



**Volunteering Australia
2017-18 Federal Pre-Budget Submission**

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Budget Policy Division
Department of the Treasury

Volunteering Australia Contacts

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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 listed in Attachment A (**Peaks**) to deliver national, state/territory and local volunteering programs and initiatives in accordance with the Government's priorities.

Introduction

Volunteering Australia welcomes the opportunity to make a submission to the Treasury for their consideration as they prepare the 2017-18 Federal Budget.

Volunteering continues to play a role central to our identity as a nation, with 5.8 million Australians or 31 per cent of the population volunteeringⁱ, making an estimated annual contribution of \$290 billion to our economic and social goodⁱⁱ. At Volunteering Australia, we define volunteering as "time willingly given, for the common good and without financial gain"ⁱⁱⁱ; volunteers donate their time freely, but volunteering comes at a cost. The operational cost of delivering innovative and agile volunteering programs that respond to the needs of Australian society is increasing, and requires investment.

The volunteering sector in Australia currently faces a period of significant change and uncertainty as the Government prepares to review the primary source of funding for volunteer support services and volunteer management in this country, the Department of Social Services' Strengthening Communities Grants program. This review was announced as part of the 2016-17 Federal Budget and, whilst this announcement came as a surprise to the sector in the wake of very recent reforms to the Department of Social Services' grants program through *A New Way of Working*, it does follow significant feedback from the sector reflecting our concerns around the uncertainty of funding to the important programs we deliver. For our own part, Volunteering Australia argued in both our submission to the *Senate Inquiry into the Impact on Service Quality, Efficiency and Sustainability of Recent Commonwealth Community Service Tendering Processes by the Department of Social Services*^{iv} and in our Pre-Federal Budget 2016-17 Submission to the Treasury^v that the current situation of the Volunteer Management Grants program is untenable and that longer-term funding must be provided in order to foster greater certainty and resilience in local place-based volunteer support services. To that end, Volunteering Australia recognises that a review of the Strengthening Communities program can and should act as a positive step in principle. At the same time, we remain fiercely committed to, and will work toward ensuring consultation with the sector that takes place in a way that is robust and actionable.

In addition, the volunteering sector is being asked to evolve and grow in the face of a surveyed national decrease in volunteer participation – from 36% in 2010 to 31% in 2014 – coupled with an increase in demand for the services that volunteers provide. In our 2016-17 Federal Pre-Budget

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Submission, we highlighted in particular the increased demand for volunteer support in disability support services as the NDIS rolls out, as well as in the aged care workforce. In 2016 we continued to discuss these issues in our submission to the NDIS Information, Linkages and Capacity Building Commissioning Framework Consultation^{vi} and many of our State and Territory volunteering peak partners made submissions to the Senate Inquiry into the Future of Australia's Aged Care Workforce^{vii}. Now, programs such as Work for the Dole, Mutual Obligation and the proposed PaTH internships program promise to place further strain upon local volunteer support services who facilitate the placement of volunteers. Whilst Work for the Dole, Mutual Obligation and PaTH do not meet Volunteering Australia's definition of volunteering, DSS funded volunteer support services partner with these programs to place locals in relevant roles, and the emergence of new programs such as these places strain on existing services and the role that they play within communities.

In this submission:

1. we provide an overview of the funding decisions that have been made over recent years that have led us to this point, and the impact that these decisions have had on the ability of the volunteering sector to thrive
2. we discuss the upcoming review of the *Strengthening Communities* Grants program and our priorities for the new program, *Strong and Resilient Communities*, which we understand will commence from 1 January 2018
3. we discuss the ways in which volunteering responds to the Government's stated priorities, in particular in the area of Jobs and Growth, a field in which we see volunteering acting as an important partner
4. we also seek further support to continue to deliver innovative volunteering programs that are accessible to Australians from all walks of life.

Throughout, we make a series of recommendations which we believe will further strengthen the Government's commitment to volunteering, whilst also greatly strengthening the work of the sector.

Summary of proposed Budget measures

The proposals set forward by Volunteering Australia in this Budget submission are the result of extensive ongoing consultation with volunteers, volunteer managers and volunteer involving and volunteer support services. They are as follows:

1. That responsibility for oversight of volunteering return to the Department of Prime Minister and Cabinet, in recognition of the fact that volunteering touches every section of Australian society including, but not limited to education, emergency services, sport and recreation, arts and heritage as well as the social services.
2. In designing the new *Strong and Resilient Communities* Grants program, efforts should be made to make reporting as transparent as possible, with new and separate programs listed as distinct from one another. For example, it should have been possible to differentiate between programs funded under the Innovation and Collaboration program as distinct from the general Volunteer Management program so that organisations were aware which

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- projects were “one off” projects and which might be expected to have the opportunity to continue.
3. That the Prime Minister’s Community Business Partnership be restructured to address the current imbalance in representation between philanthropic/charitable giving and volunteering, and to allow the volunteering sector to have greater input.
 4. That the Government must continue to fund volunteer support services and other volunteer management programs in recognition of the far-reaching contribution that they make to building strong and resilient Australian communities.
 5. That the pool of funding available to volunteer support services should be increased to be at least in line with the amount of funding available prior to the implementation of *A New Way of Working* (plus CPI) and should subsequently increase each year, at a very minimum in line with CPI and community services wage increases.
 6. That in line with the findings of the Senate Community Affairs References Committee in their *Final Report into the Impact on service quality, efficiency and sustainability of recent Commonwealth community service tendering processes by the Department of Social Services*, that the consultation around the implementation of the new *Strong and Resilient Communities* Grants program be planned strategically, with a clear sense of the service gaps and areas of geographic need, and be based on an assessment of how the tendering process would enhance the capacity of the sector to meet these needs^{viii}.
 7. Additionally, that in line with the findings of the Senate Community Affairs References Committee in their *Final Report into the Impact on service quality, efficiency and sustainability of recent Commonwealth community service tendering processes by the Department of Social Services*, meaningful consultation take place with the sector prior to the new Grants program being implemented and that the feedback from this consultation process be incorporated into the end Grants program in a meaningful way.
 8. That the Government recognise that small, place-based volunteer support services are uniquely well placed to deliver services that address the needs of communities due to their exclusive focus on volunteering; and that in light of this fact, small, community-based organisations be provided with a positive weighting in the Grants assessment process in light of the contribution they provide to their community beyond the service they are directly funded to provide, again in line with the findings of the Senate Community Affairs References Committee in their *Final Report into the Impact on service quality, efficiency and sustainability of recent Commonwealth community service tendering processes by the Department of Social Services*.
 9. That in line with the Government’s Response to the Senate Community Affairs References Committee Report, all Grant terms offered under the new *Strong and Resilient Communities* program be five years in length.
 10. That the Government, the NDIA and Volunteering Australia continue to collaboratively explore measures to encourage more Australians to volunteer in high-demand community services such as disability support and additionally to ensure that volunteering is accessible to Australians from all walks of life.
 11. That to assist small volunteer-involving organisations to welcome more volunteers with barriers to access, the Government should consider allocating further funding under the Volunteer Grants program to support infrastructure projects that target accessibility and

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inclusion (for example, wheelchair ramps; voice recognition software for people with vision impairment; disability awareness training). This funding should be in addition to any current funding and should not come at the expense of any other projects within the *Strengthening Communities/Strong and Resilient Communities* pool of funding.

12. That the PaTH program be replaced with a program that promotes engagement in genuine volunteering as a pathway to paid employment and provides subsidised placement in roles within the community and not-for-profit sectors.
13. All Commonwealth grants and funding programs within the community services must take into account wage growth pursuant to the Equal Remuneration Order issued by Fair Work Australia of 22 June 2012 and must be regularly adjusted accordingly.

We address each of these recommendations in turn.

Background: Funding of Volunteer Management in Australia

Over recent years we have seen funding to the volunteering sector contract, and its prioritisation shift. Since the election of the Coalition Government in 2013, the Volunteer Management program, Volunteer Grants program and a one-off Volunteer Innovation and Collaboration Grants program have all fallen within the Strengthening Communities Grants pool of funding under the Department of Social Services.^{ixx} These are the primary sources of Commonwealth funding for volunteer programs, although some volunteer-involving projects have been able to attract other small grants-based sources of funding, also primarily through DSS. Outside of the Department of Social Services, a number of organisations – including many of our own State and Territory peaks – receive funding to deliver spontaneous emergency volunteer and volunteer management projects through the *Natural Disaster Resilience Grant Scheme*.

Of course, we acknowledge that in addition to these project-based grants, Volunteering Australia receives funding to operate as a peak through the DSS *Families and Communities Service Improvement Activity* funding stream and the *Strengthening Civil Society* program. In 2015-16, this funding was \$613,317.96 and \$148,500 respectively.

Prior to the election of the current Government, the responsibility for volunteering fell under the Department of Prime Minister and Cabinet. This demonstrated a prioritisation of volunteering and an understanding of its whole-of-Government reach and significance. In the 2013-14 Department of Prime Minister and Cabinet Portfolio Budget Statement, the Portfolio Overview lists social inclusion, the non-profit sector and volunteering as one of the portfolio's "principle responsibilities", alongside such core government programs as the management of Cabinet, national security and counter-terrorism policy co-ordination, coordination and evaluation of Australia's foreign intelligence activities, intergovernmental relations, and the monitoring and reporting of the mental health system^{xi}.

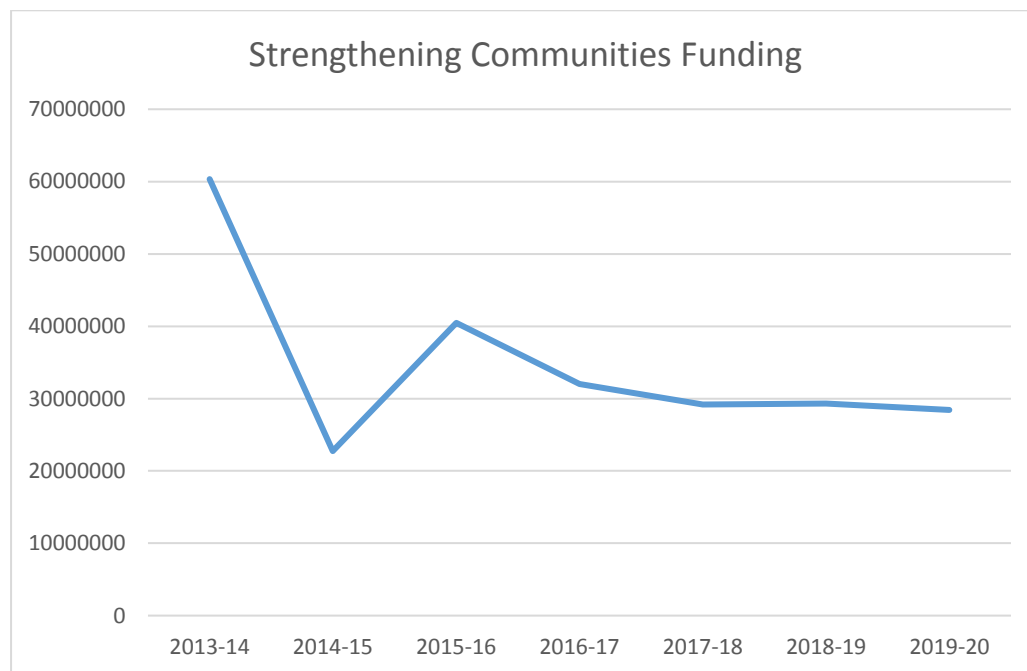
Recommendation: That responsibility for oversight of volunteering return to the Department of Prime Minister and Cabinet, in recognition of the fact that volunteering touches every section of Australian society including, but not limited to education, emergency services, sport and recreation, arts and heritage as well as the social services.

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Because of the shift in Departmental responsibility which came into effect from financial year 2014-15, the umbrella program under which volunteering is funded also changed and so the level of funding is difficult to directly compare. There have been a number of changes in funding approaches which have not been predicted in the forward estimates, which for the sector has meant little consistency or ability to plan:

- In 2013-14, volunteering was funded under the Department of Prime Minister and Cabinet program of “National Compact, Philanthropy and Volunteering” with a total funding pool of \$5,489,000, with estimated expenditure in 2016-17 predicted to be \$5,704,000^{xii}.
- In 2014-15 volunteering moved to the Department of Social Services program of *Strengthening Communities* where the total pool of funding was budgeted at \$27,339,000^{xiii} (but estimated actual spend was later reported as \$22,742,000^{xiv}).
- In 2015-16 the pool increased to \$40,450,000 with a one-off injection for projects demonstrating Volunteer Innovation and Collaboration^{xv}. In the reporting however, funding for these projects was not distinguished from the general Volunteer Management program and so it is not clear which programs were funded on the basis of this one-off injection.

The following chart illustrates how the level of funding available to the Strengthening Communities umbrella program has shifted over the past four years, and is anticipated to continue over the coming years according to 2016-17 Forward Estimates (noting that the figures 2013 to 2016 are estimated actual spend compared to forward estimate for 2016-17 on):



The Strengthening Communities program covers a much broader range of programs and categories than volunteering alone. In the 2015 grants round, the total amount awarded to programs in the Volunteer Management category (including Innovation and Collaboration projects) was

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\$9,148,585.13¹, with programs running over a twelve to twenty-four month schedule (i.e. this was not twelve months' worth of funding)^{xvi}. Up to \$10 million was available in Volunteer Grants funding in the 2016 grants round^{xvii}. This demonstrates that small individual one-off volunteer support projects are currently of a higher priority to the Government than volunteer support services and volunteer management.

Recommendation: In designing the new *Strong and Resilient Communities* Grants program, efforts should be made to make reporting as transparent as possible, with new and separate programs listed as distinct from one another. For example, it should have been possible to differentiate between programs funded under the Innovation and Collaboration program as distinct from the general Volunteer Management program so that organisations were aware which projects were “one off” projects and which might be expected to have the opportunity to continue.

The Prime Minister's Community Business Partnership

In 2014-15 significant funding changes took place across the Department of Social Services, including within the Strengthening Communities budget line. A decrease in administered expenses of around \$37.5 million^{xviii} arose in part as a result of ceasing the Building Multicultural Communities Programme and the Empowering Local Communities Programme. \$5.98 million over four years was budgeted for the re-establishment of the Community Business Partnership “to bring together leaders from the business and community sectors to promote a culture of philanthropic giving and volunteering in Australia, and help build a strong civil society”^{xix}. Volunteering Australia acknowledges the important work that has been undertaken by the Partnership, including their contribution to *Giving Australia 2016*, but unfortunately, whilst expertise in philanthropy and charitable giving is ably represented in the membership of the Community Business Partnership, volunteering is not; in fact of the members of the Community Business Partnership, only one is listed as having a specific professional background in volunteering (Ms Angela Perry, who “establish(ed) the charitable giving and volunteering arm of the Victorian branch of the Link Group” and who has “spent many years volunteering in various roles”)^{xx}. In practice this reads as the Government having removed funding from place-based volunteering programs that deliver local on-the-ground impact, to fund a board that has limited expert contribution from the volunteering sector and no direct input from professionals in the field.

Recommendation: That the Prime Minister's Community Business Partnership be restructured to address the current imbalance in representation between philanthropic/charitable giving and volunteering, and to allow the volunteering sector to have greater input.

The transition from Strengthening Communities to Strong and Resilient Communities

In the 2016-17 Federal Budget, it was announced that DSS would undertake a redesign of the *Strengthening Communities* Grants program^{xxi}. The purpose of this redesign was “to have a greater

¹ The data provided at https://www.dss.gov.au/sites/default/files/documents/01_2017/grants_funding_report_final_at_05-01-2017.pdf seems to have an error in that every grant is listed twice. The “double grants” provided in this document do not accord with our understanding of the actual funding received by organisations.

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focus on building strong, resilient and cohesive communities... (we) will rename them the Strong and Resilient Communities grants^{xxii}. This was the first that the sector had been made aware of any intention to redesign the *Strengthening Communities* program and it came as something of a surprise, coming so shortly after a major restructure of the DSS Grants program, which of course includes the *Strengthening Communities* program.

DSS Grants – A New Way of Working, released in 2014, was intended to introduce “new grant programmes that are better suited to what communities want and need”, with *Strengthening Communities* incorporating the streams of Community Development and Participation, Volunteering and Multicultural Affairs; the Volunteering sub-activity aimed “to support the ongoing delivery of services or one-off projects and activities to encourage, support and increase participation in volunteering^{xxiii}”.

In submissions made by the State and Territory peaks to the *Senate Inquiry into the Impact on service quality, efficiency and sustainability of recent Commonwealth community service tendering processes by the Department of Social Services* the impact of “review fatigue” on a sector already under significant strain was emphasised^{xxiv}. Following on from a series of recent reviews into our sector – including the 1995 industry Commission Report *Charitable Organisations in Australia*; a number of reviews of the *Definition of Charity*; 2008 Senate Standing Committee on Economics *Inquiry into Disclosure Regimes for Charities and NFP Organisations*; 2010 Productivity Commission *Contributions of the NFP Sector*; 2010 Henry Review *Australia’s Future Tax System*; several inquiries related to the establishment of the *Australian Charities and NFP Commission (2007-2010)*; 2014 *Inquiry into the ACNC (Repeal)(No.1) Bill*, and of course *A New Way of Working* and its subsequent Senate Inquiry - a further review in which we will be required to fight for our primary stream of Federal funding only generates further stress and administrative time away from delivering vital services.

That said, there are potential gains to be made from a positively-intentioned and fully consultative review of the *Strengthening Communities* program at this time. The Grants provided to volunteer support services under the *Strengthening Communities* program in the 2015 round were originally twelve to sixteen months in duration and have since received three six-month extensions whilst the redesign takes place. Each of these six-month extensions was approved separately and with relatively short notice. This kind of uncertainty places the sector under great stress and does not allow for the kind of strategic and workforce planning that is required to operate and deliver successful programming. The limitations enforced by short-term Grants were recognised by the Government in their Response to the Senate Community Affairs References Committee Report, which agreed that Grant terms offered by DSS should ideally be five years in length in order to “allow community organisations to better undertake long-term business planning and provide consistency of services” and ensure that “community organisations are able to dedicate more resources to service delivery, rather than administrative processes, in turn providing valuable support to vulnerable Australians^{xxv}”. The redesign of *Strengthening Communities* thus provides a valuable opportunity to bring funding for volunteer support services in line with the rest of the sector.

The review additionally provides an opportunity to reassess the criterion for the Grants and how they are applied. Currently the intention of the Volunteer Management Grants is to provide

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“individual referral, placement and support services to people experiencing disadvantage”^{xxvi}. In some States and Territories it is felt that there are gaps in the way the Grants have been applied within the context of addressing disadvantage. For example, in Victoria, Volunteer West – which covers the Municipal areas of Hobsons Bay, Melton, Brimbank, Wyndham and Maribyrnong, total 2015 population 718,307 – received annual funding of \$164,898.58 in the 2015 Volunteer Management Grants round, or \$0.22 per head of population; whilst Boroondara Volunteer Research Centre – which covers primarily the Municipal City of Boroondara and immediate surrounds, total 2015 population 174,787 – received \$140,000, or \$0.80 per head of population^{xxvii}. Volunteer West services the needs of a growth corridor – in particular the City of Wyndham has the highest level of population growth in all of Victoria, adding 10,202 persons to its population in 2014-15^{xxviii}. The SEIFA Index measures relative level of socio-economic disadvantage based on attributes that reflect disadvantage such as low income, low educational attainment, high unemployment, and jobs in relatively unskilled occupations, with high scores indicating low disadvantage and low scores indicating a higher level of disadvantage^{xxix}. The City of Boroondara has a SEIFA Index score of 1097.6 based on the 2011 Census, the second-highest level of advantage in the State of Victoria behind only the Shire of Nillumbik. In comparison, the Cities of Brimbank, Hobsons Bay, Maribyrnong, Melton and Wyndham have SEIFA Index scores of 904.6, 1001.7, 974.0, 1002.1 and 1013.4 respectively. Brimbank ranks third lowest in Victoria in terms of level of advantage^{xxx}.

Obviously a range of criterion and weightings go into any decision to award grants funding, and we are not arguing here that any one organisation should or should not receive funding; but we do believe that the Grants standards should be applied transparently and consistently, especially where their stated performance criteria respond to “percentage and number of individuals from Indigenous and culturally and linguistically diverse backgrounds”, “percentage and number of individuals reporting improved skills and confidence” and “percentage and number of individuals participating in education or training activities”^{xxxi}.

Place-based Volunteer Support Services: Building strong and resilient Australian communities

Volunteer support services promote, resource and support volunteering in local communities across Australia. They provide infrastructure in communities to lead, enable and build capacity to recruit and retain volunteers in a wide variety of organisations and services, from the human services and civil society groups, to environmental, animal welfare and sporting groups.

To understand the value of volunteer support services, it must be accepted as a starting point that effective, safe, productive and efficient volunteering does not “just happen” and it is not free. It requires expertise, leadership and local knowledge, as well as effective workforce management.

The role of volunteer support services in connecting and empowering local communities is vital now, more so than ever. For the first time in almost twenty years, the number of people volunteering in Australia was reported as declining in 2014, down to 31% from 36% in 2012. Whilst a decline in volunteers would have an impact across all Australian communities, in suburban and regional Australia any decrease in volunteers will be particularly harshly felt; across Australia, people are more likely to volunteer in regional areas^{xxxii} and play an especially crucial role in delivering community and emergency services. Volunteers are also more likely to contribute financially to charitable causes^{xxxiii} and report feeling happier and healthier^{xxxiv}; in a changing world, they are an integral part of the social capital of strong and resilient communities.

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In addition, volunteers are being asked to support the work of the Government and its policy priorities in more and increasingly innovative ways than in the past. Volunteer support services are already playing a vital role in assisting to place volunteers as part of the NDIS, the aged care workforce, and in the emergency services. Volunteer support services may also elect to support the placement of non-volunteers through the Work for the Dole and Mutual Obligation programs. With the introduction of the PaTH internships program, there may also be a role for volunteer support services to play.

The role of *Strengthening Communities* Grants funding in empowering local place-based volunteer support services to deliver outcomes-based services, cannot be understated. For many volunteer support services, these grants are either a primary or sole stream of income, or have initiated the creation of a new program which relies on that income in order to continue. In the majority of States and Territories, there is currently no State/Territory grants program or funding stream that supports directly the provision of local Volunteer Support Services. For these programs, the Volunteer Management stream of the *Strengthening Communities* program is their only potential source of funding. Should the Government decide, for any reason, to cease funding volunteer support services as part of the May 2017 Budget announcement, volunteer support services would be left in an impossible position. Without any advance notice, the States and Territories will not have budgeted to cover the shortfall of this loss of funding. This would force organisations funded under this program to find alternative streams of income with just seven months' notice, or to otherwise close.

The impact of these services closing would be profound, and would hugely damage the stability of the local communities in which these organisations operate. We know that the funding currently being supplied by the Department of Social Services is being put to strong and immediate use to increase the number of people empowered to volunteer in local communities and to ensure that their experience as volunteers is positive, leading to positive retention and referral rates.

Recommendations: That the Government must continue to fund volunteer support services and other volunteer management programs in recognition of the far-reaching contribution that they make to building strong and resilient Australian communities.

That the pool of funding available to volunteer support services should be increased to be at least in line with the amount of funding available prior to the implementation of *A New Way of Working* (plus CPI) and should subsequently increase each year, at a very minimum in line with CPI and community services wage increases.

That in line with the findings of the Senate Community Affairs References Committee in their *Final Report into the Impact on service quality, efficiency and sustainability of recent Commonwealth community service tendering processes by the Department of Social Services*, that the consultation around the implementation of the new *Strong and Resilient Communities* Grants program be planned strategically, with a clear sense of the service gaps and areas of geographic need, and be based on an assessment of how the tendering process would enhance the capacity of the sector to meet these needs^{xxxv}.

Additionally, that in line with the findings of the Senate Community Affairs References Committee in their *Final Report into the Impact on service quality, efficiency and*

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sustainability of recent Commonwealth community service tendering processes by the Department of Social Services, meaningful consultation take place with the sector prior to the new Grants program being implemented and that the feedback from this consultation process be incorporated into the end Grants program in a meaningful way.

That the Government recognise that small, place-based volunteer support services are uniquely well placed to deliver services that address the needs of communities due to their exclusive focus on volunteering; and that in light of this fact, small, community-based organisations be provided with a positive weighting in the Grants assessment process in light of the contribution they provide to their community beyond the service they are directly funded to provide, again in line with the findings of the Senate Community Affairs References Committee in their *Final Report into the Impact on service quality, efficiency and sustainability of recent Commonwealth community service tendering processes by the Department of Social Services.*

That in line with the Government's Response to the Senate Community Affairs References Committee Report, all Grant terms offered under the new *Strong and Resilient Communities* program be five years in length.

Volunteer Grants and the NDIS

In recent years the Government has prioritised the Volunteer Grants as providing small pockets of one-off support to local programs that engage volunteers, delivering funding of up to \$5000 per project to allow organisations to make small infrastructure improvements - for example, through the purchase of computers and office furniture, or to help with the cost of administering volunteer programs, for example fuel costs, volunteer uniforms or undertaking background security checks^{xxxvi}. Volunteering Australia supports this program as one of many programs seeking to address the different needs of the volunteering community, and understands that it provides Members of Parliament with a tool to engage with and support community organisations at a very local level.

Whilst recognising that the needs of organisations are different, Volunteering Australia believes that more can be done within the framework of the Volunteer Grants program to assist organisations to engage more volunteers with barriers to participation, as well as to engage volunteers to support those members of our community with disability. In our *2016 State of Volunteering in Australia* report we identified that there is a misalignment between the level of community interest in volunteering in the disability services compared to the number of positions to be filled – according to our survey, the disability services sector was fifth-highest for unmet volunteer demand, behind community services, young people, education, and health (with some crossover to be expected between health and disability services)^{xxxvii}. For volunteers with barriers to participation, an additional concern is that many smaller organisations experience difficulty in implementing the requisite infrastructure platforms to accommodate them. 46% of organisational respondents to our *State of Volunteering* survey indicated that they felt unable to recruit or engage volunteers with barriers to participation, with 51% of those organisations indicating it was because they did not have adequate resources^{xxxviii}.

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We know that the misalignment in the number of volunteers interested in working in the disability services is of concern to the Government, as it was raised with Volunteering Australia staff directly during consultations around the Information, Linkages and Capacity Building Commissioning Framework. Previous Governments have run successfully targeted campaigns to increase volunteer numbers within specific sectors, for example in the aged care workforce, where volunteer numbers increased 55% between 2000 and 2009^{xxxix}. The most pressing concern with campaigns of this nature is ensuring that the sector is equipped with sufficient resources to meet the number of new volunteers. New volunteers must be interviewed, placed, trained, and managed. In an area such as disability support, training needs can be particularly resource-intensive. This was an issue identified in relation to the dramatic increase in volunteers observed in the aged care workforce, with the 2011 Productivity Commission Report, *Caring for Older Australians* identifying that only as a result of improved conditions and funding for volunteer managers and volunteers in the aged care sector, would barriers to individuals volunteering be reduced and organisations' ability to harness volunteers be improved^{xl}. Additionally, the report noted,

“Funding for services which engage volunteers in service delivery should take into account the costs associated with:

- volunteer administration and regulation
- appropriate training and support for volunteers” (Recommendation 13.2)^{xli}.

With the NDIS roll-out currently well underway, it is important that we work quickly to address existing inequities. As identified in our submission to the Information, Linkages and Capacity Building Commissioning Framework Consultation^{xlii}, the NDIS interacts with volunteers in two key ways: on the one hand, volunteers are engaged to work within disability support organisations; on the other hand, one of the goals of the NDIS is to engage people with barriers more inclusively into society, either through volunteering as an end unto itself, or using volunteering as a pathway into paid employment. For the volunteering sector to optimally support the Government and the NDIA in achieving this goal, existing structural and cultural issues need to be addressed.

Recommendations: That the Government, the NDIA and Volunteering Australia continue to collaboratively explore measures to encourage more Australians to volunteer in high-demand community services such as disability support and additionally to ensure that volunteering is accessible to Australians from all walks of life.

That to assist small volunteer-involving organisations to welcome more volunteers with barriers to access, the Government should consider allocating further funding under the Volunteer Grants program to support infrastructure projects that target accessibility and inclusion (for example, wheelchair ramps; voice recognition software for people with vision impairment; disability awareness training). **This funding should be in addition to any current funding and should not come at the expense of any other projects within the *Strengthening Communities/Strong and Resilient Communities* pool of funding.**

Volunteering as a Strategic Contributor to Jobs and Growth

One of the Government's core priorities has been the generation of jobs and growth to lead more Australians into gainful employment. “Jobs and Growth” was a central theme in the 2016-17 Budget announcement, the 2016 Federal Election campaign and the Mid-Year Economic and Fiscal Outlook

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2016-17. Like the Government, we in the volunteering sector are eager to support Australians to live happy, healthy and productive lives, and we recognise the power of volunteering to empower them to do just that. However, the focus of the Government in achieving their Jobs and Growth target has primarily been on promotion of competition and choice, and investment in infrastructure rather than on service delivery^{xliii}.

Research has repeatedly pointed toward the potential of volunteering to act as a pathway into paid employment. A 2013 report from United States group, the Corporation for National and Community Service found that unemployed individuals who volunteered over the next year have 27 per cent higher odds of being employed at the end of that year than non-volunteers^{xliiv}. Research conducted for SEEK.com.au by Nature Research showed that 95% of hirers agree that volunteering can be a great way to gain experience and skills that can be used in an individual's paid work, with 95% also agreeing that volunteering can be a credible way of getting real-work experience (especially for first-time job seekers)^{xliv}. Gaining skills and experience was one of the top reasons that people chose to volunteer according to the 2016 State of Volunteering in Australia report^{xlvi}. There is therefore a clear established link between volunteering and the opportunity to gain paid employment, both for volunteers and for employers, and investing in well-structured volunteering programs is a demonstrable strategy toward encouraging job growth.

Currently the Government invests in a selection of programs which engage participants in unpaid work, or work that is conducted in exchange for benefits outside of the traditional labour market, whilst those individuals are unemployed and in receipt of Government benefits. The main examples of this are the Work for the Dole program and the Mutual Obligation program. Volunteering Australia does not recognise these programs as "volunteering" as they do not meet the definition of "time willingly given, for the common good and without financial gain". Nonetheless many local volunteer support services use their skills, experience and local connections in order to assist in placing Work for the Dole and Mutual Obligation participants. This is, of course, up to the discretion of the individual volunteer support service, but adequate compensation must be provided for their support of non-voluntary Government programs. It would be ideal if there were funding available to facilitate programs that promoted genuine volunteering as a pathway into employment.

As part of the 2016-17 Budget the Government announced the creation of the Prepare, Trial, Hire (PaTH) internships program, with an investment of \$840 million. It is our opinion that the merits of a program which subsidises workplaces for taking on a free intern using taxpayer money, with no obligation to employ that intern once the placement is over, are questionable at best. That any workplace can participate in this program, including convenience stores, grocery stores and fast food outlets, leaves the program open to intense potential for exploitation. With research from Interns Australia demonstrating that 81% of internships do not lead to ongoing employment^{xlvii}, it is clear what the benefit of this program is to private business, but less so to the intern. Following the announcement of this program, Volunteering Victoria CEO, Sue Noble published an opinion piece in Pro Bono (<https://probonoaustralia.com.au/news/2016/06/federal-government-fund-volunteer-management-instead-illegal-internships/>) arguing that \$840 million invested instead in supporting genuinely voluntary placements and subsequently subsidised employment in the growing not-for-profit sector would be a far more sound investment that resulted in far greater workplace and societal good.

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Volunteering Australia has also been concerned with the language used around this program, with Departmental representatives in Senate Estimates repeatedly referring to it as “voluntary”^{xlviii}. We want to emphasise that we view unpaid internships as quite distinct from volunteering and would prefer that the language used around non-volunteering programs, clarify this.

Recommendation: That the PaTH program be replaced with a program that promotes engagement in genuine volunteering as a pathway to paid employment and provides subsidised placement in roles within the community and not-for-profit sectors.

Stabilising Paid Employment in the Volunteering sector

The not-for-profit sector itself is playing a largely unheralded role in contributing to jobs and growth in Australia. A Productivity Commission 2010 report identified that around 890,000 Australians work in the not-for-profit sector (alongside 2 million volunteers), with the sector having grown 5.7% over the period 1999-2000 to 2006-2007^{xlix}. The sector contributes 5% to Australia’s GDP and 8% to employment annually^l. However, part-time and casual employment in the sector is very high, making up 58.6% of all employment^{li}. This is due in some part to higher demand for flexibility in this sector than in others, but is also due to underfunding and uncertainty resulting in organisations feeling forced to rely on short-term and casual employment arrangements. The 2014 Australian Community Sector Survey identified that 62% of respondents had not extended staff contracts due to uncertainty about funding, 34% had delayed filling staff vacancies for the same reason, and 35% had delayed recruiting staff^{lii}. These are staggering figures that point toward a significant problem, brought about by uncertain short-term competitive grants as a primary source of funding. An important way to invest in stable employment and the opportunity for growth is to provide recurrent funding to suitable not-for-profits instead of uncertain, competitive grant tenders.

The Treasury will of course be aware, pursuant to the Equal Remuneration Order issued by Fair Work Australia on 22 June 2012, that until 1 December 2020 employees who fall under the Social and Community Services Stream and the Crisis Accommodation Stream of the Social, Community, Home Care and Disability Services Industry Award 2010 are subject to two pay increases per year, one on 1 July and one on 1 December, rather than the standard single adjustment per year on 1 July^{liii}. This decision recognises and attempts to reconcile the significant and long-standing gender inequality in remuneration that has been present within the Social, Community, Home Care and Disability Services industry^{liv}. Obviously Volunteering Australia and those we represent within the sector support this long-overdue decision and its impact, which is that the salaries of staff within our sector have been steadily increasing since 2012. For example, the hourly wage rate for a Victorian Social and community services employee level 6 - pay point 1 | Community development worker, Class III, 1st year | Part-time was \$31.04^{lv}; as of 1 December 2016 the pay for that same worker (now in their third year) would be \$37.80^{lvi}.

At the same time however, funding to volunteer support services receiving a grant under the Volunteer Management Program has remained stagnant since grants were last allocated by tender in July 2015. As discussed earlier, although the grants awarded on 1 July 2015 were originally for a period of twelve months, all of the organisations under this program have been offered three subsequent six-month extensions to their existing funding, carrying them through to 31 December 2017 at which point the new, as yet unfinalised *Strong and Resilient Communities* Grants program will commence. The fact that these extensions have been for identical amounts of funding fails to

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take into account the five salary adjustments (1 December 2015, 1 July 2016, 1 December 2016, 1 July 2017 and 1 December 2017) that take place in the funding period, together with the increases in CPI that have impacted on operational costs, which have been 0.5% in September 2015, followed by 1.3% for the twelve months to September 2016^{lvii}.

If it is the Federal Government's intention to prioritise jobs and growth, then it cannot simultaneously make it progressively more challenging for the not-for-profit and community sector to employ staff in a manner that is consistent, reliable and fair. Funding needs to be re-evaluated on an annual basis in order to respond to salary changes and the impact of CPI on other operational costs.

Recommendation: All Commonwealth grants and funding programs within the community services must take into account wage growth pursuant to the Equal Remuneration Order issued by Fair Work Australia of 22 June 2012 and must be regularly adjusted accordingly.

Conclusion

Volunteering Australia is eager to work with the Government to ensure that the generosity of the Australian community as volunteers continues to be celebrated and supported. With the Government's support through ongoing funding to empower important programs like the Department of Social Service's *Strengthening Communities* Grants, we can continue to deliver place-based local volunteer support services to connect potential volunteers with opportunities to give back in their communities. This in turn can support the Government's priorities in delivering jobs growth, disability services, emergency services, and an endless list of other vital community programs.

We would welcome the opportunity to expand further on any of the points raised in this submission, and invite contact as per the details provided at the front of this document.

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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 listed in Attachment A.

Glossary

Peaks	The seven State and Territory volunteering peak bodies (listed in Attachment A).
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.
VIOs	Volunteer-involving organisations are organisations that utilise volunteers as part of their workforce.
VSSs	Volunteer 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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