

The Future of Employment Services
Department of Jobs and Small Business
August 2018

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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 Department of Jobs and Small Business on *The Future of Employment Services*.

Volunteering is at the centre of Australia's national identity, with 5.8 million Australians or 31 per cent of the population engaging in formal volunteering activities and programs. There is strong evidence that reinforces the economic impact of the contribution of volunteering. Volunteering delivers a \$4.50 return for every dollar invested. Research demonstrates that volunteering yields a 450 per cent return for every dollar invested. Nationally this is an estimated annual economic and social contribution of \$290 billion.

In this submission Volunteering Australia outlines that as we explore the future of employment services, it is important to consider the role of volunteering in providing a critical pathway to employment.

As US secretary of Labor Hilda L. Solis suggested, "...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."

Volunteering Australia will also discuss how Volunteering Support Services play a vital and often undervalued role in employment services, the need to improve online services and how volunteering produces better job outcomes for disadvantaged jobseekers.



### Volunteering Australia Response

#### Volunteering as a Pathway to Employment

Changes to the labour market, including the casualisation of the workforce, job insecurity, and a decline in wage growth has caused financial hardship for many people. The number of unemployed and underemployed Australians has increased, with recent data from the Australian Bureau of Statistics indicating there is only 1 job available for every 10-people looking for paid work. vi

It is the view of Volunteering Australia 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. Volunteering Australia's 2016 State of Volunteering in Australia report outlined that gaining skills and experience was one of the top reasons that people chose to volunteer.

Globally, the volunteer workforce sits at 109 million full-time equivalent workers. Of this, 30 per cent of volunteering occurs formally through organisations, institutions and groups.<sup>ix</sup> 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 paid workers.

Research supports the potential of volunteering as a pathway toward paid employment. 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. Additional 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). You want to gain experience (especially for first-time job seekers).

"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

Volunteers gain valuable skills and develop personally and professionally from their involvement in volunteering activities, with research indicating those who volunteer are happier and healthier individuals. xii In fact, 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. Recent studies have also indicated that 96 per cent of volunteers state engaging in volunteering "makes people happier" while 95 per cent of volunteers said that volunteering is related to feelings of wellbeing.

In fact, only a few hours of volunteer work has an impact on an individual's happiness and mood, and sustained volunteering is associated with better mental health.xvi The experience of helping others provides meaning, a sense of self-worth, a social role and health enhancement.xvii Volunteers have also acknowledged, "improved wellbeing and a community connection, and (they) believe they have made a notable contribution to common good." xviii

The relationships developed through volunteering can also assist community members to develop skills and connections required for formal employment. \*\*xixxx\*\* 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."\*\*xxi



#### **Disadvantaged Communities**

Volunteering Australia underscores that strategies are required to address systemic disadvantage, that can prevent specific cohorts of the population from engaging with the labour market. Volunteering can play a significant role in assisting people from disadvantaged backgrounds to gain entry to the labour market and build key employable skills. 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 in finding employment, such as discrimination.

The 2016 Willing to Work National Inquiry into Employment Discrimination Against Older Australians and Australians with Disability found that "People aged 55 years and over make up roughly a quarter of the population, but only 16% of the total workforce." Similarly, the report highlighted that "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..." XXIV

"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

Many Volunteer Involving Organisations across the country deliver targeted programs aimed at empowering diverse population groups with specific needs. For example, Volunteering and Contact ACT runs the Inclusive Volunteering program that assists people who are identified as having a barrier with connecting with their community or securing paid work. Volunteering Australia emphasises that adequate recognition of the value of volunteering needs to be applied, given the enormous social, cultural and economic benefits it offers to the Australian community.

A survey conducted by the Human Rights Commission in 2015 revealed that those who had reported experiencing age discrimination, gave up looking for work entirely.\*\* 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.\*\* The impact of this can include involuntary early retirement, unemployment or long-term unemployment, social exclusion and the outdating of work-related skills.\*\* XXVIII

Volunteering can be an effective method of assisting people with gaining entry into the workforce. People from non-English speaking backgrounds have attributed significant skills development to volunteering, highlighting they felt more patient and confident. Similarly, people who indicated they were Aboriginal or Torres Strait Islander stated volunteering allowed them to improve their resourcefulness, attention to detail, and confidence. XXVIII

Feedback received from City of Kwinana Volunteer Centre reinforces this, with the Volunteer Centre Coordinator 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



#### Value of Volunteering Support Services in Employment Services

Place-based services, such as Volunteering Support Services, provide the critical infrastructure required for safe, effective and sustainable volunteering. They are responsible for the promotion, resourcing and support of volunteering in local communities, and assist thousands of organisations across the country to recruit, retain and manage their volunteers.

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.<sup>xxix</sup>

However, there is tension in the relationship between JobActive providers and Volunteering Support Services, who frequently use their local knowledge to assist jobseekers to find a volunteer role with a preapproved Volunteer Involving Organisation. This interaction occurs within the existing resources, staffing capacity and funding of the Volunteering Support Service.

Feedback from Swan Volunteer Resource Centre in Western Australia noted that while they don't receive any funding to place participants, they view their role as essential to assisting local rate payers who were reliant on the services provided by volunteers.

"We promote volunteering as a pathway to employment. I think we have to follow through on that." Elizabeth, Swan Volunteer Resource Centre, Western Australia

Some Volunteering Support Services have highlighted that JobActive providers have tried to obtain client outcomes by channelling them through their organisations. Volunteering Support Services have attempted to counter this by introducing fees for their services, however JobActive Providers cease contact when fees are suggested.

Other issues include JobActive Providers trying to obtain information from Volunteering Support Services, including lists of open volunteering opportunities and roles, and contact sheets of local Volunteer Involving Organisations. This has the propensity to damage the business model of Volunteering Support Services, with primary business subsisting around linking people with prospective volunteering opportunities.

Volunteering Support Services also raised that volunteers contacted them directly, with JobActive providers pre-screening participants or pre-filling client details. However, these volunteers are not always suitable for volunteer roles. For example, they may have a criminal conviction or not have a working with children check. Volunteering Australia recommends better screening by JobActive Providers and improved communication between the agencies to streamline processes.

Research provided by the Department of Jobs and Small Business shows that JobActive provider consultant turnover is almost three times the national average, which makes it difficult to provide high quality, and tailored services. This is particularly the case for disadvantaged jobseekers but extends to others as well.xxx

"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 raises concerns at these figures, particularly given the personal and hands-on service provided by Volunteering Support Services. It is vital that there is consideration of the key role and positive outcomes enabled by Volunteering Support Services in the future of employment services.

"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

Any changes to employment services need to consider the interaction that Volunteering Support Services have with the current system, their value and impact for future adaptation. Volunteering Australia emphasises that changes should not harm the business model of Volunteering Support Services. It is imperative that there is adequate consultation and collaboration with the sector, and that changes are made to ensure that the current system does not exploit Volunteering Support Services.

#### **Investment in Volunteering**

It is vital to invest in programs and services that facilitate volunteering as a pathway to paid employment. This includes the adequate financing for Volunteering Support Services to place participants as part of their Mutual Obligation requirements.

Volunteering Support Services 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. Therefore, Volunteering Australia recommends that Volunteering Support Services should be adequately resourced and recognised, given the important role they play in improving employment outcomes.

Volunteering Australia also stresses that adequate resourcing of Volunteering Support Services and Volunteer Involving Organisations to run purpose-driven volunteering programs for jobseekers would be another way to facilitate positive employment outcomes for potential jobseekers.

#### Work for the Dole

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 an activity requirement.

Volunteering Australia emphasises that forcing people to engage in programs under some form of compulsion does not meet the definition of "time willingly given, for the common good and without financial gain." Furthermore, making people engage in programs such as Work for the Dole, does little to improve future job prospects.

Anecdotal evidence indicates 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 is of the view 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

Despite the beforementioned issues, Volunteering Australia stresses that once a person makes the decision to volunteer, whether it is through the Work for the Dole program or as part of an activity 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

Volunteering Australia believes volunteering encourages economic participation, builds work skills, and is a genuine pathway to employment.

"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

#### Youth Jobs Prepare, Trial Hire (PaTH)

The Youth Jobs Prepare, Trial, Hire program is aimed at people aged under 25 years. The program contains three elements. The first phase – Prepare – aims to give young people employability skills. The – Trial – or second phase of the PaTH program allows the young person to engage in a voluntary internship placement of between 4 to 12 weeks. The final phase provides businesses with a wage subsidy to encourage them to hire, train and retain young job seekers.

Volunteering Australia reaffirms our position that the merits of a program that provides a subsidy to businesses to take on an unpaid intern, with no obligation to employ them after the period of employment, leaves the participant open to exploitation. Furthermore, while an internship is taken on in a voluntary capacity, successful completion of the PaTH program is contingent on mandatory completion of phase two (you need to be registered with JobActive), therefore it cannot be considered voluntary.

Volunteering Australia reiterates previous calls that the PaTH program should be replaced with a program that explores genuine opportunities to assist people into employment. 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.



#### Use of Technology

A future employment service must ensure that it is fit-for-purpose and keeps pace with technological advances. However, moves to digital modes of employment services present a range of access and equity complications, with significant consideration required on the varying levels of digital literacy skills.

Evidence gathered from Volunteering Support Services engaged in employment services has highlighted this as a key issue already being experienced, with some existing services failing to meet the mark.

"For those that lack the knowledge, education and computer literacy will continue to face challenges that were generally related to internet connectivity."

Volunteer Centre Coordinator, Volunteering Support Service, Western Australia

"They will need to ensure that adequate support is provided for those with low levels of digital literacy, having seen first-hand many individuals who have been instructed to carry out various tasks online, but just don't even know where to start."

Acting Manager Library Services, Volunteering Support Service, Western Australia

"Basing employment services to purely online services to help increase the competitiveness of jobseekers comes with a range of issues. (For example) the MyGov web-based service is not very good, and not very accessible."

Volunteer Centre Coordinator, Volunteering Support Service, Western Australia

Access to technology or the internet is another issue that needs to be considered, with people from low income households, older or culturally or linguistically diverse backgrounds, or from rural, remote or regional areas, facing additional barriers.

"There is clear evidence that being unemployed has an impact on mental health. Being unemployed not only is the loss of income, but also personal work relationships, daily structures, which are an important sense of self-purpose. By taking everything to an online process there is also a loss of social contacts and social networks."

Volunteer Centre Coordinator, Volunteering Support Service, Western Australia

A one-size fits all approach is not effective, and this is where place-based services, such as Volunteering Support Services, provide vital supports and services that empower volunteers.

"Many jobseekers are languishing without a connection to the web. Some lower-income jobseekers suffer in a variety of ways from the lack of access to technology or the internet. Many cannot even afford to have credit on their mobile phone."

Volunteer Centre Coordinator, Volunteering Support Service, Western Australia

Volunteering Support Services provide place-based, face-to-face, individualised approaches to placement of prospective volunteers, which contrasts with the service provided by some JobActive providers. A volunteer coordinator commented that:

"Giving other Job Service Providers extra money to services these areas is also not the answer — they do not know the area, they tend to work these as a fly in, fly out basis, occasionally, but more often, as a remote option. More not-for-profits in local areas may be best placed to provide this."

Erica, Esperance Volunteer Resource Centre, Western Australia



#### Recommendations

- Recognition of the role of volunteering as a pathway to paid employment
- Funding for Volunteering Support Services for the role they play in Employment Services
- Specific funding for Volunteer Involving Organisations and Volunteering Support Services to run volunteering programs that facilitate employment outcomes
- Better screening of participants by JobActive Providers and improved communication between the agencies to streamline processes
- Strategies to address systemic disadvantage prohibiting people from engaging with the labour market
- Replacement of the youth PaTH program with a program focused on how volunteering is a pathway to employment
- Ensure that any changes to Employment Services should not harm the business model of Volunteering Support Services
- Ensure there is proper consultation and collaboration with the volunteering sector given the role they already play in facilitating employment outcomes
- Consideration of varying levels of digital literacy when using technology in employment services

#### Conclusion

Volunteering Australia thanks the Department of Jobs and Small Business for the opportunity to provide a response.

Volunteering Support Services and Volunteer Involving Organisations have been working the area of employment services for a long period of time, and any review should consider the role these organisations play in employment services. Volunteering Australia stresses that this review into the future of employment services must consider the role volunteering plays as a pathway to employment, as well as recognise the need to adequately fund services in the volunteering sector to continue this work.

We look forward to working with the Government to ensure that the social, economic and cultural benefits of volunteering are acknowledged and supported. 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.

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.

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

<sup>&</sup>quot;Volunteering Western Australia (2015), The Economic, Social, and Cultural Value of Volunteering to Western Australia, https://volunteeringwa.org.au/assets/downloads/vwa\_report%20book\_web.pdf "Ibid."

<sup>&</sup>lt;sup>iv</sup> 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

 $<sup>^{\</sup>rm v}$  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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- vii Indicators of Community Strength in Victoria, op. cit., p17.
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- <sup>xv</sup> Volunteering ACT (2013), Selfless Service: The State of Volunteering Report in the ACT, 2013, p6.
- xvi Post, S. G. (2011), op. cit., p816.
- <sup>xvii</sup> Musick, M. A. and Wilson, J. (2003), Volunteering and depression: the role of psychological and social resources in different age groups, Social Science and Medicine, vol. 56, p267.
- xviii Post, S. G. (2011), op. cit., p814.
- xix UNVolunteers (2018), State of the World's Volunteerism 2018,
- https://www.unv.org/sites/default/files/2018%20The%20thread%20that%20binds%20final.pdf, p39 <sup>xx</sup> Jastrzab, JoAnn, and others (2006), Serving Country and Community: A Longitudinal Study of Service in AmeriCorps. Cambridge, MA: Abt Associates Inc.
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- viii In 2009-10, people aged 55 years and over made up 16% of the total labour force, up from around 10% three decades earlier. Australian Bureau of Statistics, 2010, Australian Social Trends: Older people and the labour market Sep 2010, cat. no. 4102.0,

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