Budget Priority Statement
December 2016
Volunteering Tasmania

Department of Premier and Cabinet
Summary of Recommendations

Recommendation 1: A Tasmanian Strategy for Volunteering
Volunteering Tasmania has recommended a collaboration with State Government, Local Government and the wider community to deliver a strategy for volunteering. Current levels of investment in volunteering bring a strong benefit to the Tasmanian community. A more economic efficient outcome could be achieved if we took a strategic approach to grow levels of volunteering. Increasing volunteering by as little as 1 per cent in Tasmania would bring an additional benefit of $70.6 million per annum to the community.

Recommendation 2: Apply Indexation for Department of Premier and Cabinet Grants
In 2016-17 indexation was applied to Department of Health and Human Services base grant funding at a rate of 2.25 per cent. Volunteering Tasmania recommends this indexation is applied to all Department of Premier and Cabinet grants.

Recommendation 3: Investigate Affordable Insurance Options for Volunteer Involving Organisations
Volunteering Tasmania recommends that insurance needs are addressed as a matter of priority. Volunteer Involving Organisations face difficulties in getting affordable insurance suited for their needs. Volunteering Tasmania recommends that the State Government conduct an investigation opportunities for cost effective insurance.

Recommendation 4: Develop agreement on distinction between paid and unpaid labour
There are few guidelines around the relationship between volunteering and unpaid labour – and there is a growing ‘grey area’ as internships and unpaid work opportunities emerge. Volunteering Tasmania recommends that a memorandum of understanding is developed between Volunteering Tasmania, Unions Tasmania and State Government to clarify the distinction between paid and unpaid work.
Volunteering Tasmania is Tasmania’s Peak body for volunteering. Our mission is to create an environment which promotes and sustains effective volunteerism. We advocate for the interests of all involved in volunteering, including paid workers who manage volunteer programs.

Volunteering Tasmania offers a range of services to support effective volunteerism. For organisations seeking volunteers, Volunteering Tasmania provides:

- Practical services to Managers of Volunteers so they can make sure their programs are effective and sustainable
- Best practice advice to help organisations meet the National Standards for Volunteer Involvement; and
- A web portal ‘Volunteer Connect’ for organisations to recruit volunteers at no cost as well as practical assistance with volunteer recruitment
- Research, data and information on trends in volunteering and volunteer management.

Volunteering Tasmania assists organisations and individuals to achieve these standards and keeps pace with the changing trends being experienced in the contemporary volunteering sector.

For volunteers and potential volunteers, Volunteering Tasmania encourages and facilitates their active participation in the Tasmanian community and guide them into roles that are a good fit for them. We work to ensure the volunteer experience is a quality one and that they keep participating as volunteers.
Environmental Pressures on Volunteering

The volunteer sector remains a driver of equitable growth in Tasmania:

- 4 in 5 Tasmanians volunteer, giving time unpaid to the community
- Volunteers donate 7.1 million hours to the Tasmanian
- 2,000 Volunteer Involving Organisations support volunteers across not for profit, government and private sectors
- Tasmanian employer’s gain productivity benefits valued at $1.2 billion as a result of their employees’ volunteering
- Volunteering provides a total benefit to the community of $4.9 billion.¹

Volunteering Tasmania has long been supported by the Tasmanian Government, particularly by the Department of Premier and Cabinet (DPAC) and the Department of Health and Human Services (DHHS). This funding has allowed Volunteering Tasmania to continue to operate as the Peak body for volunteering.

There are a number of pressures facing the volunteering industry, which Volunteering Tasmania brings to the attention of DPAC. Despite the Tasmanian Government’s support for volunteering, the sector is facing unprecedented change and pressures from a range of areas beyond their control. Reduced funding by the Federal Government has had an enormous impact – Volunteering Tasmania has lost 51% of Federal funding in the past two years. There is no certainty of this funding beyond July 2017. This issue is felt more broadly by Volunteer Involving Organisations, as the Federal Government has offered no commitment to volunteer management funding beyond this time.

Changes to Aged Care and Disability services are impacting on the volunteer industry. There have been large cuts in funding – particularly for community sector organisations - but a growth in demand for services in the community. Moves towards Consumer Directed Care and away from block funding is also a significant challenge.

These issues are outlined in Volunteering Tasmania’s Budget Priority Statement. A number of solutions and opportunities are brought to DPAC’s attention – all of which have been made after significant consultation with Volunteer Involving Organisations. Proposed recommendations all take a collaborative approach to working, making sure all sectors of society are working together to grow and sustain participation in volunteering.

Priorities for the Volunteering Industry

1. A Tasmanian Strategy for Volunteering

Volunteer Involving Organisations are facing a number of challenges around sustaining and growing volunteer rates in Tasmania. Critical issues identified include:

- Unprecedented levels of change under the National Disability Insurance Scheme and the Commonwealth Home Support Programme. Volunteer Involving Organisations raised concerns about the support volunteer programs will receive under the transition from block funding to a market based consumer directed care system.

- Lack of recognition and understanding for the importance of (paid) Managers and Coordinators of Volunteers. With a number of organisations facing uncertain funding, job security and funding to continue to manage volunteer programs is of high concern.

- Lack of long term support, strategic planning and infrastructure to continue Tasmania’s ‘culture of giving’

- Uncertainty in planning for Tasmania’s ageing population – both in engaging older Tasmanians to volunteer as they age, and encouraging young volunteers to give time

- Maximising opportunities for skilled and corporate volunteering

- Supporting Volunteer Involving Organisations to navigate ‘red tape’ around Insurance, Work Health and Safety and Working with Children Checks

- Growing and sustaining Tasmania’s high rate of volunteering

Volunteering is proven to give sound economic, social and cultural benefits. It is time that we invest seriously into this industry to ensure that the essential services we enjoy as Tasmanians can

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2 Ibid
Volunteering does not happen without the right infrastructure and management. This is needed so that all Tasmanians can safely enjoy the benefits of volunteering. A strategic approach to building this infrastructure will be more economically efficient and produce more measurable impacts. This approach fits with the Tasmanian Government’s priorities of driving economic growth and jobs creation. We can achieve economic growth whilst simultaneously growing opportunities for community participation, improved service delivery and better health and wellbeing in our communities.

**Option 1. Business as Usual**

Volunteering Tasmania could continue to deliver services in a business as usual capacity. We value our role as the Peak body for volunteering and would continue to deliver services to Volunteer Involving Organisations. Our services would be delivered on an ‘as needed’ basis to the volunteering industry.

This approach would give continued service to the volunteering industry. However it would not be a cost efficient, long term approach. Volunteer Involving Organisations are currently experiencing unprecedented levels of change. Broad based challenges experienced include:

- Workforce planning
- Adapting to Tasmania’s rapidly ageing population
- Diversifying volunteer base and engaging young people
- Promoting the benefits of volunteering and increasing recruitment
- Planning for changes under Commonwealth Home Support Programme and National Disability Insurance Scheme
- Growing skilled and corporate volunteering

Ongoing support to help organisations recruit and retain volunteers is essential if Tasmania is to continue to receive the economic, social and cultural benefits of volunteering. Volunteering Tasmania argues that a strategic, planned approach would deliver more measurable benefits, rather than responding to threats to the sector in an ad-hoc and reactive manner.

**Cost: No additional funding required**
A business as usual’ approach would come at no additional cost to the Tasmanian Government. Volunteering Tasmania’s continued operations as the Peak body for volunteering is currently funded at $260,000 per annum. Over time, however, Volunteering Tasmania argues that the impact of not having a strategy for volunteering would see a significant loss of service in the community, and a loss of economic benefits if our volunteering rates declined.

**Option 2. A Volunteering Strategy for Tasmania**

A Tasmanian Strategy for Volunteering, developed in collaboration with Volunteering Tasmania, State Government and Local Government and the community, is recommended. Current levels of investment in volunteering bring a strong benefit to the Tasmanian community. However a more economic efficient outcome could be achieved by achieving even a small growth in volunteering or volunteering hours. Increasing volunteering capacity by as little as 1 per cent in Tasmania would bring an additional benefit of $70.6 million per annum to the community.³

Volunteering Tasmania envisages that such a strategy would include:

- A vision and strategy developed across sectors to ensure Tasmania’s continued quality of life.

- Identification of barriers that prevent volunteers from participation, with a particular focus on key areas of Ageing Population, Youth volunteering and Employee/Corporate volunteering

- Develop opportunities for recognition of volunteering and how we can create the infrastructure to make it easier for Tasmanian’s to give time to their community

- Measureable, targeted goals that are benchmarked over time

Volunteering Tasmania supports the development of a coordinated approach. This would make sure we have a sustainable volunteering sector that enhances both the economic fabric of Tasmanian society, and continues to provide the valuable services in the community.

³ Ibid
Developing a Tasmanian Strategy for Volunteering would also bring Tasmania into line with a majority of other State and Territory governments who have developed strategic approaches to sustain and grow volunteering participation rates. Tasmania continues to lag behind in this area.

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We are fortunate to have a strong culture of volunteering, however this infrastructure must be supported if we are to see this sustain over time. A strategic approach to achieving this would see a more concerted and coherent approach to promoting the value of volunteering in the community, rather than responding to needs as they arise. Building on the present partnership with DPAC would allow a broader, longer-term framework for planning.

**Direct Cost: $225, 000 ($75,000 per annum) over three years**

**Direct benefit: Up to $70.6 million per annum**

Developing a Tasmanian Volunteering Strategy would require a small investment, largely in terms of diverting staff time and oncosts within government agencies to commit to this project. Support for Volunteering Tasmania’s staff time and oncosts would also be required.

Volunteering Tasmania anticipates that a project of this scale would require a time commitment of three years. A minimum of 18 months would likely be needed to create a series of recommendations based on strong community consultation. Commitment to implementing and establishing benchmarks for achievement would require a further 18 months.

Some direct investment and commitment of staff time/resources within State Government is required. This is needed for Volunteering Tasmania to direct the staff resources to contribute to the strategy. Internally, it is likely DPAC would need to similarly divert current staff activities to this project. A cost benefit analysis of volunteering shows the industry brings about serious economic and social growth. A growth in volunteering rates by as little as 1% would see an average of $70.6 million returned to the community. An initial investment of $225, 000 over three years is therefore
good value for money. There are strong economic and social rewards if we invested into growing our volunteer rates and develop a strong infrastructure for volunteering in Tasmania.
2. Indexation on Funding by Department of Premier and Cabinet

Peak bodies serve an important function in the community through the provision of research and policy development, advocacy and representation, sector consultation, coordination and capacity building and information dissemination. In Tasmania, peak bodies are funded through the Department of Premier and Cabinet (DPAC) and the Department of Health and Human Services (DHHS), and as a result the structure of their deeds and funding is not equitable or consistent across these agencies.

Peak body organisations, like Volunteering Tasmania, funded through DPAC do not receive indexation on their grant deed funding. This impacts on Volunteering Tasmania’s ability to deliver services – as it does for other Peak organisations. If this issue is not addressed barriers to service delivery will continue into the future. Without indexation funding effectively decreases annually, whilst the activities associated with the deed do not.

**Rationale**

Peak body organisations funded by DHHS currently receive indexation on their grant deeds. Indexation on a deed is important as it makes sure that funding is maintained in a way that is consistent with rising costs. Indexation provides much needed funds to meet the rising costs of wages, as well as operational costs such as insurance premiums and power. The cost to Volunteering Tasmania of not having indexation from the funding period 2010-17 is $127,562.

**Cost:** $6,500 each financial year

As noted regardless of indexation being included on the deed, organisations still must cover the rising costs that are a result of indexation internally. A priority for these organisations has been to seek further income streams and other work, however, this should not be used to supplement a grant deed.

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4 This is cumulative and approximate measurement. Calculations have been made on the assumption indexation had been provided at 2.25% each financial year, cumulatively

5 Calculations made on assumptions had indexation been provided to Volunteering Tasmania at 2.25% each financial year, cumulatively
3. Affordable Insurance for Volunteer Involving Organisations

It is estimated that there are over 2,000 Volunteer Involving Organisations in Tasmania. One of the key priorities for the volunteering industry is accessible and affordable insurance. This issue has been raised consistently over the past three years of consultation with the volunteering sector. Volunteering Tasmania considers it reasonable that volunteers:

- Are covered in the event of a volunteering related accident by public liability insurance
- Are appropriately covered by personal accident/volunteer insurance

Volunteer Involving Organisations are currently inadequately supported around insurance. These organisations have a legal liability to have appropriate insurance for their volunteers. The cost of insurance, however, is often significant. Some organisations (particularly small not for profit entities) spend between 10 and 15 per cent of their total income on insurance. When operating on small income streams and a heavy reliance on government funding and donations, this cost can be a barrier to organisations continuing their services.

Option 1: Do Nothing

There would be no cost to the State Government if current arrangements around public liability and private accident insurance continue. However, there are real risks if insurance is not addressed as a priority. There are risks of Volunteer Involving Organisations being unable to meet the continually rising costs of insurance, and face closure or reduced capacity to deliver services to the community. If more affordable insurance was available, organisations would be able to spend their funding into their core service delivery and community activities.

Cost: Nil

Initially a ‘do nothing’ approach would come at no cost to the Tasmanian Government. Over time, the impact of doing nothing would be felt in our community – particularly if many of our vital services cease.

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6 Ibid
Volunteering Tasmania recommends that insurance needs are addressed as a matter of priority. Volunteering Tasmania recommends that the State Government support their work with other peak bodies and associations to explore options for group insurance rates for more affordable insurance cover. Currently we only have a narrow understanding of the challenges Volunteer Involving Organisations face in getting affordable insurance suited for their needs. Undertaking research and investigation into all options would make sure that any future opportunities pursued are based on sound evidence.

Issues to explore include:

- Bulk purchase arrangement for public liability insurance for organisations;
- Opportunities for community fundraising activities to be covered by existing State Government facilities or insurance;
- Partnerships across local and State Government for collective insurance arrangements;
- Auspicing opportunities within local Government
- Implementing recommendations from the Anti-Discrimination Commissioners report into barriers to Individual insurance for volunteers over 80

**Cost: Uncosted**

This recommendation is uncosted, and would largely begin with diverting internal resources in the State Government to explore insurance opportunities. Greater investigation into the insurance concerns of Volunteer Involving Organisations is needed, so that an evidence based solution can be achieved for the sector.

**Option 3: Include Personal Accident Insurance into Government funding contracts**

Volunteering Tasmania considers that all volunteers have a right to participate in volunteering in a safe environment, with appropriate personal accident insurance. One way of better supporting Volunteer Involving Organisations would be for the Tasmanian Government to include personal accident insurance for volunteers in all of their funding agreements. This recommendation would significantly reduce costs for Volunteer Involving Organisations and reduce many of the ‘red tape’ and administrative burdens for the sector.
This is not a new recommendation. There are current examples of this option in practice under the "Work for the Dole" scheme. Under this program, the Australian Government purchases personal accident insurance and combined public and/or products liability insurance to cover job seekers participating in Work for the Dole activities. A similar model could be adopted in Tasmania in order to easily allow State Government funded Volunteer Involving Organisations to adequately cover their volunteers.

**Cost: Uncosted**

This recommendation is uncosted, as costing would greatly depend on current grant funding arrangements with individual Volunteer Involving Organisations.
4. Distinguish between volunteering and unpaid labour

Where does volunteering stop and exploitation begin? Unpaid work takes on so many different forms – from traditional volunteering activities, to vocational placements, unpaid internships and, unpaid work experience.\(^7\) One of the emerging issues in the volunteering industry is the blurring line between volunteering, unpaid labour and paid work. Volunteer Involving Organisations have expressed concern that there are no clear boundaries in these areas. There are few guidelines around the relationship between volunteering and unpaid labour – and there is a growing ‘grey area’ as internships and unpaid work opportunities emerge. As market based models of community care emerge, Volunteer Involving Organisations have expressed concern that volunteers are at risk of substituting paid staff. Examples of this practice are already occurring, where:

- Redundant paid staff positions are re advertised as volunteer roles
- Volunteers replace duties of paid workers (particularly when on annual leave or personal leave)
- Highly skilled volunteer roles are advertised, where there is significant overlap between their roles and paid employment
- Volunteer roles being converted to paid positions is this an issue??

The national Definition of Volunteering by Volunteering Australia recognises that volunteers cannot be exploited for profit and are not a substitute for paid employment.\(^8\) Similarly, the National Standards for Volunteer Involvement represent what Volunteering Australia regards as ‘best practice’ in the management of volunteers. This includes Standard 3, Volunteer Roles where the relationship between volunteer roles and employee roles are clearly defined, and meet the requirements of the Fair Work Act.\(^9\) This documents provide guidance for Volunteer Involving Organisations. However they are both fairly sparse in application, and largely unenforceable. Volunteering Tasmania considers it a matter of urgency to work with government and union

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groups to make sure that the rights and expectations of both paid workers and volunteers are upheld.

**Option 1: Do Nothing**

There would be no cost to the State Government if this recommendation was not pursued. However there is a risk of future liability if this issue is not addressed. It is essential to explore the duties undertaken by volunteers, and gaining commitments to make sure that volunteer roles are treated as a valuable addition to services – not as replacements for paid staff. This issue has been identified as a growing problem by Fair Work Australia. Given its prevalence in this area, Volunteering Tasmania would consider it remiss if the Tasmanian Government did not address this issue.

**Cost: Nil**

There would be no direct cost under this option.

**Option 2: Develop a Memorandum of Understanding between Unions Tasmania, State Government and Volunteering Tasmania**

The definition of volunteering and the National Standards give guidance on good practice, and making sure that volunteers are treated fairly and not exploited. However, these guidelines give no formality around the blurring lines between employment, unpaid work and volunteering. Volunteering Tasmania considers that doing nothing would see this problem exacerbate. Developing an agreement across government, volunteering and union organisations would give clarity and emphasis to the importance of distinguishing these different work roles.

Recent research into unpaid work, supports this argument. Research commissioned on behalf of Fair Work Australia recommends that employers, volunteering bodies, unions and other government agencies develop and implement processes for both education and enforcement around unpaid work. The report identifies unpaid internships as a growth area both in Australia and internationally, and a blurring boundary between unpaid work and volunteering. It also highlighted the blurring lines between the unpaid work undertaken in these circumstances, and work that is otherwise done by paid employees.

Volunteering Tasmania recommends a collaborative approach to developing some guidance on

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10 Fair Work Ombudsman, ‘Unpaid Work’
paid and unpaid work. There are successful examples of this model being implemented at a State level. In South Australia, a Memorandum of Understanding was developed between Volunteering SA-NT and Unions South Australia. This agreement provided guidance in South Australia on the relationship between paid and unpaid work. We recommend that a similar approach is adopted in Tasmania.

Cost: Nil

There would be no direct cost to the State Government to directly explore this issue with Union groups and Volunteering Tasmania. It would require a commitment of time and staff resources internally. Given that there is no direct cost involved for this recommendation, Volunteering Tasmania considers that it would be a cost effective way of upholding a commitment to our volunteers.

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