

**Submission for Inquiry into Philanthropy**  
**Productivity Commission**

## Overview

This submission responds to the call for submissions from the Productivity Commission as part of the Review of Philanthropy (the “Review”). The broad tasks of the Review can be summarised as:

- analysing trends in philanthropic giving in Australia;
- identifying opportunities for, and obstacles to, increasing philanthropic giving in Australia; and
- recommending ways for the Australian Government to respond, given the policy objective to double philanthropic giving by 2030<sup>1</sup>.

This submission provides a brief background on Volunteering WA, the current state of volunteering in Western Australia and responds to specific Information Requests outlined in the Review.

**In summary Volunteering WA welcomes this Review and recommends:**

- 1. that the draft and final reports expressly refer to “philanthropy” and “volunteering” in their titles and substantive recommendations, noting that working definition in Australia are mutually exclusive;**
- 2. for the recommencement and increased reliability (intervals, timing, scope) of the volunteering component of the General Social Survey (GSS) conducted by the Australian Bureau of Statistics (ABS) as the only means of reliably measuring volunteering activity, including motivations and barriers in Australia;**
- 3. completion of an updated “Non-Profit Institutions Satellite Accounts”, last published by the ABS in 2015, to inform future Government policy and investment;**
- 4. development and adoption of a volunteering impact measurement tool; and**
- 5. for the urgent development of a standardised, streamlined, free and portable volunteer screening system in Australia.**

## About Volunteering WA

Established in 1988, Volunteering WA (VWA) is the peak body for volunteering in Western Australia. We work in partnership with government, community, corporate and educational organisations to provide leadership, advancement and promotion of volunteering to achieve the greatest impact for Western Australia.

VWA has a 34-year proven track record of providing and sharing effective, efficient and innovative volunteer support services to meet the ever-increasing demand in our state for general and emergency volunteering. Our purpose is to empower people and communities to enrich WA, and our vision is for a society in which everyone is inspired to make a difference.

Volunteering WA:

- represents volunteering across the State, including all volunteer involving organisations, and their 523,000 volunteers;

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<sup>1</sup> [Harnessing generosity, boosting philanthropy | Treasury Ministers](#)

- supports over 750 member organisations to attract and manage volunteers and increase their capability and capacity;
- works closely with the Minister for Volunteering and the State Government to collaborate on the implementation of the State Volunteering Strategy 2018; and
- leads and hosts several events that celebrate and recognise the contributions of our volunteers, including the annual WA Volunteer of the Year Awards.

### **Current state of volunteering in Western Australia**

Volunteering in WA delivers many essential services, responds to and aids recovery from emergencies, helps to build strong and resilient communities, encourages economic participation, supports physical health, promotes psychological wellbeing and increases social inclusion and cohesion.

In 2020, 523,600 or 26% of all Western Australians volunteered through an organisation or group. There has been a significant reduction in formal volunteer participation in WA over the past six years, with over 151,000 fewer volunteers - a 22% reduction. This continues the trend first observed in 2019 (pre-COVID) and is consistent with national experience.

The loss of volunteer capacity in formal, organisationally-based volunteer roles is due to a number of reasons. Most prominent are that people feel more time poor, are fatigued due to the intense and prolonged nature of many emergencies (such as COVID-19 and bushfires), increasing requirements for training, administration and compliance and rising costs of living.

For example, almost half of the national aged care volunteer workforce was lost in 2020<sup>2</sup>.

In addition to formal volunteering roles, there are even more informal volunteers giving time freely to support people outside of their immediate household.

### **Information request 1: Defining philanthropy and the inquiry's scope**

The Commission has expressly sought views regarding the scope of the enquiry regarding philanthropy.

The definition of volunteering across Australia is consistent, and is defined as "time willingly given for the common good and without financial gain."<sup>3</sup> This includes both formal volunteering, taking place within organisations and groups (including institutions and agencies) in a structured way, and informal volunteering, taking place outside the context of a formal organisation or group.

This definition has been adopted in practice by the ABS which defines volunteering as: "the provision of unpaid help willingly undertaken in the form of time, service or skills, to an organisation or group, excluding work done overseas."

<sup>2</sup> <https://www.health.gov.au/resources/publications/2020-aged-care-workforce-census>

<sup>3</sup> <https://www.volunteeringaustralia.org/resources/definition-of-volunteering/#/>

The ABS report that over 5 million people in Australia volunteered their time formally in 2020. The doubling of this level of participation, in line with the Australian Government's policy objective, would deliver significant and lasting social, economic and environmental benefit.

In the Call for Submissions paper, the Commission notes that: "Reflecting its emphasis in the terms of reference, the Commission expects that giving in the form of donations of money and assets (including property), and associated policies, will be a major focus of the inquiry" (page 3).

We reject this emphasis on financial philanthropy over time given freely, as it does not seem to reflect the Terms of reference which clearly state under the Scope:

1. Consider the tendencies and motivations for Australians' charitable giving, including through different donation channels such as workplace giving, bequests, private foundations, in-kind donations, and volunteering.

Volunteering is often the unseen, unsung and largely unmeasured glue that keeps our society functioning and people thriving. It needs to be visible, valued and measured as a part of Australia's economic, social and cultural future.

For this reason we recommend: **that the draft and final reports expressly refer to "philanthropy" and "volunteering" in their titles and substantive recommendations, noting that working definition in Australia are mutually exclusive.**

## **Information request 2: Vehicles, trends and motivations for giving**

The Review seeks advice on data sources that are publicly available to inform considerations and specific actions to be undertaken.

Between 2015 and 2017 the ABS undertook a comprehensive review of the need for and scope of data on volunteering between 2015 and 2017 and has published its findings<sup>4</sup>. Note that the intended survey scope included issues of motivations and barriers to volunteering.

The revised approach was adopted by ABS as part of the GSS, with data samples intended to build over a four year period. However, the activity was ceased after two years, after a gap of over six years since the GSS 2014.

This has adversely and severely impacted on the scope and granularity of data available. We understood that this deficit would be rectified as the sample continued to grow, and are disappointed that data collection has now been placed on hold.

The ABS GSS is the primary source of information on the participation in and extent of volunteering effort in Australia. The ABS has noted that:

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<sup>4</sup> <https://www.abs.gov.au/statistics/research/collection-volunteering-data-abs>.

“There are no comparative ABS data sources for GSS volunteering data. GSS is the only ABS source for unpaid voluntary work data that enables comparisons with paid work data for a full picture of work in Australia...

GSS was not collected in 2021 and 2022 due to COVID-19 impacts of ABS household survey programme. The ABS has paused, slow-down and reschedule surveys due to the capacity constraints and collection challenges brought about by the pandemic. The ABS is taking this opportunity to review the GSS and at this stage can only tentatively commit to recommencing in 2023”<sup>5</sup>.

Official volunteering data is essential to ensuring the government understands the nation’s volunteer workforce and for the volunteering sector’s ability to support the wellbeing of the Australian community into the future.

ABS data has numerous advantages in being highly rigorous, credible, and capable of interfacing with other data sets (reflecting the diversity of data and impacts) and is provided at no cost to the sector, which has limited financial resources.

We understand that there may be some consideration to continue data gathering in the context of the labour market and economic participation.

It is noted that data on volunteering and volunteers has an equally important role to play in understanding and responding to society trends and impacts such as understanding motivations, diversity of volunteers, nature of volunteer roles, hours of participation, socio-economic status, connections to social, political and community groups and a greater understanding of the linkages between volunteering, life satisfaction and experience of loneliness.

We have been active in our advocacy for the return of the GSS to the ABS and requested that any consideration of the future of data gathering for the sector:

- embrace the full suite of volunteer data (summarised in the ABS publication noted above);
- facilitate increased granularity to support the use of Table Builder at State and regional levels; and
- become a more stable, predictable and regular source of up to date data on volunteering.

In addition, in 2015 the ABS published the “Australian National Accounts: Non-Profit Institutions Satellite Accounts”<sup>6</sup>. This publication was unique in its reporting on key data including:

- number of Non-Profit Institutions (“NPI”) organisations;
- NPI value added – national accounts; and
- NPI income, assets, employment, volunteers, volunteering hours.

The updating of this data would allow for retrospective analysis on shifts and changes in the sector and inform and measure future policy and investment impacts.

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<sup>5</sup> Summary of ABS volunteering landscape document

<sup>6</sup> [Australian National Accounts: Non-Profit Institutions Satellite Account methodology, 2012-13 financial year | Australian Bureau of Statistics \(abs.gov.au\)](https://www.abs.gov.au/australian-national-accounts-non-profit-institutions-satellite-account-methodology-2012-13-financial-year)

The valuation from the ABS NPI Satellite Account is labour based (i.e. it equates to the monetary replacement value of volunteer time, based on average wages). In addition, there are numerous other positive impacts that need to be identified, understood and valued.

We recommend for the **recommencement and increased reliability (intervals, timing, scope) of the volunteering component of the GSS conducted by the ABS as the only means of reliably measuring volunteering activity, including motivations and barriers in Australia**

and

**completion of an updated “Non-Profit Institutions Satellite Accounts”, last published by the ABS in 2015, to inform future Government policy and investment**

and

**development and adoption of a volunteering impact measurement tool.**

### **Information request 3: The role of government in philanthropy**

There is a trend to increasing the level of regulation of volunteers and volunteer organisations.

One such area is in volunteer screening which has now been mandated in a number of areas of federal jurisdiction (such as Aged Care, NDIS screening and Working with Children Screening) and adopted separately by states and territories.

The result of the separate adoption is that there is no nationally standardised approach to the imposition of charges, process for application, approval or portability of volunteer screening across jurisdictions or volunteer organisations. Volunteer screening is the most frequently cited barrier and administrative burden on the sector.

We recommend **the urgent development of a standardised, streamlined, free and portable volunteer screening system in Australia.**

### **In closing**

Volunteering WA very much appreciates the opportunity to provide this submission for consideration.

We look forward to following progress of the Commission’s work and participating in future consultation. If we can be of further assistance, please contact our Executive Manager Policy and Research

Kind regards,

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**Empowering people and communities to enrich Western Australia**

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