Department of Employment and Workplace Relations

\textsuperscript{22} https://volunteeringstrategy.org.au/the-strategy/
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- **Strategic Objective 3.1**, to ensure that governments are consistently considering the needs of volunteers and supporting volunteering through comprehensive policy and investment, and

- **Strategic Objective 3.3**, to ensure that volunteering is supported across Australia by common infrastructure and continuous strategic investment.

The implementation of these initiatives should be progressed with consideration of other relevant objectives of the National Strategy for Volunteering, namely:

- **Strategic Objective 1.1**: Focus on the Volunteer Experience
  - Volunteering opportunities facilitated through the employment services system should ensure volunteers have meaningful and enriching experiences, feel valued, and know how their contribution makes a difference.

- **Strategic Objective 1.2**: Make Volunteering Inclusive and Accessible
  - Resources developed on volunteering in the employment services system should be available and accessible to diverse groups, and should contribute to creating socially, culturally, and psychologically safe volunteering experiences.

- **Strategic Objective 2.1**: Diversify the Understanding of Volunteering
  - The inclusion of and support for volunteering in the employment services system should recognise volunteering happening in culturally specific contexts and find ways to better support diverse expressions of volunteering.

**Recommendations**

Based on the evidence presented on volunteering and employment, mutual obligations, and Workforce Australia, we make the following recommendations to improve the inclusion of volunteering in future employment programs:

1. Include participation in volunteering as an optional activity in future employment programs, ensuring that volunteering opportunities are supported and accessible to participants on their own terms.

2. Consult with the volunteering ecosystem on how to include volunteering and what resourcing is needed to support volunteering as an activity undertaken to fulfil mutual obligations.

3. Ensure organisations that provide common infrastructure to support volunteering, such as volunteering support services and other organisations that provide local volunteering support, are funded strategically for their role in the Workforce Australia system.
Authorisation

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

Mr Mark Pearce
Chief Executive Officer

Endorsements

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

About Volunteering Australia

Volunteering Australia is the national peak body for volunteering, working to advance volunteering in the Australian community. The seven State and Territory volunteering peak bodies work to advance and promote volunteering in their respective jurisdictions and are Foundation Members of Volunteering Australia.

Volunteering Australia’s vision is to promote a strong, connected, and resilient Australian community through volunteering. Our mission is to lead, strengthen, and celebrate volunteering in Australia.
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