

Submission to the Senate Education and Employment Committee: Inquiry into the *Social Security Legislation Amendment (Further Strengthening Job Seeker Compliance) Bill 2015*

15 October 2015

About us

Volunteering Victoria is the state peak body for volunteering in Victoria. We provide support to volunteers, not for profit (NFP) organisations that involve volunteers, and volunteer support organisations (VSOs) that promote and develop volunteering in their local communities. We have more than 320 NFP and corporate members, and represent the interests of volunteering across all sectors in our State. Volunteering Victoria is part of a collaborative network of national, state and territory volunteering peak bodies. This submission is endorsed by Volunteering Australia.

The importance of the volunteering sector

The volunteering sector is critical to civil society. In 2014, 31% of the Australian population aged 15 years and over (5.8 million people) participated in voluntary work and they contributed 743 million hours of work to the community. Volunteering underpins the delivery of community services in our nation, and without volunteers most community organisations simply could not function. In 2012-13, almost 3.9 million Australians volunteered with NFPs, which equates to almost four volunteers for each paid employee.

In 2010, formal volunteering was conservatively estimated to be worth \$25.4 billion to the Australian economy and informal volunteering worth \$59.3 billion. More recent estimates for the value of the sector range up to \$290 billion per year. However, even these impressive numbers undersell the real value of volunteering, which has a far greater social value and impact than just the notional cost of paying for that time. Volunteering plays a key role in strengthening communities by creating networks between people, which generates a range of positive social practices. It also has significant benefits for volunteers – it mediates the negative psychological effects of disadvantage, and is important for connecting people to social and economic participation, career paths and labour markets.

The role of the volunteering sector in the social security system

The Government expects the volunteering sector (through NFP organisations that involve volunteers) to play a key role in the social welfare system – by hosting many thousands of activity places for job seekers to do voluntary work and Work for the Dole (WfD). However, hosting these places is not ‘free’ – it requires

significant resources from NFPs, in terms of management time, infrastructure and other support costs. We discuss these resourcing issues in more detail in our *Position Paper on WfD*.¹

The volunteering sector receives very little Government funding to support its role in the social welfare system. NFPs do not receive any direct funding to host voluntary work places for job seekers, and the limited fees they receive from jobactive providers to host WfD places do not compensate for their costs in many cases (especially for individual activity places). The Department of Social Services (DSS) provides only limited funding to volunteer support organisations and volunteering peak bodies. This funding was reduced in the most recent funding round, at the very time the volunteering sector was being asked to support the roll-out of the WfD program. We discuss these funding issues in more detail in our *Submission to the Senate Inquiry into the DSS Tender*.²

Our concerns about the proposed legislation

Volunteering Victoria is particularly concerned about the proposal to impose more immediate application of penalties for failing to attend voluntary work and WfD activities – because we believe this will result in increased pressure on NFP host organisations to report non-compliance more immediately. This may impact the continued involvement of NFPs in the WfD program.

Currently, host organisations are required to report non-compliance in the following ways:

- **Voluntary work** – Question 20 of the *Centrelink Verification of Voluntary Work* form requires the host organisation to ‘agree to verify the volunteer’s attendance if required.’ We understand that hosts are not currently ‘required’ to verify attendance very often.
- **WfD** – Clause 7.2 of the *Employment Provider Services – Activity Host Organisation Agreement Template* requires the host organisation to ensure that ‘supervisors notify the Provider of any participant’s non-attendance.’ Although hosts can report this immediately via the Supervisor Mobile App, we understand that currently most host organisations choose not to use the app due to technical issues. Instead, they record attendance via paper timesheets submitted weekly or less often.

For the proposed legislation to have the desired effect, host organisations would need to report non-compliance immediately (or at least before the next fortnightly payment is processed). This will significantly add to their administrative burden, which is likely to deter some organisations from participating in these activities in the future. It may also pose an ethical dilemma for some organisations, who see ‘dobbing’ as incompatible with their mission to assist job seekers. This could have a significant impact on the number of activity places that are available for job seekers to fulfil their activity requirements by doing voluntary work and WfD.

¹ available at <http://volunteeringvictoria.org.au/policy-advocacy/current-priorities/>

² available at <http://volunteeringvictoria.org.au/policy-advocacy/submissions/>

Submission



Authorisation

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

Sue Noble

Chief Executive Officer

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