



**Initial Report - Transitioning Regional Economies**  
**Productivity Commission**  
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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.

### **Introduction**

Volunteering Australia welcomes the opportunity to provide a response to the Productivity Commission Initial Report on Transitioning Regional Economies. The Initial Report explores factors that have influenced the capacity of regional towns to adapt to changes of economic circumstances. These include issues such as the mining boom, that have caused transitional pressures on many regional economies, with many experiencing highly variable growth in employment over time.

It is the view of Volunteering Australia that volunteering can affect the social fabric and adaptive capacity of regional economies, by building social cohesion and contributing to strong and resilient communities.

Volunteering doesn't just represent one sector or organisation, with volunteering extending to every sector in society. From the arts, education, emergency services, sports, environment, health, aged care and disability, and community welfare; volunteering has woven itself into the fabric of everyday life, and Australian society is increasingly dependent on volunteering activities and programs. Volunteering has the proclivity to assist and grow regional economies.

Volunteering is also a pathway to employment, with volunteers building valuable work skills, and developing personally and professionally from their involvement in programs and activities. Volunteering can also play an integral role in the social capital of strong and resilient communities.

As the national peak body, Volunteering Australia works to advance and connect communities through volunteering. We strongly advocate for effective volunteering, representing the views of the volunteer movement by ensuring support of innovative, meaningful and best-practice volunteer management, and encouraging public interest and participation in volunteering.

Adequate emphasis needs to be applied to volunteering given the enormous social, cultural and economic impacts it offers to the community. Volunteering is crucial in delivering on the Australian Government's priorities of building strong and resilient communities, by encouraging economic participation, mitigating isolation and loneliness, and increasing social inclusion, community participation and cohesion.

The inclusion of volunteering in the transition of regional economies will be critical for future infrastructure development, workforce planning, supporting social capital, building community cohesion, and the delivery of long-term, innovative and agile service provision.

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This response specifically outlines how volunteering encourages economic participation, mitigates isolation and loneliness, increases social inclusion and community participation, and builds social capital. However, to ensure that as a society we can respond to causes of economic change, volunteering requires a sustained investment.

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### **Volunteering Australia Response**

#### Volunteering as a Pathway to Employment

Volunteering plays a central role in Australia's national identity, making an annual economic and social contribution of \$290 billion.<sup>i</sup> Volunteering continues to engage Australians in increasingly diverse and significant ways. Recent data indicates there are 5.8 million Australians or 31 per cent of the population who are engaged in formal volunteering activities and programs.<sup>ii</sup>

Volunteers gain valuable skills and develop personally and professionally from their involvement in volunteering activities, with research indicating that volunteers gain valuable employment related skills from their involvement in volunteering activities. Volunteering is also a potential pathway to gainful employment, increasing workforce participation.

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 have 27 per cent higher odds of being employed at the end of that year than non-volunteers.<sup>iii</sup> 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).<sup>iv</sup>

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.<sup>v</sup> Western Australia's Avon Valley (Wheatbelt), has higher rates of population growth. However, with the growth unevenly spread, this creates significant challenges for the region. The Wheatbelt also has the highest rate of youth unemployment in the state.<sup>vi</sup>

The volunteering sector can play a unique role in driving economic change and improving the rates of youth employment, building key work skills for youth and providing a bridge toward gainful employment. With such a clearly established link between volunteering and paid employment, we recommend additional investment in structured volunteering programs to encourage regional job growth.

#### Economic Contribution of Volunteering

The fiscal contributions of volunteering are numerous, with many sectors reliant on volunteering activities and programs. This is evident with a large proportion of volunteers across the country involved in aged care, disability support, emergency services, sport and recreation, and other vital areas of community services.

It is evident that there is marked potential for volunteers to contribute economically to the transition of regional economies across the country, with examples over time. *The Economic Value of Volunteering in Victoria* released in 2012, suggests that regional Victorians contributed approximately \$2,012 million dollars to their communities through volunteering.<sup>vii</sup>

The rate of volunteering across regional Victoria in 2012 was at 42 per cent, and this was distinctly higher than in Melbourne metro. On average, regional Victorian volunteers also gave 36 per cent more

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hours per year in voluntary contributions. Warrnambool and South West statistical areas also recorded higher rates of volunteering (at 30 per cent) for regional areas outside of Melbourne.<sup>viii</sup>

While certain industries that are expected to grow in regional Australia traditionally involve a volunteer workforce, data indicates there is a misalignment between the sectors volunteers are interested in and the sectors with the most positions advertised.<sup>ix</sup>

### Case Study 1

“There is also a misalignment in the industries growing and those industries in which volunteers are seeking opportunities in.”

*Source: Manager of Volunteers, Western Australia*

Given this, Volunteering Support Services in Western Australia are working with the State Government, to find opportunities for volunteers to engage with industries that are experience growth, such as health and education.

In the *Regional Development Australian Pilbara Regional Plan 2013-2016*, it was identified that the Pilbara region has a significant need for economic diversification. The Plan highlighted that it is unlikely that economic and social opportunities in the region will be realised without changes to the operating environment.<sup>x</sup>

In the Kimberley region, tourism has a value of \$700 million per year, employing 8,000 people. One-fifth of the State’s Aboriginal population also reside in the Kimberley. There is incredible opportunity for the volunteering sector to increase annual turnover produced by the tourism industry by increasing volunteering in the region. There are similar opportunities to develop the tourism industry in the Pilbara region, through additional engagement of the volunteering sector.

The Pilbara Regional Plan has prioritised supporting the community sector through place-based solutions for local communities.<sup>xi</sup> Volunteering Australia recognises the importance of place-based services, such as Volunteering Support Services, who 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, by empowering people to volunteer and ensuring that their experience is positive and safe. Volunteering Support Services assist thousands of organisations across the community sector to recruit, retain and manage their volunteers.

Volunteering Australia recommends to the Commission that additional support be provided to Volunteering Support Services through sustained and designated long-term funding, so they may assist regional communities through this economic transition.

## Community Participation, Civic Engagement and Social Inclusion

The Commission’s Initial Report has highlighted that “lower levels of community connections, engagement and social cohesions (forms of social capital) could also be contributing to the lower relative adaptive capacity of these regions”, and has limited its analysis to “rates of volunteering”.<sup>xii</sup>

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Volunteering Australia supports the Commission's findings and is of the view that volunteering can assist with building social capital for transitioning regional economies.

According to the *Giving Australia 2016 Literature Review Summary Report*, "giving occurs in the context of givers and receivers"<sup>xiii</sup>, with this review focusing on those "who make donations to NGOs in an unplanned way".<sup>xiv</sup> In contrast, volunteering is defined as "community participation, civic engagement and social inclusion".<sup>xv</sup>

While giving activity can provide economic support where a volunteering service is not possible, it does not provide the social and cultural benefits provided by volunteering. Volunteering is essential in building strong and resilient communities, by mitigating isolation and loneliness, and increasing social inclusion, community participation and cohesion.

Volunteering also has enormous benefits for the community, with research indicating there are enormous health and lifestyle benefits from volunteering.

The social capital derived from volunteer engagement is of great benefit to volunteers and wider society. Volunteers can play a unique role in assisting people in regional areas in developing meaningful relationships, and reducing isolation.

Volunteering Australia's *2016 State of Volunteering in Australia* report highlighted that only 30 per cent of volunteers live in regional or remote areas. A larger proportion of regional and remote respondents to the report participated in both formal and informal volunteering.<sup>xvi</sup> Of those who responded, only 19 per cent of the volunteers came from a non-English speaking background and only 1 per cent identified as Aboriginal or Torres Strait Islander.<sup>xvii</sup>

As outlined in the *Wheatbelt Regional Development Plan 2013-2016*, "Safe, well networked and inclusive communities that have services and infrastructure that meet the needs of a diverse demographic profile" is essential, and volunteering can play a unique role in increasing the social capital.

### Case Study 2

"Volunteering is a great way for people to improve their English; a method to reduce isolation, and build sustainable, inclusive communities."

Source: *Manager of Volunteers, Western Australia*

Volunteering Australia's response to the Productivity Commission's inquiry on the National Disability Insurance Scheme (NDIS) Costs, acknowledged that volunteers who worked in disability support services provided an extra social connection, community participation, and genuine relationships with participants involved in the NDIS. This type of community connection can be two-fold with volunteers also benefitting from having this type of interaction.<sup>xviii</sup>

Mental health issues are also common in regional areas. However, volunteering programs have been effective in building social capital in these areas.

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### Case Study 3

*“The reception I have had [as a volunteer] has been terrific and made me feel like part of a family and I enjoy the interaction with the staff, leaders and residents. I have suffered anxiety my whole life and this work is doing much to help me to be more confident especially after a few years of deep depression.*

*I would highly recommend volunteering to anyone because you do get appreciated and a sense of self-respect. You can make the choice and not be pushed into somewhere that just wants free labour.*

*People say that they can see a change in me and I feel it too.”*

*Source: Volunteer, Volunteering WA*

Volunteering Australia recommends that the Commission consider the merits of volunteer engagement in building social capital for transitioning regional economies.

### Investment in Volunteering

The volunteering sector is being asked to evolve and grow, while nationally there is a decrease in formal volunteer participation. This is coupled with an increase in the demand for the services that volunteers provide.

Issues such as a lack of time, disinterest, health factors, and the casualisation of the workforce, which has placed substantial pressure on personal finances for many volunteers, have potentially impacted on the rates of volunteering. It is essential we effectively assist Volunteer Involving Organisations, Volunteering Support Services, and organisations and businesses alike, who utilise volunteers, to evolve and to better plan for their workforces.

While, volunteering is “time willingly given for the common good and without financial gain”<sup>xxix</sup>, volunteering comes at significant cost to Volunteering Support Services and Volunteer Involving Organisations. The operational cost of delivering quality, innovative, and agile volunteering programs that respond to the needs of transitioning economies is steadily increasing, and requires investment.

Volunteering Australia’s *2016 State of Volunteering in Australia* report outlined that “Volunteering Involving Organisations generally lack resources both human and financial.”<sup>xxx</sup> The lack of resources inhibits a Volunteer Involving Organisation’s ability to “recognise their existing volunteer base.” The report identified that 86% of Volunteering Involving Organisations need more volunteers. While, 30% of organisations were unable to engage suitable candidates.<sup>xxxi</sup>

The report also highlighted that volunteers are deterred from volunteering due to a lack of flexibility, lack of reimbursement for out of pocket expenses, and issues around administrative requirements. Red-tape was another deterrent against volunteer involvement.<sup>xxii</sup> In the Pilbara region, the engagement of volunteers among some NGOs was not overly common, though some had recorded limited success by providing flexible arrangements to volunteering programs.<sup>xxiii</sup>

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There must be adequate support and investment to produce the best possible outcomes for a transitioning regional Australia, and to assist Volunteer Involving Organisations, Volunteering Support Services, and volunteers to contribute with this transition.

### Case Study 4

“Investment in Volunteering Support Services that support unemployed or disengaged youth to participate in volunteering would be highly beneficial.

Services for the ageing are a concern, and another area where volunteers can greatly support in making the lives of the ageing in the Wheatbelt enjoyable ones.”

*Source: Manager of Volunteers, Western Australia*

Ongoing Government funding is essential to guarantee that there is recognition of the numerous social, cultural and economic contributions of volunteering, for identifying priority funding areas and for specifying need for volunteering. It will also enable an accurate assessment of funding needs with respect to grants for volunteer programs, including determining infrastructure needs and service delivery strategies.

We recommend the Commission consider the benefits of resourcing and investing in the volunteering sector, to support the transition of regional economies.

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### **Summary of Recommendations**

- We recommend additional investment in structured volunteering programs to encourage regional job growth.
- Volunteering Australia recommends the Government consider the merits of volunteering in building social capital for regional economies.
- Additional support be provided to Volunteering Support Services through sustained and designated long-term funding, so they may assist regional communities through this economic transition.
- We recommend the Commission consider the benefits of resourcing and investing in the volunteering sector, to support the transition of regional economies.

### **Conclusion**

Volunteering Australia appreciates the opportunity to provide feedback to the Productivity Commission's Initial Report on Transitioning Regional Economies.

It is the view of Volunteering Australia that it is essential to consider the contributions of the volunteering sector in the transition of regional economies in relation to infrastructure development, workforce planning, building social capital, community cohesion, and the delivery of long-term, innovative and agile service provision.

Through our work, we support the Australian Government's priorities, including the delivery of jobs and growth, important community programs and a range of services across a number of portfolios.

Volunteering Australia provides sector informed feedback based on our knowledge and relationships with our State and Territory peak partners, volunteers, Volunteer Involving Organisations and Volunteering Support Services to progress the delivery of jobs and growth, and help to grow a culture of giving in Australia.

We would welcome further opportunities to consult on or expand on recommendations raised in this response.

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### Authorisation

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



**Ms Adrienne Picone**

Chief Executive Officer

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### Endorsements

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

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### 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.
- 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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<sup>i</sup> Flinders University (31 October 2014) 'Volunteering worth \$290 billion a year',

<http://blogs.flinders.edu.au/flinders-news/2014/10/31/volunteering-worth-290-billion-a-year>

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

<sup>iii</sup> Pro Bono Australia (24 June 2013) 'Volunteering boosts employment opportunities – study', <https://probonoaustralia.com.au/news/2013/06/volunteering-boosts-employment-opportunities-study/>

<sup>iv</sup> Nature Research for Seek.com.au (April 2015) 'Seek Volunteer Hirer Research Key Findings'.

<sup>v</sup> Volunteering Australia and PwC (2016) 'State of Volunteering in Australia', <https://www.volunteeringaustralia.org/wp-content/uploads/State-of-Volunteering-in-Australia-full-report.pdf>.

<sup>vi</sup> Regional Development Australia Wheatbelt, Wheatbelt Regional Plan 2013 – 2018, p7.

<sup>vii</sup> State Government of Victoria (2012), The Economic Value of Volunteering in Victoria, Department of Planning and Community Development, <https://www.volunteeringaustralia.org/wp-content/uploads/The-Economic-Value-of-Volunteering-in-Victoria.pdf>, p1-29.

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- <sup>viii</sup> State Government of Victoria (2012), The Economic Value of Volunteering in Victoria, Department of Planning and Community Development, <https://www.volunteeringaustralia.org/wp-content/uploads/The-Economic-Value-of-Volunteering-in-Victoria.pdf>, p1-29.
- <sup>ix</sup> Volunteering Australia and PwC (2016) 2016 State of Volunteering in Australia, <https://www.volunteeringaustralia.org/wp-content/uploads/State-of-Volunteering-in-Australia-full-report.pdf>.
- <sup>x</sup> Regional Development Australia Pilbara, Regional Development Australian Pilbara Regional Plan 2013-2016, p7.
- <sup>xi</sup> Regional Development Australia Pilbara, Regional Development Australian Pilbara Regional Plan 2013-2016, p7.
- <sup>xii</sup> Productivity Commission (2017), Initial Report – Transitioning Regional Economies, p22.
- <sup>xiii</sup> Giving Australia 2016 ‘Literature review summary report’, Chapter 1: Volunteer Engagement, p9.
- <sup>xiv</sup> Giving Australia 2016 ‘Literature review summary report’, Chapter 1: Volunteer Engagement, p9.
- <sup>xv</sup> Giving Australia 2016 ‘Literature review summary report’, Chapter 1: Volunteer Engagement, p3.
- <sup>xvi</sup> Volunteering Australia and PwC (2016) 2016 State of Volunteering in Australia, <https://www.volunteeringaustralia.org/wp-content/uploads/State-of-Volunteering-in-Australia-full-report.pdf>, p39.
- <sup>xvii</sup> Volunteering Australia and PwC (2016) 2016 State of Volunteering in Australia, <https://www.volunteeringaustralia.org/wp-content/uploads/State-of-Volunteering-in-Australia-full-report.pdf>, p35.
- <sup>xviii</sup> Volunteering Australia (2017), Response to National Disability Insurance Scheme (NDIS) Code of Conduct, [https://www.volunteeringaustralia.org/wp-content/files\\_mf/1498114931VolunteeringAustraliaResponsetoNationalDisabilityInsuranceSchemeNDISCodeofConduct.pdf](https://www.volunteeringaustralia.org/wp-content/files_mf/1498114931VolunteeringAustraliaResponsetoNationalDisabilityInsuranceSchemeNDISCodeofConduct.pdf).
- <sup>xix</sup> Volunteering Australia (2015) ‘Definition of Volunteering’, <http://www.volunteeringaustralia.org/policy-andbest-practise/definition-of-volunteering/>.
- <sup>xx</sup> Volunteering Australia and PwC (2016) 2016 State of Volunteering in Australia, <https://www.volunteeringaustralia.org/wp-content/uploads/State-of-Volunteering-in-Australia-full-report.pdf>, pix.
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