



**the state of
volunteering
report tasmania
2019**

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acknowledgements

This is an independent report commissioned by Volunteering Tasmania and prepared by the Institute of Project Management. The principal authors are Paul Muller and Dr Claire Ellis, with statistical analysis by John Harvey.

The analysis and opinion within this report are the views of its authors and third parties. Publication of this document by Volunteering Tasmania does not necessarily reflect the views of Volunteering Tasmania. Nevertheless, it has been written with significant contributions from: Lisa Schimanski, Chief Executive Officer, Volunteering Tasmania, Lucy Blake, Myriad Research. The authors thank the many people who gave generously of their time, either directly or via the surveys, during the consultation process.

abbreviations

| | |
|------|---|
| ABS | Australian Bureau of Statistics |
| GSP | Gross State Product |
| GSS | General Social Survey |
| GVA | Gross Value Added (to an economy) |
| I/O | Input/output |
| OECD | Organisation for Economic Cooperation and Development |
| RIOM | Regional Input-Output Matrix |
| VET | Vocational Education and Training |
| VIO | Volunteer-involving Organisation |



message from the premier



Tasmanians are renowned for their generosity, their compassion and their desire to help our community.

The 2019 State of Volunteering Report highlights the value of volunteering and the contribution of volunteers, not just in times of need, but every day for many organisations, clubs and groups across the State.

Our volunteers contribute an incredible number of hours each year, and give their time willingly. Our volunteers truly are the backbone of our communities.

Across the State I meet amazing people volunteering – from weekend sports events, to emergency services, to school canteens, to those volunteering in our national parks and museums. Each volunteer is helping to make the lives of Tasmanians even better and we acknowledge their dedication and effort.

Volunteering can also be a great way for young people to find a pathway to employment. It not only shows prospective employers their initiative and enthusiasm, but can give young people a taste of a variety of industry sectors and career options.

The Tasmanian Government strongly supports the important work of Volunteering Tasmania, and will continue to ensure volunteering is encouraged, recognised and supported.

I congratulate Volunteering Tasmania for giving us a valuable insight into the contribution of volunteering to our State, but also making us aware of trends in volunteering, to ensure we have the volunteers we need into the future.

I also commend them on their commitment to support volunteers right around our State, including their role in assisting organisations with volunteer recruitment, retention and recognition, so that our volunteers in turn feel supported in what they do.

This report confirms just how much volunteers contribute to making our State such a wonderful place to live.

A handwritten signature in black ink, appearing to read 'Will Hodgman'.

Hon. Will Hodgman MP
Premier of Tasmania

foreword:



The value of volunteering is undeniable. Volunteering connects us to ourselves, it connects us to others, and it connects us to our communities. In every location and every realm of life's activities there are volunteers.

However, volunteering is multi-faceted and complex. And as with every other aspect of modern life, it is subject to rapid changes in technology, regulation, and individual as well as societal expectation.

As the peak body for volunteering in Tasmania, Volunteering Tasmania attempts to capture and quantify the changing nature of volunteering through the Tasmanian State of Volunteering Report. We aim to better support the volunteers, volunteer-involving organisations and the Tasmanian Government as we work together to ensure a vibrant and active volunteer sector into the future.

The 2019 State of Volunteering Report builds on the foundation of the 2014 report. The approach has been refined, but many aspects of the two reports are comparable, allowing us to see clear trends in the Tasmanian volunteering sector.

This report observes the changing characteristics of Tasmanian volunteers through a population-based survey. It recognises the changing needs and challenges of volunteer-involving organisations through a census. The costs, benefits and overall social, cultural and economic value of volunteering to our state are quantified through a return-on-investment analysis.

The expectations on the act of volunteering and volunteers themselves are higher than ever before. Volunteering enhances social connectedness, skills, training, confidence and job preparedness. It reduces the epidemic of loneliness and builds social, human and cultural capital. Our communities are increasingly reliant on volunteers to support those in need, to reduce inequality and build community resilience.

The Tasmanian Government acknowledges the need for volunteers throughout its 2017 'Plan for a Brighter Future'. We will achieve this through visitor engagement, arts and culture, tourism and hospitality, active ageing, and sport and recreation.

Volunteering is vital for the creation of active, vibrant communities that can deliver the services and activities that are needed by Tasmanians.

On behalf of Volunteering Tasmania, I commend this report to our volunteers, our volunteer-involving organisations and our governments to ensure a healthy volunteering sector into the future.

Dr Lisa Schimanski, CEO
Volunteering Tasmania

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executive summary

Tasmanian's generosity to one another shines through in this research. There are 68.6% (or 297,000) Tasmanians over 15 years of age who volunteer in Tasmania.

This includes people who volunteer formally with organisations and those that do not have an affiliation with an organisation but contribute informally to their communities. Volunteers contribute on average 229 hours a year or 4.4 hours every week to their fellow Tasmanians.

The value of volunteering to Tasmania in the past 12 months was \$4 billion dollars, this includes the \$3 billion it would cost to replace the labour volunteers contribute to our state as well as \$1 billion in commercial and civic benefits contributed through volunteering.

To demonstrate the scale of the volunteering sector we compared the cost to replace the voluntary work in Tasmania to the total compensation of employees in the government sector and the private sector. The volunteering sector is nearly three times larger than the Tasmanian government sector and 14% larger than the private sector.

Volunteers contribute on average, **229** Hours A YEAR



or **4.4** Hours EVERY WEEK to their fellow Tasmanians.





“As phenomenal as this contribution is to our State, there are some **warning signs** to government and to volunteer-involving organisations.”

There has been an 11.2% drop in volunteering participation over the past five years from 2014 (79.8%) to 2019 (68.6%).

It is costing volunteers nearly \$1000 a year to volunteer and on average they are only reimbursed 7% of their costs by volunteer-involving organisations. This means it costs the average volunteer over \$4/hour to volunteer. Care needs to be taken about the financial burden being placed on our volunteers and the potential this has to exclude many who cannot afford the act of volunteering.

There are some indicators within the data that may begin to explain why we have seen a decrease in volunteering in Tasmania over the past five years. When volunteers were asked if volunteering positively or negatively impacted on their work life, 47% indicated that it had a positive impact. They were also asked how large a positive difference volunteering had, the average response was that volunteering positively impacted on people's lives by 16%. In 2014 the average positive impact was 48%. This is a substantial decline in positive impact.

Additionally, in 2014 only 5% of people indicated that volunteering had a negative impact on their working lives (through days off, productivity lost etc), in 2019 this figure had risen to 22% of people stating volunteering had a negative impact on their working lives. This is a substantial decline in positive impacts and increase in negative impacts.

Volunteering Tasmania, volunteer-involving organisations and government must take heed of these numbers and what volunteers themselves are telling us. We need to explore why volunteering satisfaction is declining and how it is impacting on participation, otherwise the consequences could be far-reaching for the sector and the impacts felt across our State.

So, although volunteering in Tasmania provides enormous economic and social value to the State there are warning signs in terms of costs to volunteers and the potential negative impacts of volunteering that must be actively explored to ensure the future sustainability of this vital contributor to our state's economic, social and cultural wellbeing.

key findings

Characteristics of volunteering in Tasmania

nearly
300,000
tasmanians



or
68.6%
of the adult population
volunteered in 2019

tasmanians
donated
at least
68.2
million
volunteer hours to the community
in the past 12 months.



Volunteers
contribute
on average,

229 hours
per person, per year

19 hours
per month

or
4.4 hours
per week

People volunteered across the following areas:

not-for-profit
organisations



29

million hours
a year

government



13

million hours
a year

private,
for-profit



7

million hours
a year

informal
(not affiliated)



19

million hours
a year

a clear majority

76%

volunteer in
their own
communities

Volunteer-involving organisations



Fewer than **50%**



of organisations reimburse their volunteers.

top methods used to recruit volunteers:



The economic, social and cultural value of volunteering in Tasmania



For **every dollar** invested by the community, approximately **\$3.50 is returned** as benefits to tasmania





volunteering.

**Time willingly
given for the
common good
and without
financial gain**



introduction

Volunteering is defined as, “Time willingly given for the common good and without financial gain.” This definition was developed by Volunteering Australia in 2015 and adopted by all states and territories.

The volunteering sector has long been an enabler and driver of equitable growth in Australia, and as such has made a significant contribution to the wellbeing of the community. Beyond the altruistic element of each volunteering act, volunteering has been a vibrant source of knowledge, cultural and recreation exchange, and enriches the lives of countless Australians.

Economic assessments of volunteering have typically focused on quantifying the market replacement cost of volunteers (that is, how much it would cost if we had to pay all the volunteers). However, this type of financial analysis does not fully capture the extent of the contribution that volunteers make to Australia.

For instance, it cannot be used to show the economy-wide impact of volunteering-induced expenditure (expenses related to volunteering paid by individuals and organisations); nor can it show the effects of volunteering on less tangible community outcomes such as productivity, and civic benefits of volunteering.

This analysis considers the:

- characteristics of volunteers and volunteering
- characteristics of volunteer organisations
- social, cultural and economic value of volunteering.

The State of Volunteering Report aims to inform discussions on public investment in volunteering. To produce the report findings, the cost-benefit method of analysis was used. This is the government-preferred approach to evaluating policy choices to identify the opportunity cost associated with the expenditure, as well as the costs and benefits that may accrue to society or the environment.

These findings have the potential to significantly influence the strategic direction of Tasmania’s volunteering sector by providing:

- quantification of the social, economic and cultural contribution that volunteering makes to Tasmanian volunteers, businesses, government and the broader community
- robust social and economic information and advice to assist stakeholders in making strategic decisions about future resource allocation
- comparative data around the outcomes of volunteering in Tasmania and the barriers to participation
- evidence-based data for informed decision making by Volunteering Tasmania, Government, Volunteer Organisations and other key stakeholders
- comparison with a 2014 analysis to provide evidence of trends in volunteering in Tasmania.

methodology

As stated previously, volunteering is “Time willingly given for the common good and without financial gain.”

In this report, volunteering includes both:

- formal volunteering where someone volunteers with an organisation, association, club, corporation or government
- informal volunteering where an individual is not associated with another entity, but still gives time for the common good to the community.

The economic, social and cultural value of volunteering is described using the following Model of Value Creation.¹

Model of Value Creation

Every activity has its inputs, which come at a cost. These inputs include the direct costs of the goods and services that enable the activity, and the costs of consumption that might otherwise have been spent on alternative activities (for example, the cost of the time an individual spends performing the activity, or the otherwise idle infrastructure they demand for its performance).

From the investment of these current and opportunity costs, we create an activity – in this instance, volunteering. This activity, in turn, may alter (for better or worse) one or all of three states of capital for the participating individual.

The three states of **volunteering capital** extend Pierre Bourdieu’s² classic forms (Figure 1) to include:

1. Economic capital: the money, assets and property created by volunteering
2. Social capital: individuals’ levels of happiness, trust, and engagement with others impacted by volunteering
3. Cultural capital: individuals’ health, well-being, knowledge and skills that are improved by volunteering and can be used for social gain.

Measuring economic, social and cultural capital through volunteering

Capital of any kind, however, is a latent attribute. It is only when the potential of capital is expressed for individuals and the community that it has utility, or value. Tangible and measurable expressions of capital include changes to commercial and civic net worth through enlarged (or diminished) profits and avoided (or added) costs.³

This report therefore describes:

- financial modelling to estimate the direct costs of volunteering
- revealed preference methods to estimate opportunity costs
- statistical analysis to scope volunteering activity
- input/output analysis to estimate commercial and civic benefits
- econometric analysis to systematically quantify the costs avoided by the community through volunteering.

1. Previous iterations of the Model and a more detailed discussion of its theoretical underpinnings can be found in Volunteering Tasmania’s State of Volunteering Report (2014) and Volunteering Western Australia’s Economic, Social and Cultural Value of Volunteering (2015).

2. Pierre Bourdieu (1985) *The Forms of Capital*

3. Previous iterations of this report have contingently valued individuals’ willingness to pay for volunteering as a social commodity. This is now more properly considered a measure of volunteering’s potential – as opposed to expressed – value. In other words, it is an estimate of the value of volunteering capital; as such, it is not reproduced here.

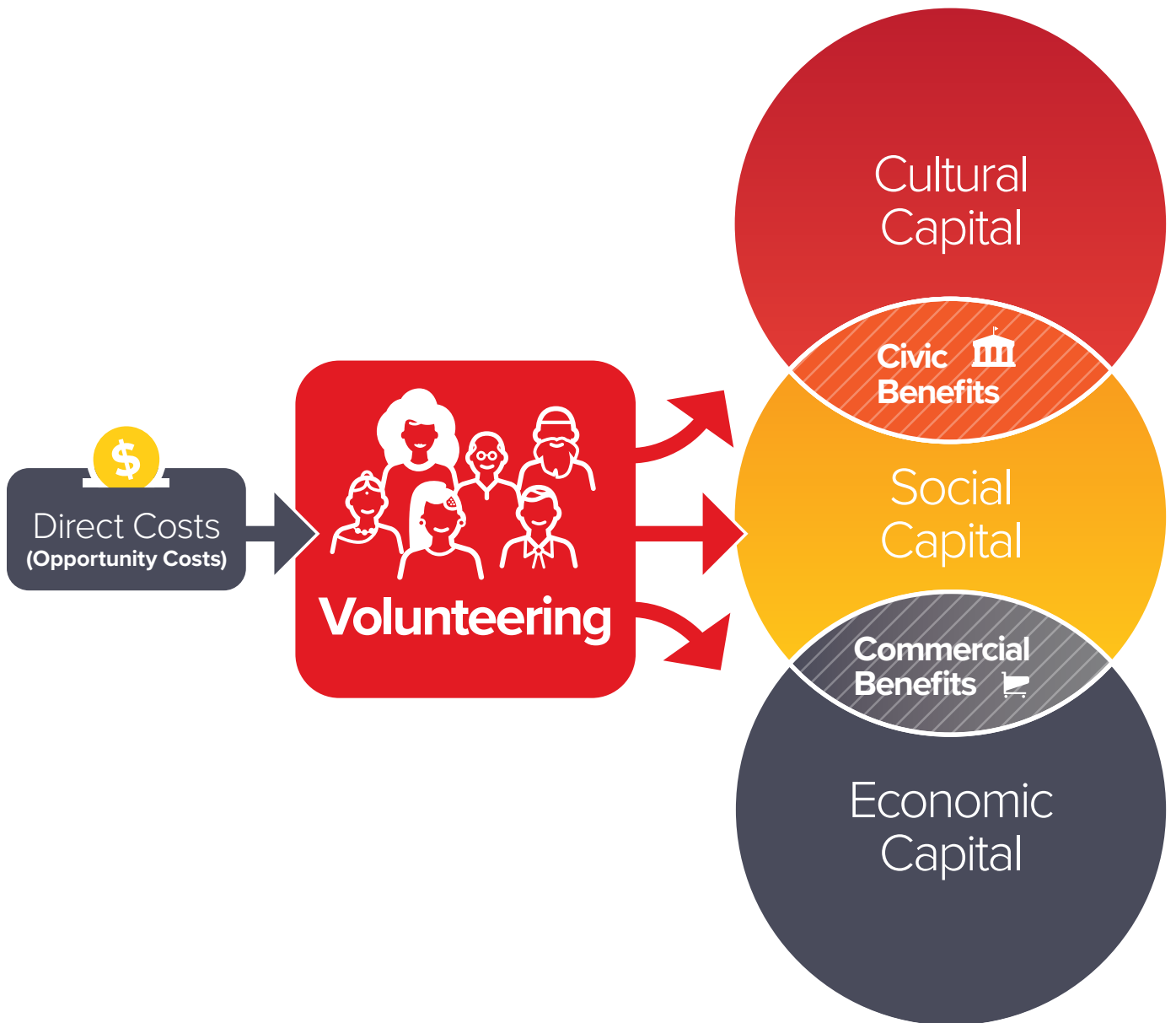


Figure 1. Model of value creation for volunteering

data collection

Tasmanian resident surveys

Myriad Research conducted two surveys of Tasmanian residents aged 15 years and over ($n=718$). The surveys are included at *Attachment 1*. A representative online panel was used to survey 403 respondents over a two-week period in April 2019. The second set of 315 telephone interviews was undertaken in May 2019.

Both surveys targeted with quotas a broad and approximately representative cohort across gender, age, household income and region of residence (North, North-West and South Tasmania). There were no statistically significant differences in the responses between the two surveys when comparing participation rates in volunteering or the number of hours volunteered per month.

To reflect the population distribution, results were post-weighted to Australian Bureau of Statistics (ABS) data on Tasmanian age and gender distribution, as per the following scale (*Table 1*):

Table 1. Weighting of survey results as per ABS data on Tasmanian age and gender distribution

| Age | Weight | |
|----------|--------|---------|
| | Males | Females |
| 15 to 24 | 1.27 | 0.95 |
| 25 to 34 | 0.55 | 0.41 |
| 35 to 44 | 0.54 | 0.40 |
| 45 to 54 | 0.63 | 0.47 |
| 55 to 64 | 0.68 | 0.51 |
| 65 to 74 | 0.59 | 0.44 |
| 75+ | 0.71 | 0.53 |

Without weighting, the p value of the Chi-squared test on gender distribution heterogeneity was $2.2e-06$ ($p < 0.05$); similarly, the p value of age distribution was less than 0.05. Applying the post-stratification weights, the p values of age and gender distributions were greater than 0.1, indicating the weighted distributions are not significantly different from the actual population distribution.

Volunteer-involving organisation survey

Volunteering Tasmania conducted an online survey (see *Attachment 2*) of its database of volunteer-involving organisations in April 2019. This was a convenience sample, which means that there was no randomisation or stratification of sampling. The survey was sent to 526 organisations on the Volunteering Tasmania contact list, the respondents were self-selected in answering the survey.

There were 209 valid responses received in the survey period, including 115 who provided financial data. As the total size and composition of all the volunteer-involving organisations in Tasmania was not known at the time of the survey, no assumptions are made as to its representativeness.

That said, a reasonable cross-section of respondents was achieved. Respondents came from all parts of the state, ranged in size from 0 to 600 full-time staff, and were supported by anywhere between 1 and 5,000 volunteers. For that reason, and in the absence of more reliable sources, a number of population-level inferences are made from the data in this report.

Explanatory note: Where figures have been rounded, discrepancies may occur between totals and the sums of the component items. Proportions, ratios and other calculated figures shown in this report have been calculated using unrounded estimates and may be different from, but are more accurate than, calculations based on the rounded estimates.

section 1:

the characteristics of volunteering in tasmania

a year of volunteering

This section describes the volunteering as it occurred in Tasmania in the 12 months before the surveys of Tasmanian residents. These statistics are subsequently used in the economic analyses that follow in this report.

nearly
300,000
tasmanians



of
68.6%
of the adult population
volunteered in 2019

Tasmanian residents

The survey results showed that 68.6% of the respondents volunteered in the 12 months before May 2019⁴. When this percentage is extrapolated out to the Tasmanian population, it indicates that nearly 300,000 Tasmanians aged 15 and over volunteered in the last 12 months.

In that year, volunteers donated an average of 229 hours per person. This figure equates to 19 hours per month or 4.4 hours per week. These findings suggest that Tasmanians donated at least 68.2 million volunteer hours to the community.

“68.6% of the respondents volunteered”

Within the set of Tasmanian volunteers, it was found that:

- 44.1% of volunteers did so exclusively in formal settings with volunteer-involving organisations
- 38.0% of volunteers volunteered both formally and informally
- 18.0% of volunteers donated their time exclusively in informal contexts.
- 44.1% volunteered in not-for-profit organisations for 29.3 million hours (59.7% of all formal volunteering)
- 16.1% volunteered to support government services for 12.8 million hours (26.1% of all formal volunteering)
- 14.8% volunteered in private (for-profit) organisations for 7.0 million hours (14.3% of all formal volunteering)
- 38.2% volunteered informally in the community for 19.0 million hours (27.9% of all volunteering)

Included in these figures are 5.4% of Tasmanians who participated in a workplace-organised or workplace-sponsored volunteering program.

tasmanians
donated at least

68.2
million



volunteer
hours to the
community
in the past

12
months.



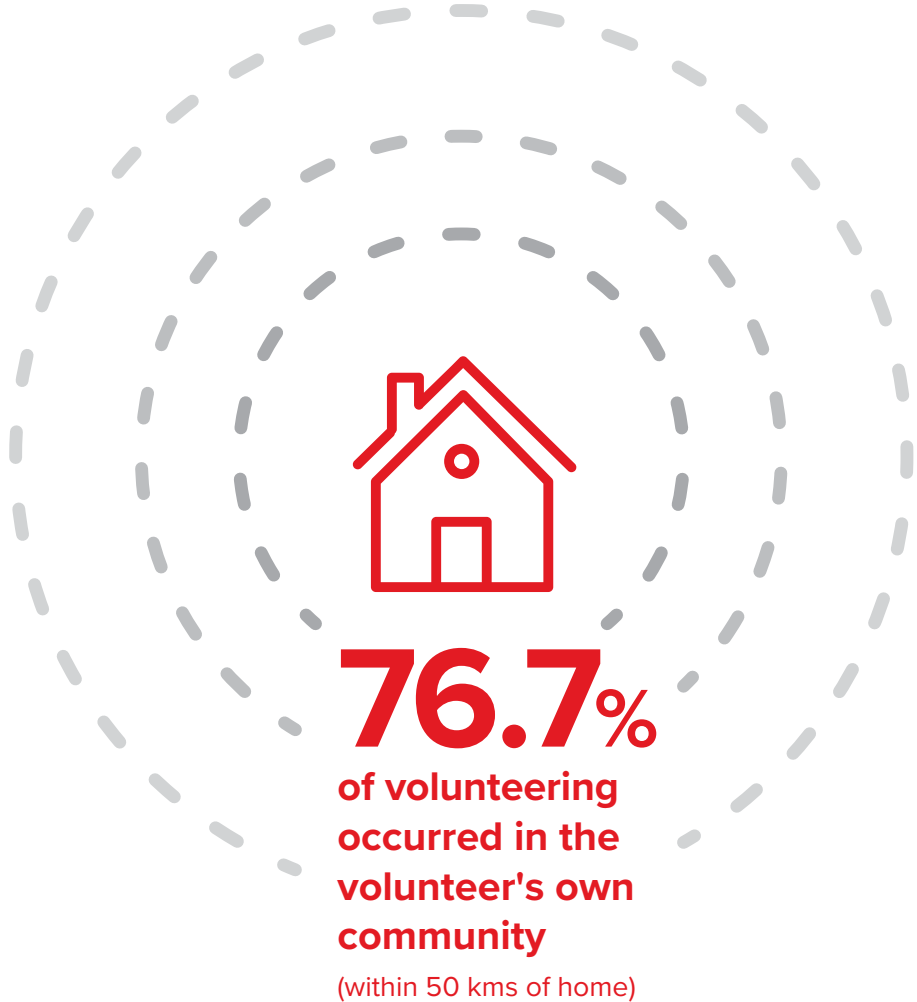
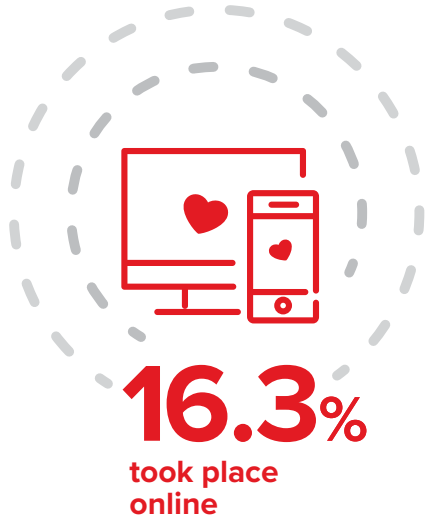
...donated an
average of

229 hours
per person

4. To see how this figure compares to ABS reported rates of volunteering, see Attachment 3.

Additionally:

- 76.7% of volunteering occurred within 50km of the volunteer's home
- 4.9% of volunteering occurred elsewhere in Tasmania
- 2.1% of volunteering occurred in mainland Australia or overseas
- 16.3% of volunteering took place online.



a year of volunteering

Motivations for volunteering

A number of interesting discoveries were also made about volunteer behaviour and intentions.

Respondents were invited to list up to three reasons that motivated them to volunteer. People stated that they predominantly volunteered to contribute back to the community, support a cause, contribute to an activity that aligned with their values and for enjoyment and social connection (Table 2).

Table 2. Motivations to Volunteer

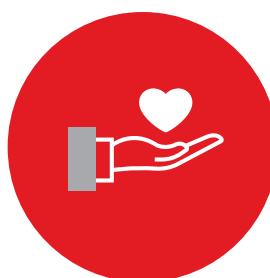
| Motivations | % |
|---|-------|
| Community (to contribute to communities in emergencies and crisis, help build community resilience) | 48.1% |
| Support a cause (such as an association to an organisation or cause, need or desire to give back and make a difference) | 42.4% |
| Aligns to my values | 38.5% |
| Enjoyment (for personal interest, fun) | 37.5% |
| Social connection (to meet new people, be involved, develop friends and social networks) | 25.8% |
| Personal development (to gain confidence and self-esteem, feel valued and part of a team) | 13.8% |
| Health benefits (to stay fit healthy, connected, needed, for mental health) | 9.9% |
| Develop new skills, learning (for a pathway to employment, career development) | 9.2% |
| No clear motivation (such as someone suggested it) | 7.8% |
| For skilled volunteering or work-related volunteering program (encouraged to volunteer through work programs) | 2.5% |
| Other | 4.9% |

top 3 motivators



community
contribution

supporting
a cause



values based
contribution

Barriers to volunteering

Respondents were invited to list up to five barriers to volunteering. Perhaps unsurprisingly the top three barriers were the same across volunteers and non-volunteers. These were, having limited time and work or family commitments. Interestingly, 24% of non-volunteers stated they had never been asked to volunteer or that there was not enough information or communication about how to volunteer.

top 3 blockers

limited time



work commitments

family commitments



“Interestingly, **24% of non-volunteers** stated they had never been asked to volunteer or that there was not enough information or communication about how to volunteer.”

Table 3. Barriers to Volunteering

| Barriers | Volunteers | Non Volunteers |
|--|------------|----------------|
| Limited time | 65.0% | 56.8% |
| Work commitments | 55.4% | 46.4% |
| Family commitments | 48.2% | 60.8% |
| Travel | 14.3% | 7.2% |
| Never been asked | 3.6% | 12.0% |
| Lack of communication / information about volunteering | 7.1% | 12.0% |
| No perceived benefit | 1.1% | 0.8% |
| Lack of interest / don't want to | 2.5% | 5.6% |
| Concern about level of commitment / work involved | 12.9% | 12.0% |
| Too shy | 5.0% | 10.4% |
| General health | 11.4% | 12.0% |
| Age | 10.7% | 4.0% |
| Disability | 3.6% | 6.4% |
| Bad experiences with volunteering | 2.9% | 2.4% |
| Lack of skills or ability | 1.8% | 2.4% |
| Don't know where to go / lack of information | 6.4% | 8.0% |
| Worries about legal liability | 2.1% | 1.6% |
| Employers discourage participation | 0.7% | 0.0% |
| Poor facilities | 0.4% | 0.0% |
| Preference for paid work | 7.1% | 5.6% |
| No available volunteering | 0.7% | 0.0% |
| Policies and practices of volunteering involving organisations | 4.3% | 0.8% |
| Lack of appreciation | 3.6% | 1.6% |
| Other | 0.0% | 0.0% |

a year of volunteering

Likelihood of volunteering in the future

Overall, volunteers reported being 23.9% more likely to volunteer in the next three years than they are today

- 25.5% are likely to volunteer more by 50.1%
- 9.1% are likely to volunteer less by 46.8%
- 41.6% expect to be volunteering about the same time as they do now.

In total, 20.1% of non-volunteers reported being likely to volunteer in the next three years.

since 2014,



25.5%
are likely to
volunteer *more*



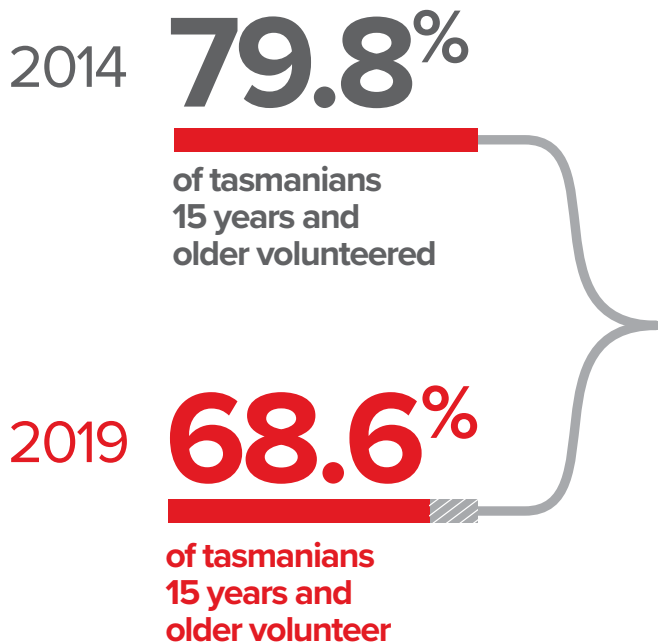
41.6%
are likely
to volunteer
about the
same.

9.1% are likely
to volunteer
less



comparison of 2014 & 2019:

the characteristics of volunteering in tasmania



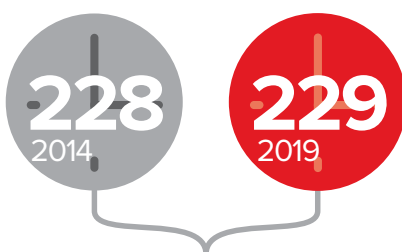
there has been a **11.2% decline** in participation in volunteering in the past 5 years.

millions of hours of volunteering contributed to tasmania



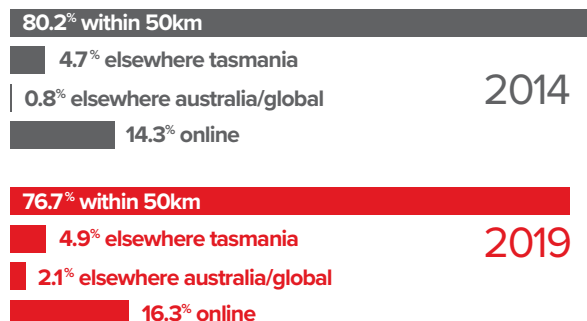
this represents a **3.9% decrease** in the number of hours tasmanians are volunteering.

number of hours individual volunteers contribute each year



The number of hours people volunteer has **remained stable** over the past five years

where tasmanians volunteer



People still volunteer predominantly in their own communities (**within 50 km of their home**), but there may be a slight movement toward international and online volunteering



section 2:
**the profile of
volunteer-involving
organisations**

volunteer-involving organisations

Characteristics of respondents

There was a strong response to the volunteer-involving organisation survey from organisations across Tasmania (Figure 2). Responses were predominantly from not-for-profit organisations.

Volunteer profile

A remarkably diverse range of people choose to volunteer in Tasmanian organisations. Interestingly, 67.8% of volunteer-involving organisations reported that people who worked full-time and also volunteered in their organisations. This figure is a strong indicator that full-time work does not need to be a barrier to volunteering (Figure 3).

A high percentage of organisations are actively engaging young people (25–39%). This figure demonstrates that volunteering occurs across a broad age-range. Unsurprisingly, seniors and people that did not work or worked only part-time were the most common type of volunteer in the responding organisations. Although some organisations engaged in corporate volunteering, it appears there is an opportunity for greater engagement in this area of volunteering (Figure 3).

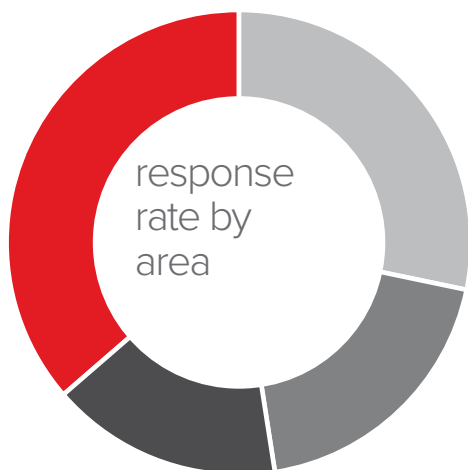


Figure 2. Response rate, by area

- 28% SOUTHERN TASMANIA ONLY
- 19% NORTHERN TASMANIA INCLUDING EAST COAST ONLY
- 16% NORTHWEST AND WEST COAST ONLY
- 36% STATEWIDE

*190 organisations provided valid answers to this question

“...67.8% of volunteer-involving organisations reported that people who worked full-time **also volunteered in their organisations.**”

tax exempt not for profit organisations

(such as a sporting club, political party, religious or other incorporated body).

87%

state government agency
6%

local government agency
4%

informal ad-hoc or casual community group
1.5%

commercial (private) firm
1%

federal government agency
0.5%

Social inclusion

There are strong indications through this research that volunteering is an inclusive activity. A substantial number of organisations provided volunteering opportunities for people on income support, culturally and linguistically diverse people, Aboriginal and Torres Strait Islander people and people living with a disability (Figure 4). People in these groups often have greater risk factors for social isolation and disadvantage; volunteering is a meaningful and enjoyable activity to increase social connection.

Volunteer-involving organisations use volunteers in a variety of ways, from online volunteering to skilled professionals to the use of event and spontaneous volunteers as well as project-based volunteers (Figure 4).

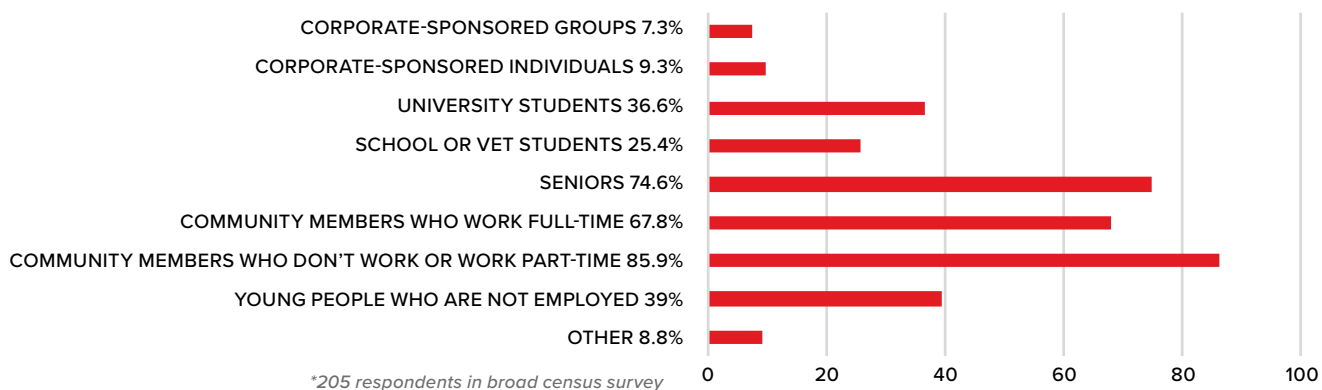


Figure 3. Volunteer category or demographic

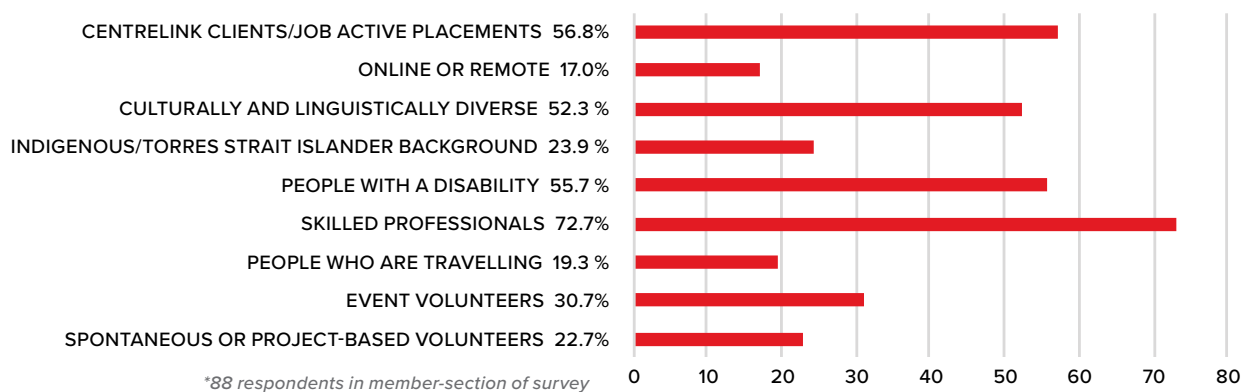


Figure 4. Social Inclusion: background context and type of volunteering of people who volunteered at volunteer-involving organisations in 2019

volunteer-involving organisations

Sectors and activities supported through volunteer-involving organisations

More than 60% of the organisations that responded to the survey were from community services or sporting clubs (Figure 5).

It is difficult to draw any conclusions about the representativeness of these figures, as it could be more indicative of the reach of Volunteering Tasmania and the survey than of the relative proportion of activity in the volunteering sector.

The organisations that responded to the survey are grouped in broad categories demonstrating the diversity of sectors that engage volunteers and the services that volunteers provide to our community through formal volunteering in organisations.

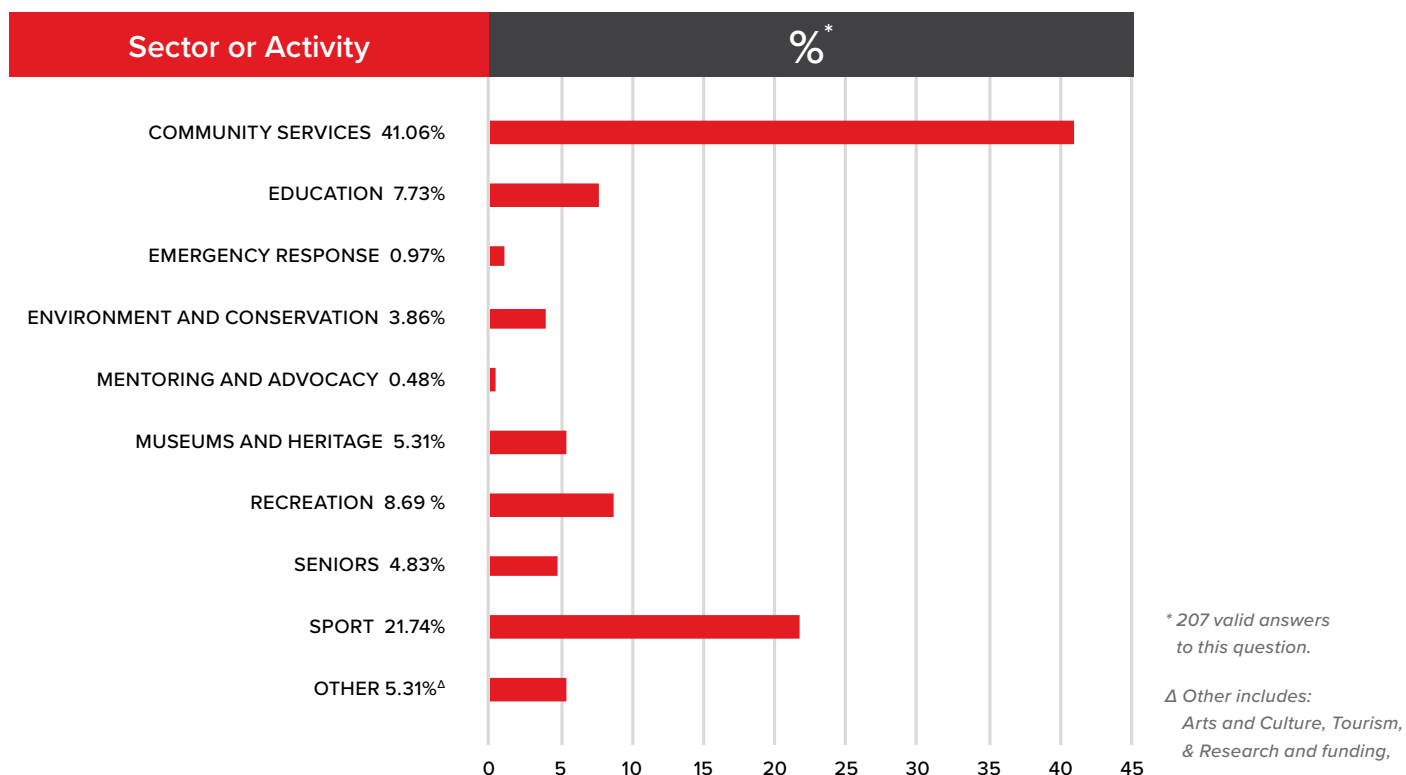


Figure 5. Sectors and activities supported by volunteer-involving organisations

Volunteer recruitment

Volunteer-involving organisations reported attracting volunteers through a range of methods (Table 4). On average, three methods out of the nine options provided were used by volunteer-involving organisations. Word of mouth and social media/website were the most commonly used recruitment strategies. These results indicate that organisations may have scope to explore a wider range of channels to attract volunteers.

A small number of volunteer-involving organisations also indicated that volunteers directly approached them, suggesting they were unaware of what channel they arrived through.

“Word of mouth and social media/websites were the most commonly used recruitment strategies.”

Table 4. Methods, by percentage, used by volunteer-involving organisations to attract volunteers

| Methods used to attract volunteers | % |
|---|------|
| Personally approaching participants, members and their networks (word of mouth) | 79.4 |
| Social media/website | 57.4 |
| Community/public events | 39.7 |
| Internal promotions | 31.6 |
| Volunteer Resource Centres/ Volunteering Tasmania | 28.7 |
| School/university engagement | 21.5 |
| Traditional media (for example, posters, signs, newsletters, advertisements) | 19.1 |
| General brand investment/development | 15.3 |
| Other | 5.3 |

Other reported methods for attracting and recruiting volunteers included:

- SEEK Volunteer
- Referral by another agency (for example, Job networks/Centrelink, Wildcare)
- Open days and events
- Appointment by the government (for example, Justices of the Peace).



volunteer-involving organisations

Volunteer recognition

Volunteer-involving organisations use a range of methods to recognise their volunteers (Table 5). From the 19 options suggested within the survey instrument, organisations use on average four to five different methods of recognition with some using up to 15 different types of recognition. The presentation of awards such as certificates and letters of appreciation, private recognition events and celebrations, opportunities for personal connections and the building of relationships were the top forms of recognition used.

Fewer than
50% of organisations
reimburse their volunteers



Less than 50% of organisations indicated they reimbursed volunteers for their expenses. Presumably, this is because the organisation cannot afford to do so, or that the volunteer does not wish to be reimbursed. However, organisations need to be careful not to inadvertently exclude people that would be willing to volunteer but cannot afford the out-of-pocket costs associated with volunteering.

Interestingly, more than a third of volunteer-involving organisations provided training opportunities for volunteers through short courses and workshops with several organisations also offering accredited training and mentoring. This level of training indicates a high-level investment in the skills development of their volunteers.

There is a trend toward a new type of volunteer who is driven to make a high impact but over a relatively short period. Investing in their skills and providing diverse and progressively challenging volunteer opportunities may be a way organisations can attract and retain this type of volunteer.

Different types and ages of volunteers will respond to different incentives and recognition. Volunteer-involving organisations are wise to try a variety of methods of recognition and request feedback from volunteers.

Table 5. Methods of recognising volunteer contribution

| Recognition | % of volunteer involving organisations |
|---|--|
| Awards, e.g. certificates/letters of appreciation | 61.1 |
| Personal connections/relationship building | 60.6 |
| Private recognition events/celebrations | 58.6 |
| Recognition in media eg. Annual reports, website, published press releases | 44.3 |
| Reimbursements of expenses | 44.3 |
| Non-accredited training e.g. short courses, workshops | 35.5 |
| Flexible work arrangements | 34 |
| Diverse and progressively challenging volunteer opportunities | 23.3 |
| Public ceremonies and events | 22.7 |
| Dedicated volunteer management training and/or resources | 22.2 |
| Positive brand development/association i.e. Investing in your organisation's brand generally, without specifically targeting volunteers | 22.2 |
| Mentoring Programs | 21.2 |
| Rewards e.g. movie tickets | 12.8 |
| Accredited Training e.g. Certificate II or III, Diploma | 10.3 |
| Formal performance reviews/references | 7.4 |
| Paid Honorariums | 6.4 |
| Status e.g. Titles, rank, Australia Day honours | 4.4 |
| Other* | 4.4 |
| Pre-agree penalties/sanctions for non-participation | 1.5 |

* "Other" reported forms of motivation and retention included:

- Engage in jobs that help the club
- Uniforms
- Unique and novel volunteering locations (for example, a sailing ship)
- Induction and orientation programs

205 valid responses to this question.



“ This level of training indicates a high-level investment in the skills development of their volunteers.

volunteer-involving organisations

Trends in volunteering

In response to the question, “In 3 years from now, are people more or less likely to be volunteering with your organisation/group?” the outlook was cautiously optimistic.

Nearly half of the volunteer-involving organisations who responded indicated that the status quo will remain the same, and a third of respondents have indicated that there will be more people volunteering (*Figure 6*).

Additionally, when asked if they thought “people were more likely to volunteer with their organisation now than 12 months ago”, 75% of organisations stated that they believed there was either no change in propensity to volunteer or that people were more likely to volunteer with them (*Figure 7*). Given that volunteering rates have declined by 11.2% from 2014 to 2019 (*Section 1*), there may be reason to believe this optimism is not well-founded.



Figure 6. Prediction of supply of volunteers in three years

- 4.3% A LOT MORE
- 34% MORE
- 47.4% ABOUT THE SAME
- 12% LESS
- 2.4% A LOT LESS

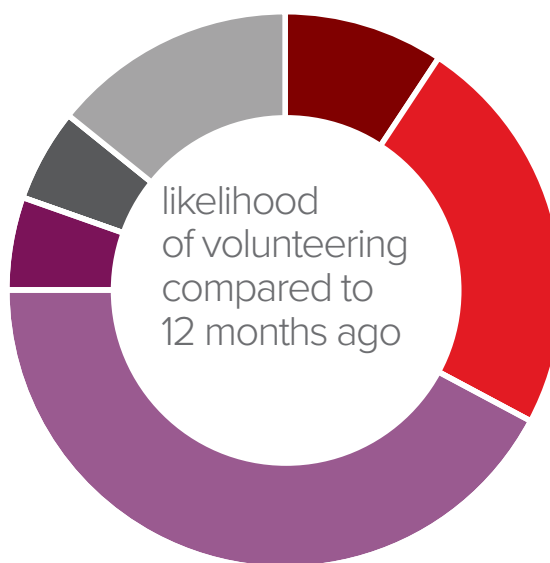


Figure 7. Percentage of people who are more likely to volunteer now compared to 12 months ago

- 9.3% STRONGLY AGREE
- 23.5% AGREE
- 42.2% NO CHANGE
- 14.2% DISAGREE
- 5.4% STRONGLY DISAGREE
- 5.4% UNSURE

204 VALID RESPONSES TO THIS QUESTION

“The capacity of organisations to provide more flexibility may assist organisations in recruiting and retaining volunteers in the future.”

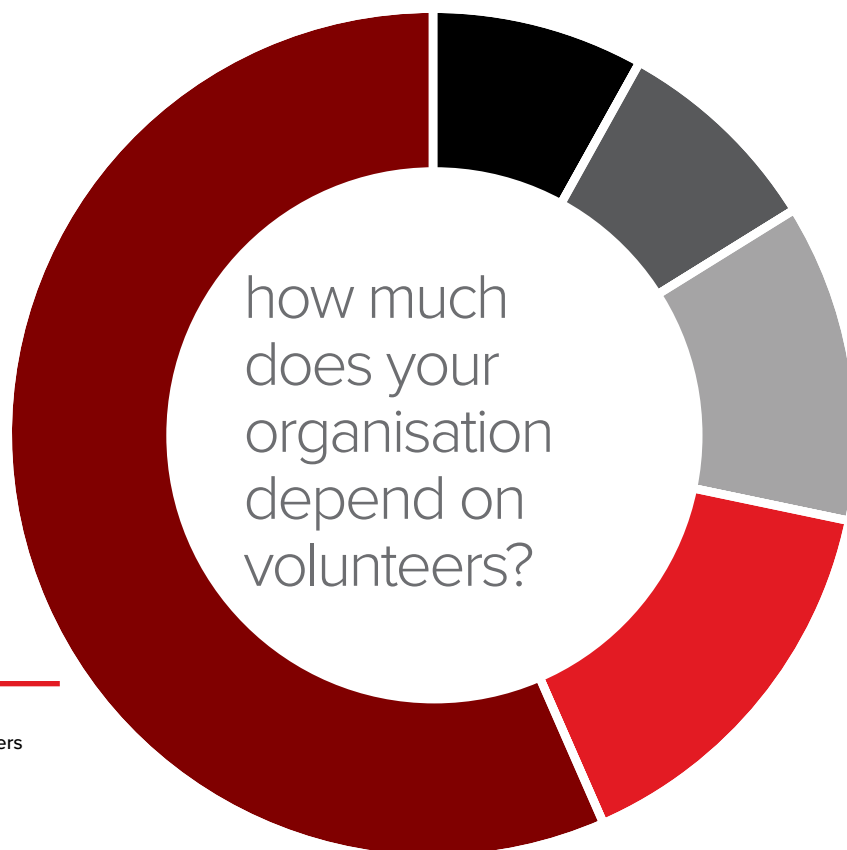


Figure 8 The extent to which organisations and groups depend on the contribution of volunteers

- 8% 0-20% RELIANCE ON VOLUNTEERS
- 8% 21-40% RELIANCE ON VOLUNTEERS
- 12% 41-60% RELIANCE ON VOLUNTEERS
- 15% 61-80% RELIANCE ON VOLUNTEERS
- 56% 81-100% RELIANCE ON VOLUNTEERS

209 VALID RESPONSES TO THIS QUESTION

The majority of organisations that responded to the survey were heavily reliant on volunteers; 56% of respondents were more than 80% reliant on volunteers for their operation (Figure 8). Therefore, the approach to future recruitment (and retention) may be critical to the future of these organisations. Organisations appear to have a high dependency on volunteers but also an overly optimistic perception that their volunteers will remain available and have the capacity to volunteer in the future.

Volunteer-involving organisations may need to become much more active in their recruitment and retention of volunteers and their

understanding of what is motivating volunteering, as well as what factors may act as barriers to volunteering to ensure they maintain their volunteer numbers into the future.

Volunteer-involving organisations are recognising that they need to provide more flexibility for their volunteers, with 30% of organisations agreeing or strongly agreeing that volunteers want more flexible hours than they did 12 months ago. Additionally, 31% of volunteer-involving organisations also agreed or strongly agreed that people want to volunteer for occasional hours as opposed to regular hours – more than in the previous 12 months.

This acknowledgement may indicate that, due to people’s commitments with work, family, and possibly volunteering for other organisations or groups, they may need more flexibility to fulfil their volunteering commitments. The capacity of organisations to provide more flexibility may assist organisations in recruiting and retaining volunteers in the future.

volunteer-involving organisations

Staff-to-volunteer ratios

Organisations are always interested in the ideal ratio of volunteers to each volunteer manager; not only to ensure the best use of resources, but also to ensure appropriate levels of support and supervision to volunteers. The findings of this research are not definitive but could shed some light on staff to volunteer ratios.

Organisations were asked 'How many people are involved with your organisation or group in Tasmania?'. The categories were full-time staff, part-time staff and volunteers.

Nearly 40% of the organisations that responded to this survey had no paid staff; they accounted for 10% of the volunteers (Table 6). Due to the nature of the collection of these survey responses, it is not possible to determine if these figures are representative of the volunteering sector as a whole in Tasmania. Of the organisations that responded that they were fully volunteer-run, 75% of these were from the community services, sport and recreation sectors.

Although the number of volunteers involved in these completely volunteer-run organisations ranged from 1 to 290, the average number per organisation or group was 33 volunteers (Table 6).

Although no real pattern can be discerned, it can be seen that the greater the number of staff in an organisation, the less the overall reliance on volunteers. However, there were still a large number of volunteers in many of these larger organisations.

Table 6. Number of people and their roles in volunteer-involving organisations

| Staff FTE | organisations | | volunteers* | | Average number of volunteers per organisation | Range of volunteers per category | Volunteer to staff ratio |
|--------------|---------------|------------|--------------|------------|---|----------------------------------|--------------------------|
| | # | % | # | % | | | |
| 0 | 72 | 37 | 2411 | 10 | 33 | 1-290 | 33 |
| 0.5-5 | 67 | 35 | 9570 | 39 | 143 | 4-5000 | 62:1 |
| 5.5-10 | 14 | 7 | 682 | 3 | 49 | 2-370 | 6:1 |
| 10.5-20 | 13 | 7 | 4414 | 18 | 340 | 20-2000 | 23:1 |
| 20.5-50 | 10 | 5 | 4387 | 18 | 439 | 2-1500 | 13:1 |
| 50.5-100 | 4 | 2 | 375 | 2 | 94 | 4-170 | 1:1 |
| 100+ | 13 | 7 | 2828 | 11 | 218 | 5-1000 | 0.5:1 |
| Total | 193 | 100 | 24667 | 100 | 128 | 1-5000 | 3.5:1 |

* This figure represents number of volunteers not FTE (hours worked)

There were 193 valid responses to this question.

comparison of 2014 & 2019:

volunteer involving organisations

Recruitment Channels

2014

1. Word of mouth
2. Personal approach
2. Community / public events
4. Internet / webpage

Organisations on average used 2.6 recruitment channels

2019

1. Word of mouth / Personal approach
2. Social media /website
3. Community / public events
4. Internal Promotions

Organisations on average used 3 recruitment channels

Volunteer-involving organisations are still relying strongly on **relationship-based approaches to engage volunteers**. But there has been an increase in social media as a recruitment tool over the past five years ago.

Volunteer Recognition

2014



On average organisations used 2.8 different methods to recognise their volunteers

2019

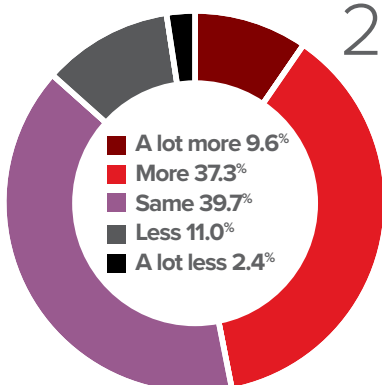


On average organisations used 4.5 different methods to recognise their volunteers

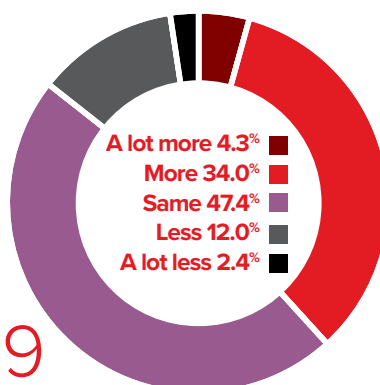
The categories used in the survey between 2014 and 2019 varied slightly, but there appears that the major methods for motivating and recognising volunteers has remained **relatively constant** over the past five years.

Prediction of supply of volunteers in 3 years

2014



2019



Volunteer-involving organisations had a slightly less optimistic outlook on whether they would have more volunteers in three years' time in 2019 compared to 2014. **These predictions align with the observed decrease in volunteering participation in the past five years.**



section 3:

the economic, social and cultural value of volunteering to tasmania

the cost of volunteering in tasmania

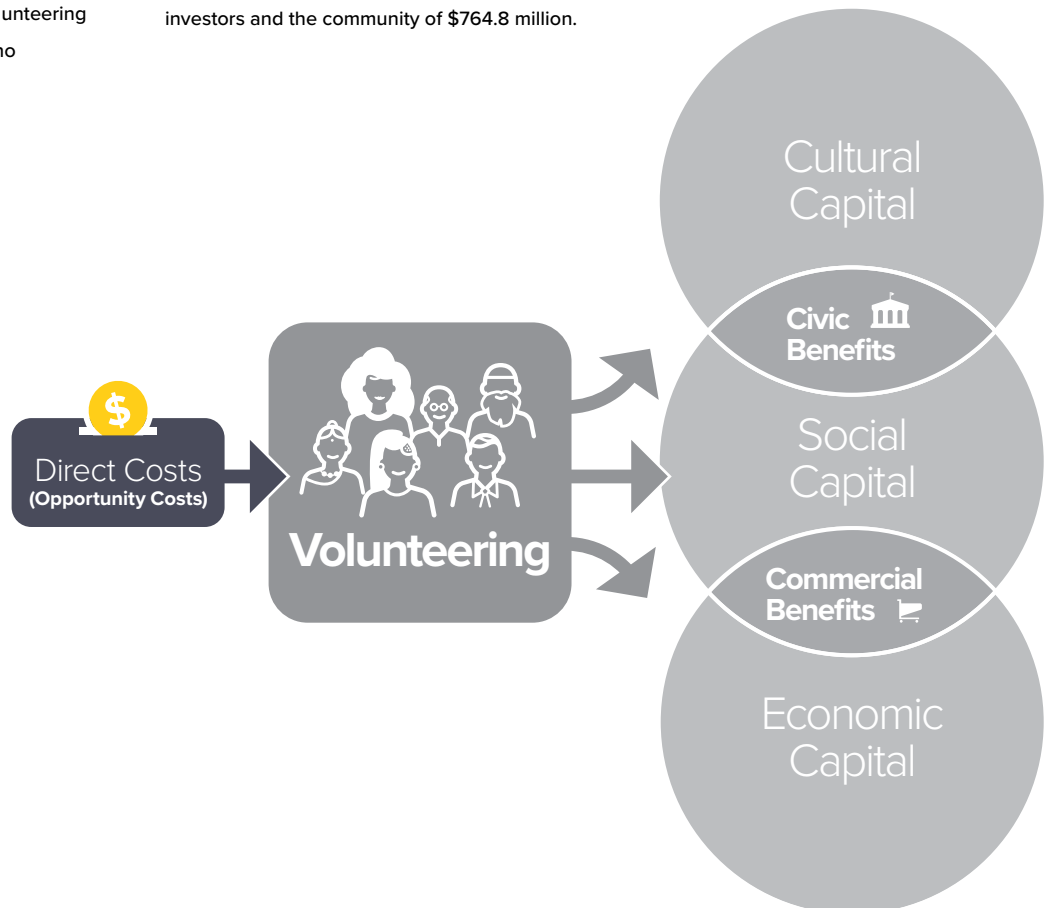
If a person decides to volunteer, there are two key costs for conducting this activity:

- 1 The direct purchase or donation of labour, materials, equipment and infrastructure by individuals and organisations.
- 2 The opportunity costs of volunteering, including
 - a. the social cost that results from the person doing volunteering instead of another productive activity.
 - b. volunteer investment, which models how the money currently spent on volunteering would be spent if there were no volunteering
 - c. tax revenue, which models how the money currently spent on volunteering would be taxed if there was no volunteering.

Inputs that enable and facilitate volunteering in Tasmania and their related outputs come at a cost. Labour, materials and infrastructure are either directly purchased or donated. Also, given the scarce resources of consumers, the diversion of money to volunteering implies that other opportunities to improve individual welfare are denied—another social cost that must be considered.

The total social and economic cost of volunteering in Tasmania and its related enterprises in 2019 is estimated to be \$1,161.6 million. This includes direct costs of \$396.8 million and opportunities ‘lost’ to individuals, investors and the community of \$764.8 million.

“The total **social and economic cost** of volunteering in Tasmania and its related enterprises in 2019 is estimated to be **\$1,161.6 million.**”



Direct Costs

The direct costs cited here estimate the change in final demand attributable to volunteering in Tasmania in 2019. These are the costs borne by individuals and organisations in support of volunteering activities and associated consumption.

To avoid double-counts, intermediate inputs such as the costs of production are incorporated and not counted separately. In other words, the costs of staging volunteering events are assumed in the final purchase price. Similarly, the equipment, labour and utility overheads of the related merchandise providers are assumed to be fully recovered by sales.

“Individuals reported spending an annual average of nearly **\$1,000** on their volunteering... or **\$4 per volunteer hour.**”

Costs to Individuals

Individuals reported spending an annual average of nearly \$1,000 on their volunteering in the survey period. The breakdown of this expenditure is shown in *Table 7*.

Of these expenses, volunteers reported being reimbursed an average of \$70.37 (7.1%). Therefore, on average they were out of pocket by \$921.61. Once this value is multiplied by the estimated number of volunteers in Tasmania, this equates to volunteers in Tasmania having net outgoings of approximately \$274.4 million, or \$4.03 per volunteer hour. Additionally, only 7.6% of volunteers reported being reimbursed

Tasmanians (volunteers and non-volunteers) also reported making cash donations of \$1,024 per person to volunteer-involving organisations across the same year. This figure is highlighted for comparative purposes only and not included as a cost of volunteering.



“Of these expenses, volunteers reported being reimbursed an average of **\$70.37 (7.1%)**”

Table 7. Volunteering costs for individual volunteers

| Type of cost | \$ |
|--------------------------------------|-----------------|
| Fuel and motor vehicle expenses | 218.52 |
| Food and beverages | 171.92 |
| Transport and accommodation | 143.81 |
| Other | 119.35 |
| Tools, equipment and other resources | 93.60 |
| Phone, internet and postage expenses | 83.14 |
| Memberships and subscriptions | 59.67 |
| Office supplies | 54.05 |
| Uniforms and clothing | 47.92 |
| | \$991.98 |

Costs to volunteer-involving organisations

From the responses to the VIO survey, it is estimated that a further \$122.4 million was spent by organisations enabling volunteering in the last year. This was predominantly salaries related to management and administration of volunteer activity (*Table 8*).

Volunteers directly **spent \$274.4 million** in support of their own volunteering. This more than twice as much as volunteer-involving organisation’s expenditure of **\$122.4 million.**

Table 8. Costs, by percentage, to volunteer-involving organisations to enable volunteering

| Activity | % |
|--|--------------|
| Volunteering-related salary costs | 47.2 |
| Volunteering-related management and administration | 20.4 |
| Volunteer reimbursements | 17.1 |
| Volunteering-related education and training | 7.8 |
| Volunteering-related grants | 4.1 |
| Volunteering-related marketing | 3.3 |
| | 100.0 |

the cost of volunteering in tasmania

Opportunity costs

An opportunity cost is a value lost (or forgone) as a result of deciding between mutually exclusive choices. It is, therefore, useful to consider what we might have gained by using the resources allocated to volunteering to their 'next best' ends.

To resolve the opportunity cost conundrum, this analysis supposes that there is no volunteering in Tasmania and that the assets presently devoted to volunteering are put to alternate productive ends. The opportunity cost of the human and financial resource allocations to volunteering in Tasmania can be further quantified by identifying the potential value in dollar terms of an alternative allocation.

Volunteers' time

Recognising that not all wages are equal, the opportunity cost of volunteering labour is estimated using the average weekly earnings for part-time and full-time workers for each age cohort, less a 35% marginal rate of tax. The hourly rate is post-weighted to reflect the composition of the Tasmanian work-force at each interval; in other words, by the percentage of full-time, part-time and non-participants per age-group.

This approach applies a simple leisure/work trade-off model that identifies the opportunity cost of one hour of leisure by the income that could have been earned by working for an extra hour.

This is consistent with a flexible labour model and assumes that additional work opportunity is available. As one would expect, the opportunity cost of leisure is low for the very young or very old—where significant numbers of people are not in the workforce or are under-employed—but quite high for those in age groups with greater workforce participation (*Table 9*).

Therefore, the 68.2 million hours donated to the Tasmanian community by volunteers in 2019 came at an opportunity cost to donors of \$756.2 million (*Table 10*).

“the 68.2 million hours donated to the Tasmanian community by volunteers in 2019 came at an opportunity cost to donors of \$756.2 million.”

Table 9. Opportunity costs of hours donated to the Tasmanian community by volunteers

| Age | Opportunity cost of volunteers' time. \$/hr | Average hours volunteered/year | Volunteer population in Tas | Total opportunity cost (\$/M) |
|-------|---|--------------------------------|-----------------------------|-------------------------------|
| 15-24 | 6.36 | 219.5 | 41,128 | 57.4 |
| 25-34 | 14.39 | 168.0 | 44,309 | 107.1 |
| 35-44 | 20.42 | 206.6 | 41,189 | 173.8 |
| 45-54 | 21.01 | 178.4 | 46,783 | 175.4 |
| 55-64 | 14.24 | 285.5 | 49,856 | 202.7 |
| 65+ | 1.93 | 276.7 | 74,489 | 39.7 |
| | | | | 756.2 |



“the gross cost of opportunities diverted to volunteering by individuals and volunteer involving organisations in Tasmania in 2019 is approximately **\$5.8 million.**”



“the government did willingly forego **\$2.9 million** in tax revenue”

Volunteering investments

An assumption is made here concerning the opportunity cost of the purchases by volunteers and volunteer-involving organisations made to enable their volunteering activity. If these purchases were withheld because no value was placed on volunteering by the community, then the value of that contribution could be invested in long-term growth—the supposed next best alternative use. Therefore, the value of volunteering to its stakeholders is at least equal to the profit forgone on their investments.

The long-run cost of investment applied here is 1.46%, the current 10-year bond rate. To that end, we estimate that the gross cost of the opportunities diverted to volunteering by individuals and volunteer-involving organisations in Tasmania in 2019 is approximately \$5.8 million.

Tax revenue

Of the volunteer-involving organisations responding to our survey with financial data, 87% indicated that they were tax-exempt, not-for-profit organisations (such as a sporting club, political party, religious or other incorporated body).

Assuming they maintained a commercially sustainable 10% operating surplus on their volunteering related expenses, applying the corporate tax rate of 27.5% suggests that the government did willingly forego \$2.9 million in tax revenue as a result of granting these volunteer-involving organisations tax-exempt, not-for-profit status.

volunteering capital

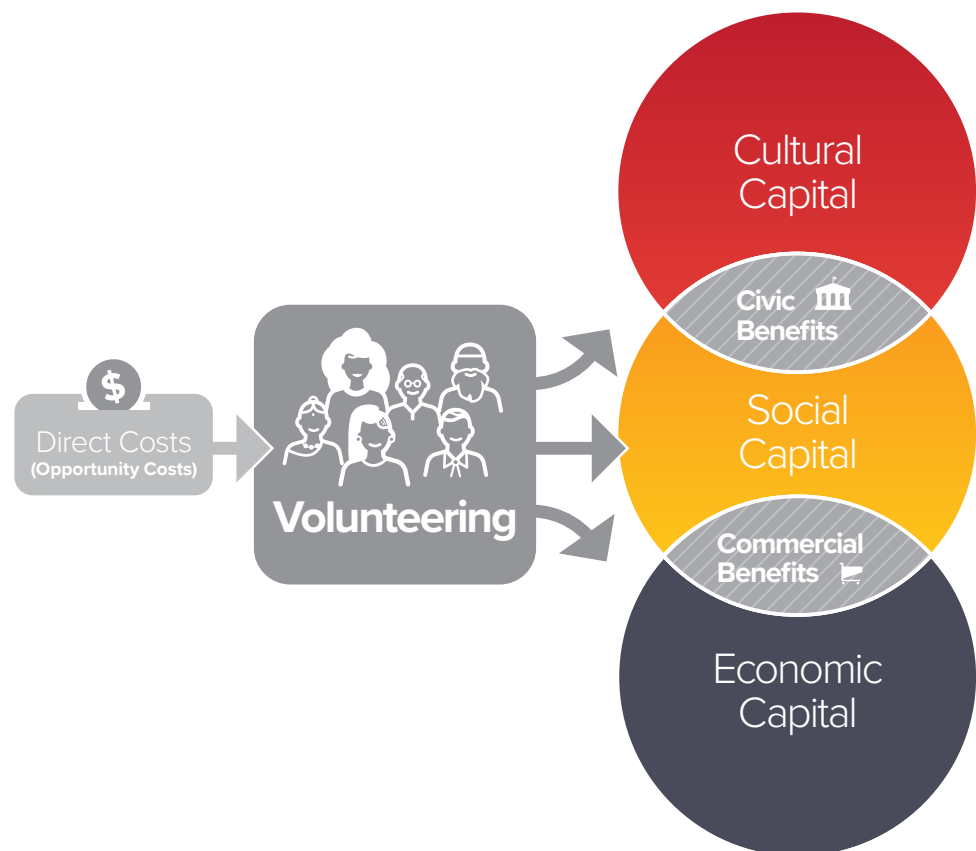
Volunteering capital refers to the *potential* for individuals to use their resources and capabilities for the mutual benefit of themselves and the community through volunteering. This capital is created by the investments of time and money in each unique volunteering event and is ultimately made tangible by its utilisation.

It is only when citizens collectively use (exploit) their capital that its effect can be quantified and reconciled with costs to arrive at estimates of value. Importantly, users should be mindful that this capital can theoretically be expressed positively (for example, to promote social inclusion) or negatively (for example, to promote harmful or offensive ideals).

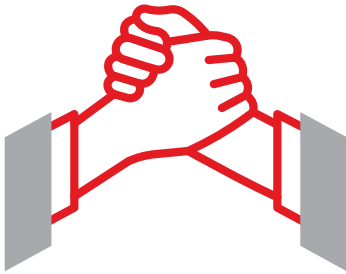
Because expressions of volunteering capital will be unique to the social setting (in this case, Tasmania), it is self-evident that, all things being equal, the more widespread or intense the participation of the community, the greater the impact volunteering in Tasmania will have on these factors.

For that reason, the value of this capital per se is irrelevant and no attempt is made to quantify it. However, it is essential to distinguish capital from inputs and outputs, as this allows a mechanism to explain the different forms of input that are at stake when looking to influence the value of volunteering.

The discussion that follows mines the extensive literature⁵ on the relationship between volunteering and capital, isolating references to the value provided by and to individuals, communities and volunteer-involving organisations. It organises around the three 'traditional' forms of observable capital enabled by volunteering, being the sum of the economic, social and cultural capitals.



⁵ Fully referenced discussion of the different expressions of volunteering capital can be found in *Volunteering Tasmania's State of Volunteering Report (2014)* and *Volunteering Western Australia's Economic, Social and Cultural Value of Volunteering (2015)*



“Volunteering infrastructure enhances and strengthens communities, contributing to a sense of belonging and place.”

Economic capital

Economic capital takes the form of infrastructure, goods, services and cash in its materialised form – all collectively known as tangible property. It is the latent wealth that can be readily transformed into money and institutionalised as property rights. In this instance, economic capital refers to the physical assets produced and maintained by Tasmania’s volunteering sector.

These assets are extensive and go beyond the saleable goods and services volunteering creates to include the venues and sites where volunteering is:

- performed (for example, at aged care facilities, community halls, and sporting fields)
- managed (for example, in government agencies and not-for-profit groups)
- promoted (via traditional and new media)
- sold (for example, at fêtes and festivals) throughout the broader community.

Volunteering infrastructure enhances and strengthens communities, contributing to a sense of belonging and place. Consider the ownership felt towards scout halls, sporting clubs and other community-owned assets by the volunteer groups which sustain them. Volunteering also increases longevity, exploiting under-used capacity and creating use of equipment and infrastructure where none might otherwise exist.

Other expressions of economic capital include consumables such as volunteers’ equipment, accommodation, and transport services. Consumption of these is increased through volunteering and therefore attributable to the activity.

Volunteering can also have a positive impact on the natural environment, open-air areas, public spaces and cultural assets, thereby enhancing the economic capital of a community or city.

Even though it is the most visible capital created by volunteering, economic capital is the tip of an iceberg – much of this economic capital would lie dormant without the social and cultural capital needed for its activation.



volunteering capital



“The value of social capital is explained in terms of individuals’ **trust, reciprocity, interpersonal networks and civic engagement.**”

Social capital

Social capital is defined by the Organisation for Economic Cooperation and Development (OECD) as, “The norms and relations embedded in the social structures of societies that enable people to coordinate action to achieve desired goals.” The value of social capital is explained in terms of individuals’ trust, reciprocity, interpersonal networks and civic engagement.

Social capital can organically emerge within community or cultural settings, or be deliberately cultivated through structured programs (such as those delivered by volunteer organisations). Volunteering can strengthen social ties between groups or individuals (bonding capital) by naming and reinforcing the values and attitudes of the group. In this way, volunteering can be perpetuated and enlarged.

Complementarily, volunteering can enable bridging social capital, facilitating wider ties across diverse groups that may differ in terms of age, gender, ethnicity or religion. This bridging can occur when different groups work together in times of crisis or at celebrations such as festivals and sporting events.

While the mutual benefit for both volunteers and recipients is clear, it is important not to romanticise the role of volunteering in social capital development. Several studies point to inequalities and social divisions associated with volunteering, which in some cases may be traced to the negative outcomes of social capital.

Even though networks and the associated norms of trust and reciprocity can be beneficial for those inside a network (such as the member of a particular supporter group), the external effects on others can be exclusive and inequitable. Thus, social capital can, in some cases, be linked to problems such as racism, sectarianism, social exclusion and corruption.

For that reason, governments around the world have looked to structured volunteering programs as a catalyst to motivate positive social capital development to strengthen their communities.



Cultural capital

In using the term cultural capital, we reference Bourdieu's⁶ long-standing definition of it as a person's knowledge and intellectual skills that provide an advantage in achieving higher social status. Also known as human capital, the OECD consider it to be critical to the well-being of communities. They define cultural capital as, *"The knowledge, skills, competencies and attributes embodied in individuals that facilitate the creation of personal, social and economic well-being."* A more modern appreciation of cultural capital includes psychological, symbolic and spiritual capital, as well as an individual's physical health and well-being.

Cultural capital may be brought into a volunteer setting with a new member or imparted to the volunteer through their participation. In this sense, cultural capital directly references the education and training linked to volunteering. Seniors are particularly well regarded as volunteers in this regard for their abundance of cultural capital accumulated over a lifetime of paid work and social interaction.

Cultural capital acquired through volunteering is also known to be transferable to other domains, including the workplace, enhancing an individual's paid employment prospects. It is equally plausible that the cultural capital created by volunteering has the potential to increase organisational profit.

Therefore, the relationship of cultural capital to volunteering is two-fold: volunteers can impart cultural capital to their beneficiaries through the use of their skills and knowledge; equally, they can improve their capabilities through their voluntary engagement. This capital is enlarged as volunteers and beneficiaries employ those outcomes in their households, workplaces and social networks.

Thus, the potential for volunteering to enrich cultural capital is enormous: it can be accrued as a means of fulfilling one's sense of self-worth, it can be utilised by individuals, groups and even volunteer-involving organisations for financial or social gain, or it can be used to motivate productivity in those who require support.

“ They define cultural capital as, *“The knowledge, skills, competencies and attributes embodied in individuals that facilitate the creation of personal, social and economic well-being.”* ”

⁶ Pierre Bourdieu (1985) *The Forms of Capital*

volunteering benefits

Volunteering in Tasmania alters the states of economic, social and cultural capital in individuals, organisations and communities. This is converted into a set of economically valuable outputs that contribute to the welfare of all.

In 2019, it is estimated that volunteering in Tasmania enabled at least \$4,017.5 million worth of benefits across the community. These were the sum of commercial benefits worth \$778.0 million and civic benefits valued at \$3,239.6 million.

Commercial benefits

Producers' surplus

Tasmanian businesses enjoy a net commercial benefit that is attributable to volunteering. Known as the producers' surplus, this is an economic measure of the difference between the amount that a producer of a good receives and the minimum amount that he or she would be willing to accept for the good. The difference, or surplus amount, is the benefit that the producer receives for selling the good in the market. An alternative, if theoretically imperfect, description of this is net profit.

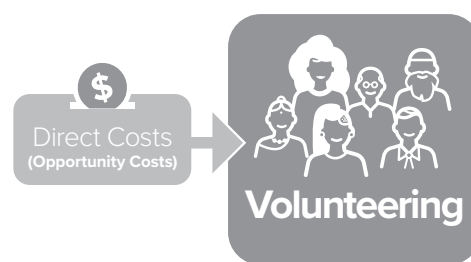
Using a methodology known as input/output (I/O) modelling⁷ the change in final demand of \$396.8 million brought about by the volunteering expenditure of consumers (the direct costs of individuals and volunteer-involving organisations) increased output in the Tasmanian economy by an estimated \$549.6 million. This includes the production of intermediate goods as well as imports of \$231.2 million.

The Gross Value Added (GVA) to the Tasmanian economy is therefore \$318.4 million, or 1.1 per cent of Tasmania's Gross State Product (GSP) of \$30.3 billion.

As material inputs are already allowed for – and our assumption is that the infrastructure would exist regardless of volunteering – if GVA is discounted by the cost of labour and taxes, we are left with a theoretical producers' surplus to businesses of \$71.6 million.

In equilibrium, this surplus represents the fair return to providers of capital and implies sufficiency to cover the cost of investment and the opportunity cost of the use of land or buildings for other purposes.

It is important to note, though, that the nature of the modelling means that this \$71.6 million is distributed amongst all Tasmanian firms who contribute intermediate or final goods and/or services that are consumed as a result of volunteering in Tasmania, and not just volunteering producers.



“ In 2019, it is estimated that volunteering in Tasmania enabled at least **\$4,017.5 million worth of benefits across the community.**”

“ ... producers' surplus to businesses of **\$71.6 million.**” 



⁷ See Attachment 4 – Input-output modelling

Equation 1. Productivity premium formula

$$\text{Productivity premium} = \hat{w} \times m_p \times v \times r$$

\hat{w} = median annual wage per cohort

m_p = productivity multiplier

v = total volunteers

r = discount rate

Productivity premium

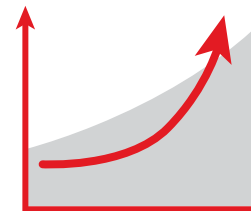
Survey respondents were also asked to what extent they believed their volunteering impacted – positively or negatively – on their work performance. They were specifically prompted that their volunteering might make them a happier person, enable stronger networks and allow them to access certain skills that might improve their productivity. On the flip side, it was suggested that they might need to take a few more days off because of their volunteering. As a follow-up, they were asked to quantify this impact in percentage terms.

It was revealed that 48.6% of volunteers believed their volunteering added an average of 16.3% value to their productivity in their paid employment. Conversely, 22.2% felt their volunteering adversely impacted their ‘day-job’ by a factor of 5.0%.

Applying these rates to the cost to employers of labour per age cohort (replacement cost) as per the formula (*Equation 1*) allowed us to quantify a ‘productivity premium’ enjoyed by employers as a result of their employees’ volunteering.

Thus, the extent to which volunteering in Tasmania improved the productivity of individuals in 2019 (a benefit enjoyed by their employers) is estimated to be \$706.4 million.

This figure is the sum of self-reported positive and negative impacts, where the negative impacts are noted here as a ‘dis-benefit’ – rather than a cost – as they are not an input into volunteering, but a negative outcome.



“ Thus, the extent to which volunteering in Tasmania improved the productivity of individuals in 2019 (a benefit enjoyed by their employers) is estimated to be **\$706.4 million.**”

Does volunteering impact your work/life productivity?


adding +16% value to productivity



impacting productivity -5% 

volunteering benefits

Civic benefits

For this report, a civic benefit is a contribution made by having volunteering in Tasmania that would otherwise have to be provided (presumably by the state) if the same community-wide standard of living were enjoyed. In other words, it typically represents a cost avoided by the government.

Important civic benefits acknowledged but not quantified by this analysis include the inbound tourism impact of volunteering in Tasmania, as well as the costs potentially avoided by our civil systems of health, criminal and social justice. For that reason, our estimate of civic benefits is likely to be significantly understated.

“...generated approximately **\$68.9 million in tax revenue** for the government.”

Employment

Using the input / output model, the expenditure associated with volunteering in Tasmania is estimated to generate in the order of 3,064 jobs, of which 1,902 are full-time. Again, this refers to jobs created economy-wide and not just in the volunteering sector.

This realises a wage benefit of \$177.9 million that is directly returned to households, with an equivalent welfare cost avoided by government.

Taxes

Input/output modelling also reveals that volunteering-related or -motivated expenditure of \$396.8 million (direct costs) generated approximately \$68.9 million in tax revenue for the government.

Note that these taxation receipts may not be directly proportional to the relevant investment of each tier of government. Nevertheless, as it is unlikely that the volunteering industry receives an equivalent quantum of re-investment from government, it could be argued that the direct tax returns from volunteering contribute to other policy and social investments, such as hospitals and schools.

“... a wage benefit of **\$177.9 million** that is directly returned to households, with an **equivalent welfare cost avoided by government.**”

Table 10. Cost to the Tasmanian community of replacing volunteers' labour

| Age | Replacement cost of volunteers' labour | Average hours volunteered/year | Volunteer population in Tas ^a | Total opportunity cost (\$/M) |
|-------|--|--------------------------------|--|-------------------------------|
| 15-24 | \$25.32 | 219.5 | 40,239 | \$214.3 |
| 25-34 | \$47.05 | 168.0 | 43,352 | \$328.4 |
| 35-44 | \$57.29 | 206.6 | 40,298 | \$457.2 |
| 45-54 | \$58.83 | 178.4 | 45,772 | \$460.3 |
| 55-64 | \$55.04 | 285.5 | 48,778 | \$734.6 |
| 65+ | \$41.29 | 276.7 | 72,879 | \$797.8 |
| | | | | \$2,992.7 |



volunteering benefits

“ ...cost to the community of **replacing volunteers’ labour** in Tasmania would be **\$2,992.7 million**”

Volunteers’ labour

The labour of volunteers is another civic contribution of volunteering. As already stated, it is estimated that volunteers donated 68.6 million hours to Tasmania in 2019. The replacement cost of this labour is determined by calculating what it would cost beneficiaries to employ people to perform the equivalent work.

It is presumed that each volunteer necessarily brings skills commensurate with their professional experience; therefore, it is not simply a case of replacing them with industry minimum wage labour. The overhead costs of administration and capital must also apply to each hour of labour, and the additional costs of taxation (such as superannuation, workers’ compensation and payroll tax) should be allowed for.

Using median wage data for each age cohort; allowing an additional 15% for superannuation, payroll and administration costs; and, discounting for volunteering that occurs outside Tasmania (2.1%), it was found that the cost to the community of replacing volunteers’ labour in Tasmania would be \$2,992.7 million (Table 10).

Using the replacement cost of labour method and contrasting it with the most recent ABS data on the total compensation of employees by sector, it can also be seen that volunteering is Tasmania’s largest sector (Table 11).

Table 11. Cost of volunteering vs private and public sector employee compensation

| Sector | \$/B |
|--|-----------------------|
| Volunteering replacement cost | \$2.99 billion |
| Private sector compensation of employees | \$2.62 billion |
| Public sector compensation of employees | \$1.06 billion |

8 Excludes the 2.1% of people who volunteered outside of Tasmania, as their labour would theoretically be replaced by the off-shore volunteer-involving organisation.

the value of volunteering to tasmania in 2019

The value of volunteering to Tasmania across the entire community is the sum of the benefits enabled. This analysis estimates these to be worth \$4.0 billion in 2019 (Table 12).

This figure is significantly greater than previous estimates based only on price or economic impact; yet it is likely to be an underestimate given the limitations of the available data and forensic techniques.

The power of this figure of \$4.0 billion lies in the ability to provide a standardised basis for comparison, and – short of performing the same exercise for every other human activity – a top-line valuation of every human endeavour is impractical, if not impossible.

For that reason, this study contrasts the net value of volunteering in Tasmania with the cost of inputs. It can be seen that for every dollar invested by the community, approximately \$3.50 is returned. Therefore, because the external benefits of volunteering exceed the social costs, the outcome is not inefficient, and there is a substantial social, cultural and economic ‘profit’ in volunteering.

Ultimately, this analysis has examined whether those who donate their time and money to volunteering are supporting the common good. This report demonstrates the economically real and significant value of volunteering to Tasmania. Although there are some limitations to the analysis that would benefit from future research, the potential now exists for decision-makers in both industry and government to leverage this framework for continual improvement in the marketing and delivery of their services.

Table 12. Costs and benefits of volunteering to Tasmania, 2019

| Costs (\$/m) | | | |
|--|----------------|----------------|----------------|
| Direct Costs | | | |
| Volunteer expenses | 274.4 | | |
| Volunteer-involving organisations expenses | 122.4 | 396.8 | |
| Opportunity Costs | | | |
| Volunteers' time | 756.2 | | |
| Volunteering investments | 5.8 | | |
| Tax revenue | 2.9 | 764.8 | 1,161.6 |
| Benefits (\$/m) | | | |
| Commercial benefits | | | |
| Producers' surplus | 71.6 | | |
| Productivity premium | 706.4 | 778.0 | |
| Civic benefits | | | |
| Employment | 177.9 | | |
| Taxes | 68.9 | | |
| Volunteers' labour | 2,992.7 | 3,239.6 | 4,017.5 |
| Benefit : cost ratio 3.5:1 | | | |



comparison of 2014 & 2019:

the value of volunteering in tasmania

Amount Volunteers spend per hour on volunteering

2014
\$4.54 per hour

2019
\$4.03 per hour

The amount of money spent per hour by a volunteer has declined slightly over the past five years.



Number of volunteers reimbursed

2014
10.1%

2019
7.6%

There is a **very low rate of volunteer reimbursement**, which appears to be declining. This **may act as a barrier** for some people wishing to volunteer.

Productivity premium

2014
\$1202.6m

2019
\$706.4m

The productivity premium has **fallen by \$500 million** between 2014 and 2019, **due to falling satisfaction** in volunteering.

Impact of volunteering on work life productivity



Enjoyment in volunteering **has fallen** over the past 5 years.

More people are being **negatively impacted** by volunteering than five years ago.

Total Value of Volunteering

2014
\$4.2b total value of volunteering to tasmania
with a
benefit to cost ratio
3.6:1

2019
\$4.0b total value of volunteering to tasmania
with a
benefit to cost ratio
3.5:1

The total value of volunteering and the benefit to cost ratio of volunteering has remained stable over the past five years.



attachments

attachment 1

tasmanian resident survey

To make sure that we have a good cross section of the community, we would firstly like to ask you a few questions about yourself.

Gender

Male Female

What is your age?

- 15 to 24 55 to 64
 25 to 34 65 to 74
 35 to 44 75+
 45 to 54

Over the last 12 months, was your approximate annual household income –

- Under \$30,000 \$70,000 to \$90,000
 \$30,000 to \$50,000 \$90,000 to \$110,000
 \$50,000 to \$70,000 Over \$110,000

What is your postcode?

1a. Are you employed – full time, part time or casual?

Yes No (go to Q3a)

1b. How many hours of paid work do you do in an average week?

_____ hours

2a. Do you participate in a workplace volunteering program?

This is a program where you are paid by your employer to volunteer with another organisation such as a charity.

Yes No (go to Q3a)

2b. How many hours did this involve in the last 12 months?

_____ hours

3a. In the last 12 months, have you given your time to any of the following?

At this stage, we are only interested in unpaid donations of time, not money. By unpaid, we mean that you did not receive a salary or wage for your effort, unless you were paid through a formal, employer-sponsored volunteering program (included below). You may, however, receive an honorarium or have had your expenses reimbursed. We also do not want to include donations of time that only benefit your family. For example, in this study, helping your cousin, child or grandchild with their homework is not volunteering; however, coaching their football team does count, because other, non-family members directly benefit.

For a not-for-profit organisation, such as a sporting club, political party, environmental/ animal welfare or service club/ special interest association, church or charity?

Yes No

For government organisations; such as schools, hospitals, emergency services, and local government services and the like?

Yes No

For a private/commercial organisation; such as a private aged care facility, festival or event?

Yes No

To people in your community, excluding family members? Examples might include looking after children, property or pets; providing home or personal assistance; or giving someone a lift or advice

Yes No

If no to all of Q3a, please go to Q5a

3b. (if yes) Including travel time, actual volunteering, administration, and any online or other activities – on average, how many hours per month did you volunteer?

For a not-for-profit organisation, such as a sporting club, political party, environmental/ animal welfare or service club/ special interest association, church or charity?

_____ hours

For government organisations; such as schools, hospitals, emergency services, and local government services and the like?

_____ hours

For a private/commercial organisation; such as a private aged care facility, festival or event?

_____ hours

To people in your community, excluding family members? Examples might include looking after children, property or pets; providing home or personal assistance; or giving someone a lift or advice

_____ hours

3c. And in the last 12 months, what percentage of your volunteering was done...

Online or from home
_____ %

Within 50km of home
_____ %

Somewhere else in Tasmania
_____ %

Somewhere else in Australia
_____ %

In a developing country
_____ %

In the rest of world
_____ %

4a. On average, how much money do you personally spend each month on these activities? Please provide a rough estimate for each.

\$ _____ / month

Memberships and subscriptions

\$ _____ /month

Fuel and motor vehicle expenses

\$ _____ /month

Office supplies

\$ _____ /month

Uniforms and clothing

\$ _____ /month

Tools, equipment and other resources

\$ _____ /month

Phone, internet and postage expenses

\$ _____ /month

Food and beverages

\$ _____ /month

Transport and accommodation

\$ _____ /month

Any other expenses*?

(give specifics below)

\$ _____ /month

4b. Do you get reimbursed for any of these expenses?

Yes No *(go to Q5)*

4c. (if yes) How much are you reimbursed in an average month?

\$ _____

5a. Have you made any donations of money to volunteer-involving organisations in the last 12 months?

Yes No *(go to Q6)*

5b. (if yes) Approximately how much in total?

\$ _____

If you answered no to all of Q3a skip to Q6b

6a. So why do you volunteer? (list up to 3)

Randomised responses

- Social connection (to meet new people, be involved, develop friends and social networks)
- Support a cause (such as an association to an organisation or cause, need or desire to give back and make a difference)
- Develop new skills, learning (for a pathway to employment, career development)
- Community (to contribute to communities in emergencies and crisis, help build community resilience)
- Aligns to my values (for cultural or humanitarianism reasons)
- Personal development (to gain confidence and self-esteem, feel valued and part of a team)
- Enjoyment (for personal interest, fun)
- Health benefits (to stay fit healthy, connected, needed, for mental health)
- For skilled volunteering or work-related volunteering program (encouraged to volunteer through work programs)
- No clear motivation (such as someone suggested it)
- Other – please list

6b. How do you think volunteering benefits your community? (unprompted)

attachment 1

tasmanian resident survey

7. What would you say are the things that prevent you giving (more) time as a volunteer? (list up to 5) (randomised, allow no response)

- Limited time
- Work commitments
- Family commitments
- Travel
- Never been asked
- Lack of communication/information about volunteering
- No perceived benefit
- Lack of interest / don't want to
- Concern about the level of commitment/work involved
- Too shy
- General health
- Age
- Disability
- Bad experiences with volunteering
- Lack of skills or ability
- Don't know where to go / lack of information
- Worries about legal liability
- Employers discourage participation
- Poor facilities
- Preference for paid work
- No available volunteering
- Policies and practices of volunteering involving organisations
- Lack of appreciation
- Other

8a. If you answered no to Q1a, you are not currently employed – please go to Q9a

If you answered no to all of Q3a, go to Q9

Now we'd like you to think about how volunteering impacts on your employment.

For example, you might be a happier person, have stronger networks, and have access to certain skills that all improve your productivity. On the flip side, you might need to take a few more days off.

So do you think your volunteering impacts positively or negatively on your employment, or does it make no difference?

- Positively Negatively No difference (go to Q9)

8b. And to what extent is that – just an approximate percentage?

_____ %

9a. In 3 years' time, are you likely to be volunteering more, less or about the same?

- More Less No difference

9b. And by how much – just an approximate percentage?

_____ %

attachment 2

volunteer-involving organisation survey

1. What is the name of the organisation or group that you represent?

2. What is your job title or role?

3. What is the postcode of your business headquarters in Tasmania?

4. Where does your organisation or group operate in Tasmania? Please choose one of the following.

- In a single locality/region
(Please list postcodes below)
- Across multiple localities/regions (Please list postcodes below)
- State-wide

Please nominate postcodes for regions and localities

5. What type of organisation or group are you? Please choose one of the following. Choose the option that best describes your organisation/group.

- A tax-exempt, not for profit organisation (such as a sporting club, political party, religious or other incorporated body)
- Local government agency
- State government agency
- Federal government agency
- Commercial (private) firm
- Informal, ad hoc or casual community group

6. Which sector does your organisation or group support? If your organisation or group supports more than one sector, please select the one that best matches your organisation/group's primary goal. List any other sectors under 'Other'.

- Community Service
- Disability Services
- Disaster Relief
- Drug and Alcohol
- Education
- Emergency Response
- Environment and Conservation
- Family Support
- Health
- Homelessness
- Human Rights
- Aboriginal Australians
- Mentoring and Advocacy
- Migrant Support
- Museums and Heritage
- Recreation
- Seniors
- Sport
- Veteran and Ex-service Personnel
- Young People
- Other (please specify)

Tasmanian Census of Volunteer Involving Organisations 2019

7. In the last 12 months, what service(s) has your organisation or group provided or enabled in Tasmania through volunteers?

8. How many people are involved with your organisation or group in Tasmania?

- Full-time
- Part-time/Casuals
- Volunteers

9. Who volunteers in your organisation/group? Please choose all that apply.

- Corporate-sponsored groups
- Corporate-sponsored individuals
- University students
- School or VET students
- Seniors
- Community members who work full-time
- Community members who don't work or work less than full-time
- Young people who are not employed
- Other (please specify)

attachment 2

volunteer-involving organisation survey

10. How do you typically attract volunteers? Please choose all that apply.

- Personally approaching individuals and groups; for example, word-of-mouth through our volunteers and staff
- Internal promotions
- Traditional media
- Social media
- School/university engagement
- Community/public events
- Volunteer Resource Centres/ Volunteering Tasmania
- General brand investment/development
- Other (please specify)

11. How do you motivate and retain volunteers? Please choose all that apply.

- Reimbursement of expenses
- Paid honorariums
- Awards; for example, certificates/letters of appreciation
- Rewards; for example, movie tickets
- Private recognition events or celebrations
- Public ceremonies and events
- Status; for example, titles, rank, Australia Day honours
- Accredited training; for example, Certificate II or III, Diploma

- Non-accredited training; for example, short courses, workshops
- Mentoring programs
- Recognition in media; for example, annual reports, website, published press releases
- Pre-agreed penalties or sanctions for non-participation
- Formal performance reviews or references
- Personal connections or relationship building
- Flexible work arrangements
- Diverse and progressively challenging volunteer opportunities
- Dedicated volunteer management training or resources
- Positive brand development and association; that is, investing in your organisation's brand generally, without specifically targeting volunteers
- Other (please specify)

12. More people want to volunteer in my organisation or group now, than in the previous 12 months. Please choose the appropriate response.

- Strongly disagree
- Disagree
- No change
- Agree
- Strongly agree
- NA/Unsure

13. People want to volunteer for more hours in my organisation or group than they did 12 months ago. Please choose the appropriate response.

- Strongly disagree
- Disagree
- No change
- Agree
- Strongly agree
- NA/Unsure

14. More people want to volunteer for occasional hours as opposed to regular hours, than in the previous 12 months. Please choose the appropriate response.

- Strongly disagree
- Disagree
- No change
- Agree
- Strongly agree
- NA/Unsure

15. Volunteers want more flexible hours than they did 12 months ago. Please choose the appropriate response.

- Strongly disagree
- Disagree
- No change
- Agree
- Strongly agree
- NA/Unsure

16. There are more companies and organisations wanting to volunteer employees' time than 12 months ago. Please choose the appropriate response.

- Strongly disagree
- Disagree
- No change
- Agree
- Strongly agree
- NA/Unsure

17. More volunteers are claiming expenses than 12 months ago. Please choose the appropriate response.

- Strongly disagree
- Disagree
- No change
- Agree
- Strongly agree
- NA/Unsure

18. Volunteers require more training than 12 months ago. Please choose the appropriate response.

- Strongly disagree
- Disagree
- No change
- Agree
- Strongly agree
- NA/Unsure

19. It is easier to find volunteers for service delivery than 12 months ago. Please choose the appropriate response.

- Strongly disagree
- Disagree
- No change
- Agree
- Strongly agree
- NA/Unsure

20. It is easier to find board-level volunteers than 12 months ago. Please choose the appropriate response.

- Strongly disagree
- Disagree
- No change
- Agree
- Strongly agree
- NA/Unsure

21. More University students are volunteering than 12 months ago. Please choose the appropriate response.

- Strongly disagree
- Disagree
- No change
- Agree
- Strongly agree
- NA/Unsure

22. More volunteering is done online or from home than 12 months ago. Please choose the appropriate response.

- Strongly disagree
- Disagree
- No change
- Agree
- Strongly agree
- NA/Unsure

23. In the last 12 months, did you involve volunteers from outside the State on a short- or medium-term basis in your Tasmanian activities?

- No. *Go to question 25*
- Yes. *Go to question 24*

24. How many volunteers in total?

How many of these volunteers visited Tasmania?

On average, how long did they volunteer with you?

attachment 2

volunteer-involving organisation survey

25. What were your total volunteering-related expenses in the last 12 months? Choose the last 12 months you have reliable data for; for example, your last annual report period or provide your best estimate.

_____ Volunteering reimbursements

_____ Volunteering-related marketing; for example, promotions, rewards and recognition

_____ Volunteering-related grants to individuals and other community groups

_____ Volunteering-related salary costs

_____ Volunteering-related education and training

_____ Volunteering-related management and administration expenses

26. To what extent does your organisation or group depend on the contribution of volunteers

_____ %

27. In 3 years from now, are people more or less likely to be volunteering with your organisation or group?

A lot more

More

About the same

Less

A lot less

Comment

attachment 3

ABS volunteering rates

This report reveals that 68.6% of Tasmanians volunteered in the 12 months before this survey (May 2019). A widely cited figure prepared by the Australian Bureau of Statistics (ABS) found that in 2014, 36.6% of Tasmanians engaged in volunteering. The difference is stark.

The ABS defines volunteering in their General Social Survey (GSS) as, “Help willingly given in the form of time, service or skills to a club, organisation or association.” Our definition – time willingly given for the common good and without financial gain – does not limit volunteering to clubs, organisations or associations. Indeed, our survey instrument specifically asks respondents about their volunteering with government and for-profit organisations, as well as their ‘informal’ volunteering, giving specific guidance as to what is intended in this regard (Attachment 1).

Excluding informal volunteering, we found that 50.6% of Tasmanians volunteered in ‘formal’ settings. This is still over half as many as again as suggested by the ABS. Differences in data collection methodology could explain this further discrepancy.

The survey instrument used in this analysis probes each dimension of volunteering in a lot more detail than the GSS. Experience with conducting this survey by telephone suggests that this level of rigour prompts greater recall of volunteering, especially micro- and one-off volunteering activities.

The GSS also takes, on average, 90 minutes to deliver, with the volunteering questions coming about two-thirds of the way into the survey. Survey fatigue means that both the respondent and survey administrator are probably not going into a comparative level of detail around volunteering.

It should finally be noted that our survey has been repeated a number of times via different media and in different markets with statistically insignificant variance in results. The rates of volunteering have been consistent with the findings of this study and consistently higher than the ABS volunteering rates.

For these reasons we have a high degree of confidence in (and stand by) our estimates of volunteering volume in Tasmania

attachment 4

input / output modelling

The value of expenditure associated with volunteering in Tasmania can be understood in two contexts. Firstly, the amounts spent by individuals, businesses or government on volunteering reveal a value that the community perceives in the activity. Secondly, expenditure on volunteering creates a change in final demand that has an economic impact on employment, output and gross national product. The economic impact includes the impact on intermediate goods and the compensation of employees.

Analysis of the total impact, including indirect effects, is based on an understanding that industries, and individual companies within these industries, do not exist in a vacuum, but use each other's products to produce their own. Thus, an increase in demand for one industry's products leads to increases in the demand of other 'linked' industries.

An input/output (I/O) representation of the economy is comprised of a set of industries which are linked by these I/O or intermediate relationships and by the final demand for each industry's output. The model used in this report is the Tasmanian Regional Input-Output Matrix (RIOM) model.

Broadly speaking, I/O modelling examines how different industries interact to produce final demand. For example, a dairy farmer (as part of the Agriculture industry) may sell some of his or her milk to a cheese-maker (part of the Manufacturing industry), who uses it as an ingredient in his or her cheese. This company in turn sells some of its output to a retail wholesaler (part of the Wholesale Trade industry), who sells some of it to a VIO, who passes it on in a meal to a homeless person.

The same milk has been sold several times, but only the last transaction represents final demand. Thus, the inputs required by one industry form part of the demand for the products of another.

There are two major types of I/O models: open and closed models. In open models, the labour and wages of employees and the gross operating surplus of companies are treated as primary inputs in the production of goods and services; if you want to produce more widgets, you must employ more widget makers. This type of model captures the direct and indirect effects of changes in demand in one industry on the other industries in the economy.

By contrast, RIOM is a closed model that includes the household sector as a separate industry. This enables the consideration of induced effects of changes in

Equation 2. The Leontif Multiplier:

$$(1 - X - C)^{-1} \times LVE = \Delta O$$

LVE = vector of volunteering expenditure

ΔO = change in total output

X = transaction table of intermediate demand

C = table of induced consumption demand

demand. Induced impacts reflect the changes in consumer spending resulting from changes in economic activity and therefore in employment. The household sector is considered as an 'industry' whose outputs are labour, and whose inputs consist of consumer spending; if you create more employment, you also create an increase in demand from the household sector for consumer goods like food, accommodation, entertainment and so on.

RIOM applies the ABS 2016-17 transaction tables in conjunction with demand and employment information for each Australian State and Territory to model the impact of changes in demand on these regional economies, estimating changes in their output, employment and gross state product.

The transaction tables used in the model identify 60 industries across 19 industry sectors. For expenditure allocated to each industry sector, a unique multiplier impact is calculated estimating the impact on gross supply, output, gross state product (following the value-added method), employment, wages, imports, and taxation.

As previously noted, the producers of volunteering in Tasmania spent a combined amount of \$396.8 million (direct costs) in 2018-19. This figure represents final demand in three main industry categories:

- Community services
- Road transport, and
- Retail trade.

The expenditure on volunteering in Tasmania has an economic impact that includes a combination of increased output by industries directly subject to increased volunteering-related demand, increased output by suppliers to those industries and their suppliers, as well as increased output by all industries that have a role in supplying the demand of increased expenditure by households, generated by increased wages.

Changes in employment and gross state product (GSP) are proportional to changes in output following the constant return to scale assumption inherent in I/O models.

A number of the assumptions that underpin the analysis are disclosed here:

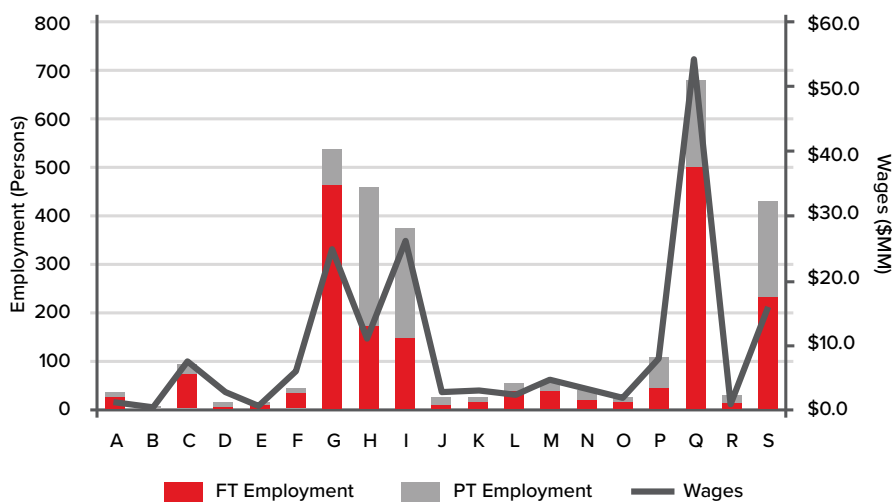
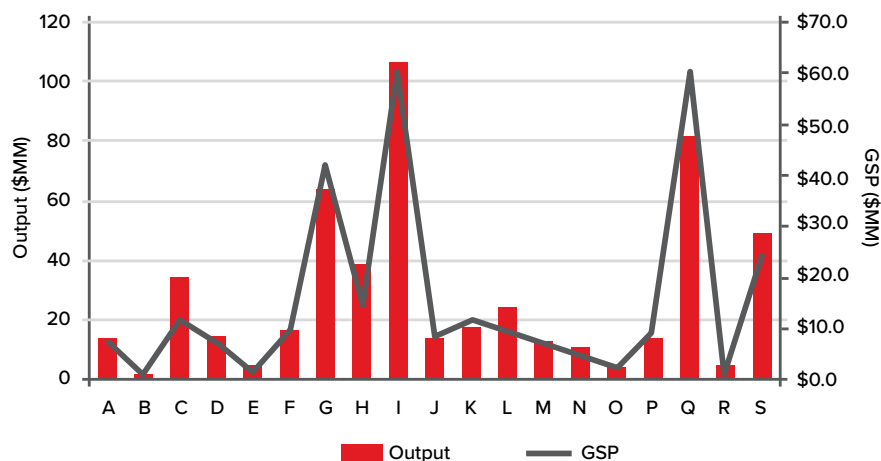
- The motivating expenditure for the analysis is the estimated expenditure in 2019. Unless explicitly stated and adjusted for, all data is sourced from that period.
- Financial multipliers are calculated using the Tasmanian Regional Input-Output Matrix (RIOM) model. This model is derived from the ABS 2016-17 Tasmanian Input-Output Table. Financial multipliers are assumed to be consistent between 2019 and 2016-17.
- Volunteering activities were fully realised within Tasmania in 2019. Investment expenditure is limited to items included in the survey responses, which are assumed to represent typical annual expenditure.
- Impacts are calculated based on direct, indirect (intermediate inputs), and household consumption effects. Increases in gross operating surplus or taxation revenue are not assumed to directly result in increased expenditure in the Tasmanian economy (the government sector is not closed).
- Where demand results in importation of goods or services from outside of Tasmania (interstate or overseas), no further impact is assumed on the economy.

Impacts across alpha-coded industry sectors and by outputs, GSP and employment are shown in the tables below.

attachment 4 input / output modelling

Table 13. Alpha-coded Industry sector, by output, GSP and employment

| Sector | Code |
|---|------|
| Agriculture, Forestry & fishing | A |
| Mining | B |
| Manufacturing | C |
| Electricity, Gas, Water and Waste Services | D |
| Construction | E |
| Wholesale Trade | F |
| Retail Trade | G |
| Accommodation and Food Services | H |
| Transport, Postal and Warehousing | I |
| Information Media and Telecommunications | J |
| Financial and Insurance Services | K |
| Rental, Hiring and Real Estate Services | L |
| Professional, Scientific and Technical Services | M |
| Administrative and Support Services | N |
| Public Administration and Safety | O |
| Education and Training | P |
| Health Care and Social Assistance | Q |
| Arts and Recreation Services | R |
| Other Services | S |



ABS data sources

3101.0 Australian Demographic Statistics, December 2018

5206.0 Australian National Accounts, March 2018

6306.0 Employee Earnings and Hours, Australia, May 2018

6333.0 Characteristics of Employment, Australia, August 2018



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