



Volunteering Australia

Summary Analysis of Key 2017-18 Federal Budget Measures

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Introduction

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 and more resilient 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.

Volunteering Australia has provided a summary analysis of the key budget measures from the 2017-18 Federal Budget and how it will impact the volunteering sector. We are disappointed that volunteering has been overlooked in this budget. In particular, Volunteering Australia outlined a number of recommendations in our [2017-18 Federal Pre-Budget Submission](#) following extensive ongoing consultation with volunteers, volunteer managers, Volunteer Involving Organisations (VIOs), and Volunteering Support Services. However, these measures have been overlooked in this budget.

Key Measures outlined in the 2017-18 Federal Budget

Grants and Funding

The transition from Strengthening Communities to Strong and Resilient Communities (SARC)

From 1 January 2018, the Strong and Resilient Communities Activity will replace the current Strengthening Communities Activity.

- In 2017-18 the government will allocate around \$18 million to organisations under the Strengthening Communities and the Strong and Resilient Communities Activities.
- \$10 million will be allocated to Volunteer Grants in 2017-18.
- From the 1 January 2018, Volunteer Grants will be established as its own activity.
- The \$10 million allocated to volunteer grants are yet to be allocated for the 2017-18 year, and eligible groups will be able to apply when funding rounds open later in the year.

Volunteering Australia recommended that with the incumbent *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, however, this recommendation has not been considered.

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Budget recommendations in relation to place-based Volunteering Support Services have not been considered in the 2017-18 budget. Volunteering Support Services (VSS) are place-based organisations that promote, resource and support volunteering in local communities. They provide social infrastructure and build capacity to recruit and retain volunteers in a wide variety of organisations and services. Under the redesign of the proposed Strong and Resilient Communities grants, (which take effect from 1 January 2018), there will be a removal of the volunteer management stream of funding specifically allocated to Volunteering Support Services. This will result in Volunteering Support Services having to compete for funding with those who were previously in other funding streams and will have a negative impact on local volunteer programs.

Community Development Grants Fund

The aim of the Community Development Grants Fund is to contribute to local economies, create jobs and boost confidence regionally. To date, the Government has assured funding of more than \$941.2 million to more than 750 projects including more than 450 projects from the 2016 Federal Election.

The urban and regional development sub-function comprises regional development programs and services to Territories. It includes Community Development Grants, the National Stronger Regions Fund and the Stronger Communities program. It also includes funding announced in the 2016-17 MYEFO (Building Better Regions Fund and the Regional Jobs and Investment Packages), and the 2017-18 Budget measure Regional Growth Fund. Budget figures indicate that expenses are estimated to reduce by 73.2 per cent from 2017-18 to 2020-21. According to the Government, this reflects the completion of programs such as Community Development Grants, the Building Better Regions Fund and the Regional Jobs and Investment Packages.

After further enquiry, Volunteering Australia was notified that the Community Development Grants Programme (CDG Programme), is not a competitive grants programme and is not open to new project proposals. The Government has already identified specific projects to be funded. Those who have already lodged a proposal can follow up with the Department to find out if their project has been funded. The Government has several other grants programmes in place. Information on these, and those offered by state and territory governments, can be found on the Grants and Assistance Finder.

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Funding of wage increases in the Social and Community Services sector

Volunteering Australia is pleased that the Government has committed to funding its share of the wage increases arising from Fair Work Australia's 2012 decision to grant an Equal Remuneration Order in the Social and Community Services sector. The budget has outlined that this includes funding for its share of the wage increases for in-scope programs funded through existing National Specific Purpose Payments (SPPs) and National Partnerships.

Transition to work - Jobs and Growth

There are a range of measures in this budget targeted at transitioning people to work, and providing them with valuable employment skills or work experience, to boost their employability. These budget measures aim at investing in unpaid work that is conducted in exchange for benefits outside of the traditional labour market, while those individuals are unemployed or receiving a Government benefit. 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".

However, many Volunteering Support Services use their local knowledge and experience to assist in placing Mutual Obligation participants in Volunteer Involving Organisations. Volunteering Australia looks forward to working with the Government on these programs given volunteering encourages economic participation, builds work skills, and is a genuine pathway to employment.

We are disappointed that this budget fails to acknowledge the social and economic contributions of volunteering and the key ways that Volunteering Support Services can support government initiatives.

Some of the measures outlined in the budget are:

- There will be an expansion of the National Work Experience Programme for Older Australians.
- The Government has announced the Jobs for Mature Age Australians program, which will focus on finding people work and transitioning them off welfare, by providing greater incentives for employers to offer work experience opportunities.
- The Government has allocated an additional contribution of \$263 million to expand the ParentsNext pre-employment program. It will be expanded under two streams covered by JobActive, with the aims of supporting vulnerable women to participate in the workforce and support them to plan and prepare for employment. The Government is also providing an

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additional \$33 million to help disability and aged cared providers grow their workforce. This allocation will assist disability and aged care providers to grow their business and employ more workers. The aim of this is to build on the Governments Launch into Work program, which provides women with training, on the job experience, mentoring and the guarantee of a job at the end of the program.

- The transition to work service is a new service for people aged 15 to 21 years and offers intensive pre-employment support to participants.
- The National Work Experience Programme aims to give eligible job seekers the opportunity to undertake voluntary work experience in businesses for up to 25 hours per week for four weeks. Participants continue to receive their income support payment and a supplement to assist with the costs of participating.
- The Launch into Work Pilot was announced as part of the 2016-17 MYEFO. The program is expected to improve employment outcomes for job seekers, including those in regional areas, by assisting them to become job ready. The program aims to provide targeted training, work experience and mentoring to prepare participants for employment. Employers are required to commit to employing suitable project participants who successfully complete the program. The program primarily targets women's workforce participation.
- There will be a refocus of the Work for the Dole towards the most disadvantaged job seekers, and emerging job-ready job seekers, to ensure job seekers engage in more cost-effective Work for the Dole activities. The refocusing of Work for the Dole aims to achieve efficiencies of \$632 million over five years from 2016-17.

Jobseeker Payment

The Government will provide \$84.1 million over five years from 2016-17 to consolidate seven working age payments and allowances into a new JobSeeker Payment. From 20 March 2020 the JobSeeker Payment will replace the:

- Newstart Allowance;
- Sickness Allowance;
- Wife Pension;
- Partner Allowance;
- Bereavement Allowance;
- Widow B Pension; and

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- Widow Allowance.

The Government has stated that 99 per cent of people will have no change to their payment rates, and that the changes are in a bid to simplify the payments.

With the consolidation of the seven working age payments to the single Jobseeker Payment, there will also be a strengthening of the participation requirement for job seekers. From 20 September 2018, the Government is set to introduce a new set of Mutual Obligation Requirements for income support recipients. Annual Activity Requirements can be met through the participation in voluntary work. In addition, job seekers can meet the participation requirement through a range of other activities, including Work for the Dole, part-time work, part-time study, accredited language, literacy and numeracy courses, Australian Defence Force Reserves and other government programs.

As part of this measure, job seekers aged 60 to the Age Pension will have 10 hours of Annual Activity Requirements per fortnight, which can be fully met through volunteering. Previously, these job seekers did not have any Annual Activity Requirements, and while they could undertake activities, such as volunteering, they did not have any formal requirements to do so.

Under the new Activity arrangements, job seekers aged 55-59 will only be able to complete half of their Annual Activity Requirements through volunteering. Job seekers under 30 will continue to be required to participate in 50 hours of Annual Activity Requirements per fortnight. Volunteering will remain a permitted activity for these participants.

Volunteering Australia is pleased that volunteering will remain a permitted activity for job seekers under thirty, and that it remains a significant activity requirement. However, we are troubled by the changes to the Annual Activity Requirements proposed in the budget, particularly for older Australians. It is concerning that job seekers aged 55-59 will now only be able to complete half of their Annual Activity Requirements through volunteering, where previously they could complete all of it through volunteering. This represents a large cohort of volunteers who previously completed their Activity Requirement through volunteering, but will now have to cease this if this proposal is to go ahead.

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In addition, job seekers aged between 60 and the Age Pension age will now have to complete 10 hours of volunteering, where previously they were not required to do so. The new activity requirements for older welfare recipients has a reduced focus on volunteering, instead encouraging people toward paid employment. These punitive welfare measures for older Australians, fail to recognise volunteering as a significant pathway to employment, as well as the substantial health and lifestyle benefits of volunteering. Volunteering Australia calls on the Government to review the merits of this proposal given the effect it will have on both the volunteering sector and the compliance for job seekers from certain age groups.

Youth Employment Package

The Youth Employment Package announced in 2016-17 Budget outlined a plan to give young job seekers the employability skills and real work experience to get and keep a job. The package includes Encouraging Entrepreneurship and Self-Employment, and Youth Jobs PaTH.

The Youth Employment Package includes measures to encourage young people to pursue entrepreneurship and self-employment, building on the New Enterprise Incentive Scheme. Pathways to pursue this have been enhanced since December 2016 with the introduction of a two-week workshop for up to 1000 young people per year, to give them an idea of what is involved in self-employment or entrepreneurship. There is also an option to undertake placements to understand what is involved in running a small business.

The Youth Jobs Prepare, Trial, Hire (PaTH) program is for people under the age of 25 years. The pathways has 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 would like to reaffirm 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 program 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 (particularly if you are registered with JobActive). Therefore, it cannot be

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considered voluntary, and we call on the Government to remove all references to this from the program description.

Volunteering Australia reiterates our call that the PaTH program be replaced with a program that promotes engagement in genuine volunteering as a pathway to paid employment and provides subsidised placements in roles within the community and not-for-profit sectors.

Health

Mental Health

The Government has announced that more than \$115 million will be invested in mental health. A further \$9.8 million will be provided to support veterans and their families to fund pilot programs to improve mental health services and support suicide prevention efforts for veterans. This budget measure provides a great opportunity for the volunteering sector to make a positive contribution. It will be a chance for those involved in volunteering to action this budget measure by supporting veterans and key suicide prevention programs across the country. It will also provide a key pathway to employment or retirement for volunteers, and a range of health benefits, that will only seek to increase and benefit volunteers, Volunteer Involving Organisations and Volunteering Support Services.

Disability Advocacy and the National Disability Insurance Scheme (NDIS),

The Government has outlined that people with disability should enjoy full and equal human rights, through the enabling of equal participation. As part of this commitment, \$17.7 million was provided in 2016-17 year to 58 advocacy agencies across Australia, including ten regional locations, under the National Disability Advocacy program.

The Government has also outlined:

- The Medicare Levy is increasing from 2 per cent to 2.5 per cent of taxable income to fund the NDIS, which will be fully rolled out from 2020.
- \$33 million will be provided to ensure NDIS participants and older Australians requiring aged care services can access quality services in their local area.
- The Local Care Workforce Package will increase the number of local workers available to meet the demand from new entrants into the NDIS, as well as to prepare for an influx of care needed by the nation's ageing population.
- \$209 million will be provided to establish an independent Commonwealth Body – NDIS Quality

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- and Safeguards Commission – to oversee the quality of NDIS providers and enforce the rights of participants. This will be established in early 2018 and will commence operations in each state and territory. The Commission will take on an educator role, helping to strengthen the capability of people with disability, workers and providers of support under the NDIS.
- A National Code of Conduct will be developed outlining the expectations for people delivering the NDIS supports and services. This will be overseen by the Commission. Under this new national system, governments will design a nationally consistent framework for risk-based worker screening. States and territories will continue to operate worker screening, but the Commission will work with screening units to coordinate and ensure a nationally consistent approach. This will consider conviction information, relevant disciplinary information, etc. Volunteering Australia looks forward to receiving more information on this framework and working with the Government on its development.
 - Reforms will be carried out to Disability Employment Services to assist more people with disability to find and keep jobs.
 - There will be a \$3 billion allocation in the 2017-18 period, to support State community services. This includes \$1.5 billion through the National Disability SPP and \$1.5 billion through the National Partnership payments. The funding will specifically go towards state community services that provide family advocacy and support services, and service provision for older people, younger people with a disability and their carers.

With the roll-out of the NDIS, the demand for disability services is growing rapidly. Volunteering Australia is pleased to see investment in the NDIS, as it will provide additional opportunities for engagement for the volunteering sector.

The Government has indicated that an estimated 60,000 more full time workers are required by 2019. While the Government is providing funding to support an increase in the workforce, it is important to recognise that the disability sector and the NDIS are heavily reliant on the volunteer workforce to deliver key programs and services. We are disappointed that no additional funding has been provided for Volunteering Support Services or Volunteering Involving Organisations in such a critical area of need.

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

Other Measures

Community Broadcasting Program

We welcome the Government's provision of funding to support community broadcasting throughout Australia via the Community Broadcasting Program. Community Broadcasting is heavily reliant on volunteers, and should be adequately resourced to involve and support volunteers effectively. In this Budget, the Government has announced an additional \$6.1 million for the Community Broadcasting Program. In 2017-18 this results in a \$19.6 million investment in community broadcasting.

Digital Literacy for Older Australians

The Digital Literacy for Older Australians (DLOA) program is aimed at increasing the digital literacy and online safety of older Australians aged 50 years and over who have very limited or no engagement with digital technology. This initiative adopts a community centred approach by supporting and teaching older Australians to use digital technology. The program will be jointly implemented by the Department of Social Services and the Office of the Children's eSafety Commissioner (within the Communications portfolio).

A total of \$47.2 million has been allocated by the Government to the DLOA initiative over four years from the 2016-17 period, while \$29.6 million has been allocated in the 2017-18 period (\$24.7 million to be administered by the Department of Social Services, and \$4.9 million by the Department of Communications). The DLOA program forms part of the wider *Strengthening Communities* program.

DLOA comprises several elements including:

- Support for a network of community organisations across Australia (located in metropolitan and regional areas) to deliver one-on-one, face-to-face digital training and support to older Australians. This includes the provision of small grants from 2017-18 to these organisations and the engagement of a National Network Manager to assist these organisations to participate in the program and maintain a national helpline.

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- A national digital portal to provide a one-stop-shop for information, tools and training materials.
- A national digital training and online safety training materials, tools and resources for use by families, friends, carers and community organisations in teaching and coaching older Australians.
- Communications and marketing activities to raise awareness of the DLOA, the portal and helpline.

While the program provides a great opportunity for Volunteering Support Services and Volunteer Involving Organisations to include themselves in the provision of digital literacy for older Australians, applications for the small grants have now closed. Those who have already applied will be able to follow up on their application through the Community Grants Hub. The implementation of the DLOA program is currently in the development phase and will commence in early October 2017.

Conclusion

Volunteering Australia is looking forward to working with the Government to ensure that the social and economic contribution of the volunteering sector is acknowledged, celebrated and supported. In particular, we would like a guarantee that the voice of the volunteering sector is recognised across all Government portfolios. With the Government's support through ongoing funding, recognising the economic and social contributions and the value of volunteering as a pathway to employment, we can continue to deliver the integral Volunteering Support Services that are the backbone of our communities. In addition, through the sectors vital work, volunteering supports the Government's key priorities in delivering jobs and growth, disability and aged care services, emergency services, communications and the arts, health and other important community programs.