

Volunteering Victoria
Submission:
Productivity Commission
Philanthropy Inquiry – *Future*
***foundations for giving* Draft**
Report

FEBRUARY 2024

Introduction

Volunteering Victoria welcomes the Productivity Commission's *Future foundations for giving* Draft Report (Draft Report). We thank the Commissioners for the opportunity provided to make a submission to the Philanthropy Inquiry and for their time on 16 January 2024 to discuss the Draft Report. We are encouraged to have volunteering included as a significant and distinct form of philanthropy recognising the critical contribution of volunteering to society and to community. Volunteering requires equal and specific consideration, research and planning in policy development and initiatives aimed at strengthening the not-for profit sector and we welcome the Draft Report's acknowledgement of this.

Along with the other state peaks, Volunteering Victoria has contributed to and endorsed the submission of Volunteering Australia (VA) to the Draft Report as a national view of the priorities of the volunteering ecosystem.

As a state body we would suggest the Inquiry consider a number of specific and systemic issues which we see repeatedly raised by members and stakeholders. It is our view that considering these matters will inform the Inquiry on the extent and impact of the many barriers to volunteering and assist in seeking and finding solutions which will allow volunteering to flourish.

Volunteering is at a unique and critical juncture in culture and society. With the combined forces of:

1. Social and cultural changes away from traditional models of gifting time and service toward new and different forms of volunteering.
2. The increased professionalisation of many of the services traditionally provided by volunteers and the increased complexity of having and supporting a volunteer service base for volunteer involving organisations.
3. The post-covid changes in community participation and decline in volunteer availability driving increased pressure on community and service groups.

We submit the following three areas as ways to assist with the above pressures:

1. Find ways to protect those who give time and skills.
2. Consider how policy can and does shape voluntary contributions.
3. Fostering a culture of giving.

1. Protect those who give time and skills

Volunteer insurance

In our [first submission to the Inquiry](#), we called for subsidised volunteer insurance, particularly for small volunteer involving organisations (VIOs), to protect volunteers and the community. The Draft Report recognises the significance and value of the giving of time and the fact that efforts need to be made to encourage volunteering and wherever possible to reduce barriers to this form of giving.

In our experience volunteers are unlikely to be covered by an organisation's insurance policies when they suffer injuries in their role unless the organisation holds specific insurance for this purpose – such as volunteer personal accident insurance. Workers' Compensation insurance is for employees only and does not cover volunteers (except in rare circumstances), and public liability insurance

which many organisations have as a matter of course will usually cover injuries a volunteer causes to others (eg. clients, customers or other third parties) but not injuries caused to volunteers.

This situation was highlighted during COVID and no cover was provided for volunteers who became ill while engaged in a volunteer role. Volunteer personal accident insurance did not cover illness. There is the assumption that because volunteers are not paid by the VIO they suffer no loss of income. But there were medical expenses and impacts on other sources of income, such as if a volunteer had a paid role at another organisation in which case they would have had to take sick or unpaid leave from that role. Some, while ill, may have been required to pay for the care of someone in their household that they supported¹.

Unlike Workers' Compensation for employees, it is not compulsory to take out personal accident insurance for volunteers which would cover volunteers for expenses incurred in the event of accidental injury, disability or death which occurs while the volunteer is engaged.

That such cover is not automatically provided may be because:

- the VIO is unaware that it is necessary or they assume their insurance covers volunteers sufficiently;
- the insurance cover is too expensive, which is the case for many small not for profit VIOs and charities who rely on volunteers to provide their services; and
- there is no legal obligation to provide this cover. Volunteers are underappreciated and not generally considered a "workforce".

Not providing volunteers with cover in the event of injury does not reflect well on the sector or recognise the value of volunteers. See the blog post by [Feminista Vinyl](#) on the Volunteering Victoria website²:

"We had to really look hard to find an insurance option we could actually afford. Volunteer-based organisations should not be priced out of creating a safe workplace or forced to operate without those staff protections."

Volunteer support organisations, peak bodies, resource centres and organisations such as [Justice Connect](#) have long called for government and the insurance industry to take action to protect volunteers:

1. through recognition of volunteers as a workforce, but one distinct from a paid workforce;
2. appropriate policy that requires protection of volunteers; and
3. enabling and requiring appropriate insurance cover for volunteers – which could be provided through federal or state government departments or by mean of a specific fund established for this purpose or an arrangement with insurance companies.

This is an area where government could work with or provide incentives to insurance companies to provide free or affordable cover for volunteers. With government or insurance company backing, national and state volunteering peak bodies could provide insurance for small NFP VIOs under their

¹ Advocacy piece that Volunteering Australia and the state peaks with Justice Connect put to Government during COVID: <https://www.volunteeringaustralia.org/addressing-the-pandemic-insurance-gap-for-volunteers/#/>.

² A Volunteer Story – blog post reflecting the challenges facing small NFPs including limited funding opportunities and onerous and costly bureaucratic processes such as accessing volunteer insurance. This takes their focus and time away from the day-to-day planning and operations of the organisation: <https://www.volunteeringvictoria.org.au/feminista-vinyl/>

own (in Victoria's case, the Victorian Managed Insurance Authority (VMIA)) insurance policies. Alternatively minimum standards and/or requirements could be maintained alongside the requirements around paid workforce.

There are many different cohorts of volunteers including those under 18 years of age, over 70 years of age and every age in between, and those with or without disabilities. All volunteers must be covered.

Additional information:

- VMIA provides insurance to government funded community organisations in Victoria but many community organisations do not receive state government funding and are thus ineligible³.
 - Noting that in certain cases eg Neighbourhood Houses, cover is provided to individual Neighbourhood Houses under a central insurance policy.
- Some insurance companies provide cover for under 18s (like AON), but not all do and there can be varying levels of cover for different ages. Often it is a matter of ensuring that VIOs are informed, supported in undertaking effective risk assessments of their programs and required to ensure that all their volunteers are covered. But government, the insurance sector and the volunteer involving sector should all be working together towards appropriate solutions to make sure this happens.

An ombudsman for the proper treatment of volunteers:

As the state peak body for volunteering in Victoria, we regularly take calls and respond to emails from volunteers who seek to report poor volunteer management, incidents of bullying and other unacceptable behaviour. These volunteers provide their time freely and willingly and yet are not afforded the same regulatory protection or processes for dealing with such behavior as paid workers. All we can do is listen and provide some resources to help them deal with this situation⁴. This may include walking away from a volunteer role which has long fulfilled them and supported a VIO. This does not promote and encourage volunteering.

Some form of ombudsman or equivalent structure might go some way to making volunteers feel valued and protected and would put VIOs on notice that they should be following best practice by providing volunteers with a process for dealing with such incidents. As to how this could work and the best place for housing such a function – possibly the ACNC, or within state government – would need more research and consideration with the involvement of organisations like [Justice Connect](#). It is notable that finding someone who is prepared to listen to a complaint, even when there is little that can be done, is often sufficient for the volunteer.

³ VMIA CSO Program: <https://www.vmia.vic.gov.au/insurance/policies-and-cover#CSO/> / <https://www.vmia.vic.gov.au/insurance/policies-and-cover/community-service-organisations-program>

⁴ A Volunteering Victoria resource to support volunteers that have been exposed to inappropriate behaviour: <https://www.volunteeringvictoria.org.au/for-volunteers/problems-where-you-volunteer/>

2. Good policy considers volunteers from the start

Draft Report reference: Draft Recommendation 7.5 - Explicitly consider the effects on volunteers when designing policies and programs

The National Disability Insurance Scheme (NDIS) is an example of a national program which failed to recognise the NDIS volunteer workforce. For volunteering to flourish, legislators and policy makers need to have the relevant knowledge, data and information on the role and impact of volunteers in particular settings.

When NDIS screening checks for workers in risk assessed roles were introduced in all states at the beginning of 2020, the failure to accept that there were many volunteers in these roles created additional challenges for volunteer involving service providers and barriers for the volunteers who wanted to give their time to supporting people with a disability.

People with disability also volunteer which is a significant and valuable benefit to those involved and those supported. When NDIS screening was introduced, there was no understanding of the number of volunteers in the disability sector nor the “risk-assessed” roles these volunteers played in the NDIS. The initial design of the screening process in Victoria reflected this, with volunteers having to apply for paid worker screening checks⁵. All states developed their own, different procedures. In some states screening checks are not free and some checks are not valid in other states.

In Victoria it took 3 years of relentless advocacy to ensure NDIS volunteers could access the same online screening process as paid workers – but for free. During this period the NDIS check process for volunteers was a manual one (paid workers had the option of a far quicker online process). This was a major challenge for leaders of volunteers within service provider organisations, for NDIS clients having to wait for their volunteer to be screened and a real barrier to the involvement of volunteers. Many volunteers completed a paid check and then waited months for a refund of the screening cost (which at least was an option.) There was initially a suspicion that people wanting to give their time might pretend to be volunteers to obtain a free check. This no longer appears to be the case. As a Commonwealth program, there was and is the capacity to obtain the correct information on volunteer numbers and involvement.

If volunteering is valued and to be encouraged, all potential barriers need to be considered. This should include appropriate screening procedures and ensuring that the right balance is found between protecting vulnerable people and encouraging people to give their time to support these people. And not making it too hard to do so. There are clear and obvious benefits to government of getting this right and enabling thriving volunteering in the disability sector, which improves the circle and level of care that can be provided, and the inclusion of people with lived experience who can be and want to be involved.

Screening processes for volunteers should also consider the differing capacities of individual volunteers eg, some older volunteers may prefer manual processes and need assistance to comply with checks, younger volunteers may lose interest if the screening and onboarding process is not

⁵ Volunteering Victoria 2020 submission to the Worker Screening Regulations Consultation <https://www.volunteeringvictoria.org.au/wp-content/uploads/2020/12/VV-Submission-Worker-Screening-Regulations-Dec.pdf>.

quick and easy, possibly online. And there needs to be consistency across Australia, not free in some states and at a cost to the VIO or the volunteer in others. A volunteer passport platform could be considered which would allow volunteers to move easily between roles and states without requiring a new check for different roles.

Additional information:

1. During COVID volunteering was not initially recognised or included as an essential activity that could and should continue. And yet we know that without volunteers during this period, many services would have collapsed and the suffering in communities exacerbated. Our organisation fielded numerous enquiries while also advocating to Government to include volunteering in COVID messaging.
2. For some smaller NDIS service providers who engage volunteers, it is easier to require ALL volunteers to be screened. Consistent regulation (messaging) from the NDIS program should be clear and provide direction on when this is and when not required. This is particularly the case in Aged Care. Volunteering Victoria has worked closely with many volunteer involving NDIS service providers and aged care facilities in dealing with barriers and can supply contacts and case studies which show the impact of mis-directed policies.
3. The reviews into both the Aged Care Sector and NDIS have provided good opportunities to emphasise these points – and it appears both sectors are taking this on board. But having the principles embedded at the highest level, ensuring all government policy gives volunteering due and appropriate consideration would still be the best outcome.⁶
4. Commonwealth programs have the capacity to ascertain relevant information through reporting and surveys of service providers. The information on who, what and why is critical to better understand, plan, regulate and support.
5. Under Commonwealth Mutual Obligation arrangements, voluntary work may count towards requirements if the provider considers the voluntary work to be beneficial in giving the individual the necessary experience to help them into paid employment. Often place based volunteer resource centres (VRCs) will be approached to assist with finding suitable opportunities – but there is no government funding or support for VRCs for this service and little appreciation by government or policy of what is required when trying to find and place a volunteer in a suitable role.

⁶ VA submissions to Aged Care Review: https://www.volunteeringaustralia.org/wp-admin/admin-ajax.php?juwphisadmin=false&action=wpfd&task=file.download&wpfd_category_id=199&wpfd_file_id=44083&token=&review=1 and the NDIS Review: https://www.volunteeringaustralia.org/wp-admin/admin-ajax.php?juwphisadmin=false&action=wpfd&task=file.download&wpfd_category_id=199&wpfd_file_id=44411&token=&review=1

3. Encouraging people to give time – creating a culture of giving

The Draft Report details the fact that motivations for volunteering vary widely. Many people do not recognise their particular giving of time as volunteering (an issue when it comes to collecting accurate data through the Census).

Some people welcome the opportunity to attend a working bee at a school or sports club as opposed to paying more for the upkeep of the facility, others would rather pay an additional fee than give their time. Some feel that the fees they are currently paying should cover this.

Rewarding or incentivising volunteers to encourage the giving of time may feel contrary to a culture of giving. Volunteering has traditionally been seen as being done from the goodness of one's heart, with no expectation of anything in return. But there is always a benefit to volunteering even if it is just to feel good. If people are more likely to volunteer through the offer of an incentive in some form and then experience the benefits once they are engaged, they are more likely to stay. Once there is an appreciation for the importance and impact of volunteering there should be no wrong doors to becoming involved. We know of a situation in a regional community house where commencing a volunteering role quite literally saved the life of the volunteer.

The complexity in what motivates people to volunteer is reflected in the challenges of managing of volunteers: how to find and recruit volunteers to a particular cause or organisation, how to manage them and retain them, how to be inclusive and make programs accessible and to encourage the involvement of multicultural communities. Giving behavior has changed and is evolving. Volunteers may not want to be paid and they may or may not be happy to carry some of the expenses related to the volunteering (some see it as a donation), but they have their reasons for taking on the role and expect the VIO to recognise this and provide a safe volunteering environment. And they want to be appreciated for the time they are giving.

Whether it is indeed possible to create a culture of giving or not, governments need to try. They need to recognise impact and value⁷, they need to gather relevant data and then put in place the necessary supports. Volunteering Australia's [National Strategy for Volunteering 2023-2033](#) provides an essential roadmap for government. And there is now a multitude of research and information available on all these issues⁸.

We would like to highlight the following:

- Understanding what motivates people to give their time is critical. Recognising that this varies widely and that there are differences in the motivations for different cohorts of volunteers is just as critical. The way VIOs attract volunteers will therefore also need to adapt. And they may need to attract different cohorts of volunteers in varying ways. Data is critical to understanding what this means. The impact of the current cost of living pressure

⁷ The value of volunteering is provided in the various [State of Volunteering Reports undertaken around Australia](#). In Victoria in 2019 the value of volunteering was \$58.1billion with \$19.4billion the cost of replacing the labour volunteers contributed to Victoria. State of Volunteering Victoria website <https://stateofvolunteering.org.au/victoria/> and the Report https://stateofvolunteering.org.au/wp-content/uploads/2020/10/SOVR_21.10.2020_WEB.pdf

⁸ VMA Case studies: <https://www.volunteeringvictoria.org.au/vma-resources/>

and the impact of this on volunteering is being experienced now and needs to be addressed⁹.

“The team also talk about the need for more volunteers in the community and the barriers that people encounter to volunteering. This can include the issues posed by screening check requirements, cost of living, lack of transportation over large geographical areas and a lack of understanding and promotion of volunteering.”

- Identify barriers and reduce barriers:
 - volunteers must be reimbursed for their expenses in volunteering. The Victoria State of Volunteering Report found that in 2019 it cost Victorian volunteers on average over \$1,700 a year to volunteer. On average VIOs are reimbursing only one dollar for every eight dollars a volunteer spends on volunteering. This means on top of their valuable time, volunteers are donating on average nearly \$6.70/hour to volunteer after reimbursements¹⁰. If necessary, and this is the case particularly for small NFPs, grant funding is required that can be accessed to reimburse volunteers. This is more critical now than ever, with the cost of living pressures becoming more of a barrier to volunteering than in the past.
 - Identify barriers that may be specific to a sector (eg sport), to rural areas (eg poor connectivity, transportation), to young people (eg onerous screening) or older people.
 - Terminology may be a barrier – what constitutes volunteering. If the term volunteering creates a sense of elitism or privilege, use a different term.
- Identify and promote the many and varied benefits of volunteering. Understand what these benefits are and what might be helpful in attracting volunteers from different cohorts, for example, work experience, pathways to employment, resume building, an opportunity to try out different sectors and roles to determine suitability.
 - Government funded public campaign – consider providing access to grant funding to communities to promote the volunteering that they need, as opposed to a general promotion of volunteering campaign.
- Identify, consider and research a range of incentives for volunteering. While the formal definition of volunteering may assume a culture of giving, it is important to be open to all ways of encouraging and incentivising giving.
 - An example is the ASPIRE Program, Latrobe University <https://www.volunteeringvictoria.org.au/latrobe-university-aspire-program/> which offers a range of benefits to future students who demonstrate volunteerism, community involvement or leadership.
 - A further example is a VRC in Victoria which is connecting school students with certain volunteering programs to broaden their life and learning experiences, and starting them, hopefully, on a journey of lifelong volunteering.
 - Ensure incentives are targeted and appropriate.

⁹ Blog post: Brayakooloong Community Wellbeing Centre in Morwell
<https://www.volunteeringvictoria.org.au/brayakooloong-community-wellbeing-centre/>

¹⁰ Ibid State of Volunteering Victoria: <https://stateofvolunteering.org.au/victoria/>

- Different cohorts of volunteers will respond differently to different incentives.
- Young people may respond more positively to rewards eg vouchers or the opportunity to share experiences on social media (see for example the new [VOLI](#) platform which is described as “An all-giving-in-one mobile application that makes doing good easy, even easier to measure and rewards you for your efforts”).
- Cost of living pressure means reimbursement of volunteer out of pocket expenses is more essential than ever. It also means incentives may be more effective in encouraging the giving of time.
 - Eg: Incentives need not be substantial as was reported to us: *“Sometimes all a volunteer wants is a cup of tea and a t-shirt so they feel recognised and part of something valuable”*
- Recognise the burden on certain VIOs where too few volunteers are taking on too much – consider some form of incentive to reward these volunteers. This is often the case in rural towns and in sports clubs.
- Any promotion and encouragement needs to recognise the different motivations and the breadth and depth of volunteering.
- Build the capacity of VIOs and team leaders to find different solutions to their issues be it attracting volunteers or retaining them, through appropriate grant funding for both physical and wrap around, capacity building infrastructure supports.
- Incentives for corporates to encourage staff to volunteer.
- Fund innovations and research that can ensure better and more effective volunteering policy such as matching platforms, mobile applications, volunteer passport options.

We will be attending the public hearing later this month and are happy to provide or source any additional information if required.

Yours Sincerely,

Geoff Sharp
Chief Executive Officer
Volunteering Victoria