

Submission to the Productivity Commission Review of Philanthropy

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Overview

Volunteering is an important part of philanthropic giving and the broader not-for-profit sector in Australia. However, volunteering is distinct from other forms of philanthropic giving, particularly giving in the form of donating money and assets. The Productivity Commission's recommendations on philanthropy should consider current trends in volunteering in Australia, motivations and barriers to volunteering, and the strategic objectives outlined in the National Strategy for Volunteering.

To address these considerations, Volunteering Australia makes the following recommendations to the Productivity Commission:

1. Include volunteering in the scope of the inquiry and make clear when recommendations apply to volunteering and consider the impact of any other recommendations on the volunteering ecosystem.
2. Produce an analysis of regulatory requirements for volunteers and volunteer involving organisations in Australia.
3. Explore ways to use the tax and transfer system to reduce costs of volunteering, for example, by making out-of-pocket expense incurred while volunteering tax deductible.
4. Consider a public, government sponsored campaign to promote volunteering.

Introduction

About the Productivity Commission Review of Philanthropy

The Australian Government has committed to working with the philanthropic, not-for-profit (NFP) and business sectors to double philanthropic giving by 2030. It has asked the Productivity Commission to undertake an inquiry to analyse motivations for philanthropic giving in Australia and identify opportunities to grow it further.

The terms of reference assign the Commission three broad tasks:

- analyse trends in philanthropic giving in Australia and the drivers of these trends,
- identify opportunities for, and obstacles to, increasing philanthropic giving in Australia,
- recommend ways to respond to these opportunities and obstacles.

The Call for Submission identifies that this inquiry coincides with other government policy development processes related to the NFP sector and philanthropy, including the implementation of the National Strategy for Volunteering (2023-2033).¹

About this submission

Volunteering Australia provides data and policy recommendations on the following aspects of volunteering, as highlighted in the Call for Submissions:

- how volunteering should be considered in the Inquiry in relation to philanthropic giving,

¹ <https://www.pc.gov.au/inquiries/current/philanthropy/call-for-submissions/philanthropy-call-for-submissions.pdf>, 1

- trends in volunteering in Australia,
- motivations and barriers to volunteering,
- regulatory barriers to volunteering,
- how increased philanthropic funding could support the volunteering ecosystem.

This submission also provides input on how to align the recommendations of the Philanthropy Inquiry with those of the recent National Strategy for Volunteering 2023-2033.

This submission was drafted by Volunteering Australia in collaboration with the State and Territory volunteering peak bodies.

The National Strategy for Volunteering (2023-2033)

The new National Strategy for Volunteering (2023–2033) is a ten-year blueprint for a reimagined future for volunteering in Australia. It is the first National Strategy for Volunteering in a decade, providing a strategic framework for enabling safe, supported, and sustainable volunteering. The National Strategy for Volunteering was developed through a 12-month co-design process with members of the volunteering ecosystem.²

The Productivity Commission Review of Philanthropy should consider how its recommendations will align with and support the National Strategy for Volunteering. Three of the Strategy’s strategic objectives are particularly relevant to the scope of this inquiry, namely:

- Strategic Objective 1.1: Focus on the Volunteer Experience
- Strategic Objective 1.2: Make Volunteering Inclusive and Accessible
- Strategic Objective 2.2 Reshape the Public Perception of Volunteering
- Strategic Objective 2.4 Enable a Community-Led Approach
- Strategic Objective 3.3 Commit to Strategic Investment

The recommendations included in this submission are guided by the National Strategy for Volunteering and aim to ensure that any recommendations made by the Productivity Commission align with the strategic objectives outlined in the National Strategy.

Philanthropy and volunteering

The Commission is seeking views and information on what activities should fall within the scope of this inquiry.³ The Call for Submissions highlights that support for the not-for-profit sector can be in the form of money, goods and services, and time.

Volunteering Australia highlights that volunteering is distinct from other forms of philanthropic giving, particularly in the form of donating money and assets. If giving of money and assets is the primary focus of the inquiry, then volunteering should be explored in the inquiry where it is relevant to, or affected by the policy frameworks which support, these forms of philanthropic giving. We highlight some of these areas in this submission, such as measures to reduce the costs of

² <https://volunteeringstrategy.org.au/the-strategy/>

³ <https://www.pc.gov.au/inquiries/current/philanthropy/call-for-submissions/philanthropy-call-for-submissions.pdf>, 4

volunteering through the tax and transfer system. Recommendations on volunteering must consider the particular motivations, barriers, and policy challenges facing volunteering in Australia, which are often different from those affecting the giving of money and assets to charities and not-for-profit organisations.

The definition of volunteering

Volunteering is defined as “time willingly given for the common good and without financial gain.”⁴ 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.

Volunteering can take many forms, and these should be recognised and supported where appropriate in line with Strategic Objective 2.1: Diversify the Understanding of Volunteering, in the National Strategy for Volunteering (2023-2033).⁵ For example, First Nations people and volunteers in multicultural communities do not necessarily resonate with the term volunteering and more commonly use words such as ‘giving’, ‘helping’, and ‘sharing’ to describe their voluntary activities.⁶

An expanded understanding of volunteering will reflect Australia’s diversity and ensure all forms of volunteering are recognised, supported, and celebrated. A key objective of the National Strategy for Volunteering is recognising and respecting volunteering that is already happening in culturally specific contexts and finding ways to better support diverse expressions of volunteering.⁷

Supporting volunteering through philanthropy

Philanthropic funding can be greatly beneficial to supporting the volunteering ecosystem. The National Strategy for Volunteering identifies a need for more strategic investment in the common infrastructure which supports volunteering under Strategic Objective 3.3: Commit to Strategic Investment.

Currently, the volunteering ecosystem is hindered by low investment in capacity and capability-building initiatives. Funding for programs and services that deliver specific outcomes for communities is undeniably important. But where such programs and services include volunteers in their delivery, adequate resourcing is required to support internal and external infrastructure. For volunteering in Australia to thrive, investment priorities need to be broadened to understand and account for the true costs of enabling volunteering and facilitating volunteer involvement. This will require conversations that challenge the status quo and generate new ideas about how volunteering should be funded and which actors in the volunteering ecosystem should have a responsibility for providing financial and other support.

⁴ <https://www.volunteeringaustralia.org/resources/definition-of-volunteering/#/>

⁵ <https://volunteeringstrategy.org.au/wp-content/uploads/2023/02/National-Strategy-for-Volunteering-2023-2033.pdf>, 48

⁶ <https://www.volunteering.com.au/wp-content/uploads/2022/12/NSW-Multicultural-Volunteering-Report-2022.pdf>

⁷ <https://volunteeringstrategy.org.au/wp-content/uploads/2023/02/National-Strategy-for-Volunteering-2023-2033.pdf>, 48

The Commission should consider how increased philanthropic funding, along with other funding sources, can work together to support the volunteering ecosystem in alignment with Strategic Objective 3.3: Commit to Strategic Investment.

Volunteering in Australia

Australian society relies on volunteers to provide a myriad of activities and programs, in our schools and hospitals, residential and home care settings, playing fields, and community centres. Many sectors, such as mental health, disability support, food and emergency relief, arts and heritage, and sports, depend heavily on volunteer involvement. Further, through the resilience and innovation of volunteers and volunteer involving organisations, voluntary action has been a vital pillar in supporting communities through recent challenges.

This section presents data on the current state of volunteering in Australia. The most recent available data was collected as part of the Volunteering in Australia research, which informed the development of the National Strategy for Volunteering. This research draws on several data sources, including new data collection through the ANUpoll series of surveys and earlier data from the ABS General Social Survey and the Census. The main source of data on contemporary volunteering comes from the ANUpoll surveys collected by the ANU Centre for Social Research and Methods, which included questions about volunteering in late-2019, April 2020, April 2021, and April 2022. The ANUpoll data is representative of the adult Australian population and the April 2022 survey collected data from 3,587 people in Australia. Data on volunteer involving organisations is taken from an original survey completed by representatives of 1,345 volunteer involving organisations in Australia between May and June 2022.

Who volunteers?

In April 2022 about a quarter (26.7 per cent) of Australians had undertaken formal volunteering in the previous 12 months and just under half (46.5 per cent) had undertaken informal volunteering in the previous four weeks. Combined, over half (56.7 per cent) of Australians had undertaken either formal or informal volunteering over the relevant periods as of April 2022.⁸

To varying degrees, those more likely to have volunteered formally were: women, people aged 55 years and older, those born in Australia or born in another English-speaking country, those with a higher level of education, those living outside of a capital city, and those in paid employment. There were no differences in rates of volunteering by the socioeconomic characteristics of the area in which a person lives, or between people with disability and people without disability. Over the longer-term, the rate of youth volunteering has been gradually increasing. There was an increase in volunteering amongst young adults (15–24 years) between 2006 to 2016, but then a big drop

⁸ <https://volunteeringstrategy.org.au/wp-content/uploads/2022/10/Volunteering-in-Australia-2022-The-Volunteer-Perspective.pdf>

between 2016 and 2021, partly due to the impact of COVID-19. The rate of volunteering among people aged 18–24 years has not shown signs of recovery in 2022.⁹

Data from the Volunteering in Australia research also suggests significant differences in the type of volunteering activities undertaken by women and men in Australia.¹⁰ Women were more likely than men to volunteer for aged care (10.6 per cent of women compared to 6.6 per cent of men), children/youth (19.7 per cent of women and 7.7 per cent of men) and education/training organisations (14.5 per cent of women and 9.9 per cent of men), while men were more likely to volunteer for emergency services/disaster relief (5.6 per cent of women compared to 12.4 per cent of men) and sport/recreation organisations (20.6 per cent of women compared to 30.6 per cent of men). Women were more likely than men to volunteer in companionship/social support (16.7 per cent of women compared to 11.8 per cent of men), food preparation/service/delivery (23.6 per cent of women and 13.9 per cent of men), and fundraising/sales/events roles (27.8 per cent of women compared to 20.1 per cent of men), while men were more likely to undertake board/committee (14.5 per cent of women and 23.8 per cent of men), emergency response/disaster relief/first aid/community safety (8.7 per cent of women and 14.8 per cent of men), and repairing/maintenance/gardening activities (6.6 per cent of women and 18.0 per cent of men). Among men who volunteer, those aged 65 years or over were the most likely to volunteer (34.3 per cent). Among women who volunteer, those aged 30-49 years were the most likely to volunteer (39.0 per cent).

Many people in Australia also undertake informal volunteering, which takes place outside of a formal organisation or group. Those born overseas in a non-English speaking country were more likely to have undertaken informal volunteering than those born in Australia, and women and older Australians were more likely to volunteer informally than men and younger Australians, respectively. The absolute differences by sex (in particular) are much larger for informal compared to formal volunteering. Specifically, 51.3 per cent of women undertook informal volunteering in the previous four weeks compared to 41.5 per cent of men.

The decline of formal volunteering

The rate of volunteering has decreased considerably over the past two decades. Data from the General Social Survey shows that the rate of formal volunteering has been gradually declining from around one-third of adults in 2002 to around one-quarter currently.¹¹ COVID-19 has also caused a sharp decline in formal volunteering in recent years. The proportion of adults who had volunteered in the previous 12 months declined from 36.0 per cent in 2019 to 26.7 per cent in April 2022.¹² Whilst there has been a small increase in the last year, this equates to around 1.86 million fewer

⁹ Based on analysis of data from the 2006, 2011, 2016, and 2021 Census;
<https://volunteeringstrategy.org.au/wp-content/uploads/2022/10/Volunteering-in-Australia-2022-The-Volunteer-Perspective.pdf>

¹⁰ Based on analysis of data collected in ANU Poll 50 (April 2022): Volunteering, aged care, policy priorities and experiences with COVID-19, available at:

<https://dataverse.ada.edu.au/dataset.xhtml?persistentId=doi:10.26193/AXQPSE>

¹¹ <https://volunteeringstrategy.org.au/wp-content/uploads/2022/10/Volunteering-in-Australia-2022-The-Volunteer-Perspective.pdf>

¹² *ibid*

volunteers at the start of 2022 compared to pre-COVID-19.¹³ These numbers illustrate the scale of change in volunteering rates, and how the COVID-19 pandemic has accelerated this trend.

Volunteers aged 65 years and over, those who speak a language other than English at home, those who work short hours or full-time hours, those experiencing a high level of psychological distress, those who lived in a state with strict COVID-19 restrictions, or those experiencing financial difficulties were the most likely to have stopped volunteering.¹⁴ People were particularly likely to have stopped volunteering due to COVID-19 if they were involved in organisations with a focus on Disability (49.8 per cent), Arts / Heritage (42.9 per cent), Environment (42.2 per cent), Aged Care (42.2 per cent), and Mental Health (40.9 per cent).¹⁵ In comparison, only 26.3 per cent of those volunteering for organisations with a focus on Emergency Services / Disaster Relief stopped volunteering due to COVID-19. Men, those born overseas in a non-English speaking country, and those experiencing financial difficulties were less likely to have resumed volunteering.¹⁶ Those aged 65 to 74 (35.4 per cent), those aged 75 plus (24.7 per cent), and those who lived in the most disadvantaged areas (36.6 per cent) were less likely to say they intend to commence/recommence volunteering in the near future.¹⁷

The decline in formal volunteering in Australia has had a direct impact on the programs and services which rely on volunteers. In 2022, 88 per cent of volunteer involving organisations surveyed as part of the Volunteering in Australia research identified COVID-19 as a key driver of change, and 83 per cent reported that they need more volunteers immediately or in the near future.¹⁸ This trend has significant implications for government-funded programs in key sectors. For example, the number of volunteers in Commonwealth Residential Aged Care programs fell from 23,537 in 2016 to 11,980 in November 2020—a decrease of 49 percent.¹⁹ The reduced capacity of crucial programs and services, many of which are the responsibility of the Commonwealth Government (such as aged care, disability support, education, and hospitals), and state and territory governments (such as seniors, children in care, emergency services, and animal welfare), raises the question of how these programs can be delivered and supported in the future.

How people volunteer

The most common types of organisations volunteered for are sport and recreation (25.0 per cent), community services, welfare, and homelessness (22.2 per cent), and religious, faith-based, and spiritual (20.5 per cent). There are also sizeable volunteer workforces in specific sectors that are not

¹³ *ibid*

¹⁴ <https://volunteeringstrategy.org.au/wp-content/uploads/2022/10/Volunteering-in-Australia-2022-The-Volunteer-Perspective.pdf>, 48-52

¹⁵ <https://volunteeringstrategy.org.au/wp-content/uploads/2022/10/Volunteering-in-Australia-2022-The-Volunteer-Perspective.pdf>, 53

¹⁶ <https://volunteeringstrategy.org.au/wp-content/uploads/2022/10/Volunteering-in-Australia-2022-The-Volunteer-Perspective.pdf>, 56-57

¹⁷ *ibid*

¹⁸ <https://volunteeringstrategy.org.au/wp-content/uploads/2022/10/Volunteering-in-Australia-2022-The-Organisation-Perspective.pdf>

¹⁹ <https://www.volunteeringaustralia.org/wp-content/uploads/AGED-CARE-CENSUS-2020-factsheet-Final.pdf>

included in official data collection, such as aged care (8.8 per cent), disability (4.7 per cent), and mental health (4.4 per cent).²⁰

The most common types of activities undertaken by volunteers were fundraising, sales, and events (24.6 per cent), teaching, instruction, and providing information (24.5 per cent), and accounting, finance, administration, and management (22.8 per cent).²¹ Most volunteers (47.8 per cent) undertook activities that were targeted towards the general community. Where there is a focus on particular groups of beneficiaries, the most common focus was children / youth (32.5 per cent) and older people (20.5 per cent).²² Most volunteering is undertaken in person at an organisation (69.4 per cent) or in the field (41.5 per cent). Over the internet (30.2 per cent) and over the phone (16.9 per cent) were also prevalent modes of volunteering.²³

Volunteering in Australia's charities and not-for-profits

Volunteers contribute extensively to charities and not-for-profit organisations in Australia. According to the Australian National Accounts: Non-Profit Institutions Satellite Accounts for the 2012-13 financial year (the most recent official estimate of the direct contribution that volunteers in non-profit institutions make to the Australian economy, including gross value added and gross domestic product), volunteering was estimated to have an imputed value of \$17.3 billion.²⁴

However, this figure likely underestimates the broader economic value of volunteering. For example, this valuation does not account for the preventive health and wellbeing benefits of volunteering, through its facilitation of community and social connection. Volunteering also supports the broader not-for-profit sector, which employs 1.38 million people, about 11 per cent of all employees, in Australia.²⁵ These roles are supported by the efforts of 3.6 million volunteers in Australian charities.²⁶ When the broader commercial and civic benefits of volunteering were considered, a recent valuation of volunteering in the New South Wales State of Volunteering report found that every dollar invested in volunteering generated a social return on investment of \$3.30.²⁷

A majority of not-for-profit organisations in Australia engage volunteers. These volunteers contribute not only to delivering on the mission of the organisation, but also to critical leadership and governance functions. 18.5 per cent of people who volunteered in 2022 indicated that they

²⁰ <https://volunteeringstrategy.org.au/wp-content/uploads/2022/10/Volunteering-in-Australia-2022-The-Volunteer-Perspective.pdf>, 42

²¹ <https://volunteeringstrategy.org.au/wp-content/uploads/2022/10/Volunteering-in-Australia-2022-The-Volunteer-Perspective.pdf>, 44

²² <https://volunteeringstrategy.org.au/wp-content/uploads/2022/10/Volunteering-in-Australia-2022-The-Volunteer-Perspective.pdf>, 46

²³ <https://volunteeringstrategy.org.au/wp-content/uploads/2022/10/Volunteering-in-Australia-2022-The-Volunteer-Perspective.pdf>, 40

²⁴ <https://www.abs.gov.au/statistics/economy/national-accounts/australian-national-accounts-non-profit-institutions-satellite-accounts/latest-release>

²⁵ https://www.acnc.gov.au/sites/default/files/documents/2021-07/de-30058_-_acnc_australian_charities_report_-_7th_edition_final_2.pdf, 11

²⁶ *ibid*

²⁷ <https://www.volunteering.com.au/wp-content/uploads/2021/07/NSW%20State%20of%20Volunteering%20Report.pdf>

undertook board or committee work as part of their role.²⁸ These volunteers are crucial to the functioning of Australia's charities and not-for-profits. Efforts to increase philanthropic giving must therefore consider measures which would help organisations engage volunteers.

Motivations and barriers to volunteering

People predominantly volunteer for personal satisfaction and to do something worthwhile (71.9 per cent), to help others and their communities (61.4 per cent), for social contact (33.3 per cent), to use their skills and experience (32.3 per cent), and to stay active (27.8 per cent).²⁹ These are usually identified as the most significant reasons for volunteering, and these motivations do not differ significantly between sectors or by demographic variables such as gender.

The available evidence on volunteer motivations and retention is unequivocal in concluding that individualised approaches that promote autonomy, social support, the productive use of time, and prevention of burnout are essential ingredients for successful volunteer involvement.³⁰ Ensuring that volunteers have meaningful experiences by empowering them to participate in ways that suit them and meet their motivations is central to Strategic Objective 1.1: Focus on the Volunteer Experience in the National Strategy for Volunteering.

The most common reason for not volunteering was work/family commitments (40.8 per cent). About one-in-five (21.9 per cent) non-volunteers indicated that they were 'not interested' as one of their reasons for not volunteering.³¹ Fewer than one-in-five non-volunteers identified each of the remaining ten reasons provided for not volunteering. Interestingly, one-in-eight (14.7 per cent) non-volunteers said that they did not volunteer because there were "no suitable opportunities" and a similar proportion said it was because "nobody asked" (13.9 per cent). This is indicative of a potential untapped pool of future volunteers.

Unlike motivations to volunteer, there is significant variation in reasons for not volunteering among demographic groups.³²

- Women (46.3 per cent compared to 35.6 per cent of men) and people aged 35 to 44 years (50.3 per cent compared to 42.2 per cent of those aged 18 to 34 years, 44.7 per cent of those aged 45 to 64 years, and 25.7 per cent of those aged 65 years and older) were the most likely to cite work and family commitments.

²⁸ <https://volunteeringstrategy.org.au/wp-content/uploads/2022/10/Volunteering-in-Australia-2022-The-Volunteer-Perspective.pdf>, 44

²⁹ <https://volunteeringstrategy.org.au/wp-content/uploads/2022/10/Volunteering-in-Australia-2022-The-Volunteer-Perspective.pdf>, 35

³⁰ https://volunteeringstrategy.org.au/wp-content/uploads/2022/09/VRP_Understanding-Motivations-to-Volunteer.pdf; https://volunteeringstrategy.org.au/wp-content/uploads/2022/09/VRP_The-great-volunteer-resignation-An-evidence-based-strategy-for-retaining-volunteers.pdf

³¹ <https://volunteeringstrategy.org.au/wp-content/uploads/2022/10/Volunteering-in-Australia-2022-The-Volunteer-Perspective.pdf>, 36-38

³² *ibid*

- Women, people aged 65 years and older, those who live in highly socio-economically disadvantaged areas, and Aboriginal and Torres Strait Islander peoples were more likely to report health reasons.
- Younger people (aged 18 to 35 years) and people living in a capital city were more likely to report financial reasons. Somewhat surprisingly, there does not appear to be much variation in reporting financial reasons across the socioeconomic characteristics of the neighbourhood in which a person lives.
- Older people (aged 65 years and older), those in the middle socio-economic quintile, and those born in a non-English speaking country were the most likely to report that there were no suitable opportunities in their area.

This data demonstrates that access to volunteering opportunities is not equal. A range of factors, including age, cultural background, level of education, geography, and employment status, can all affect whether, and how, a person can volunteer. Different people also experience different barriers to volunteering, such as health and financial reasons. The systemic barriers to participation that are prevalent across society are also evident in volunteering, where access is often mistaken for ability. Recommendations to reduce barriers to volunteering should align with Strategic Objective 1.2: Make Volunteering Inclusive and Accessible.

Regulatory barriers and volunteering

Government policies can have a significant influence on volunteering activity. In particular, regulatory requirements can affect the capacity of volunteer involving organisations to involve volunteers and the willingness of volunteers to engage. Alignment of regulation, with the aim of reducing red tape and increasing volunteer engagement, could greatly improve efficiency across the volunteering ecosystem. This is significant for volunteering in particular, due to differences in the policy approach to volunteering across sectors and between states and territories.

For example, regulatory alignments are currently underway across the aged care, disability support, and veterans' care sectors. Despite their extensive involvement in aged care, disability support, and veterans' care, whether and how volunteers are included under relevant regulation varies across these sectors. In disability support, volunteers are explicitly included among those employed or otherwise engaged by providers, including in registered and unregistered National Disability Insurance Scheme (NDIS) providers and in other Commonwealth programmes in the disability services space.³³ The aged care sector similarly includes individuals engaged on a voluntary basis in providers of residential, home, and flexible care, as workers.³⁴ In veterans' care, however, volunteers are not specified as part of the workforce, or noted to be among those engaged by care providers in the sector.³⁵ As workforce definitions are used to distinguish who is covered under relevant regulatory frameworks, whether volunteers are included under aligned regulation, such as the

³³ https://consultations.health.gov.au/++preview++/aged-care-reform-compliance-division/care-and-support-sector-code-of-conduct-consultati/supporting_documents/Care%20and%20Support%20Sector%20Code%20of%20Conduct%20Consultation%20Paper.pdf, 10-11

³⁴ *ibid*

³⁵ *ibid*

proposed Care and Support Sector Code of Conduct, would vary by sector.³⁶ Efforts to simplify service provision across sectors must therefore be clear regarding the inclusion of volunteers.

Lack of clarity in this respect can place significant strain on volunteer involving organisations, especially when decision-makers overlook volunteering in their assessments of proposed changes. For example, insufficient understanding of the workforce and the role of volunteers in the disability sector caused significant issues with the NDIS Worker Screening Check process in Victoria. The process requires applications to be sent to a central help desk to be approved manually, which has caused significant delays due to the large number of volunteer applicants who need clearance.³⁷ Similarly, the requirements for worker screening checks vary among the states and territories. For example, Volunteer Working with Children Checks and NDIS Worker Screening Checks are free in New South Wales, Victoria, Queensland, South Australia, and the Australian Capital Territory, but are still subject to charges in Tasmania and Western Australia. In 2018, South Australia went further to make all volunteer checks free – including National Police Checks.³⁸ Ensuring that volunteers can access the worker screening process efficiently and without personal cost across Australia would reduce administrative barriers to volunteer involvement.

The examples above highlight the importance of strategic consideration of volunteering in government regulation. Where the relevant regulation is inconsistent or ambiguous in its inclusion of volunteers, or where the unique dynamics of volunteer engagement are not adequately considered, current regulatory requirements can be an impediment to volunteer effort in key sectors. Positive reforms, with the aim of reducing administrative requirements and streamlining processes for volunteers and volunteer involving organisations, have the potential to greatly improve the efficiency and effectiveness of volunteer involvement in Australia. These should be accompanied by improved data collection, which provides accurate information about volunteering in key sectors, such as aged care, disability support, and mental health.

Supporting volunteering through the tax and transfer system

Financial strain is a significant barrier to volunteering in Australia. The Volunteering in Australia research, which informed the development of the new National Strategy for Volunteering, found that 16.6 per cent of people did not volunteer in the past 12 months for financial reasons.³⁹ Financial barriers were more significant for young people, with 25.5 per cent of those aged 18 to 34 years indicating that they did not volunteer for financial reasons.⁴⁰

Volunteers also incur costs through their engagement as volunteers. In 2022, just over half (54 per cent) of volunteers incurred out-of-pocket expenses through their volunteering role. Of these, 41.0 per cent indicated that reimbursement was not available or offered, and 31.5 per cent did not apply

³⁶ *ibid*

³⁷ Information on the experience of volunteers and volunteer involving organisations with the NDIS Worker Screening Check process provided by Volunteering Victoria

³⁸ <https://screening.sa.gov.au/fees-payments>; <https://www.police.sa.gov.au/services-and-events/apply-for-a-police-record-check>

³⁹ <https://volunteeringstrategy.org.au/wp-content/uploads/2022/10/Volunteering-in-Australia-2022-The-Volunteer-Perspective.pdf>, 36

⁴⁰ *ibid*

for reimbursement even though it was offered. Among those who incurred costs, the average amount that volunteers spent personally on volunteering over the past 12 months (after reimbursement) was \$582.83.⁴¹

Whilst volunteers do not expect to be rewarded or remunerated for their contribution, ensuring that volunteers are not out-of-pocket for contributing their time is essential to protecting the interests of volunteers. This is a key consideration in Strategic Objective 1.3: Ensuring Volunteering is Not Exploitative, outlined in the National Strategy for Volunteering (2023-2033). In progressing this objective, the Australian Government should consider ways to reduce out-of-pocket expenses for volunteers through the tax and transfer system. For example, the possibility of offering tax rebates or deductions for expenses incurred while volunteering could be explored. Volunteering Australia recommends that the Productivity Commission examines and models the potential benefits of offering tax rebates or deductions for expenses incurred through volunteering.

Public strategies to enhance the status of volunteering

The Call for Submissions highlights that there may be an in-principle case for public (government sponsored) campaigns to enhance the status of philanthropy in some circumstances. The National Strategy for Volunteering identifies a broadened public understanding of volunteering as a key aim under Strategic Objective 2.2: Reshape the Public Perception of Volunteering. Volunteering is often perceived as being formalised, role-based, and service-focused. The public narrative is dominated by highly visible forms of volunteering, which detracts from a common understanding about the breadth of activities and undertaken by volunteers. The focus of this objective is promoting different types of volunteering across various domains to expand public awareness and encourage participation.

Over half (56.7 per cent) of Australians participated in either formal or informal volunteering in 2022. Despite the sheer enormity of the volunteer population, much of the work undertaken by volunteers is not routinely acknowledged in the public narrative. This is for a range of reasons, including misconceptions about what volunteers do and the time required, lack of self-identification as a volunteer, and persistent stereotypes such as the 'older charity shop worker'.⁴² When asked why they do not volunteer, the most common reason given by non-volunteers was 'work/family commitments' (40.8 per cent) followed by 'not interested' (21.9 per cent). 'No suitable opportunities' (14.7 per cent) and 'nobody asked' (13.9 per cent) also ranked highly as reasons for not volunteering.⁴³ This suggests there is latent potential in the non-volunteer population that could be realised.

In addition to widening the appeal of volunteering, an increased public understanding of the role of volunteering in Australia is also important to ensure programs, services, and activities delivered

⁴¹ <https://volunteeringstrategy.org.au/wp-content/uploads/2022/10/Volunteering-in-Australia-2022-The-Volunteer-Perspective.pdf>, 62

⁴² Ho, M. and O'Donohoe, S. (2014). Volunteer stereotypes, stigma and relational identity projects. DOI: 10.1108/EJM-11-2011-0637

⁴³ <https://volunteeringstrategy.org.au/wp-content/uploads/2022/10/Volunteering-in-Australia-2022-The-Volunteer-Perspective.pdf>, 36

through volunteer involvement are adequately resourced. Increased visibility of the breadth of activities in the community, including informal and community-led initiatives,⁴⁴ delivered by or with volunteers is important for attracting support and investment. The psychological factors that drive charitable behaviour include emotions, the mental shortcuts used to make decisions, and the propensity to adhere to social norms. Practical actions to increase volunteering that emerge from behavioural economics include appealing to people's emotions by identifying the beneficiaries of volunteer work and weaving vivid narratives about the anticipated impact of involvement and describing volunteering as a social norm with messaging that indicates "people like you" typically volunteer.⁴⁵

By raising awareness and understanding of volunteering within the general public, there is an opportunity to not only highlight the various ways in which people can contribute their time and skills, but to foster a greater recognition and appreciation of the various forms of volunteering that exist. This can help to increase participation by normalising volunteering and further embedding it in Australia's already strong culture of giving. For this reason, a public campaign to encourage volunteering by presenting the diversity and impact of volunteering opportunities would be greatly beneficial to enhancing the status of volunteering and would support the objectives of the National Strategy for Volunteering.

Philanthropy Australia⁴⁶ has recommended a National Giving Campaign in their submission and we look forward to working with them on how this might align with the aspirations of the National Strategy for Volunteering.

Recommendations

Based on the evidence presented above, Volunteering Australia makes the following recommendations to the Productivity Commission:

1. Include volunteering in the scope of the inquiry, but make clear when recommendations apply to volunteering and consider the impact of any other recommendations on the volunteering ecosystem.
2. Produce an analysis of regulatory requirements for volunteers and volunteer involving organisations in Australia.
3. Explore ways to use the tax and transfer system to reduce costs of volunteering, for example, by making out-of-pocket expense incurred while volunteering tax deductible.
4. Consider a public, government sponsored campaign to promote volunteering, in alignment with Strategic Objective 2.2: Reshape the Public Perception of Volunteering in the National Strategy for Volunteering.

⁴⁴ Hendriks, C., Klein, E., & Regan, S. (2023). Informal volunteering and community-led problem-solving. (forthcoming).

⁴⁵ https://volunteeringstrategy.org.au/wp-content/uploads/2022/11/VRP_Applying-insights-from-behavioural-economics-to-increase-volunteering.pdf

⁴⁶ <https://www.philanthropy.org.au/about-us/publications/a-strategy-to-double-givingby-2030/>

Authorisation

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

Mr Mark Pearce

Chief Executive Officer

Endorsements

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



About Volunteering Australia

Volunteering Australia is the national peak body for volunteering, working to advance volunteering in the Australian community. The seven State and Territory volunteering peak bodies work to advance and promote volunteering in their respective jurisdictions and are Foundation Members of Volunteering Australia.

Volunteering Australia's vision is to promote a strong, connected, and resilient Australian community through volunteering. Our mission is to lead, strengthen, and celebrate volunteering in Australia.

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