

2020-21 Pre-Budget Submission

The Treasury
December 2019



Introduction

Volunteering is integral to the Australian way of life, our quality of living and the ability of various organisations and governments to serve our communities. Volunteering Australia welcomes the opportunity to provide a submission to advise the Treasury on how best to resource volunteering as it prepares the 2020-21 Federal Budget.

Volunteering is at the centre of Australia's national identity, with 31 per cent of the population engaging in formal volunteering activities and programs.¹ Volunteering does not just represent one sector or organisation; it extends across all areas of society. From the arts, education, emergency services, sports and environment to health, community welfare, aged care and disability; volunteering has woven itself into the fabric of everyday life, and Australian society is increasingly dependent on volunteering activities and programs.

Given the ubiquity of volunteers in every postcode of Australia, even modest investments in the volunteering sector leverages enormous benefits for communities. Research demonstrates that volunteering yields a 450 per cent return for every dollar invested.² Nationally, volunteering has an estimated annual economic and social contribution of \$290 billion.³ Investing in volunteering is not only value for money – but impacts a broad cross-section of government sector portfolios, organisations and communities.

Volunteering Australia defines volunteering as "time willingly given for the common good and without financial gain."⁴ While volunteers donate their time willingly, their contribution is not free. More widespread understanding is required of the critical role undertaken by managers of volunteers in the recruitment, induction, training, support, regulatory compliance and people management of volunteers. There are operational costs associated with delivering volunteering programs and this requires resource allocation, consideration of volunteering in policymaking, grants and funding, and investment. Effectively managing the volunteer workforce requires ongoing investment in sector capacity building and the enabling infrastructure that connects people to volunteer roles.

All of this takes place in a context of a modernising workforce. Digitalisation is changing the ways in which volunteering happens. Today's volunteers rightly have high expectations around being engaged, valued and well looked after. We need to contemporise the way we view the volunteer workforce and the means of connecting people to volunteer roles. It is incumbent on decision-makers to understand these developments and fund investments in the volunteering sector accordingly.

The following pre-budget submission outlines several ways to strengthen the key infrastructure that supports and facilitates the volunteering sector and offers ways to better capitalise on opportunities provided by volunteering time and goodwill. By following these recommendations, the Australian Government will help to provide security for the volunteering sector and continue to grow a culture of giving in Australia.

Recommendations in this submission

The proposals put forward by Volunteering Australia in this pre-budget submission are the result of consultation with volunteers, managers of volunteers, Volunteer Involving Organisations, Volunteering Support Services, our State and Territory peak partners and civil society.

Proposed Budget Measures and Priorities

1. Valuing the volunteering contribution

- i. Launch an Australian Government Volunteering Statement (\$30,000).
- ii. Commission a State of Volunteering in Australia Report (\$250,000).
- iii. Launch National Volunteering Awards in 2020 (\$110,000).

- 2. Maintaining the supporting infrastructure that facilitates the volunteering sector**
 - i. Investment of \$250,000 (and \$100,000 p.a.) to enhance online volunteer recruitment tools.
 - ii. Ongoing maintenance and development of the Volunteering Resource Hub (\$80,000 p.a.).
 - iii. Restore Volunteer Grant funding allocation to 2010 levels of \$21 million p.a.
- 3. Review volunteering services that are supporting pathways to employment and invest in pre-employment programs (Reallocation of funding).**
- 4. Resource volunteering in aged-care by expanding Commonwealth Home Support Program sector development funding to all states and territories (Costs to be determined in accordance with the Commonwealth Home Support Program Sector Support and Development funding model).**
- 5. Continue Equal Remuneration Order (ERO) supplementation and build additional funding into the base of affected grants (Estimated at \$566 million in 2021/2022).**

1. Valuing the volunteering contribution

Whether it is directly or indirectly, every Australian benefits from the volunteer workforce, not to mention the strong social, health and community benefits that volunteers themselves gain from the act of volunteering. Governments and a multitude of organisations need volunteers to provide services to the communities they serve. It is vital that this contribution is valued accurately (through a strong evidence base) and recognised accordingly (by acknowledging the work of volunteers and through investments to support the sector).

1) i. Launch an Australian Government Volunteering Statement

Volunteering Australia calls on the Australian Government to co-design a National Volunteering Statement with the volunteering sector. A whole-of-government Volunteering Statement is a clear step towards a more comprehensive and strategic approach to supporting the volunteer workforce. By showing strong leadership and articulating a vision for the volunteering sector, a Volunteering Statement will help guide departmental action and investments over the long term.⁵

A National Volunteering Statement would include:

- Formal recognition of the enormous contribution that volunteers make to our organisations, communities, economies and government programs. This should incorporate whole-of-government support (including from other government Ministers and Departments) for volunteers and Volunteer Involving Organisations that deliver services and programs, promoting greater consistency and alignment between government departments.
- The principles underlying the Government's commitment to support and enable the volunteering sector.
- A commitment to ensuring the long-term sustainability of the volunteering workforce and supporting the sector through major transitions (such as sector reforms led by government, as in the aged care and disability sectors, or demographic shifts and the changing nature of work).

Cost: \$30,000 for costs to Volunteering Australia to undertake robust consultation with the volunteering sector.

1) ii. Commission a State of Volunteering in Australia Report.

Volunteer Involving Organisations and governments alike benefit from a consistent evidence base of the value of volunteering (including the return on investment) for budget allocations, grant applications and developing business cases.

In various state and territories, governments and volunteering peak bodies have produced reports on the state of volunteering. For example, the State of Volunteering Report Tasmania 2019 explores the characteristics of volunteers, Volunteer Involving Organisations and the economic, social and cultural value of volunteering.⁶ The report included

many important finding, including that the volunteering contribution over a year to Tasmania, "was \$4 billion dollars, this includes the \$3 billion it would cost to replace the labour volunteers contribute to our state as well as \$1 billion in commercial and civic benefits contributed through volunteering."⁷

Information collected by the Australian Bureau of Statistics, such as the Census and the General Social Survey, provide valuable sources of information and are widely used.⁸

However, gaps and inconsistencies in the evidence base about volunteering remain from state to state, particularly in the jurisdictions which have not been resourced to commission in-depth research. As a whole, the sector needs more nationally consistent and comprehensive information to understand the value of volunteering and to ensure it can flourish.

The State of Volunteering report would include:

- Population-based survey to explore the characteristics of volunteers and volunteering.
- Surveying of Volunteer Involving Organisations across all sectors to understand the characteristics of organisations.
- Modelling (including financial modelling, input/output analysis and econometric analysis) to determine the economic social and cultural value of volunteering to the nation.

The report would provide a national profile as well as state-based reporting to highlight the variation in volunteering across the nation.

Further reporting of this kind assists the volunteering sector with workforce planning and adaptation to emerging trends.

Cost: \$250,000

1) iii. Launch National Volunteering Awards in 2020.

All jurisdictions of Australia hold volunteering awards to recognise high achievement of volunteers and outstanding volunteer programs. Strong recognition of the contribution of the unpaid workforce is vital for an effective and thriving volunteering sector.⁹

Volunteering Australia seeks funding from the Australian Government to re-establish annual National Volunteering Awards in 2020. These awards would follow on from state and territory ceremonies, with award winners at state level invited to be recognised nationally.

A prestigious ceremony at Parliament House presented by well known, senior Government leaders, would not only be of value to celebrate and encourage individual achievements, but will also raise the profile and promote the value of volunteerism in Australia. This will help Volunteer Involving Organisations to attract and retain volunteers who are generally highly motivated by recognition in exchange for their valuable work.

Funding for the delivery of the Awards would cover event management, travel and accommodation for nominees plus their guest, and funding to showcase award nominees or winners with professionally produced video profiles.

Cost: \$110,000 for event management, travel and accommodation for nominees and guest and videography of award recipient for wider promotion.

2. Maintaining the supporting infrastructure that facilitates the volunteering sector

2) i. Investment of \$250,000 and \$100,000 p.a. to enhance online volunteer recruitment tools.

VIKTOR is a national volunteer recruitment system used by over 10,000 Volunteer Support Services and Volunteering Involving Organisations across Australia to recruit and manage volunteers. The platform powers multiple sites, including the State and Territory volunteering peak body websites, GoVolunteer, SEEK Volunteer and over 40 search widgets on Volunteering Support Service websites. These partnerships and networks attract over 2 million visits from potential volunteers each year.

However, as the sector evolves and grows, enhancements are required to ensure functionality is up to date with user expectations. In addition, ongoing maintenance is required to remain relevant and useful to users.

We are seeking priority funding to ensure disadvantaged communities and the broader Australian public are able to locate volunteer positions through an ethical, well-recognised and effective source of genuine and pre-approved Volunteering Involving Organisations.

Volunteering Australia estimates the cost of system enhancements to existing recruitment tools to be approximately \$250,000, with ongoing maintenance costing approximately \$100,000 p.a.

Investment in online platforms enhances the core infrastructure that supports the volunteering sector. Such investments could also be tailored to synergise with other initiatives in this submission, such as pre-employment programs see (see Section 3).

Cost: \$250,000, with ongoing maintenance costing approximately \$100,000 p.a.

2) ii Ongoing maintenance and development of the Volunteering Australia Resource Hub

Volunteering Australia is establishing an online Volunteering Resource Hub ('Resource Hub') that will house a collection of current best practice resources, research and information for use by Volunteer Involving Organisations, Volunteering Support Services, policy makers, researchers and other stakeholders with an interest in volunteering and volunteer management.

The Volunteering Resource Hub will be a centralised repository of best practice resources, which will assist to promote nationally consistent, best practice in volunteering. The Resource Hub is not designed to duplicate information already available, but rather bring together a suite of resources that are aligned with the National Standards for Volunteer Involvement to be used by the volunteering sector.

Following its launch in May 2020, additional funding for ongoing maintenance and improvements will ensure the volunteering sector leverages the maximum benefits from the Resource Hub.

Cost: \$80,000 including staffing and on-costs.

2) iii. Restore Volunteer Grants funding allocation to 2010 levels of \$21 million p.a.

Volunteer Grants are aimed at supporting Australia's volunteers, with grants of between \$1,000 and \$5,000 provided to organisations and community groups to assist their volunteers to purchase equipment, for training or for fundraising.

In the last decade the volunteering sector has seen an ongoing reduction to the quantum of Volunteer Grants. While \$21 million was allocated to Volunteer Grants in 2010, this was reduced to \$16 million in 2011-13, \$20 million in 2015 (a combined 2014-15 round), and then \$10 million in 2016. \$20 million for volunteer grants was available in 2018-19 which represented a combined allocation from the 2017-18 (which was not administered).¹⁰

Volunteer Grants are an effective means of stimulating volunteering in local communities and supporting service provision where they are most needed. The grants, while only representing a small nominal value for the Federal Budget, make a large difference to the operation of small community and cause-based Volunteer Involving Organisations and the volunteer workforces they engage.

The feedback provided to grant applicants of the 2018 Volunteer Grant round stated that there was a high standard of applications and a very competitive selection process.¹¹ This indicates a high demand from community organisations in need of these small and flexible grants.

Volunteering Australia reiterates the importance of Volunteer Grants to local community organisations, notes that there is widespread support for the grants and recommends that they are restored (at minimum) to previous levels of funding with ongoing indexation.

A key guiding principle for the volunteering sector is that people should not be out of pocket because of their volunteering activities. Lack of money can be a major barrier to people accessing volunteering opportunities,

which can be exclusionary for many people. In general, a lack of access to volunteering opportunities is socially and economically inequitable.

Survey feedback from Volunteer Involving Organisations for this submission also raised a need for petrol vouchers to support volunteers travelling to and from the organisation (which is particularly challenging for organisations in rural and remote areas) and further scope to fund training opportunities, including attending conferences. This suggests the guidelines and scope of the grants should be revisited and potentially expanded.

Cost: \$21 million p.a. (as per 2010 levels of funding) plus ongoing indexation.

3. Review volunteering services that are supporting pathways to employment and invest in pre-employment programs

Volunteering is a common pathway to employment and leads to improved employment outcomes. It is well established that volunteering helps job seekers to network, develop skills, gain work experience and is viewed favourably by employers.

Recent SEEK Volunteer research found that:

- 95 per cent of employers believed that volunteering can be a credible way of gaining real-work experience to add to your resume;
- 85 per cent of recruiters believe that volunteering is just as credible as paid work as long as it is relevant to the role or industry the person works in; and
- 92 per cent of employers said that relevant volunteer experience gives candidates an advantage in job interviews.¹²

The Volunteer Management Activity supports the delivery of volunteer support services and one-off innovation and collaboration projects to encourage, support and increase participation in volunteering. Volunteering Support Services provide volunteering information and support to individuals, volunteers, managers of volunteers and Volunteer Involving Organisations. These services are located in metropolitan and regional areas across Australia. \$19.95 million in funding is dedicated to the Volunteer Management Activity from 1 January 2018 until 30 June 2021.¹³

Volunteering Support Services frequently use their local knowledge to assist mutual obligation participants to find a volunteer role with pre-approved Volunteer Involving Organisations. However, this interaction is done completely within the existing resources and funding of Volunteering Support Services. In short, these organisations are not funded to carry out this function.

We recommend that the Australian Government undertakes a review to cost the placement services currently provided by Volunteering Support Services, but attributed to jobactive providers. This should include an audit of the number of placements made by Volunteering Support Services and a valuation of the cost of providing placement services for mutual obligation participants. Ultimately this should lead to service agreements which clearly delineate responsibilities of client placements between Volunteering Support Services and jobactive providers and which resources each sector accordingly.

Within the existing framework, the Government should actively consider investing in programs and services that facilitate volunteering as a pathway to paid employment. For example, the Youth Jobs Prepare, Trial Hire (PaTH) program should be replaced with a program better prepares and assists people into employment, including roles in the community and not-for-profit sectors.¹⁴

Further investment in the online platforms that facilitate volunteer recruitment (see Section 2.i.) could also be made to better support mutual obligation participants.

Cost: Reallocation of existing funding, to be determined by review.

4. Resource volunteering in aged-care by expanding Commonwealth Home Support Program sector development funding to all states and territories.

Volunteerism is a critical component of a quality aged care system in Australia. A 2017 Senate inquiry report into the Future of Australia's aged care sector workforce found that 83 per cent of residential facilities and 51 per cent of home care and home support outlets utilise volunteer staff.¹⁵

An estimated 44,879 volunteers working in home care and home support provided 206,531 hours of service in a designated fortnight in 2016.¹⁶ This equates to an average of 29 volunteers per outlet indicating involvement of volunteers, with each volunteer averaging 4.6 hours for the fortnight.¹⁷ At the same time, 23,537 volunteers provided 114,987 hours of care to older Australians in residential facilities.¹⁸ These figures are out of a workforce of 366,000 aged care workers.¹⁹

Volunteers also contribute in a qualitatively distinct way that cannot always be replicated by paid staff, contributing through activities such as respite care assistance, planned group activity assistance, companionship and befriending.²⁰

With the Australian Government's \$500 million response in November 2019 to the Royal Commission into Aged Care Quality and Safety, it is acknowledged that changes need to be made and resourcing needs to be improved to ensure a higher standard of service provision and care. Treasurer Frydenberg in November 2019 also separately noted that a growing and aging population is one of the "mega-trend" challenges facing Australia.²¹

While volunteers are an important part of the aged care workforce, the management of volunteers is a specialised form of management and is not equivalent to the management of paid staff. Ongoing sector development and capacity building is required to ensure best practices in volunteer management are being used. This is one of the many reasons for why it is essential to ensure the right policy settings and funding arrangements are in place, which do not overlook the role of volunteering into the future.

Currently Volunteering SA&NT and Volunteering Tasmania provide sector capacity building and support to Volunteer Involving Organisations, funded by the Commonwealth Home Support Program (CHSP). This funding enables these volunteering peak bodies to support managers of volunteers and other staff involved in volunteer programs in service provider organisations, with volunteer management training using the National Standards for Volunteer Involvement as a framework. This is one of the best means of ensuring safe and effective volunteer management practices are adopted.

KPMG is currently reviewing the Sector Support and Development funding within the Commonwealth Home Support Program. Volunteering Australia recommends that volunteering support be covered nationally in the CHSP Sector Support and Development Funding, and that this funding flow to each of the State-based Volunteering Peak Bodies, who are the experts in volunteering to ensure the highest quality of aged care is available in all communities in Australia.

Cost: As per the Commonwealth Home Support Program Sector Support and Development funding model.

5. Continue Equal Remuneration Order supplementation and build additional funding into the base of affected grants.

The Equal Remuneration Order (ERO) supplementation has delivered additional funding to community sector organisations since 2012 in the form of the ERO supplementation payments. This payment has been delivered to community sector organisations through a landmark ruling by the Fair Work Commission in 2012 that sought to address wage inequity in the community sector.

The payment is provided to organisations with programs commencing prior to 2012 to meet higher wage costs that they have incurred as a result of the 2012 Equal Remuneration Order. Organisations with programs commencing after 2012 have had the ERO costs factored into their grant.

The ramifications of funding for the Equal Remuneration Order supplementation extend further than the volunteering sector. However, many community sector organisations and service providers manage volunteer workforces and are affected by government decisions of funding. Without the ERO supplementation there will be cuts to community services across the community sector.

Volunteering Australia supports our sector partners calling for an Australian Government funding response to fill expected gaps in funding. Volunteering Australia shares concerns that the federal government will no longer pay the ERO supplementation from 2021/22. We are also concerned that the base rate of grants affected will not increase to automatically include the supplementation. This will essentially deliver a funding cut to affected community sector organisations.²²

Cost: Estimated at \$566 million in 2021/2022 (Australian Council of Social Services indexed estimate).²²

Conclusion

Volunteering Australia thanks the Treasury for the opportunity to provide a submission to the 2020-21 Budget. We stress that targeted investment in the volunteering sector is an opportunity to amplify the positive work being carried out to support key Government priorities and to grow a culture of giving in Australia.

We look forward to working with the Government to ensure that the social, economic and cultural contributions of the volunteering sector is acknowledged and supported, through ongoing funding, recognising the value of volunteering as a cross-portfolio activity, and the vital role of volunteering in high quality service delivery.

Volunteering Australia would welcome further opportunity to consult or expand on any of our recommendations raised in this submission.

Authorisation

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

A handwritten signature in blue ink, appearing to read "Adrienne Picone".

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. We work 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.

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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.

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