

# Position statement

## Welfare to Work, or Work for the Dole (WFTD)

July 2015

### SUMMARY

Volunteering Tasmania (VT), as the peak body for volunteerism in Tasmania, has prepared a policy position statement to outline the impact of “Work for the Dole” (WFTD) on the Tasmanian volunteer sector.

VT notes that volunteering opportunities under WFTD may have potential benefits both to Job Seekers and the community at large. It can be an opportunity for eligible Not for Profit organisations to gain a new network of volunteers. For Job Seekers it can be an opportunity to develop social networks and work skills.

This position statement focuses on the impact of this WFTD model on Volunteering Involving Organisations (VIOs), but does not reflect our position on volunteering’s effectiveness as a pathway to employment.

WFTD places additional pressure on managers of volunteers - the majority of whom are already working with limited resources. There is limited financial support to assist organisations host WFTD volunteers. We need to balance the needs of individuals participating in WFTD with the already stretched resources in Not for Profit organisations.

### BACKGROUND

The Federal Government recently reviewed Australia’s welfare system, with part of the reform agenda focused on moving unemployed Australians into work or training opportunities. As part of this reform, a new WFTD program was introduced. This program focused on incentivising certain types of welfare payments. Recipients of these payments are required to undergo ‘approved activities’ to continue to receive a government allowance.

From 1 July 2015 most job seekers with Mutual Obligation requirements will see some changes including the need to complete WFTD or an approved activity<sup>1</sup>. This may include volunteering. The requirements under the new changes include:

- Complete WFTD or approved activity (including volunteering) for 25 hours per week for six months if aged < 30 years ; or
- Complete WFTD or approved activity (including volunteering) for 25 hours per week for six months if aged 15 hrs per week for 30 – 59 years

<sup>1</sup>Note: depending on the government allowance received individuals may have different obligations. Please check with Centrelink if you are unsure about specific payments and their requirements.



WFTD activities can be hosted by Not For Profit (NFP) organisations/charities, or local, state, territory or Commonwealth Government organisations or agencies, including not-for-profit Job Services Australia providers or not-for-profit entities of Job Service Australia providers. Places should be for six months continuously (consultation with the participant's Job Active Organisation).

VT notes that a trial WFTD period has operated in Tasmania's North and North West regions across 2014-15<sup>2</sup>.

## IMPACT OF WFTD ON THE VOLUNTEERING SECTOR

VT acknowledges that expanding a mandatory WFTD program will involve and impact VIOs that operate as NFP organisations. Volunteering as an activity under WFTD scheme has an opportunity to connect Job Seekers into volunteering roles. It also can provide host organisations with opportunities to assist individuals gain a different network of volunteers.

There are a number of risks and challenges that VIOs face in becoming a host organisation. VT has not developed a 'simple' statement on WFTD. The reality of participating in these programs is complex and can vary depending on the organisation and the Job Seeker/volunteer. We also believe that as a Peak body for volunteering, our focus is on supporting VIOs.

At the forefront of WFTD is a choice by a NFP organisation to become a host organisation. Organisations in this sector can choose to become a host organisation and provide places to eligible job seekers. WFTD Coordinators and Job Active Organisations may try to persuade organisations to participate in this program. Our position as the Peak body for volunteering is to highlight to organisations that they have no obligation to participate in this scheme.

The implementation of the WFTD program depends on eligible VIOs agreeing to host places for job seekers. This is a concern for VT. In the 2014-15 Budget Statement, Tasmanian Council of Social Service (TasCOSS) estimated that there are potentially 717 sites for individual WFTD placements in Tasmania.

TasCOSS showed that approximately 8,441 WFTD placements will need to be found for Tasmanians aged 18 to 29 and approximately 8,635 for Tasmanians aged 30 to 49 in the next four years. If all potential Tasmanian host worksites participate in this program for the next four years, they will each have to take on average 16 WFTD participants<sup>3</sup>.

The Federal Government notes that placements can occur in local, State and Federal Government agencies, undoubtedly much of the placements rely on NFP participation. VT considers the impact unsustainable on many of the organisations in this sector.

<sup>2</sup>Department of Employment, "Fact Sheet - October 2014", Employment Services 2015. Accessed at <https://employment.gov.au/work-dole> (accessed 15 May 2015); Australian Government, "Work for the Dole 2014-15" at <https://employment.gov.au/work-dole-2014-15-selected-areas> (accessed 15 May 2015)

<sup>3</sup>TasCOSS, "Federal Budget 2014-15 Fact sheet 2: Work for the Dole" at <http://tascoss.org.au/LinkClick.aspx?fileticket=6jvA1QIWpms%3D&portalid=0> (accessed 1 August 2014)



Whilst some NFP organisations have large budgets, the majority are small operators that cannot cope with the requirements of WFTD.

As the Peak body for volunteering, we strongly encourage VIOs to make an informed assessment about WFTD. Given the number of placements expected across Tasmania, eligible VIOs may find themselves with a good position for negotiation. VT emphasises the cost associated with hosting a volunteer, particularly for supervision. We encourage organisations to examine the opportunities and costs of participation and make a considered and informed choice.

One of the key concerns for VT, is the absence of research and evidence around volunteering and the outcomes for unemployed and underemployed individuals. There is limited knowledge on how volunteering activities under WFTD act as a transition into paid work. VT would be interested in seeing some impartial research conducted on this program if it is to continue in its current form.

## RECOMMENDATIONS

VT makes four key recommendations for consideration as the WFTD scheme expands, as follows:

### **Increased financial remuneration for host organisations**

VT recommends that further funding be directed to support host organisations. Participation of the NFP sector is acknowledged as being an essential part of the implementation of WFTD. However, WFTD in its current form fails to accurately value Managers of Volunteers.

NFP organisations need adequate financial compensation to meet the additional time and expenses required to screen, train and supervise Job Seekers. VT's consultation with the sector has highlighted that the funding provided under WFTD is inadequate.

### **Flexibility under WFTD arrangements**

VT is concerned about the duration of placements under WFTD. Short term placements would not be viable for VIOs. There is a high cost for these organisations, especially for compliance requirements such as: background checks; training volunteers; and supervising and managing volunteers. Many VIOs have informed VT that the short term nature (often 6 months) of WFTD placement is difficult and costly to manage.

We recommend that WFTD coordinators work closely with individuals and host organisations to allow longer placement periods when both parties are experiencing mutual benefit.

Limitations on types of volunteer activities included in WFTD have been raised as an issue by both organisations and individuals. Currently face-to-face individual volunteer placements are overly emphasised, without consideration of other, more diverse opportunities.



For example, digital and online work are well accepted forms of volunteering, and give job seekers not only access to new and valuable learning and practical opportunities, but also flexibility in the hours and times of day in which they volunteer. These forms of volunteering, commonly called 'Virtual volunteering', can also help overcome some of the barriers to volunteering such as transport, location and disability.<sup>4</sup>

### **Reduced weekly hour requirements for placements**

VT's consultation indicates that many NFP organisations are not adverse to participating in WFTD. However, nearly all organisations spoken to in the NFP sector do not have suitable activities, or needs, to host an individual placement for 15 or 25 hours per week.

VT recommends reducing the required hours under WFTD. We believe that NFP organisations would be more willing and more able to participate in this program if the required hours were reduced.

### **Longitudinal research conducted on effectiveness of WFTD**

VT notes that long term research on the effectiveness of WFTD has not been undertaken, despite many forms of Mutual Obligation existing under current and past Federal Governments. Historically, part of the obligation under WFTD means that recipients must be both searching for work and either:

- Studying; or
- Undertaking part time/casual work; or
- Undertaking volunteer work.<sup>5</sup>

Mutual Obligation programs like WFTD have existed for many years. Given the involvement of the volunteer sector over the past two decades, VT would like to see a greater evidence base on WFTD to discover:

- If WFTD has had any impact long term on attitudes to volunteering.
- Any benefits for VIOs around growing volunteer participation rates.
- Any benefits of volunteering for WFTD participants.
- Experiences of participating VIOs.

VT has heard anecdotal evidence that there have been some benefits for individuals participating in past WFTD programs. We have also heard VIOs in the NFP sector have had mixed experiences due to being inadequately resourced to support Job Seekers in WFTD. Given the impact this program has on host organisations, we recommend that an evidence base be developed.

<sup>5</sup> P. Yeed, " Mutual Obligation/Work for the Dole", Social Policy Group – Parliamentary E-Brief at [http://www.aph.gov.au/About\\_Parliament/Parliamentary\\_Departments/Parliamentary\\_Library/Publications\\_Archive/archive/dole](http://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/Publications_Archive/archive/dole) (accessed 14 April 2014) ; Australian Government, " Volunteer Management Program", Department of Social Services, at <http://www.dss.gov.au/about-fahcsia/publications-articles/corporate-publications/budget-and-additional-estimates-statements/2008-09-budget/factsheets/VolunteerMgntPrgmFS22> (accessed 14 April 2014)

<sup>4</sup> Queensland Government, "Online Volunteering", Office for Volunteering at <http://www.communities.qld.gov.au/resources/communityservices/volunteering/documents/fact-sheet-onlinemicro-web.pdf> (accessed 15 April 2014)



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