

A Snapshot of Volunteering in Australia

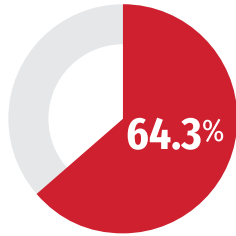


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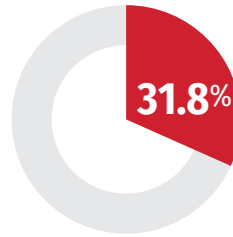
Volunteers in Australia

Percentage of the population aged 15 and over who volunteer

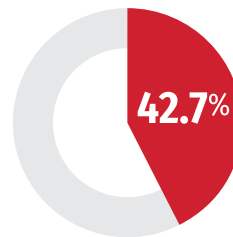


Total Australian residents aged 15 and over who volunteer

Formal volunteers
(% of population aged 15+)



Informal volunteers
(% of population aged 15+)



Top 5 volunteer motivations



To help others



To be active



For enjoyment



For social and community connection



To use my skills and experience

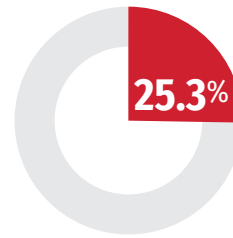
Average hours volunteered/month



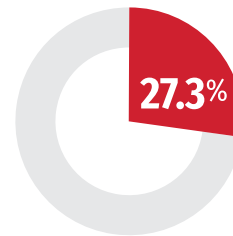
Total hours volunteered



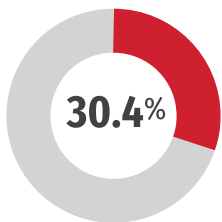
% of volunteering online or at home



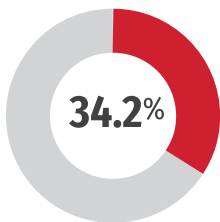
Australian residents who intend to volunteer more in 3 years' time



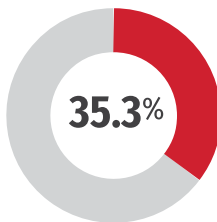
Social preference for volunteering



By myself



With others



Both

Top 3 recruitment channels



Word of mouth



Social media



Online search

Top 3 demographic constraints on volunteering with others
(as reported by volunteers)



#1

Living with disability



#2

Age
(for persons over 65 years)



#3

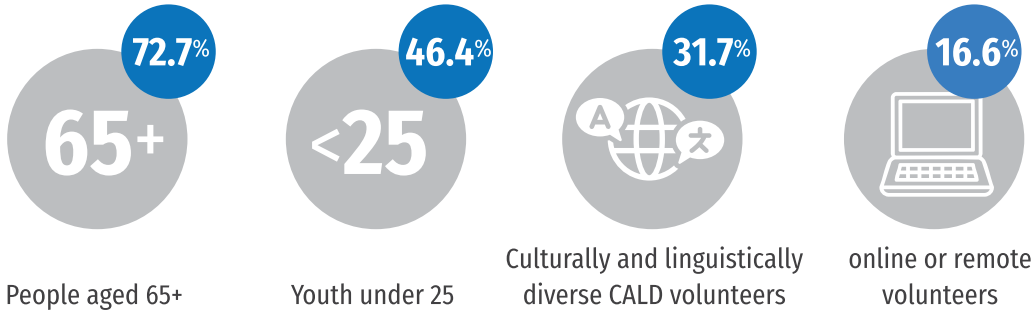
Caring duties

Increase in well-being attributable to volunteering
(out of 100)



Volunteer Managers

Percentage of formal volunteer programs that include these demographics in their programs



The 3 biggest changes of the last 3 years
(as perceived by volunteer managers)

- Need for volunteer training has increased
- Hours people want to volunteer decreased
- Number of volunteers has decreased

Top 3 barriers to volunteering

- #1 Time
- #2 Health reasons
- #3 Burnout

Top 3 retention strategies

- #1 Volunteer training and development
- #2 Personal relationship building
- #3 Role flexibility and accessibility support

The Economic Value of Volunteering

BENEFITS



COSTS



Social Return on Investment



For every **\$1** invested in volunteering **\$5** is returned to the community



The volunteering workforce is the **largest industry by employment** in Australia



The contribution of volunteering expenditure to **Gross Domestic Product**



Jobs created in all sectors by expenditure on volunteering

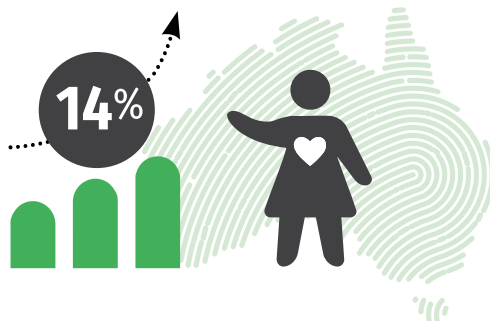


Average **volunteer expenses**/hour

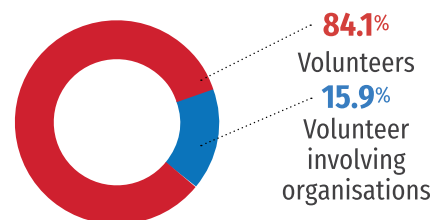


Average **organisation expenses**/hour

The extent to which volunteering **improves workplace productivity**



Percentage share of expenses



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The analysis and opinions presented in this report are primarily those of its author.



Disclaimer: 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. There may also be slight discrepancies between the national data presented in this report and that presented in the State of Volunteering Reports of the individual states and territories. This is due to the dataset for each state being considered independently in the individual reports, while this report collates all state and territory datasets for analysis.

Introduction

This report presents a detailed overview of volunteering in Australia. It draws on the largest population-representative survey of volunteering conducted since the COVID-19 pandemic, with data collected from 6,830 individuals and 3,948 volunteer managers in every state and territory in the country. This report, and the data it draws from, is a result of the efforts and collaboration of each of the State and Territory volunteering peak bodies in facilitating the surveys in their own jurisdictions and in providing advice on the

development and publication of the report.

The report aims to understand the current state of volunteering in Australia and consider its economic and social value. It provides valuable insights into the characteristics of volunteers and the challenges they face, offering evidence that can help inform decision-making for policymakers, community leaders, and volunteer organisations alike.

By presenting data from both volunteer and management

perspectives, the report goes beyond simple statistics to tell the story of volunteering in Australia. It captures the unique characteristics of the nation's volunteer landscape and provides a deeper understanding of its importance.

Ultimately, the report is designed to be a practical resource, offering actionable insights that can help support and improve volunteer engagement across all sectors and communities.

Methodology

To investigate the scope and nature of volunteering in Australia, two primary research projects were conducted in July 2023.

The first project was a general survey of Australian residents, which is referred to in this report as the **Public Survey**.

The Public Survey asked a range of questions about individuals' volunteering participation (both formal and informal), motivations, barriers, impacts on employment, and future intentions. The analysis of this data is presented in Section 1 of this report. Additional data collected on volunteers' expenditure is used as an input for the cost-benefit analysis presented in Section 3.

The second project was a survey of volunteer managers in Australia and is referred to in this report as the **Volunteer Manager Survey**. The definition of a volunteer manager used in the survey included persons who "supervise, organise or coordinate" volunteers.

The Volunteer Manager Survey questioned managers on a range of topics, including their organisational structure, the demographics of their volunteer workforce, recruitment and retention strategies, expenses, current and emerging issues, and growth projections. The analysis of this data is presented in Section 2 of this report. The data on volunteer management expenses is also used as an input for the cost-benefit analysis presented in Section 3.

To promote participation from a broad cross-section of the community, both survey instruments were professionally translated by Multicultural NSW into the following 11 languages.

- Arabic
- Chinese (simplified)
- Chinese (traditional)
- Italian
- Japanese
- Korean
- Nepalese
- Persian (Farsi)

- Punjabi
- Spanish
- Vietnamese

After preparing the data for analysis, the following valid samples of the Australian public and volunteer managers were analysed. These samples are among the largest ever collected in volunteer-specific surveys in Australia.

Table 1: Public and Volunteer Manager Survey sample sizes

	Australia
Public Survey	6,830
Volunteer Manager Survey	3,948

A more detailed account of the survey contents, data collection method, and analysis process can be found in *Appendix A: Methodology detail*.



Volunteers

Key findings

Table 2: Key findings about volunteers in Australia in 2023

	Australia 2023
Percentage of the population aged 15 and over who volunteer	64.3%
Total Australian residents aged 15 and over who volunteer	14.1 million
Average hours volunteered per month	18.9 hours
Total hours volunteered in Australia	3.2 billion hours
Formal volunteers (as a percentage of population aged 15+)	31.8%
Informal volunteers (as a percentage of population aged 15+)	42.7%
Percentage of volunteering done online or at home	25.3%
Top 5 volunteer motivations	<ol style="list-style-type: none"> 1. To help others 2. To be active 3. For enjoyment 4. For social and community connection 5. To use my skills and experience
Top 3 recruitment channels	<ol style="list-style-type: none"> 1. Word of mouth 2. Social media 3. Online search
Social preference for volunteering	<p>By myself – 30.4%</p> <p>With others – 34.2%</p> <p>Both – 35.3%</p>
Top 3 demographic constraints on volunteering with others (as reported by volunteers)	<ol style="list-style-type: none"> 1. Living with disability 2. Age (for persons over 65 years) 3. Caring duties
Top 5 barriers to volunteering more (as reported by volunteers)	<ol style="list-style-type: none"> 1. No time 2. Costs 3. Not interested in volunteering more 4. Burnout (over-volunteering) 5. Health reasons
Top 5 barriers to volunteering (as reported by non-volunteers)	<ol style="list-style-type: none"> 1. No time 2. Not sure how / never been asked 3. Not interested in volunteering 4. Health reasons 5. Lack of confidence
Australian residents who intend to volunteer more in 3 years' time	27.3%



Sample demographics

The Public Survey of Australian residents received 6,830 valid responses. The post-weighted demographic characteristics of the sample were as follows.

Table 3: Self-reported identity of responding Australian residents

Age	Under 30	30-49 years	50 and over		
	26.8%	36.4%	36.8%		
Gender identity	Male	Female	Non-binary/other/declined ¹		
	53.3%	44.3%	2.4%		
Location	Major city	Inner regional	Outer regional	Remote	Very Remote
	77.4%	16.3%	5.3%	0.5%	0.5%
Weekly hours of work for pay	0	1-20	21-40	40+	
	31.1%	13.0%	44.8%	11.1%	
Household income v national average	Lowest 20%	Low	Median	High	Highest 20%
	21.5%	19.4%	19.0%	19.3%	20.9%
Sexual orientation	Heterosexual	LGBTQIA+			
	86.6%	13.4%			
Ethnic identity	First Nations	Anglo-Australian	Another or multiple cultures		
	6.5%	58.1%	35.4%		
English as a first language	Yes	No			
	86.1%	13.9%			
Living with disability	14.7%	85.3%			
Caring duties at home	40.0%	60.0%			

From this cross-section of responses, several population-relevant observations have been drawn from the data and presented in the report.

¹ NB: while the public and volunteer manager surveys did receive a sample of respondents that identified as non-binary, another gender, or declined to respond to the survey, when this sample is further split by other demographic factors (such as age, location, etc.), it is too small to be statistically reliable. Accordingly, this sample has been omitted from graphs in this report that display information on gender, and this identifies a further area for research on volunteering.

Volunteer participation

For the purposes of the Public Survey, volunteering was defined as follows:

Volunteering is defined here as “time willingly given for the common good and without financial gain.”

Volunteering is helping someone or something (even if you don’t call it volunteering).

You do not receive money for this, but maybe someone pays for your food, travel or other costs.

It includes volunteering organised by your employer or school.

It does not include work you do to receive a government allowance (like work for the dole) or as part of a court order (like community service).

It does not include only helping your family or people living in your house.

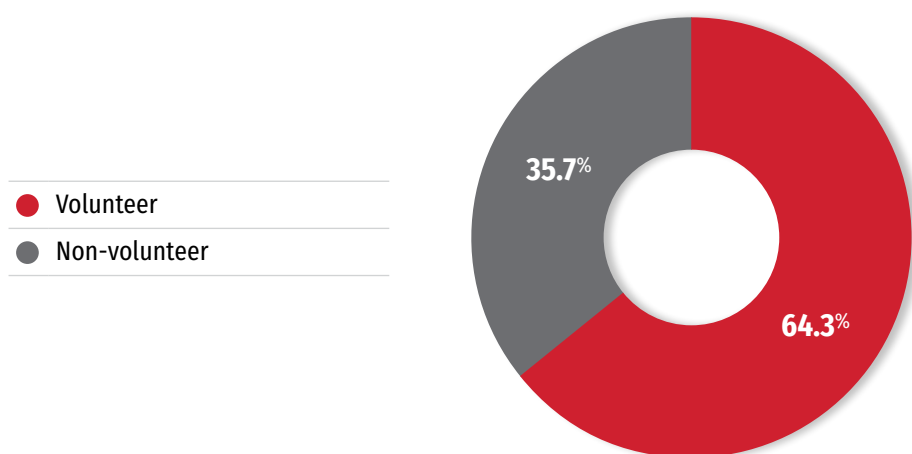
An example that is volunteering: coaching your child’s football team, because people outside your household and family also benefit.

Another example is helping a neighbour mow their lawns or put their bins out.

An example that is not volunteering: helping your flatmate, cousin or sister with their homework.

This definition aligns with the Volunteering Australia definition of volunteering and subsequent guidance. For a discussion of the empirical benefits of this approach, see *Appendix B: ABS Comparison*.

Figure 1: Percentage of Australian residents aged 15 and over who volunteer



Nearly two-thirds of Australian residents aged 15 and over, or 14.1 million people, contributed to the community as volunteers in 2023.

Noting a correlation between age and volunteering status, the following age-related insights about Australian volunteers were observed.

Figure 2: Volunteering participation in Australia by age and gender

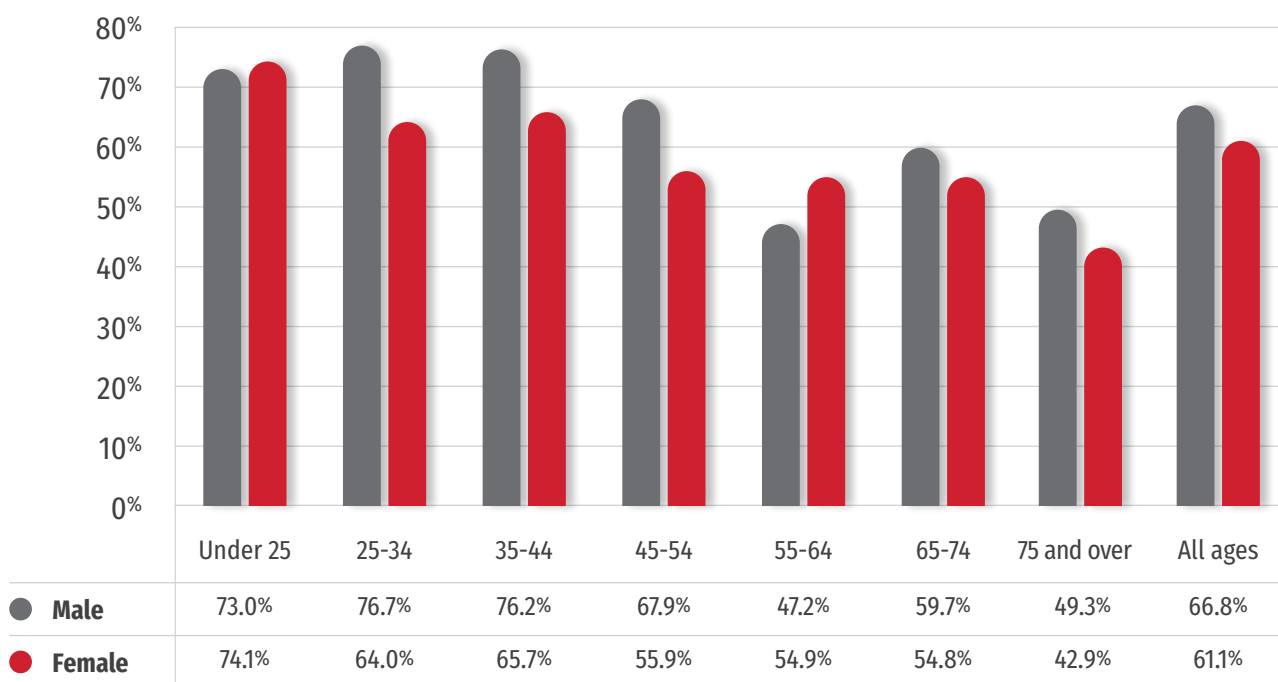
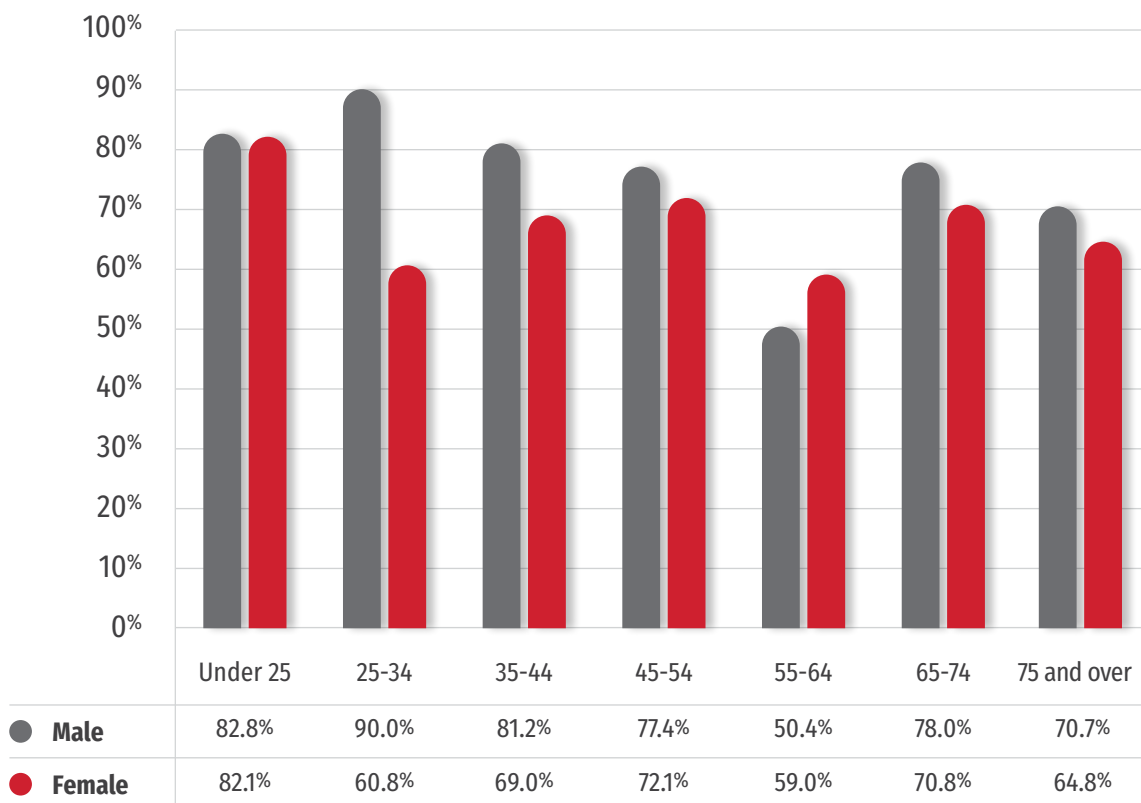


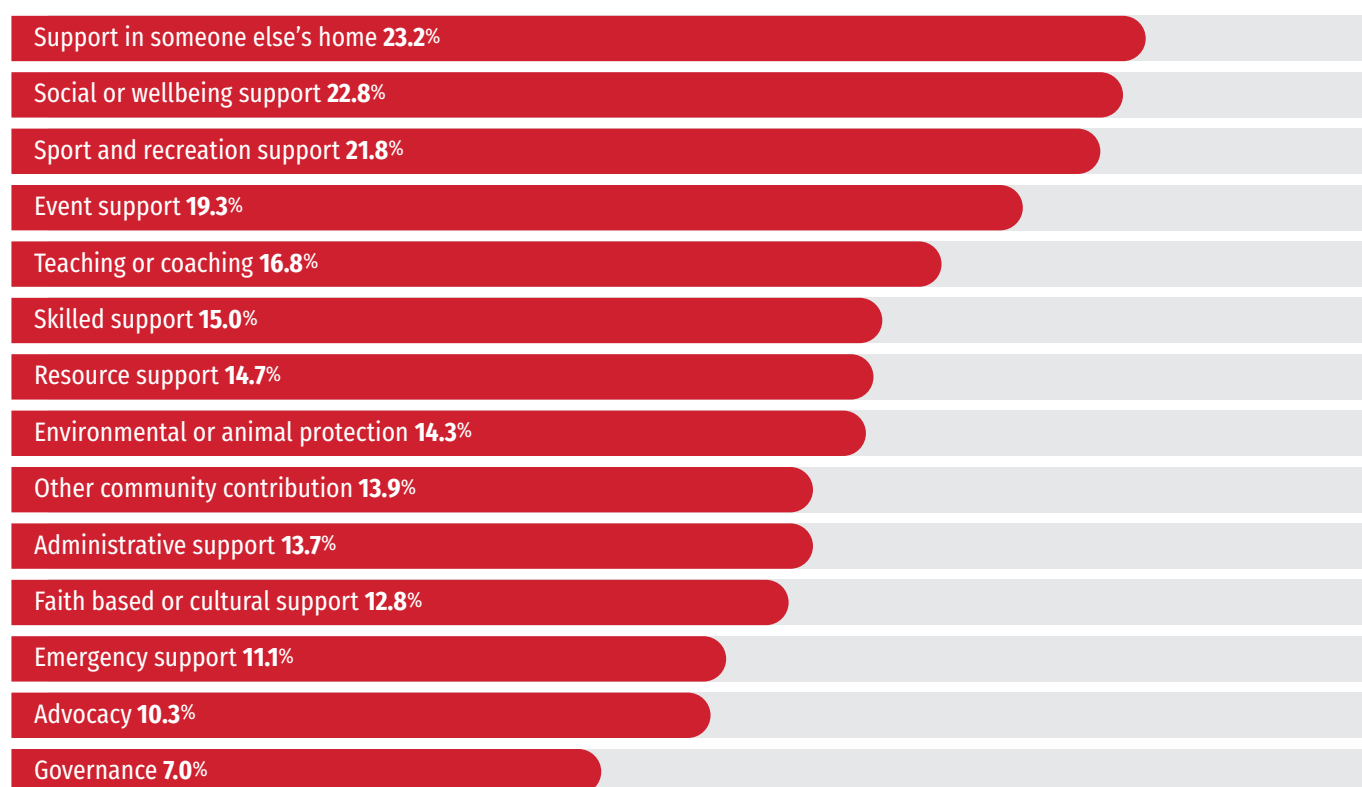
Figure 2 shows that the relationship between age and volunteering in Australia is not linear and that different stages of life correlate with different levels of volunteering. As shown in Figure 3, gender has a noted impact on the volunteering habits of different age groups.

Figure 3: Volunteering participation in Australia by age and gender among self-identified carers



Australian volunteers also identified various methods of contributing to their community, as illustrated in the figure over the page. On average, they cited 2.3 different forms of volunteering from the list of 14 options.

Figure 4: The way in which Australian residents contribute to their community as volunteers



Formal versus informal volunteering

Formal volunteering is defined in this research as volunteering with an organisation or community group, whereas informal volunteering refers to any other volunteering.

The definition of informal volunteering shown to respondents as part of this research is based on the Australian Bureau of Statistics (ABS) list of informal volunteering activities used as prompts in its General Social Survey (see also *Appendix B: ABS Comparison*).

Among the residents of Australia, it was found that:

- 31.8% did so in formal settings with volunteer-involving organisations, such as not-for-profit, government and private organisations (49.5% of volunteers overall)
- 42.7% donated their time informally without organisational support (66.5% of volunteers overall).
- 24.5% volunteered both formally and informally (38.2% of volunteers overall)

Table 4: Volunteering rates in Australia

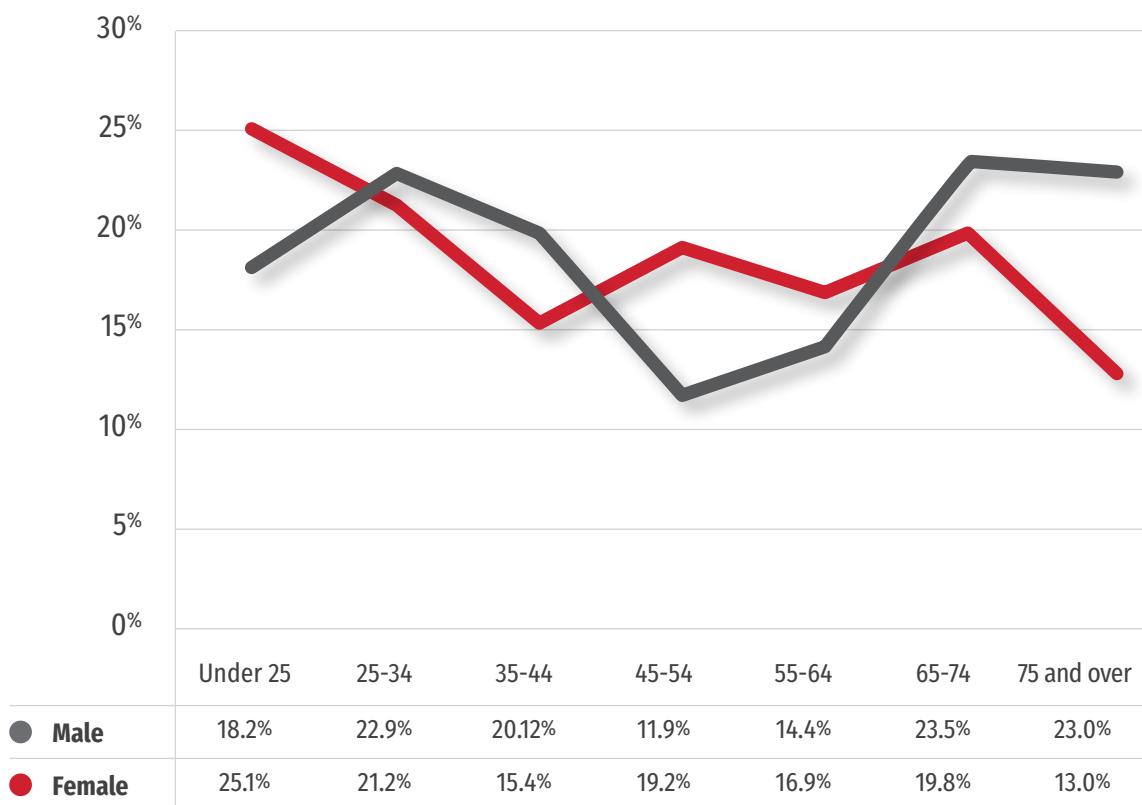
	% of population	% of volunteers
All volunteers	64.3%	100.0%
Formal	31.8%	49.5%
Informal	42.7%	66.5%
Both	24.5%	38.2%

In formal settings, Australian volunteers contributed an average of 16.7 hours per month. In addition, people volunteering informally gave just over half that time at 9.1 hours per month.

Overall, volunteers in Australia contributed an average of 18.9 hours per month, or 4.4 hours per week (just over half of one working day each week).

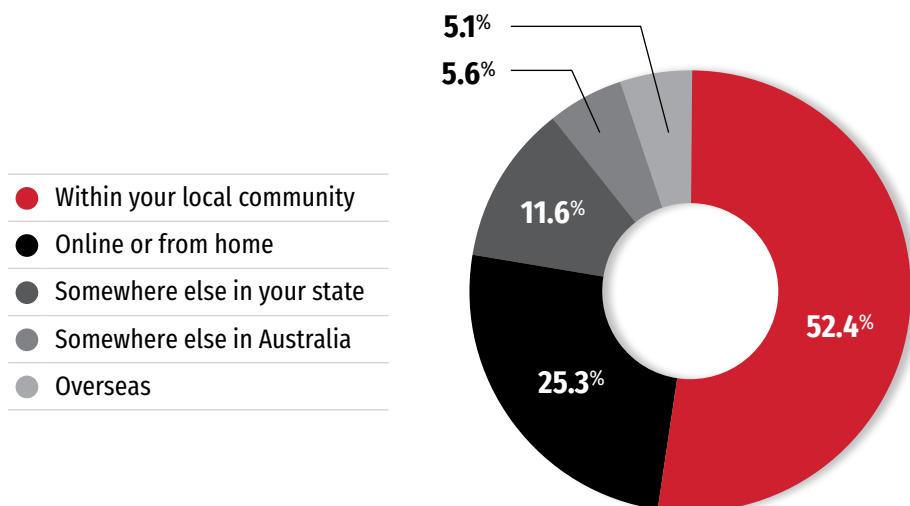
In aggregate, volunteer contributions in Australia amounted to 3.2 billion hours over the previous 12 months.

Figure 5: Average hours volunteered per month in Australia by volunteers' age and gender



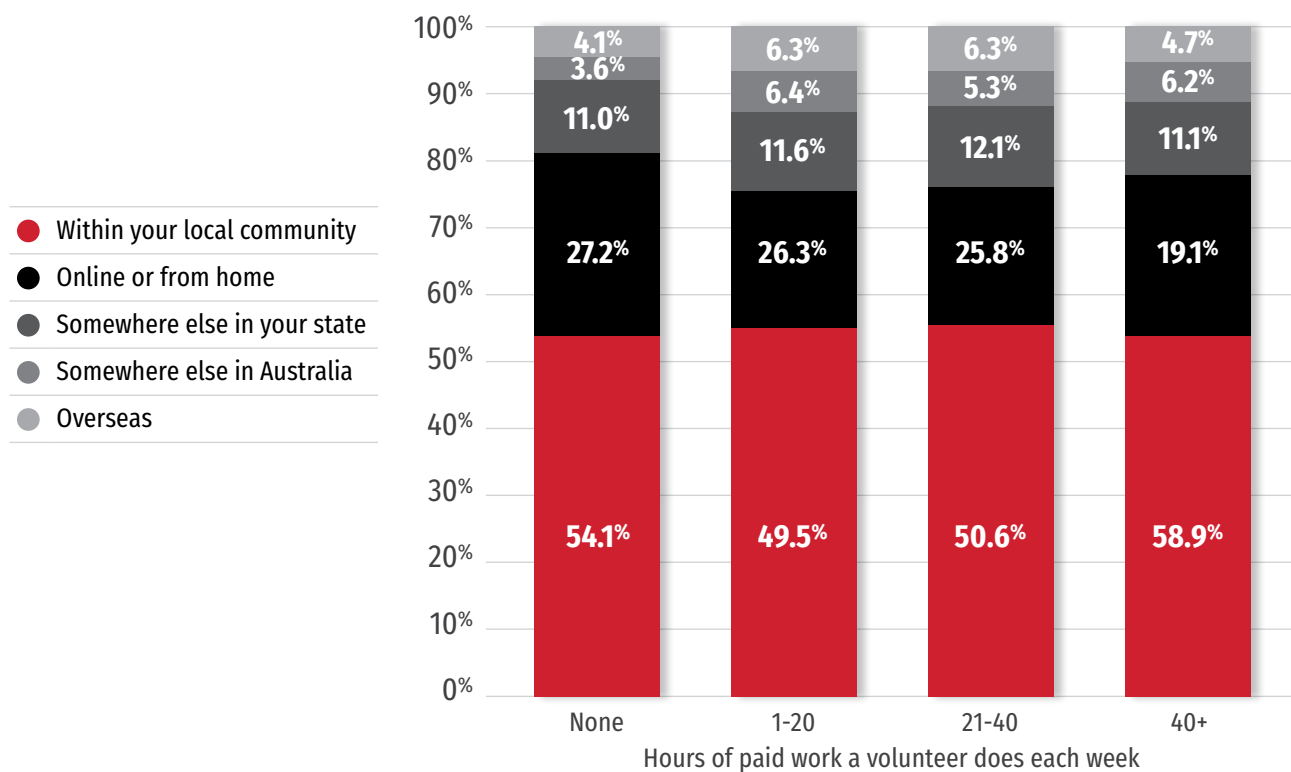
Place of volunteering

Figure 6: Where volunteers volunteer in Australia



One-quarter of volunteering in Australia was done online or from home. As shown in Figure 7, the number of hours a person worked each week was a statistically significant indicator of where a person volunteered.

Figure 7: Where volunteers volunteer in Australia by hours of paid work each week



Volunteer motivations

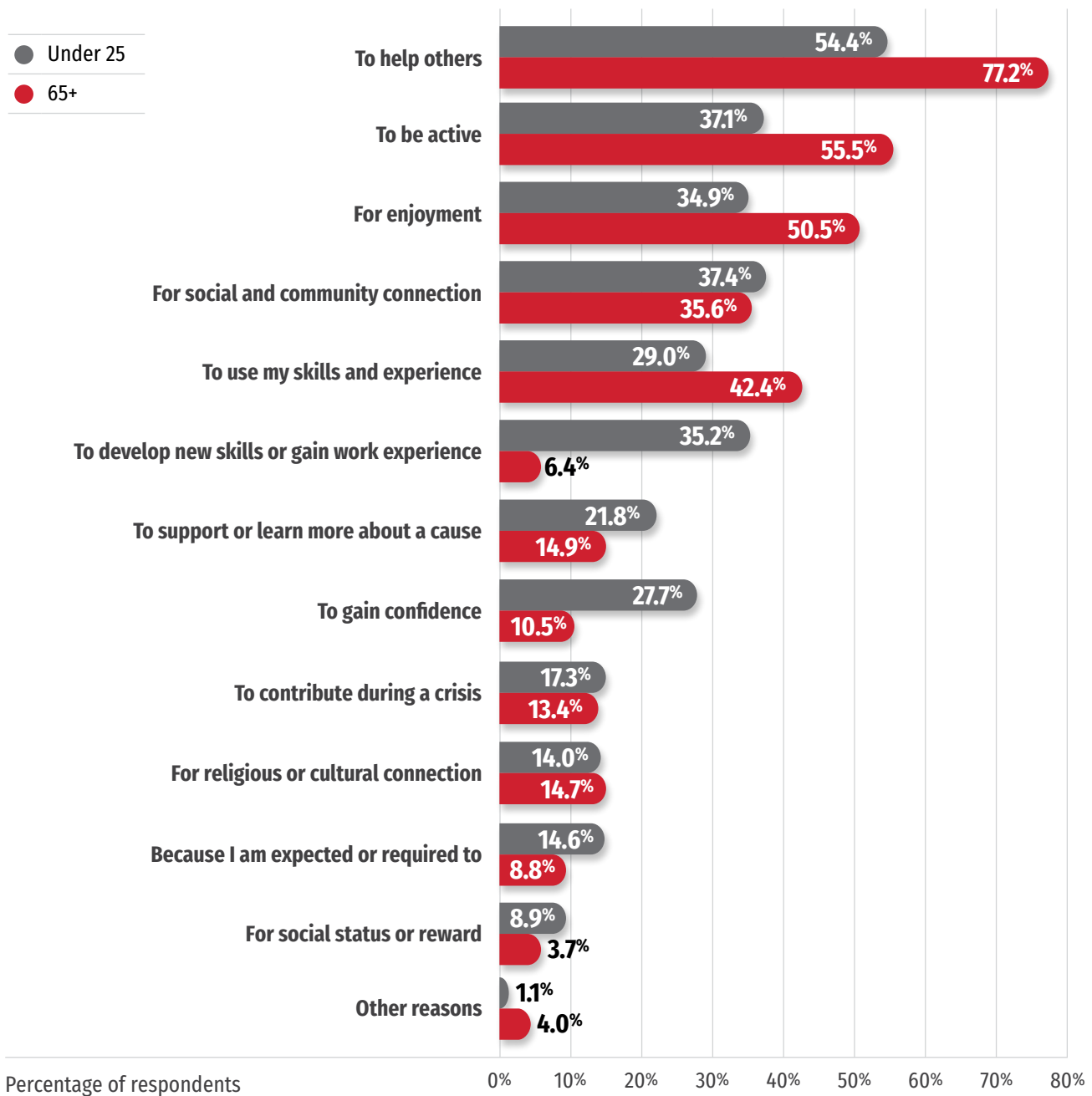
Australian residents reported 3.2 different motives for volunteering from the following list of 13 possible responses.

Figure 8: Volunteers' motives for volunteering



Age was a statistically significant indicator of differences in volunteer motivations. Figure 9 shows the differences in motivation for people aged under 25 and those aged 65 and over. It is important to note that these differences are not inherently positive or negative, they are simply differences that stem from a range of influences and factors.

Figure 9: Volunteers' motives for volunteering by age



The top five motives for Australian volunteers aged under 25 were, in order:

1. To help others - 54.4%
2. For social and community connection - 37.4%
3. To be active - 37.1%
4. To develop new skills or gain work experience - 35.2%
5. For enjoyment - 34.9%

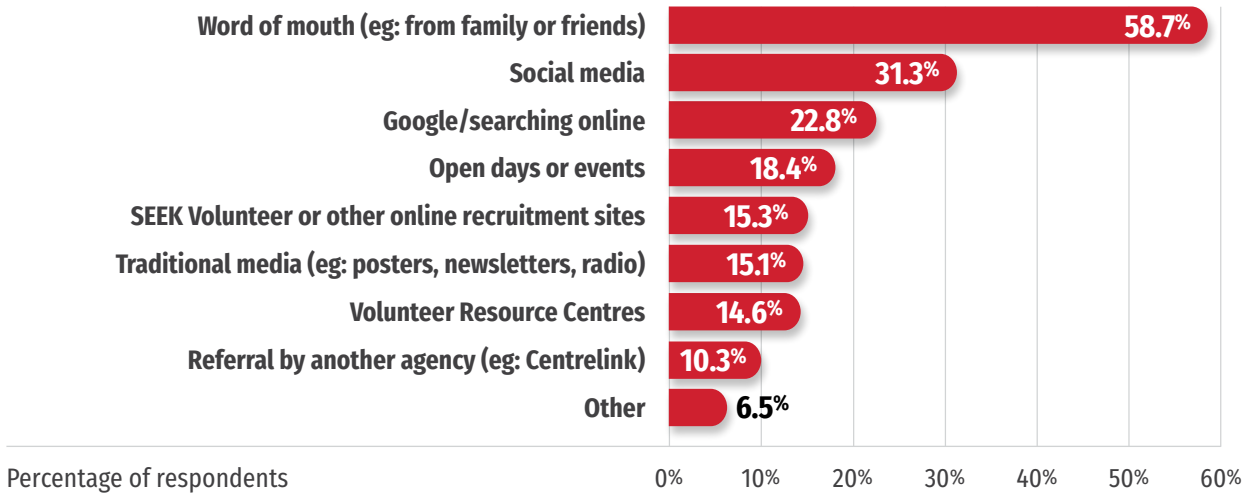
The top five motives for Australian volunteers aged 65 and over were, in order:

1. To help others - 77.2%
2. To be active - 55.5%
3. For enjoyment - 50.5%
4. To use my skills and experience - 42.4%
5. For social and community connection - 35.3%

Volunteer recruitment

People who identified as volunteers in the survey cited utilising an average of 2.0 different recruitment channels to find volunteering opportunities from the following list of eight options.

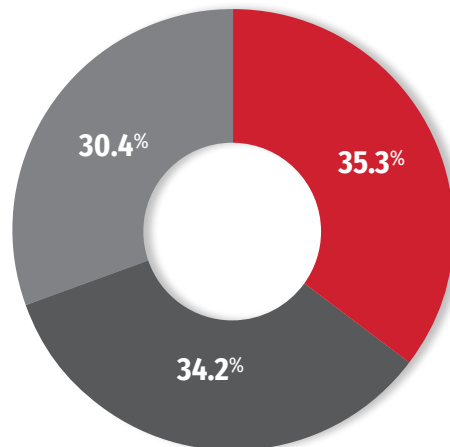
Figure 10: How volunteers find opportunities to volunteer in Australia



Social preference

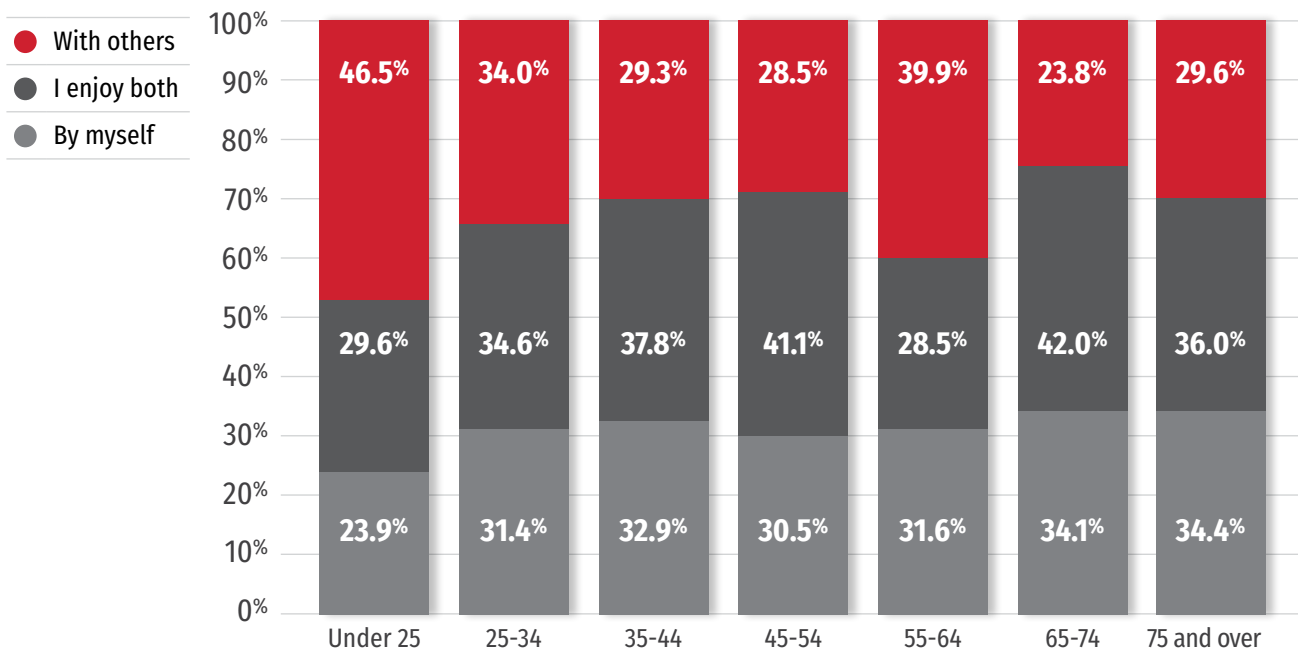
Figure 11: How people prefer to volunteer in Australia

- I enjoy both
- With others
- By myself



As shown in Figure 12, age was a statistically significant indicator of a person’s social preference for volunteering.

Figure 12: How people prefer to volunteer in Australia by age



Barriers to volunteering

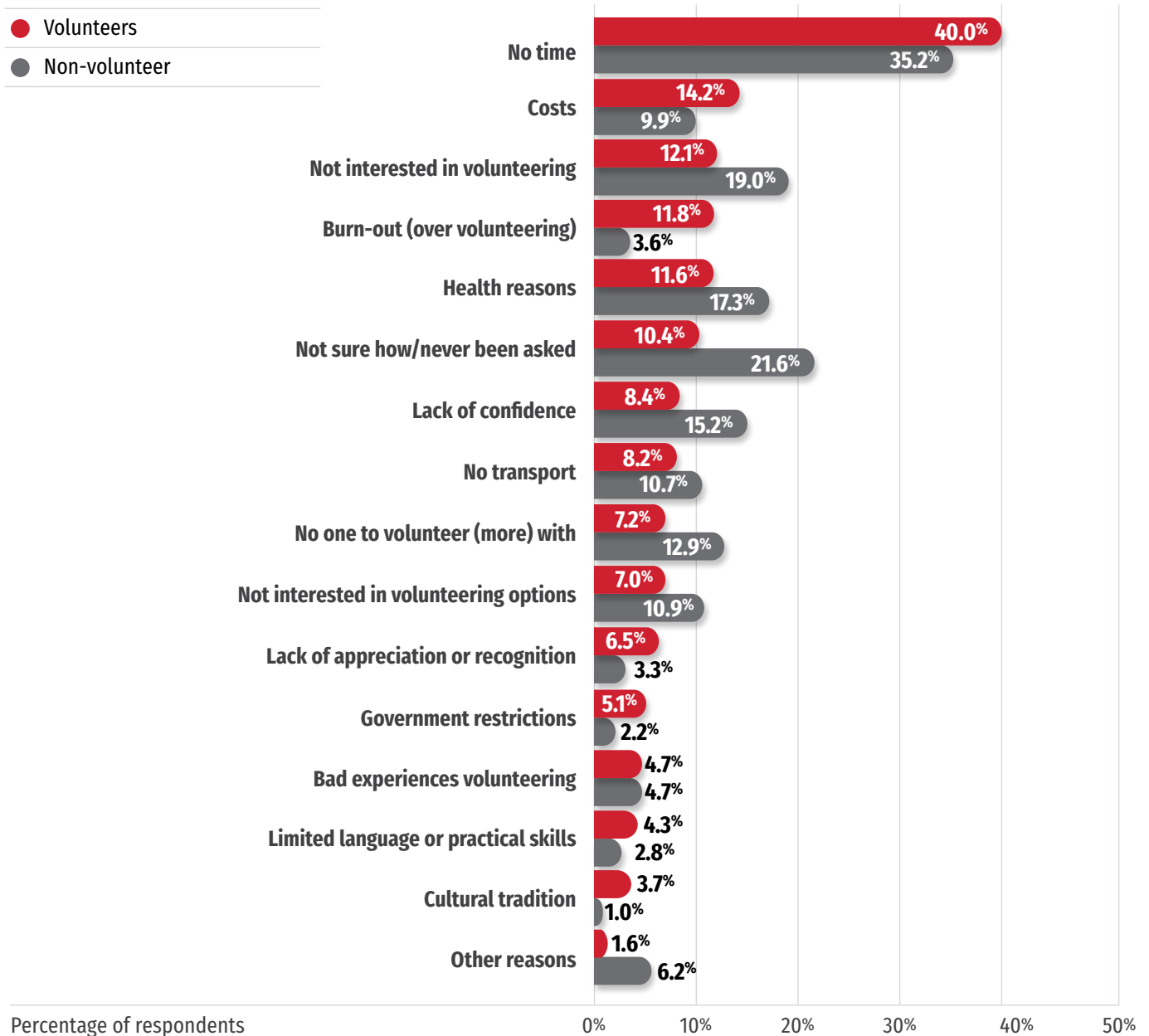
The following question was asked of all Australian residents in the Public Survey.

What stops you giving more time as a volunteer?*

*The term “more” was only included for existing volunteers.

On average, people in Australia reported an average of 1.7 barriers from the list of 16 options presented to them.

Figure 13: Barriers to volunteering (more) in Australia



The top five barriers to Australian volunteers volunteering more were, in order:

1. No time – 40.0%
2. Costs – 14.2%
3. Not interested in volunteering more – 12.1%
4. Burnout (over-volunteering) – 11.8%
5. Health reasons – 11.6%

The top five barriers to Australian non-volunteers participating were, in order:

1. No time – 35.2%
2. Not sure how / never been asked – 21.6%
3. Not interested in volunteering – 19.0%
4. Health reasons – 17.3%
5. Lack of confidence – 15.2%

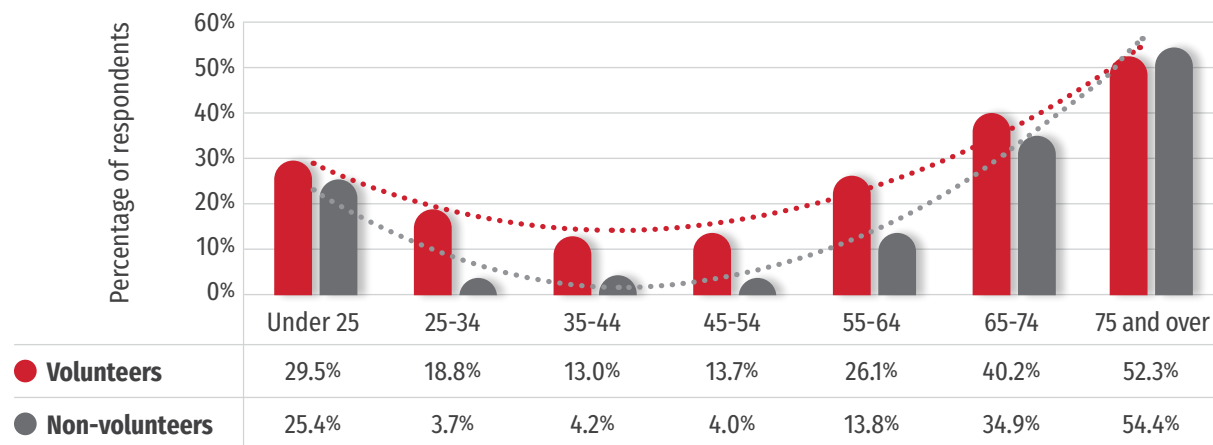
Volunteering constraints

A total of 45.3% of non-volunteers and 54.6% of volunteers reported barriers to volunteering based on the following demographic factors they were asked about.

Age

The data reveals how various age groups in Australia reported their age as a barrier to volunteering with others. Of interest is that approximately 30% of volunteers under 25 report their age as a barrier, with the trend decreasing up to the age of 54. The perception of age as a barrier then sharply increases. Further, Figure 14 illustrates that non-volunteers generally perceive that their age is less of a barrier to volunteering than people who currently volunteer do, excepting the 75 and over cohort.

Figure 14: Age as a self-perceived constraint to volunteering with others (volunteers versus non-volunteers)



Gender

Table 5 demonstrates how gender is perceived as a constraint when volunteering. People who identified as non-binary or another gender were more likely than those who identified as male or female in Australia to report their gender as a constraint on their ability to volunteer with others.

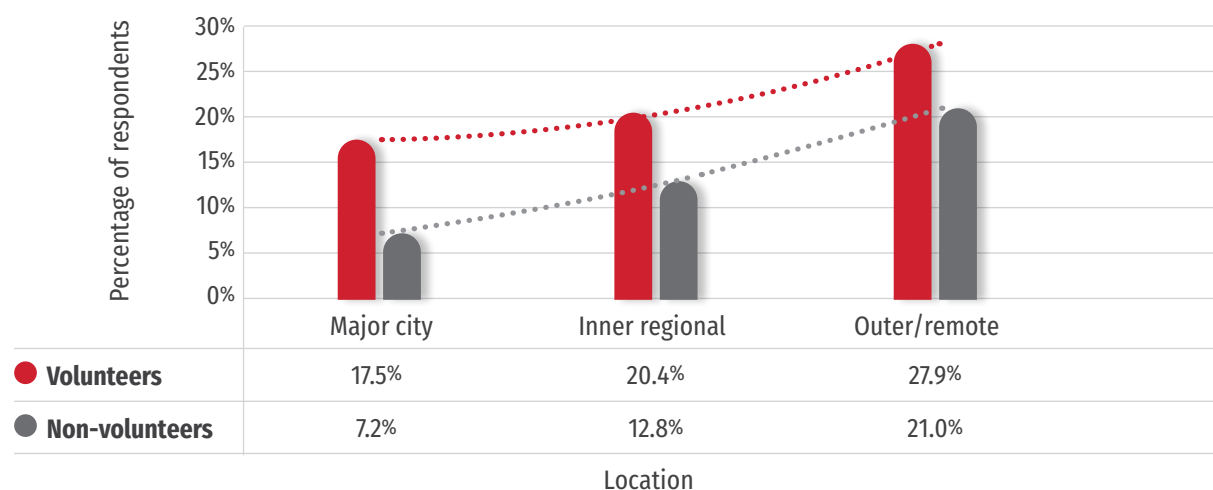
Table 5: Gender as a self-perceived constraint to volunteering with others in Australia (volunteers versus non-volunteers)

	Male	Female	Non-binary/other
Gender	6.4%	4.2%	21.8%

Location

A significant number of people in Australia felt their location limited their ability to volunteer with others. The further one lived from a major city, the more likely they were to perceive their location as a constraint.

Figure 15: Location as a self-perceived constraint to volunteering with others (volunteers versus non-volunteers)



Employment

A total of 7.6% of non-volunteers and 13.6% of volunteers in paid employment in Australia reported their employer made it hard to volunteer with others.

Ethnicity and language

Of the Public Survey respondents in Australia who self-identified as being First Nations or from another or multiple cultures, volunteers were more likely than non-volunteers to report their ethnicity as making it harder to volunteer with others.

For those who indicated English was an additional language, if they reported being a non-volunteer, they were more likely to indicate their English language skill as making it harder to volunteer with others than volunteers.

Table 6: Ethnicity and language as self-perceived constraints to volunteering with others in Australia (volunteers versus non-volunteers)

	Volunteers	Non-volunteers
First Nations	12.1%	10.0%
Multicultural	6.7%	2.1%
English as an additional language	9.5%	11.5%

Sexual identity

A total of 12.0% of Australian volunteers who identified as other than heterosexual indicated that their sexual identity made it harder to volunteer with others, as did approximately 6% of non-volunteers who identified as other than heterosexual.

Disability

In total, 47.9% of volunteers living with disability reported that their disability made it harder to volunteer with others, compared to 70.7% of non-volunteers with disabilities. This is a notably higher percentage of respondents when compared to the other demographic factors in this report, and, while postulating the reasons for this discrepancy are outside of the scope of this report, it highlights a potential area for future research.

Caregivers

For individuals with caregiving responsibilities at home, 19.7% of Australian volunteers reported that these duties made it harder to volunteer with others compared to 36.2% of non-volunteers with caregiving responsibilities at home.

Gender was a significant predictor of whether a person perceived their caregiving responsibilities as a constraint. As shown in Table 7, carers who identify as female are significantly more likely to perceive their caregiving roles as a barrier to volunteering.

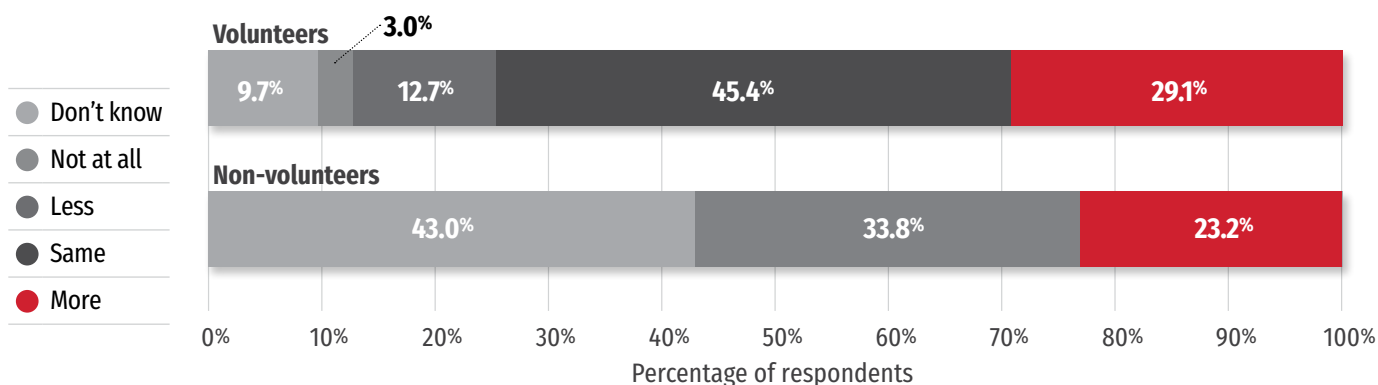
Table 7: Gender as a self-perceived constraint to carers volunteering with others in Australia (volunteers versus non-volunteers)

	Male	Female	Non-binary/other
Carer	18.6%	31.8%	7.5%

Intent

Overall, 27.3% of Australian residents expressed an intent to be volunteering more in three years' time.

Figure 16: Future intent of Australian residents to volunteer (volunteers versus non-volunteers)



Volunteer managers

Key findings

Table 8: Key findings about volunteer managers in Australia in 2023

	Australia 2023
Key inclusion metrics (the percentage of volunteer managers that include these demographics in their programs)	<ul style="list-style-type: none"> 72.7% include volunteers aged 65+ 46.4% include volunteers aged under 25 31.7% include culturally and linguistically diverse (CALD) volunteers 16.6% include online or remote volunteers
Top 3 recruitment channels	<ol style="list-style-type: none"> 1. Word of mouth 2. Social media 3. Website
Top 3 retention strategies	<ol style="list-style-type: none"> 1. Volunteer training and development 2. Personal relationship building 3. Role flexibility and accessibility support
Top 5 barriers to volunteering (as perceived by volunteer managers)	<ol style="list-style-type: none"> 1. No time 2. Health reasons 3. Burnout 4. Loss of interest 5. Loss of connection
Who pays for volunteering programs	<ul style="list-style-type: none"> The volunteer manager (direct) – 15.5% The volunteer manager (reimbursed) – 13.8% The organisation – 70.7%
The 3 biggest changes of the last 3 years (as perceived by volunteer managers)	<ol style="list-style-type: none"> 1. Need for volunteer training has increased 2. Hours people want to volunteer decreased 3. Number of volunteers has decreased
Top 5 issues in volunteering (as perceived by volunteer managers)	<ol style="list-style-type: none"> 1. Volunteer health and safety 2. Volunteer retention 3. Volunteer recruitment 4. Organisational culture, inclusion and diversity 5. Volunteer management
Top 3 sources of help utilised by volunteer managers	<ol style="list-style-type: none"> 1. Their organisation 2. Their volunteers 3. Fellow volunteer managers
Volunteer managers who say more people will be volunteering with their organisation in 3 years time	29.5%
Volunteer managers who say they will be doing the same or more hours with their organisation in 3 years time	56.2%



Sample demographics

The Volunteer Manager Survey in Australia received 3,948 valid responses. The unweighted demographic characteristics of the sample were as follows.

Table 9: Self-reported identity of responding volunteer managers in Australia

Age	Under 30	30-49 years	50 and over		
	6.3%	33.5%	60.2%		
Gender identity	Male	Female	Non-binary/other/ declined		
	34.2%	62.5%	3.3%		
Location	Major city	Inner regional	Outer regional	Remote	Very Remote
	51.8%	20.9%	20.3%	4.6%	2.4%
Household income v national average	Lowest 20%	Low	Median	High	Highest 20%
	29.7%	21.5%	20.6%	19.3%	8.9%
Ethnic identity	First Nations	Anglo-Australian	Another or multiple cultures		
	6.2%	77.2%	16.6%		
Living with disability	Yes	No			
	11.4%	88.4%			
Caring duties at home	42.4%	57.6%			

The Volunteer Manager Survey commenced with the following question.

Do you manage (supervise, organise or coordinate) other volunteers?

Tick all that apply.

- Yes, in a paid role
- Yes, as a volunteer
- No

This was a qualifying question, and persons who responded “No” were exited from the survey and their response not counted.

In total, 41.0% of valid Australian responses reported managing volunteers in a paid role, while 54.2% said they managed volunteers as a volunteer themselves. In this report, these volunteers are referred to as “unpaid volunteer managers.” Only a small fraction, 4.8%, carried out both roles.

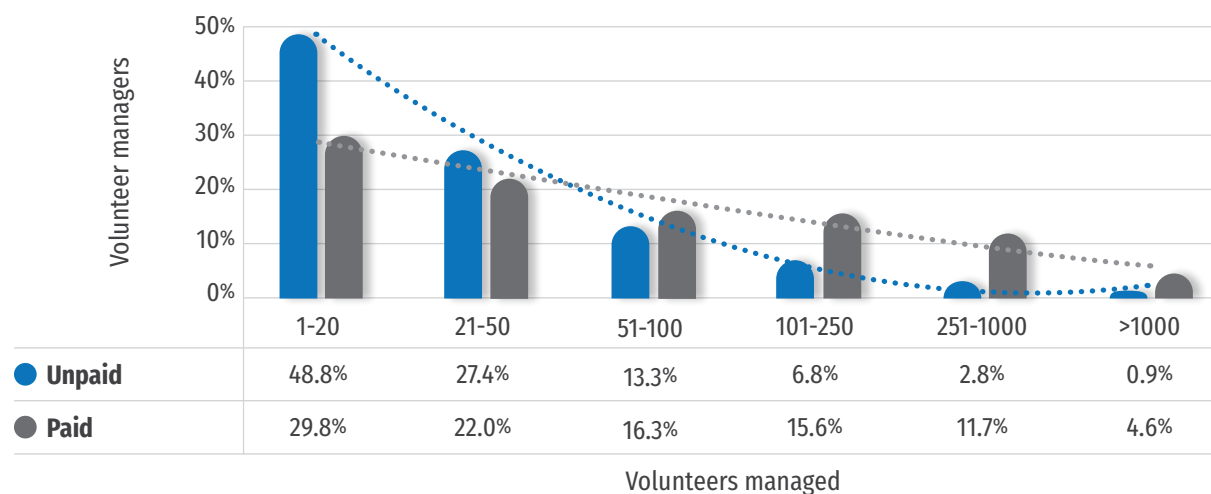
Note that this does not mean that 54.2% of volunteer managers in Australia are paid. It states that 54.2% of volunteer managers who responded to the survey are paid.

The majority of respondents (79.3%) managed volunteers within a not-for-profit or community organisation. Government departments or agencies made up 18.3% of the sample, and 2.4% of respondents reported managing volunteers within a privately owned or commercial enterprise.

The figure over the page illustrates the number of volunteers managed by respondents.

The figure below illustrates the number of volunteers managed by respondents.

Figure 17: Number of volunteers managed by role in Australia



As Figure 17 shows, paid volunteer managers are more likely to oversee a larger number of volunteers compared to their unpaid counterparts. However, it is worth noting that a small number of volunteer managers can also be responsible for managing large groups of volunteers without payment.

Unpaid volunteer managers who responded to the survey contributed an average of 11.5 hours per week. Paid volunteer managers who responded to the survey contributed an average of 19.2 hours per week.

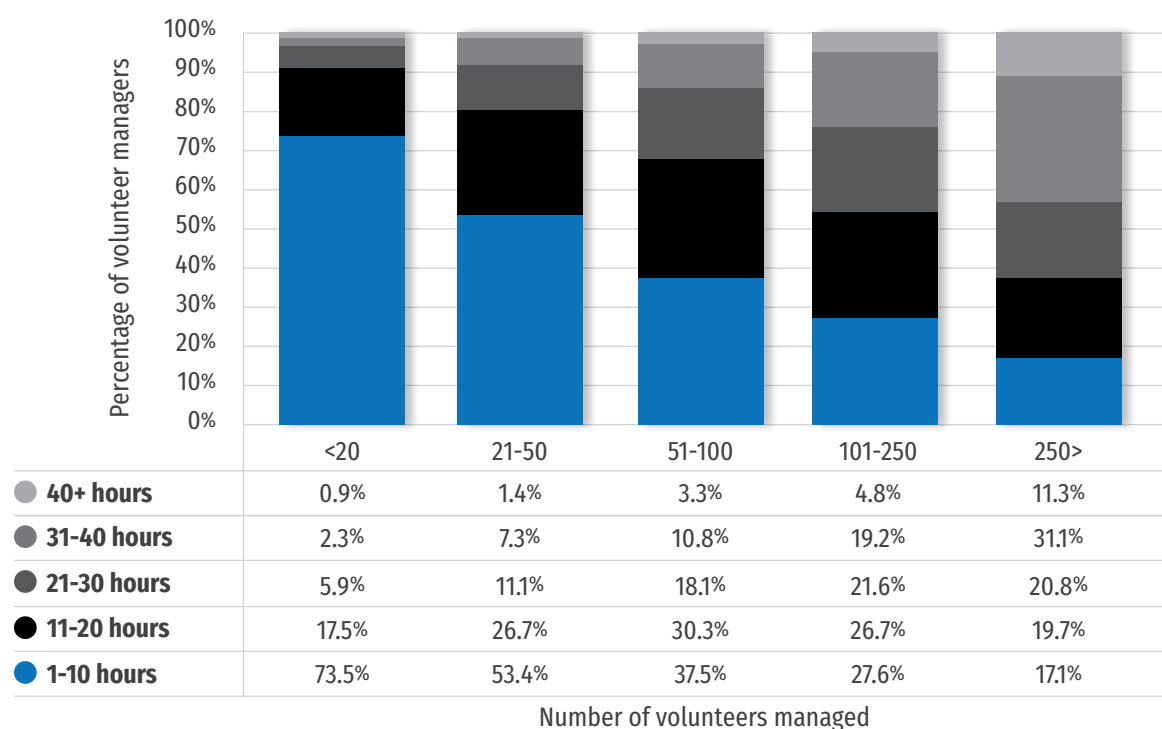
The survey also asked:

Approximately how many hours per week do you spend managing volunteers?

The relationship between the number of hours a responding volunteer manager contributed each week and the number of volunteers they managed was statistically significant.

Figure 18 shows that the number of hours contributed by volunteer managers increased with the number of volunteers they managed. For example, 73.5% of volunteer managers who contributed 1-10 hours per week managed fewer than 20 volunteers, whereas only 17.1% of the same volunteer managers managed more than 250 volunteers.

Figure 18: Number of volunteers managed by hours contributed per week



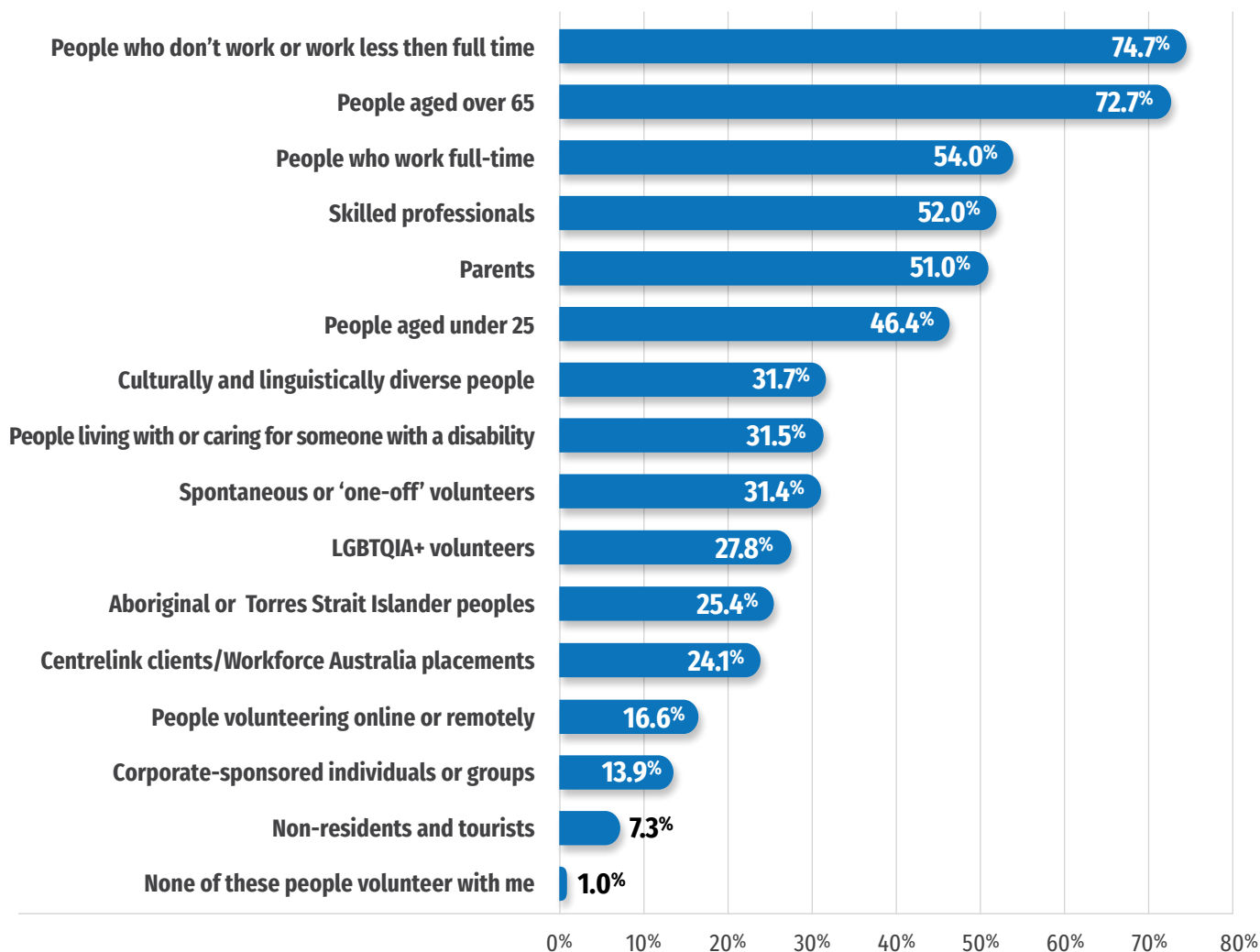
Volunteer inclusion

Volunteer managers in Australia were asked, **“Who volunteers with you?”**

Their responses, presented in Figure 19, provide a snapshot of the diverse groups that volunteer-involving organisations engage, the different forms of volunteer engagement, and their different employment and life contexts. This data simply highlights whether organisations involve volunteers from the listed demographics (‘yes/no’). It does not represent annual rate of volunteer participation from these demographics.

The options overlap, capturing both demographic and occupational characteristics. Volunteer managers in Australia reported engaging an average of 5.7 different demographics in their organisation from the list of 15 provided.

Figure 19: Characteristics of volunteers included in volunteer-involving organisations²



The next table compares two key metrics for various demographic groups. First, it shows the rate at which each demographic group engages in formal volunteering. Second, it presents the percentage of managers who are responsible for overseeing 50 or more volunteers and have reported including members of these demographic groups in their volunteer programs.³

² NB: The category “Culturally and linguistically diverse people” includes newly arrived migrants and refugees.

³ Expecting managers of smaller groups of volunteers (fewer than 50) to have a diverse volunteer base that is population representative is inappropriate, as smaller teams may operate with different objectives and constraints. Excluding them in this analysis helps to avoid drawing misleading conclusions about what demographic representation ‘should’ look like in the volunteering sector.

Table 10: Inclusion among larger volunteer-involving organisations

	Volunteers	Non-volunteers
People aged 65 and over	12.4%	80.4%
People aged under 25	22.0%	64.8%
Culturally and linguistically diverse (CALD) people	36.6%	45.4%
People living with disability	15.0%	43.2%
First Nations people	10.6%	41.5%

This observation gives insight into how volunteers from specific demographic groups are distributed within larger organisations that involve volunteers.

If there is a wide difference between the two figures in each row of the table (for example, with people aged 65 and over), it suggests that volunteers from that demographic group are spread out more broadly across various formal volunteering organisations.

A smaller gap (as there is with CALD volunteers) indicates that these volunteers are more concentrated within specific organisations.

Volunteer recruitment

The Volunteer Manager Survey next asked, “How do you typically **attract** volunteers?”

An average of 3.9 of nine concurrent recruitment methods were reported by paid volunteer managers in Australia from the list of eight provided, compared to the 3.1 methods for unpaid volunteer managers.

Figure 20: Recruitment strategies for Australian volunteer managers (paid versus unpaid)

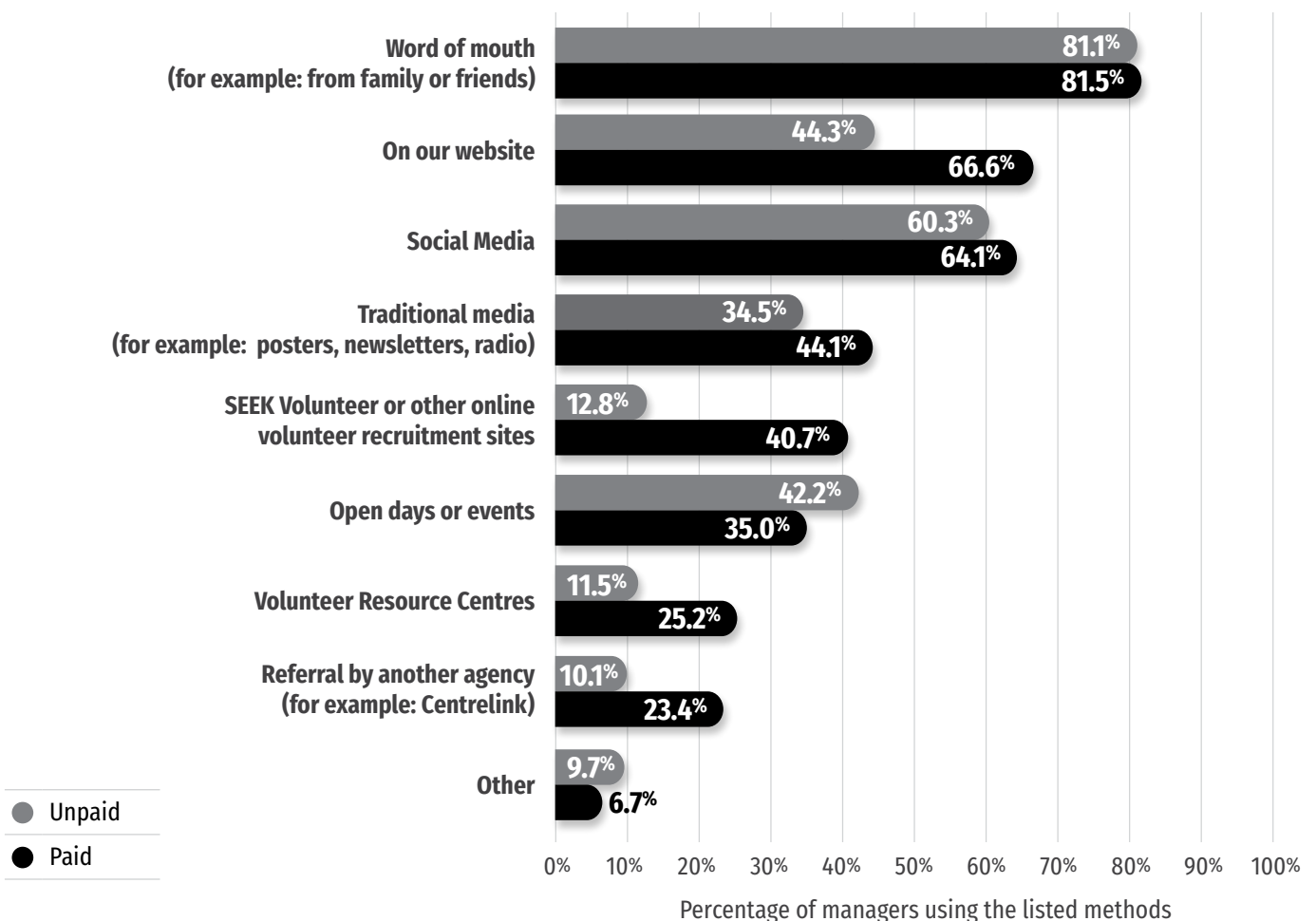
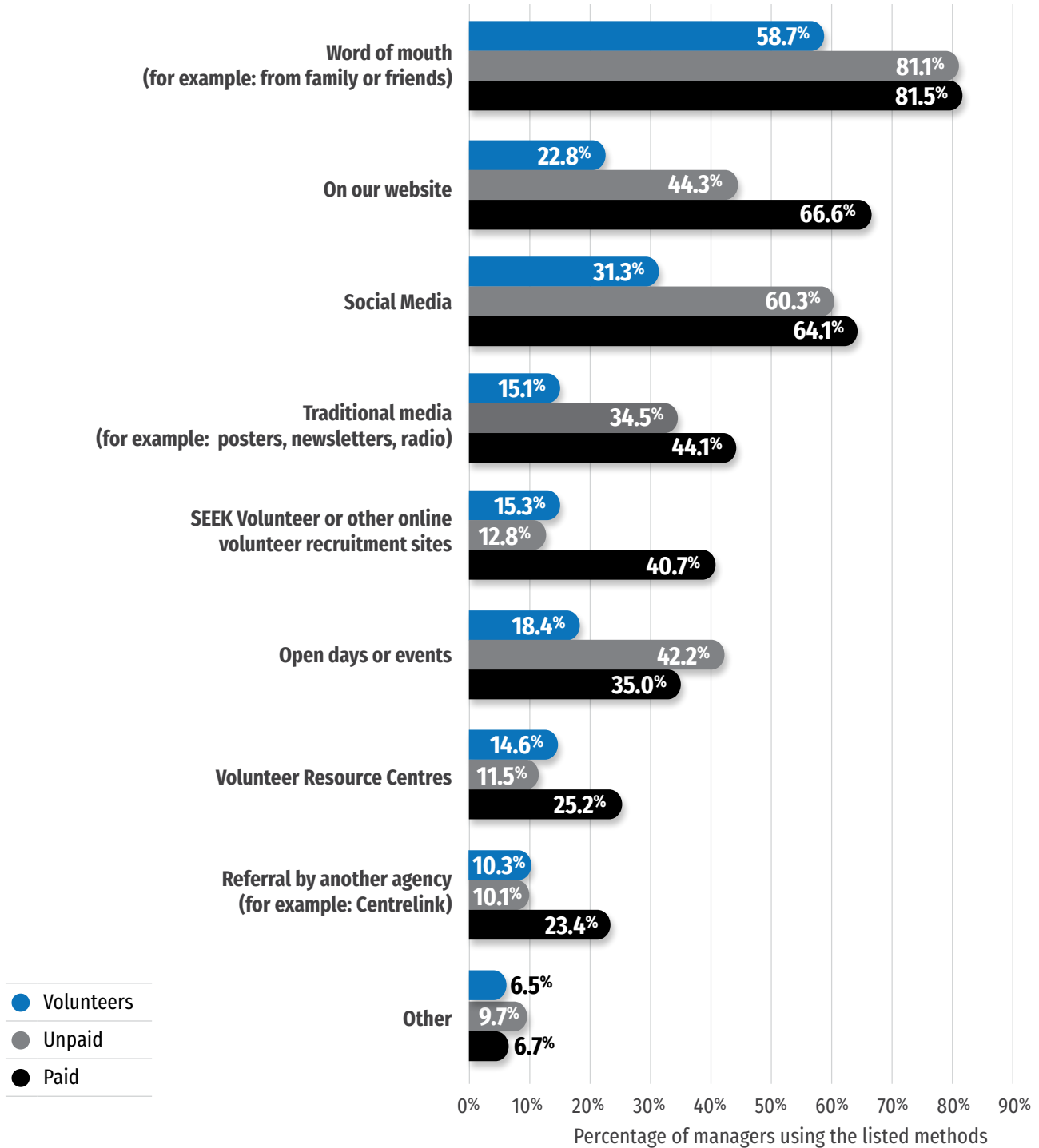


Figure 21 compares these strategies used by volunteer managers with the ways that volunteers themselves identify opportunities to volunteer (see Figure 10, Section 1).

Figure 21: Comparison of recruitment methods used by Australian volunteer managers (paid and unpaid) and volunteers



Note that it is reasonable to expect that volunteer managers would use more recruitment channels than individual volunteers use because they are trying to attract a wider range of people. It was reported in Section 1 that Australian volunteers rely on an average of only 2.0 different channels to source their volunteering opportunities.

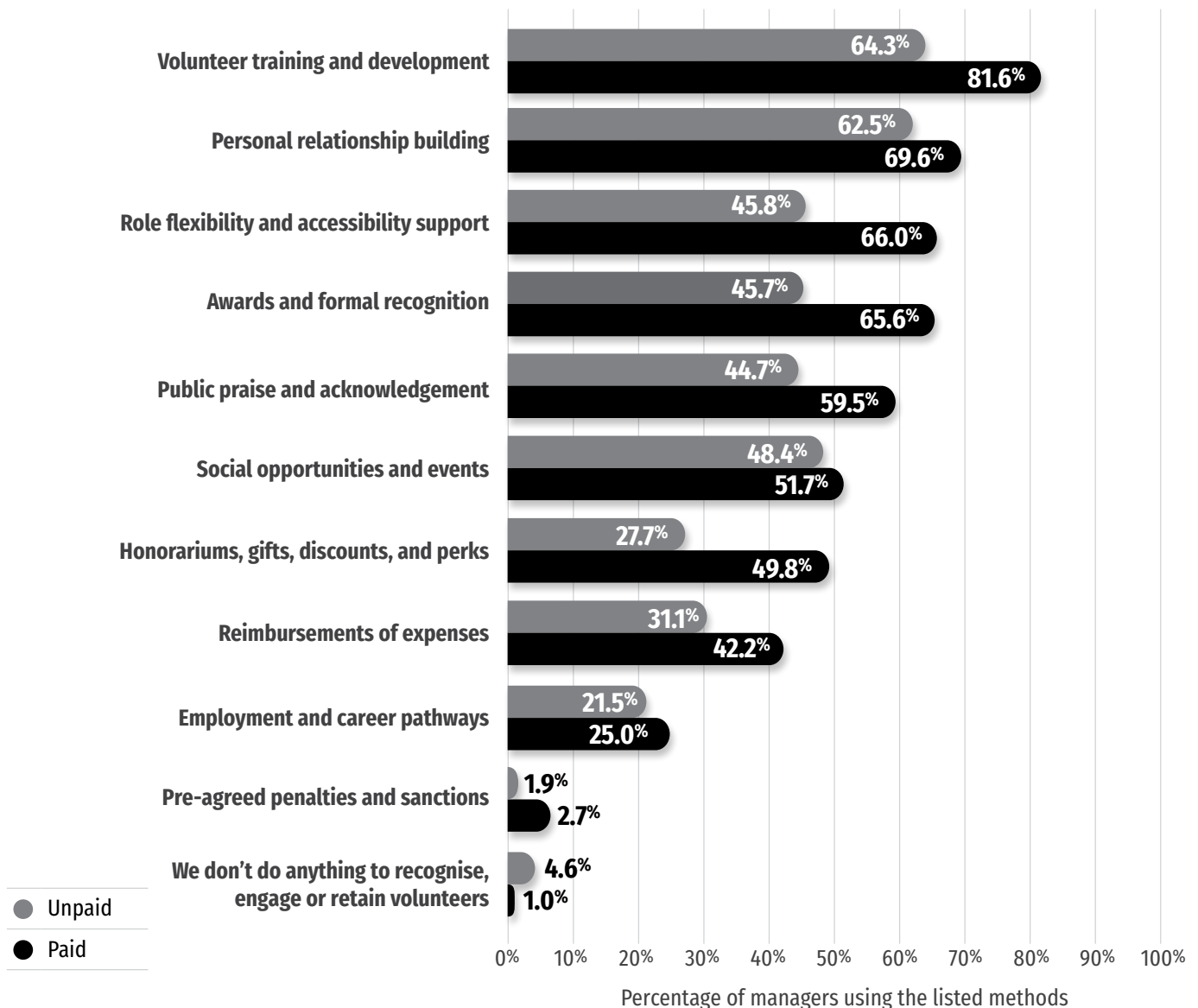
Volunteer recognition, engagement and retention

The Volunteer Manager Survey asked, “How do you recognise, engage and retain volunteers?”

Volunteer managers were presented with a randomised list of 20 options to indicate the methods they used. To better understand the data, these 20 options were consolidated into the categories listed in the figure below.⁴

In Australia, paid volunteer managers reported using an average of 5.7 different methods from the reduced list of 10 potential methods to recognise, engage and retain volunteers, compared to the 4.6 different methods used by their unpaid peers.

Figure 22: Methods used by Australian volunteer managers to recognise, engage and retain volunteers (paid versus unpaid)



TURF analysis⁵ identified the minimally optimal mix of methods a volunteer-involving organisation could use to recognise, engage and retain volunteers. The analysis assumed that volunteer managers in Australia are prioritising their retention, recognition, and reward strategies according to what volunteers themselves find most meaningful.

⁴ See Appendix A for a detailed discussion of the consolidation process.

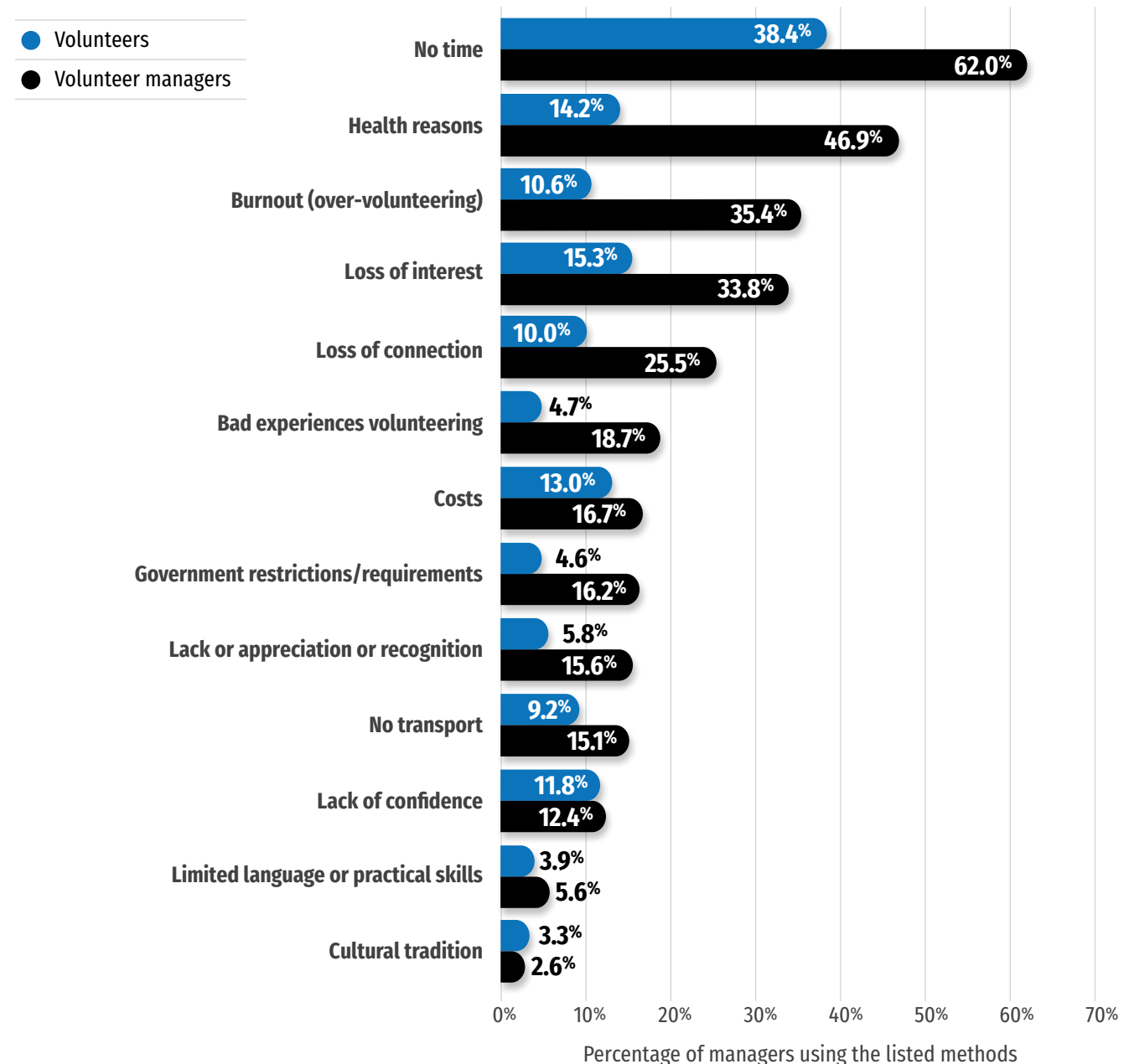
⁵ See Appendix A: Methodology detail for an explanation of TURF analysis.

1. **Volunteer training and development** has the most individual impact, as it is employed by 71.3% of volunteer managers in Australia.
2. When a second strategy, **personal relationship building** is added to it, coverage is increased to include 86.6% of all responding volunteer managers. In other words, 86.6% of volunteer managers in Australia use either one or both of volunteer training and development and personal relationship building as recognition, engagement and retention strategies.
3. Adding **public praise and acknowledgement** to these two strategies increases reach to include the preferences of 90.5% of all volunteer managers in Australia. Even though this is only the fifth most popular strategy on its own, it is the most effective for maximising reach when used in combination with the top two.

Barriers to volunteering

When asked, “Why do you think people **stop** volunteering with your organisation or group?” volunteer managers were given the same list of options to choose from that participants were given at the equivalent question in the Public Survey. This allows the following comparison between the barriers all volunteer managers (both paid and unpaid) indicated, and the sum of barriers indicated by both volunteers and non-volunteers.

Figure 23: Barriers to volunteering identified by volunteer managers versus volunteers

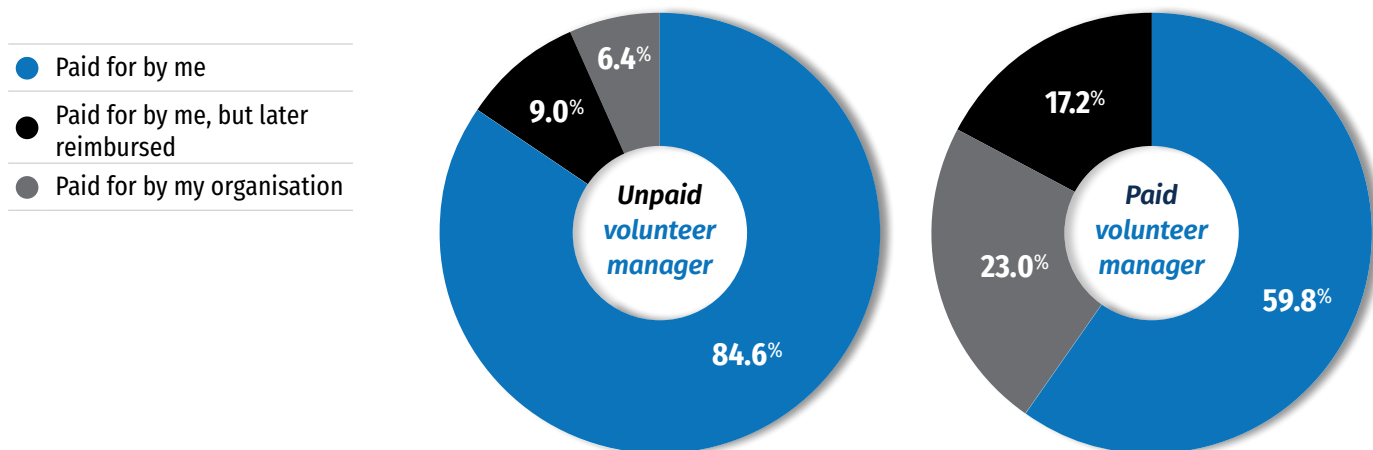


On average, each manager listed 3.1 barriers, while individual volunteers reported 1.6 barriers from the 13 options provided. This difference is expected as managers are accounting for all volunteers, whereas volunteers are only reporting for themselves.

The cost to volunteer managers

Section 3 of this report examines in detail the costs and benefits of volunteering in Australia, including the expenses organisations incur supporting their volunteers. Significant direct and subsidised costs were incurred by volunteer managers in Australia in the performance of their duties.

Figure 24: The burden of volunteer management expenses in Australia



Ultimately, 15.5% of the cost of managing volunteers in Australia is shouldered directly by individual volunteer managers. Nationally, unpaid volunteer managers pay 23.0% of volunteer management costs after reimbursement.

Three years of change

Volunteer managers in Australia were surveyed on the changes they have observed in their sector over the past three years. While some managers reported seeing no significant changes, others noted either improvements or deteriorations in various aspects.

To quantify these perceptions, a **net favourability score** was calculated for each answer option. This score represents the difference between the percentage of managers who reported positive changes ('More') and those who reported negative changes ('Less'). Expressed in percentage points, this net favourability score serves as a useful measure of the overall sentiment regarding each specific change in the volunteer sector. The table that follows is arranged in descending order using the absolute value of these net favourability scores, from highest to lowest.

Additionally, the table includes a 'volatility ranking' for each change. This ranking measures how much consensus there was among managers about whether conditions have remained "About the same." The question with the highest volatility ranking of one means that the fewest number of managers indicated that the situation remained "About the same" over the previous three years. The volatility ranking sorts the questions from the least stable to the most stable, based on managerial perceptions of change over the last three years.

How has volunteering changed for your organisation since 2020?

The options that followed are reproduced exactly as they appeared in the Volunteer Manager Survey.

Table 11: Perceptions of volunteering sector change over the last 3 years

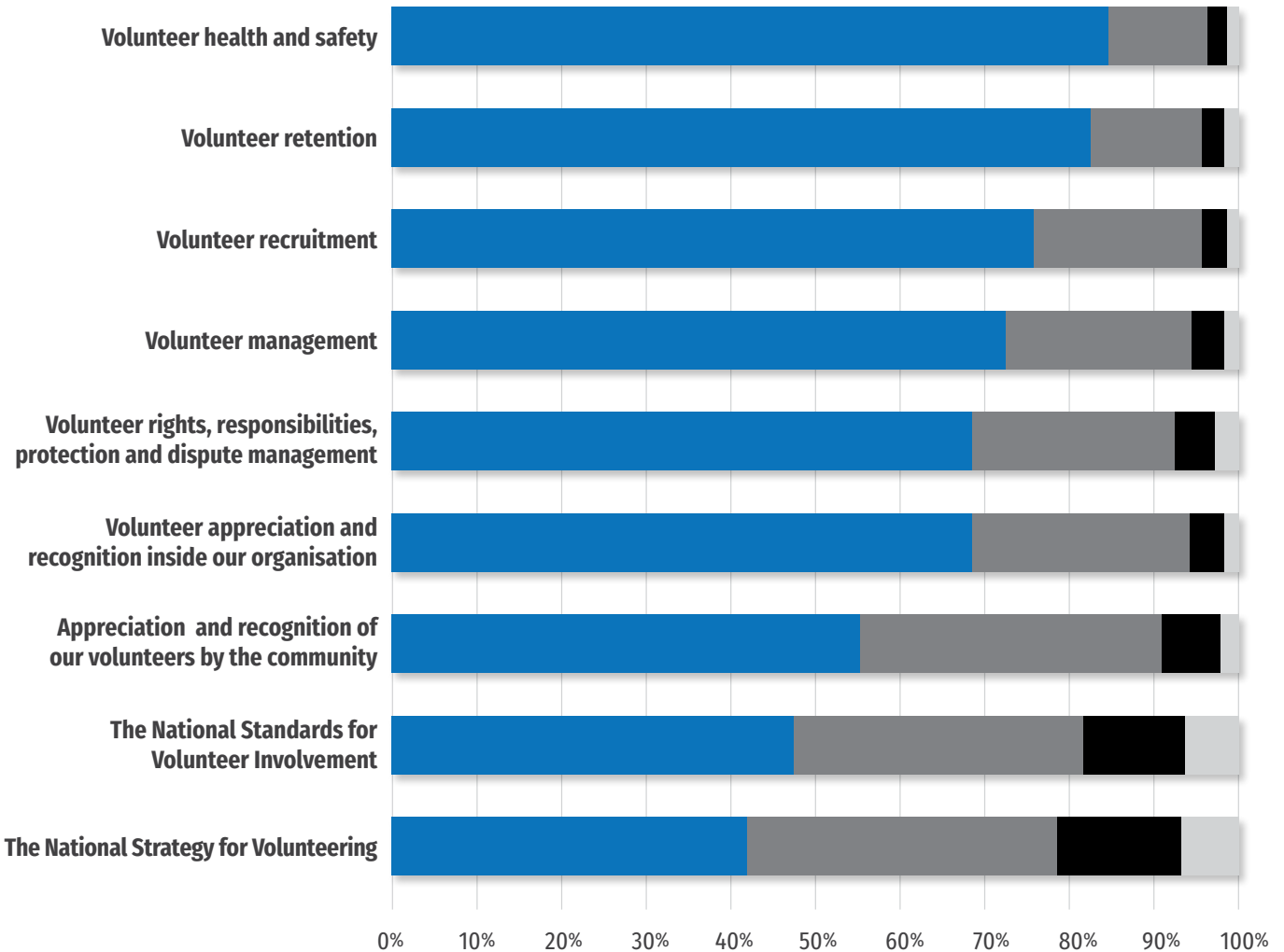
	Less	About the same	More	Net favourability	Volatility
Amount of training volunteers need	7.2%	57.4%	35.4%	28.3%	6
Hours people want to volunteer	37.6%	53.0%	9.4%	-28.1%	4
Number of people who want to volunteer	44.0%	37.9%	18.1%	-25.9%	1
Board-level volunteers are available	33.3%	59.3%	7.4%	-25.8%	7
Number of youth/young people who want to volunteer	40.7%	42.8%	16.5%	-24.3%	2
Volunteers want flexible hours	7.0%	66.2%	26.8%	19.7%	10
The direct and indirect costs to volunteers	12.3%	57.3%	30.4%	18.1%	5
People want to volunteer occasional hours, rather than regular hours	11.9%	60.3%	27.8%	15.9%	8
Organisations want to volunteer employees' time	25.8%	61.0%	13.2%	-12.6%	9
Volunteering is done online or from home	27.4%	53.0%	19.6%	-7.8%	3
Volunteers are claiming expenses	19.3%	67.2%	13.5%	-5.9%	11

It is worth highlighting that 40.7% of volunteer managers perceived a decline in the number of young people wanting to volunteer over the past three years. Specifically, 25.9% more managers reported a decrease (as opposed to an increase) in youth participation. However, the evidence from the Public Survey indicated that the younger a person was, the more likely it was that they volunteered. Accordingly, we recommend this as an area for further research, as this discrepancy could be influenced by several factors such as: bias from the volunteer managers or programs sampled, volunteer manager perception differing from actual rates of youth participation, a youth preference for informal volunteering, or other potential factors that are not yet known.

Issues in volunteer management

Volunteer managers in Australia were asked to indicate the importance of (i) volunteer issues, (ii) organisational matters and (iii) external issues, to their organisation. The survey aimed to gauge how these professionals ranked the importance of common issues in the context of their day-to-day operations and overall strategy.

Figure 25: Volunteer-related issues and their relative importance to volunteer managers in Australia



	The National Strategy for Volunteering	The National Standards for Volunteer Involvement	Appreciation and recognition of our volunteers by the community	Volunteer appreciation and recognition inside our organisation	Volunteer rights, responsibilities, protection and dispute management	Volunteer management	Volunteer recruitment	Volunteer retention	Volunteer health and safety
Very important	42.3%	47.6%	55.4%	68.9%	69.1%	71.8%	76.2%	82.6%	84.8%
Somewhat important	36.5%	34.0%	35.5%	25.5%	23.5%	22.9%	19.7%	13.3%	11.3%
Not important	14.5%	12.5%	7.0%	4.3%	4.9%	4.1%	2.9%	2.8%	2.6%
Not applicable	6.7%	6.0%	2.1%	1.3%	2.6%	1.3%	1.2%	1.2%	1.2%

Figure 26: Organisation-related issues and their relative importance to volunteer managers in Australia

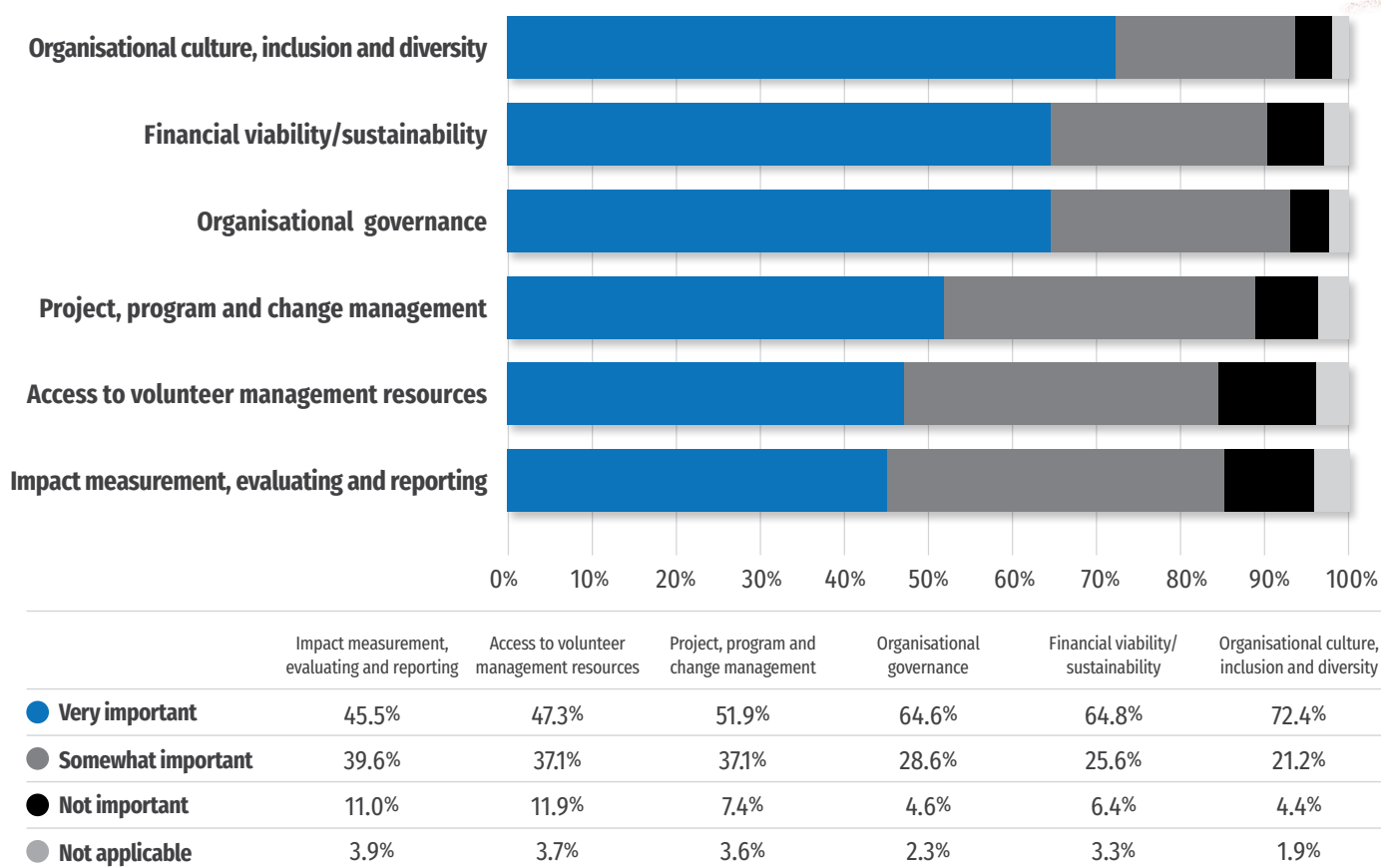
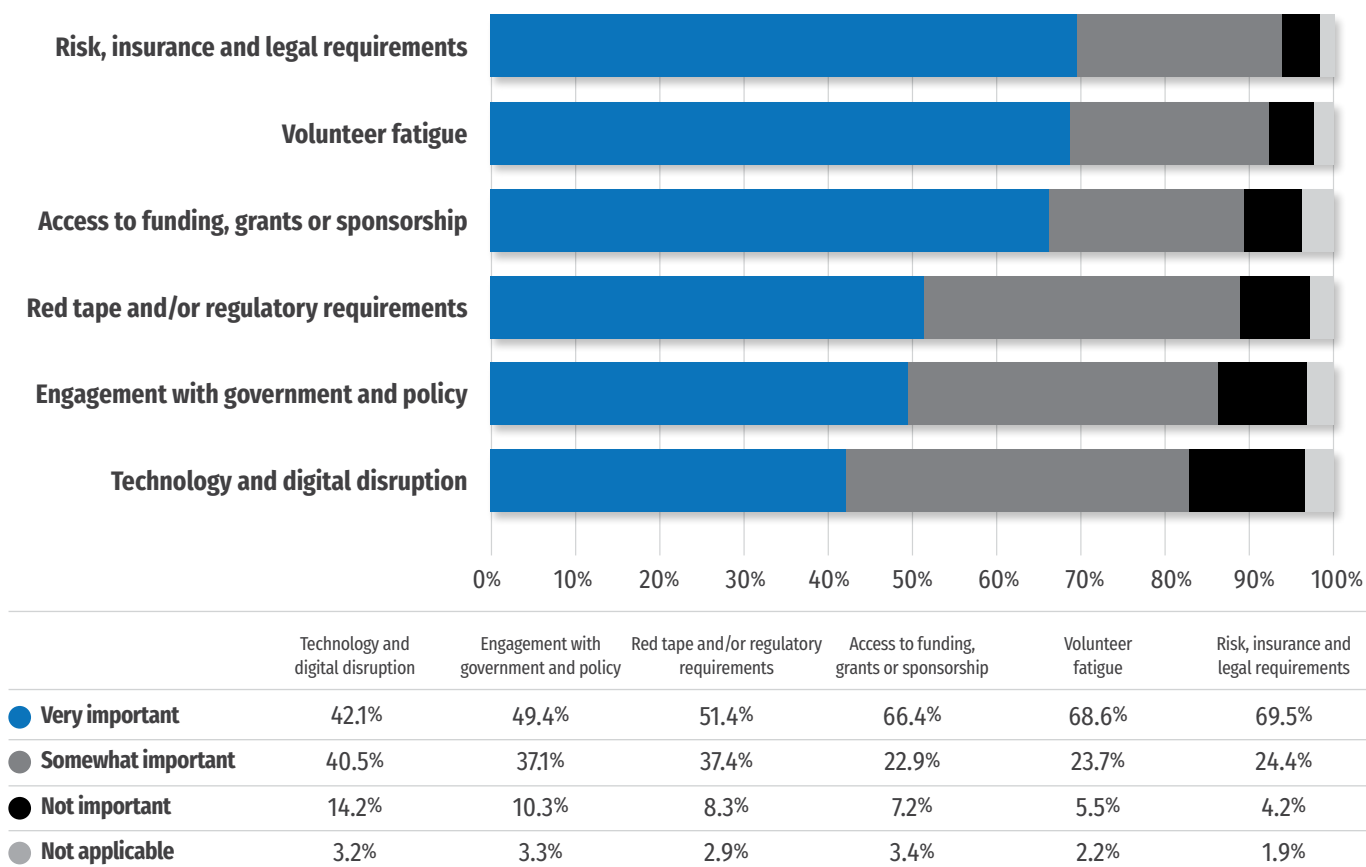


Figure 27: External issues and their relative importance to volunteer managers in Australia



In order of priority, these were the top five “Very important” issues indicated by paid volunteer managers in Australia.

1. Volunteer health and safety - 87.0%
2. Volunteer retention - 81.6%
3. Volunteer management - 77.5%
4. Organisational culture, inclusion and diversity - 77.2%
5. Volunteer recruitment - 76.8%

In order of priority, these were the top five “Very important” issues indicated by unpaid volunteer managers in Australia.

1. Volunteer retention - 84.1%
2. Volunteer health and safety - 83.9%
3. Volunteer recruitment - 76.7%
4. Volunteer fatigue - 70.2%
5. Risk, insurance and legal requirements - 69.4%

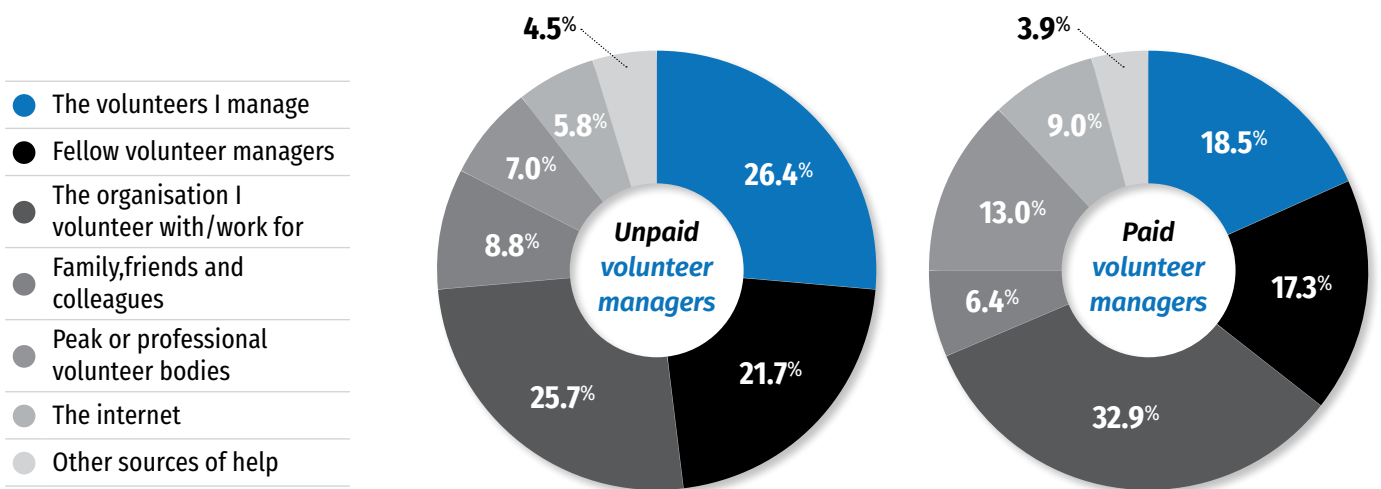
Table 12: The differences in priority placed on issues by paid and unpaid volunteer managers

Issues that paid VMs see as notably more important than unpaid VMs	Paid	Unpaid	Gap
The National Standards for Volunteer Involvement	53.9%	42.8%	11.1%
Volunteer rights, responsibilities, protection and dispute management	75.5%	64.7%	10.8%
Impact measurement, evaluation and reporting	50.9%	41.0%	9.9%
Volunteer management	77.5%	67.7%	9.8%
The National Strategy for Volunteering	47.6%	38.6%	9.0%
Issues that unpaid VMs see as notably more important than paid VMs	Paid	Unpaid	Gap
Risk, insurance and legal requirements	62.8%	69.4%	-6.5%
Volunteer fatigue	67.0%	70.2%	-3.2%
Volunteer retention	81.6%	84.1%	-2.5%

Support for volunteer managers

Taken together, volunteer managers in Australia seeking help were most likely to turn to their organisation first, then their volunteers, followed by fellow volunteer managers.

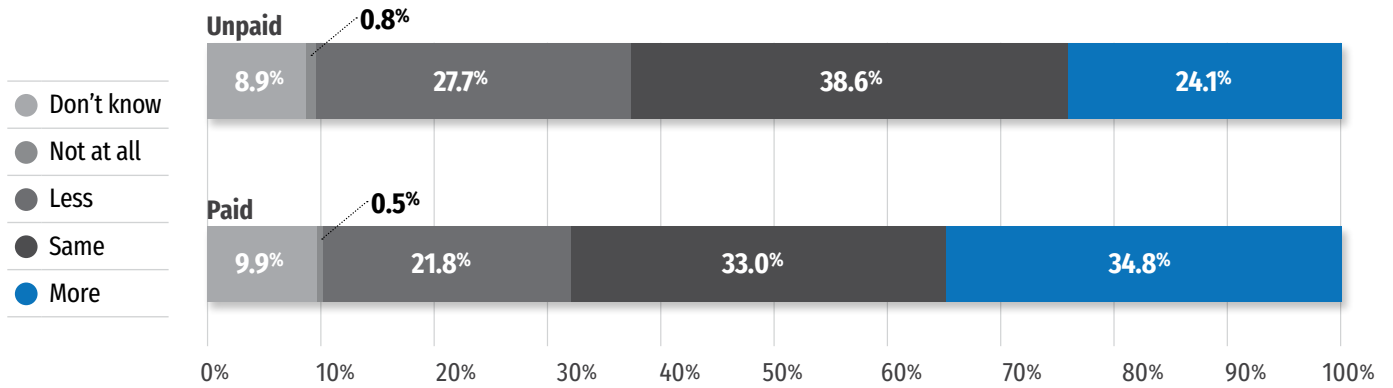
Figure 28: Where volunteer managers in Australia seek help with managing volunteers



Organisational future

In total, 29.5% of Australia's volunteer managers indicated people would be volunteering more with their organisation in three years' time.

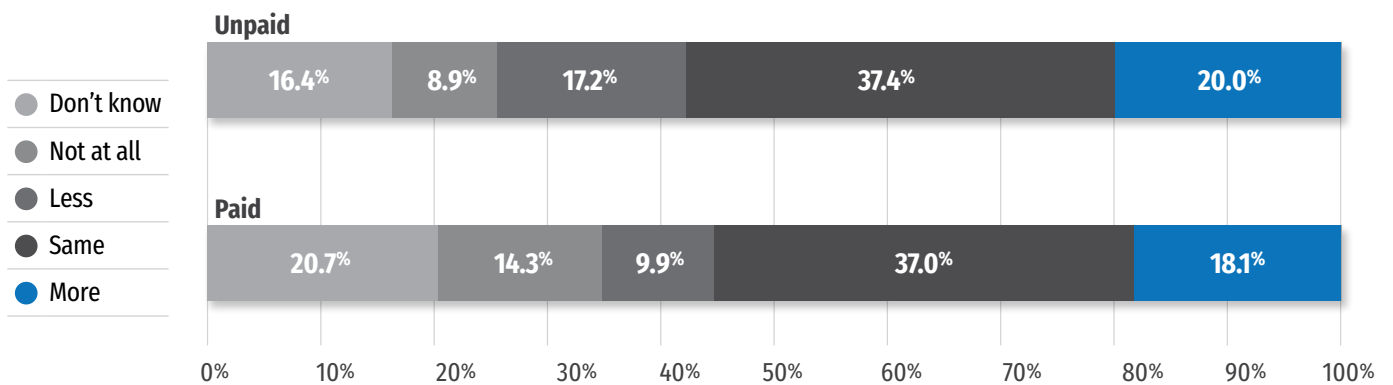
Figure 29: The likelihood of people volunteering with the volunteer manager's organisation in 3 years



Volunteer manager future

In total, 56.2% of volunteer managers in Australia indicated they would be doing the same or more hours as a volunteer manager with their organisation in three years.

Figure 30: The likelihood of a volunteer manager being with their organisation in that role in 3 years



The value of volunteering

Key findings

Cost-benefit analysis is the Australian government's preferred approach to valuing the social and economic impacts of an activity or intervention. A detailed discussion of the cost-benefit methodology and its application in this Section can be found in Appendix A of this report.

The value of volunteering to Australia across the entire community is the sum of the social and economic benefits enabled. This analysis values these benefits at \$565.6 billion in 2023.

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

Table 13: The costs and benefits of volunteering in Australia, 2023

Costs (\$ billion)		
	Sub-totals	Totals
<i>Direct costs</i>		
Volunteer expenses	\$44.5	
Volunteer-involving organisation expenses	\$8.4	
	\$53.0	
<i>Opportunity costs</i>		
Volunteers' time	\$57.4	9.8%
Volunteering investments	\$2.3	9.0%
	\$59.7	
		\$112.6
Benefits (\$ billion)		
<i>Commercial benefits</i>		
Producers' surplus	\$10.0	
Productivity premium	\$92.7	
	\$102.7	
<i>Civic benefits</i>		
Employment	\$38.0	
Taxes	\$14.8	
Volunteers' labour	\$138.4	
<i>Individual benefits</i>		
Volunteers' dividend	\$271.8	
		\$565.6
<i>Social return on investment</i>		\$453.0
Benefit: cost ratio	5.0 : 1	

By contrasting the net value of volunteering in Australia with the cost of inputs, for every dollar invested by the community, **\$5.00** is returned (the cost-to-benefit ratio).

The net (or social) return on investment – the difference between benefits and costs – is **\$453.0 billion**.

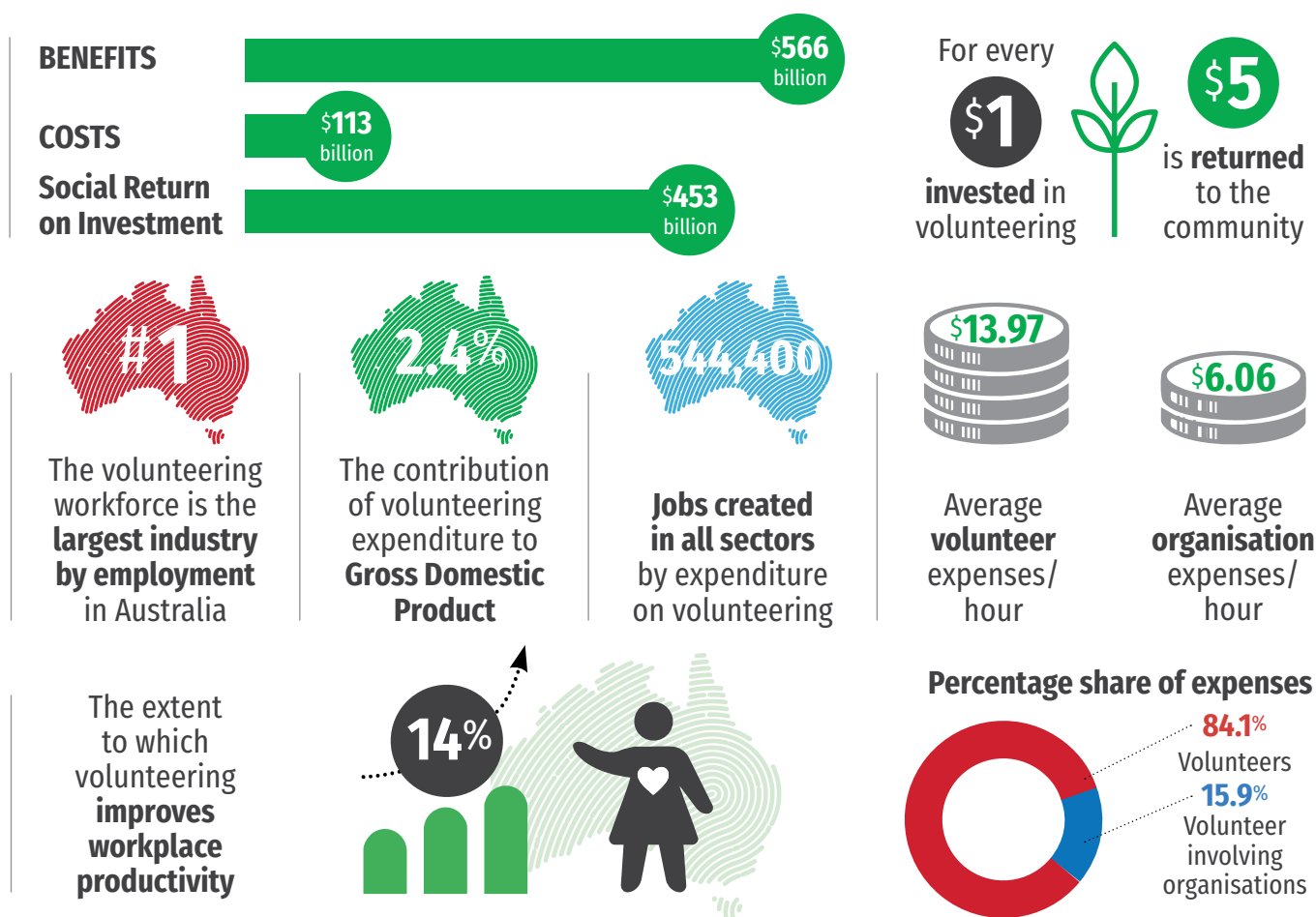
Because the external benefits of volunteering significantly outweigh the social costs involved, this leads to what economists would term an efficient outcome. There is a substantial economic, social, and cultural 'profit' in volunteering.

A plain English explainer of the costs and benefits described in this table can be found in Appendix C.

Other findings of interest about the costs and benefits of volunteering in Australia are summarised over.

Table 14: Key findings about the costs and benefits of volunteering in Australia in 2023

Australia 2023	
Average volunteer expenses per volunteer hour	\$13.97
Average volunteer-involving organisation expenses per volunteer hour	\$6.06
Percentage share of total expenses	Volunteers – 84.1%
Volunteer involving organisations – 15.9%	<ol style="list-style-type: none"> 1. No time 2. Health reasons 3. Burnout 4. Loss of interest 5. Loss of connection
The contribution of volunteering expenditure to Gross Domestic Product	2.4%
The extent to which volunteering improves workplace productivity	14.7%
Jobs created in all sectors by expenditure on volunteering	544,400
The volunteering workforce is the largest industry by employment in Australia	#1
The increase in individual well-being attributable to volunteering	+4.3 percentage points



Costs

Volunteering is defined as time willingly given without financial gain, which may imply without financial cost. However, this isn't accurate given the context in which volunteering takes place. Before pricing each of the costs that enable volunteering in Australia, here is a quick summary of why volunteering is not 'free.'

The economic cost of volunteering and its associated activities in Australia is calculated to be **\$112.6 billion**. This figure is a combination of two distinct components: direct costs of \$53.0 billion and opportunity costs of \$59.7 billion.

Recognising these costs helps us understand both the immediate financial implications of volunteering, and the economic choices and societal values that underpin its practice.

A more theoretical explanation of the costs measured here can be found in Appendix A of this report. A much simpler explanation of how these values were derived can be found in Appendix C.

Direct costs

In this report, the term "direct costs" is used to estimate the financial impact volunteering has on the overall demand for goods and services in Australia in 2023. These costs are the sum of expenditures made by both individuals and organisations to facilitate volunteer activities.

The direct cost of volunteering and its associated activities in Australia is **\$53.0 billion**. This amount is a combination of two distinct components: costs to individuals of \$44.5 billion and costs to organisations of \$8.4 billion.

To eliminate the risk of double counting, intermediate inputs like production costs are included in these figures and are not tallied separately. In practical terms, this means that the costs involved in organising volunteering events are considered to be part of the final purchase price. Similarly, expenses such as equipment, labour, and utility overheads for providers of volunteer-enabling goods and services are assumed to be fully offset by their sales revenues.

Costs to individuals

The Public Survey asked the following question of volunteers.

*On average, how much money do you **personally spend** each month on your volunteering?*

Please provide a rough estimate or best guess for each.

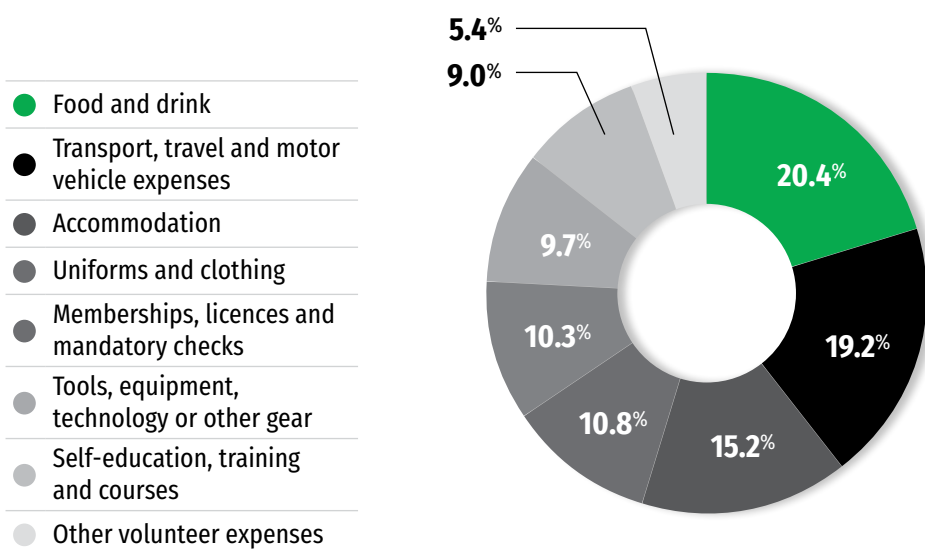
Enter zero (0) if you did not spend anything in a given category.

The expenditure categories are listed in the figure below.

Volunteers in Australia reported spending an average of \$266 per month, or \$13.97 per hour they volunteered.

Volunteers in Australia also reported that, on average, they were reimbursed for 19.4% of their expenses.

Figure 31: Breakdown of volunteer expenses each month by category in Australia



The differences in expenditure by age were acute. Volunteers under 25 reported spending an average of \$16.12 per volunteer hour (\$325 per month) on their volunteering, compared to \$3.21 per volunteer hour (\$68 per month) for volunteers over 65. While an explanation of the reasons for this discrepancy is beyond the scope of this report, we recommend that this is also an area for future research.

Figure 32: Volunteer expenses per hour and reimbursements in Australia by age cohort

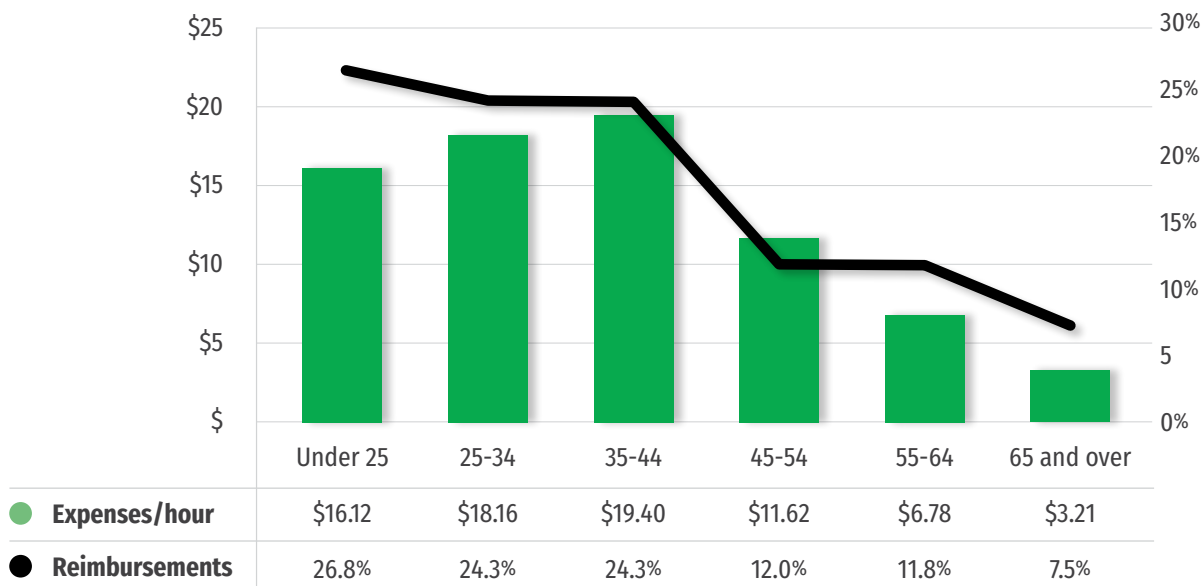
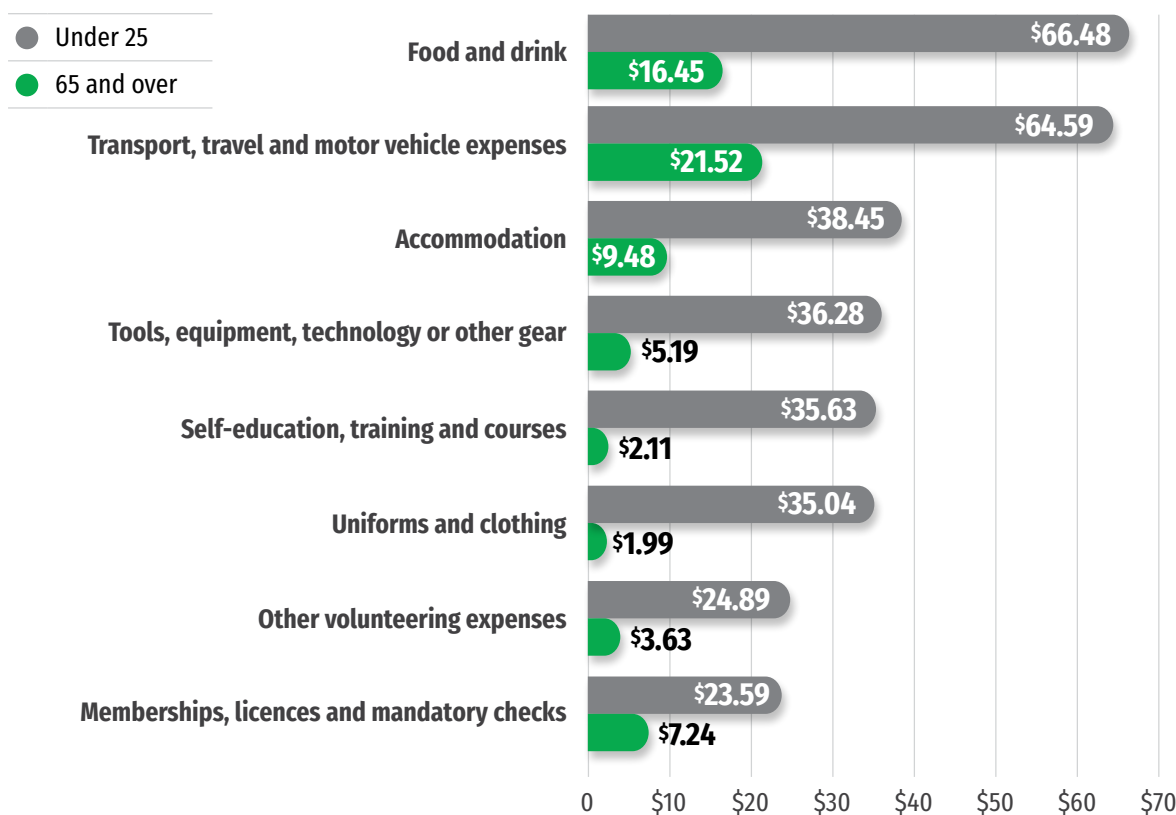


Figure 33: Breakdown of volunteer expenses each month by category in Australia by age cohort



The total direct costs to volunteers in Australia over the 12 months are calculated by annualising the average cost to volunteers each month (net of reimbursements) and multiplying that amount by the number of volunteers.

This means that for the 12-month period analysed, the net out-of-pocket costs (direct expenses) for volunteers in Australia totalled **\$44.5 billion**.

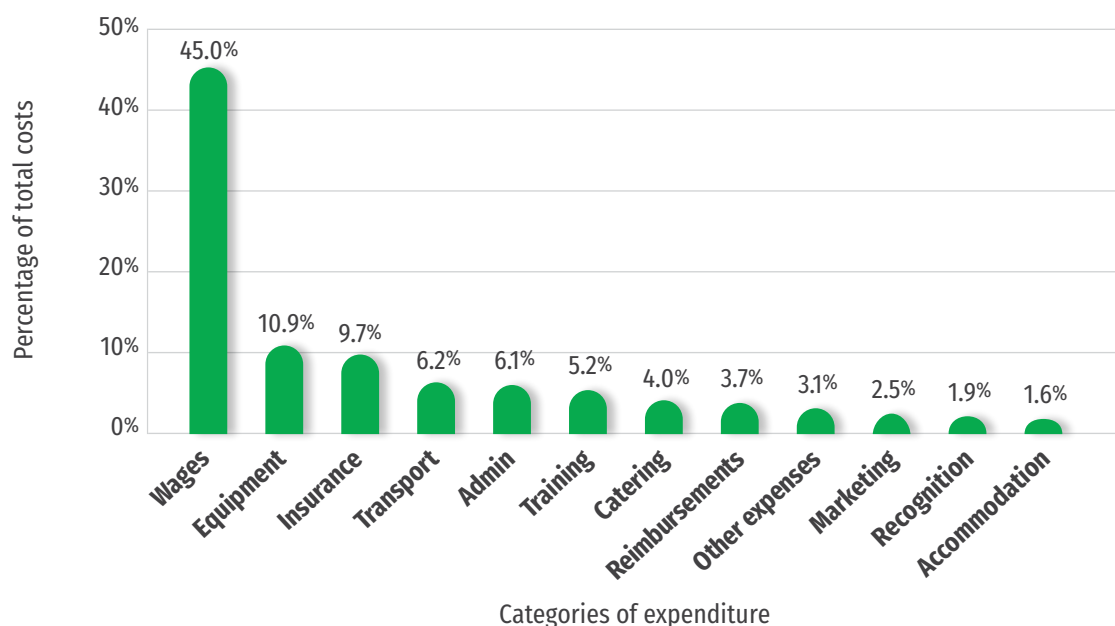
Costs to volunteer-involving organisations

The Volunteer Manager Survey asked the following question of respondents.

*How much did it cost to manage **your** volunteers over the last 12 months?
Include volunteering-related expenses **you and your** organisation incurred.
Your best estimate is good enough!
Please enter zero (0) if you did not spend anything on a category.*

Organisations in Australia that involve volunteers reported spending an average of \$6.06 per formal volunteer hour.⁶

Figure 34: Breakdown of volunteer-involving organisations' expenses by category



As expected, paid volunteer managers reported spending significantly more on salaries and wages in their organisations compared to unpaid managers. Apart from this, the distribution of expenses across various categories remained roughly the same for both paid and unpaid volunteer managers.

The total direct costs incurred by volunteer-involving organisations in Australia over a 12-month period are calculated by annualising the average monthly cost per volunteer to these organisations and multiplying it by the number of formal volunteers in the country.

In 2023, the direct cost to volunteer-involving organisations in Australia was \$8.4 billion.

This indicates that volunteers shouldered 84.1% of the financial burden associated with volunteering, while volunteer-involving organisations covered the remaining 15.9%.

Indirect costs

To assess the opportunity costs of volunteering, this analysis makes a hypothetical assumption that there is no volunteering activity taking place in Australia. In this scenario, all the resources currently being used for volunteering, whether they are human labour or financial investment, would be redirected to other productive activities.

Opportunity costs are calculated by estimating the potential financial returns that these resources could generate if they were allocated to other endeavours instead of volunteering. This provides a clearer understanding of the economic trade-offs involved, helping us grasp what is being sacrificed when these valuable resources are chosen to support volunteering rather than being used for other potentially profitable activities.

The total indirect cost of **\$59.7 billion** is the sum of the opportunity costs of volunteers' time (\$57.4 billion) and the opportunity costs of investments in volunteering (\$2.3 billion).

⁶ Informal volunteers are not included in this calculation because volunteer managers do not oversee or support informal volunteering activities. Please note that there were significant differences in this reported figure across Australia owing to a variety of factors and consult the relevant State or Territory's State of Volunteering Report for more information.

Opportunity cost of volunteers' time

To accurately calculate the opportunity cost to volunteers of their labour, this analysis takes into account the variability in wages among different groups. The opportunity cost is calculated using the average weekly earnings for both part-time and full-time workers within each age cohort.

This average is then reduced by a 35% effective rate of tax, which accounts for all forms of direct and indirect taxation. The resulting hourly rate is further adjusted to reflect the workforce composition of Australia, comprising full-time, part-time, and non-participating individuals, segmented by age group.

A straightforward leisure/work trade-off model is then applied, valuing the opportunity cost of a volunteer hour at the income that could be earned by working an additional hour. This approach assumes a flexible labour market model and assumes the availability of additional work opportunities.

The opportunity cost of leisure varies by age: it is relatively low for the very young and the very old, who are less likely to be participating in the workforce or may be underemployed. The opportunity cost is higher for age groups with greater workforce participation and labour market value.

According to this model, the hours contributed to the Australian community through volunteering equate to an opportunity cost of \$57.4 billion. This figure is a monetary estimate of what volunteers gave up in potential earnings by dedicating their time to unpaid work.

Table 15: Opportunity costs of hours contributed to the community by volunteers

Age	Opportunity cost of volunteers' time \$/hr	Average hours volunteered per year	Total volunteers	Total opportunity cost (\$ billions)
15-24	\$8.88	242.0	2,500,000	\$5.3
25-34	\$22.70	267.8	2,800,000	\$16.9
35-44	\$28.24	217.4	2,700,000	\$16.3
45-54	\$28.90	178.0	2,000,000	\$10.6
55-64	\$20.76	185.6	1,600,000	\$6.0
65+	\$3.52	253.3	2,500,000	\$2.3
				\$57.4

Opportunity costs of diverted resources

A similar assumption is made about the opportunity cost of purchases made by both individual volunteers and the organisations that utilise them.

If these purchases were withheld (in a hypothetical scenario where the community places no value on volunteering) then their financial resources could be redirected toward long-term investment opportunities, considered here to be the next best alternative use.

The metric used for evaluating what that profit might be (the long-term investment opportunity cost) is the 10-year Australian government bond rate, which stood at 4.4% in December 2023, the time this calculation was made. Using this rate as a benchmark, an estimate of the financial implications of the resources allocated to volunteering activities can be made.

Therefore, in 2023 the gross opportunity cost – that is, the potential value of gains missed out on by individuals and organisations due to their involvement in volunteering – is estimated to be **\$2.3 billion**.



The benefits of volunteering

Volunteering in Australia has a multi-dimensional impact, changing the economic, social and cultural capital of individuals, organisations, and communities. These varied forms of capital are transformed into economically valuable outputs that offer wide-ranging benefits, contributing to the collective welfare of society.

It is calculated that volunteering in Australia enabled **\$565.6 billion** worth of benefits across the community. These were the sum of commercial benefits worth \$102.7 billion, civic benefits valued at \$191.2 billion, and individual benefits of \$271.8 billion.

A more theoretical explanation of the benefits measured here can be found in Appendix A of this report. A much simpler explanation of how these values were derived can be found in Appendix C.

Commercial benefits

In this report, the term “commercial benefit” is used to distinguish the financial gains enjoyed by ordinary businesses and the employers of volunteers. These benefits include increased productivity and skill development among employees as well as purchases made by individuals and organisations in the course of their volunteering efforts.

The commercial benefits generated by volunteering in Australia are valued at **\$102.7 billion**. This is the sum of producers’ surplus (\$10.0 billion) and the productivity premium returned to employers (\$92.7 billion).

Producers’ surplus

The term “producers’ surplus” refers to the economic benefits that producers gain from selling their goods or services in the market. This benefit is calculated as the difference between the price a producer receives and the minimum price they would be willing to accept for it. This surplus can be alternatively described, albeit not perfectly, as net profit.

In Australia, businesses receive a net commercial benefit linked to the sales of goods or services that are either intermediate or final products consumed in the course of volunteering.

Input-output modelling is a method used in economics to understand how different sectors within an economy interact with each other. It illustrates the flow of goods and services between sectors, helping to predict the output effect of a change in demand for a particular industry.

Employing input-output modelling methodology (Appendix A), it is found that the volunteering-related expenditure of \$53.0 billion increases the overall output in the Australian economy by \$107.1 billion. This calculation includes the production of intermediate goods and accounts for imports worth \$14.6 billion.

The Gross Value Added (GVA) by volunteering to the Australian economy is \$62.8 billion, which equates to 2.4% of 2023’s Gross Domestic Product of \$2.6 trillion.

Considering that material inputs and existing infrastructure are already accounted for, when the cost of labour and taxes is subtracted from this GVA, a theoretical producers’ surplus of \$10.0 billion is revealed.

This surplus is a fair return on investment for providers of capital and is assumed to offset the opportunity cost of using land or buildings for other purposes. It is important to clarify that this surplus to producers is distributed among all firms in Australia contributing intermediate or final goods and/or services consumed by volunteering activities, not just those directly involved in volunteering.

Productivity premium

The Public Survey asked the following question of all respondents.

Now we’d like you to think about how volunteering impacts [your/people’s] work.*

For example, employees who volunteer outside of work might be happier, have stronger networks or develop skills that make them better at their job.

On the other hand, they might need to take a few more days off, feel like they can do less or be more tired due to their volunteering.

So, do you think volunteering outside of work has a positive or negative impact on [your/people’s] employment?*

- Positive - volunteering makes people more productive at work (better at their job)
- Negative - volunteering makes people less productive at work (worse at their job)
- Volunteering makes no difference to people's productivity at work

* Volunteers were asked directly about “your” work and non-volunteers were asked about “people’s” work.

The analysis below indicates that the act of volunteering is largely seen as having a positive or neutral impact on work performance. Those who actively volunteer were more likely to attribute increased productivity to their volunteering.

Table 16: Percentage of respondents on how they believe volunteering impacts work performance

	Volunteers	Non-volunteers	Total
Less productive	3.9%	3.9%	3.9%
No change	39.0%	61.7%	46.7%
More productive	57.1%	34.4%	49.4%

To further quantify productivity, if respondents expressed that volunteering made them or others more productive, they were asked the following question.

Lots of things contribute to workplace productivity.

These include:

- The physical conditions and culture of the workplace
- The technology and tools available to do the job
- Your skills and experience
- Your personal and professional networks
- Your physical and mental health
- Your satisfaction with your job and life

As a percentage, how much more productive at work are you because of your volunteering?*

* If respondents expressed that volunteering made them or others less productive, they were asked how much “less” productive they felt. If they answered, “no difference,” they were not shown this follow-up question.

Table 17: The extent to which respondents believe volunteering impacts work performance

	Volunteers	Non-volunteers	Total
Less productive	-25.8%	-27.0%	-26.2%
More productive	+32.4%	+30.0%	+31.8%
Net productivity impact	+17.5%	+9.3%	+14.7%

The concept of ‘net productivity impact’ refers to the mean alteration in workplace productivity as a result of volunteer work, based on the collective perception of the survey respondents. The ‘productivity multiplier’ is the quantified average effect on productivity, which, in this context, is reported as 14.7%.

This suggests that, on average, productivity is enhanced by this percentage across the board when individuals participate in volunteering, indicating a positive correlation between volunteering and productivity in the workplace or other areas of professional and personal endeavour.

The differences in perceptions between volunteers and non-volunteers were statistically significant, underscoring the impact of personal experience on the belief that volunteering affects work performance.

Applying these rates to the cost to employers of labour per age cohort (replacement cost) as per the formula in Appendix A enables the quantification of a ‘productivity premium’ enjoyed by employers as a result of their employees’ volunteering.

For consistency in reporting, the productivity multiplier was derived from the national sample and held constant for all States and Territories. Other equation inputs were specific to Australia.

The extent to which volunteering in Australia improved the productivity of employees is estimated to be **\$92.7 billion**.

This benefit is separate from the (soon to be discussed) well-being benefit directly enjoyed by volunteers, even if a fraction of the productivity premium is returned to employees in the form of increased wages.

Civic benefits

In this report, a “civic benefit” is the valuable contributions made or inspired by volunteers that, in their absence, would have to be supplied by the government to maintain the current standard of community living. These contributions can be understood as costs that the government avoids incurring because volunteers are stepping in to provide those services or benefits.

For example, if volunteers are cleaning a local park, the government saves on the cost of hiring workers for that task. In essence, civic benefits represent a form of financial relief for the government, allowing it to allocate resources elsewhere.

The civic benefits enabled by volunteering in Australia are valued at **\$191.2 billion**. This is the sum of employee wages (\$38.0 billion), taxes (\$14.8 billion) and the theoretical replacement cost of volunteers’ labour (\$138.4 billion).

Important civic benefits acknowledged but not quantified by this analysis include the inbound tourism generated by volunteering in Australia, as well as costs potentially saved by the civil systems of health, emergency services, criminal and social justice, to name but a few.

Beyond these economic factors, some forms of volunteering have a notable environmental impact. Many volunteers are actively contributing to conservation and sustainability initiatives. While these environmental contributions may not be easily quantifiable, they are nonetheless vital for the long-term health and well-being of both communities and the environment at large.

For that reason, the estimate of civic benefits is likely to be significantly understated, and these gaps are recommended as directions for future research.

Employment

The input-output model (Appendix A) shows that volunteering-motivated expenditure in Australia generated 544,400 jobs across all sectors of the economy. Of these, 364,500 were full-time positions.

It is important to note that these are not jobs solely within the volunteering sector; rather, these jobs are created economy-wide. For instance, volunteering contributes to the demand for professional services such as training, administration, and logistics. This creates new employment opportunities in those industries.

The model quantifies the wage benefits generated by these jobs as being worth **\$38.0 billion**. This figure directly benefits households, augmenting their disposable income and, consequently, their purchasing power.

As more people become employed, thanks to the ripple effects of volunteering expenditure, fewer people rely on unemployment benefits or other forms of social assistance. This results in an equivalent saving for the government, which can reallocate these saved funds to other critical sectors like healthcare, or they can choose to reinvest in volunteering.

Taxes

The input-output model also reveals that Australia’s volunteering-related expenditure of \$53.0 billion generates **\$14.8 billion** in tax revenue for the government.

It is important to note that the tax revenue generated is not necessarily proportional to the investment made by each tier of government in the volunteering sector. Different levels of government – federal, State, and local – may contribute different amounts to support volunteering but may benefit differently from the generated tax revenue.

Yet despite generating significant tax revenue, it is unlikely that the government reinvests an equivalent amount back into the volunteering sector. In other words, the financial contributions that the volunteering sector makes to public funds may not be fully reciprocated through government funding or support for volunteering activities.

Volunteers' labour

It was noted in Section 1 of this report that volunteers in Australia contributed 3.2 billion hours of their time to various individuals, causes and organisations. The replacement cost of that labour is the expense that beneficiaries would incur if they had to hire paid professionals to do the same work.

Because volunteers bring a diverse set of skills and professional experience to their roles, adding specialised value to the services they provide, volunteer labour cannot be simply substituted with minimum wage workers. It is more accurate to use median wage data tailored to each age cohort of volunteers, accounting for the varying levels of expertise and skill sets they offer.

In addition to the base wage, there are several other costs associated with employment that need to be taken into account. These include the administrative and capital overheads that would be incurred for each working hour, as well as the minimum requirements of the Australian government's superannuation guarantee. To allow for these, an additional 15% has been added to the median wage data for each age group.

This approach assumes that the value of the activities provided by each volunteer is equivalent to the value of their direct employment, accounting for their age. This is not a perfect accounting of the value of the services provided by volunteers but is more reliable than approaches that price volunteer labour at the minimum wage. Improving the replacement cost method is encouraged as a direction for future research.⁷

On these terms, the cost to the Australian community (and avoided by government) of replacing volunteer labour is **\$138.4 billion**.

Table 18: Replacement cost of hours donated to the community by Australia volunteers

Age	Replacement cost of volunteers' time \$/hr	Average hours volunteered per year	Total volunteers	Total replacement cost (\$ billions)
15-24	\$20.16	242.0	2,500,000	\$12.0
25-34	\$44.31	267.8	2,800,000	\$32.9
35-44	\$54.50	217.4	2,700,000	\$31.5
45-54	\$57.20	178.0	2,000,000	\$21.0
55-64	\$51.18	185.6	1,600,000	\$14.7
65+	\$40.61	253.3	2,500,000	\$26.2
				\$138.4

Note that the replacement cost of a volunteer's labour is much greater than the opportunity cost of a volunteer's time. This is because the replacement cost includes all the costs an employer would have to pay (including taxes, superannuation and administrative costs), whereas the opportunity cost is only a measure of what a volunteer would receive 'cash-in-hand' if they were paid.

Opportunity cost is also discounted by the number of people not in the labour force. Using this approach, if a person is not working, then there is no opportunity cost to their time when it comes to volunteering.

Therefore, the opportunity cost of time for people over 65 is quite low at an average of \$3.52 per person, as most people at this age are no longer working. However, of the people who are working at this age, their average replacement cost to employers is \$40.61 per hour as their experience and skills are quite valuable.

To illustrate the scale of the volunteering sector, the replacement cost of volunteer labour in Australia is compared with the total compensation given to employees in both the government and private sectors.

The results are eye-opening: in Australia, the volunteering sector is equivalent to over half the size of the entire private sector workforce and nearly double that of the workforce in the public sector.

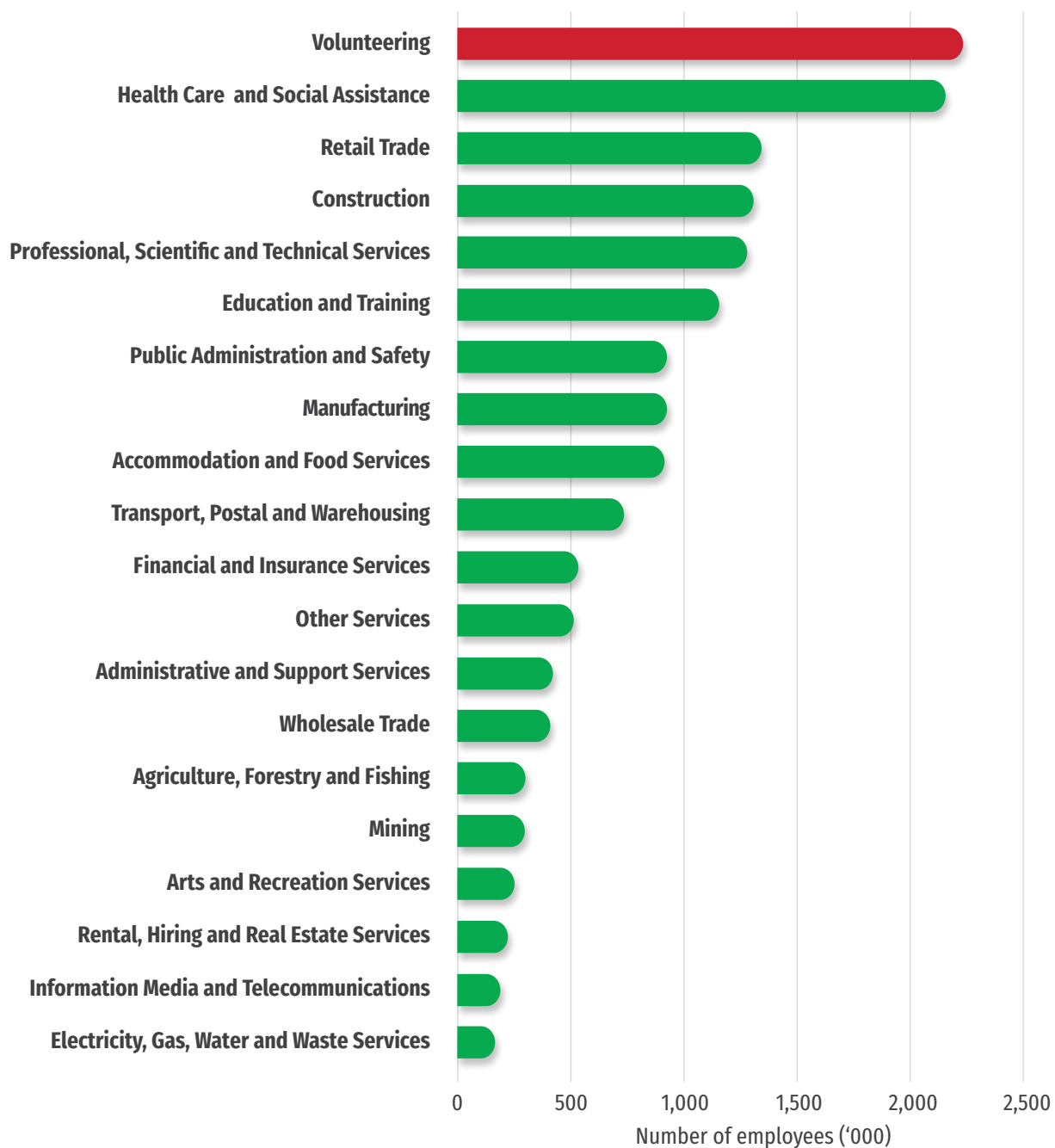
⁷ Informal volunteers are not included in this calculation because volunteer managers do not oversee or support informal volunteering activities. Please note that there were significant differences in this reported figure across Australia owing to a variety of factors and consult the relevant State or Territory's State of Volunteering Report for more information.

Table 19: Replacement cost of volunteering vs private and public sector employee compensation

Sector (Australia)	\$	Relative size of volunteering sector
Replacement cost of volunteers	\$138.4 billion	100.0%
Private sector compensation of employees	\$241.1 billion	57.4%
Public sector compensation of employees	\$69.0 billion	200.6%

As such, the volunteering sector is an industry that is relied upon and, using the replacement cost method, is the largest industry by employment in the country.

Figure 35: Volunteering as an industry by employment



Individual benefits

The benefits described to this point are the tangible benefits provided to the community, also known as the 'outputs' of volunteering. These outputs have been quantified to illustrate the new value they add to others.

Now, the focus shifts to explore another important dimension of volunteering: the intrinsic satisfaction or well-being benefits that volunteers themselves experience as a result of their participation. This aspect values the emotional and psychological rewards that volunteers gain.

In economic terms, when individuals engage with volunteering through an act or related purchase, it is assumed they derive some level of benefit or utility from that decision. The rational economic framework suggests that people act to maximise this utility and would not intentionally make decisions that diminish it. Consequently, each act of volunteering and its related consumption comes with an implied benefit to the individual beyond the value added to employers and the community.

At a minimum, this benefit is equal to the costs individuals bear in the pursuit of their volunteering. Therefore, using the revealed preference method, it can be said that in Australia, volunteers enjoyed at least \$101.9 billion in individual benefits from their volunteering. This is the sum of the money they spent (\$44.5 billion) and time they contributed (\$57.4 billion).

But how much more would individuals be willing to pay to experience the full range of benefits that come from volunteering? And what about those who are not volunteers – do they derive benefits from the volunteering of others, even if they are not directly participating?

In answering the first question, the value of the benefits that volunteers personally accrue is estimated to be **\$271.8 billion**.

Compelling evidence is also put forward to show that even non-volunteers significantly value the contributions to society made by their volunteering peers.

Volunteer dividend

Economists assume that markets, where transactions occur, serve as a social good because exchanges only happen when both the buyer and the seller perceive value in the transaction.

For sellers, value is realised when they make a profit that surpasses their production costs, a metric already discussed in the sub-section on producer's surplus (\$10.0 billion). For buyers, value is achieved when they perceive that they have gotten a "bargain," meaning they would have been willing to pay more than the actual price to satisfy their need. A consumer's surplus is thus the additional benefit or utility an individual receives beyond the cost associated with an activity or consumption.

In many analyses, consumer surplus plays a critical role in evaluating the net costs or benefits of an activity, most notably for evaluating the efficiency of markets. If consumers derive more value from a product or service than what they pay for it, this is a sign that resources in the economy are being allocated efficiently.

An appreciation of consumers' surplus is essential in shaping public policy. Knowing how much additional value people get from public goods like transportation or healthcare can inform ticket pricing or the allocation of subsidies. A high net consumers' surplus across a lifetime of activities typically correlates with a high quality of life.

In this context, volunteers are the consumers. They finance their participation through the resources they purchase to enable their volunteering (\$44.5 billion) and the opportunity cost of the time they contribute (\$57.4 billion). Understanding the surplus of volunteers as a form of dividend allows us to go beyond these zero-sum returns to price the intrinsic value that volunteers gain from their activities.

This intrinsic value is above and beyond any tangible rewards and includes all the realisation of all the motivations for volunteering discussed in Section 1. Assuming no harm is done to others, a high consumers' surplus justifies the allocation of resources towards a volunteer program, as it indicates (if nothing else) that volunteers are deriving significant benefits from their involvement.

A better understanding of consumer surplus can also aid in volunteer engagement and retention. The more intrinsic returns that volunteers perceive, the more likely they are to continue their activities in the long term, making them more effective and committed contributors, leading to better outcomes for the individuals and causes they support.



When volunteers report higher levels of well-being, life satisfaction, or happiness compared to non-volunteers, this difference can be considered an expression of their volunteering specific consumers' surplus. That difference serves as a measure of the "excess utility" that volunteers receive from their activities.

Labour economists also refer to this excess utility as a "psychic wage." This is the non-monetary satisfaction or psychological benefits that individuals derive from their work, beyond just the financial compensation. This concept recognises that some people may be motivated by factors such as job satisfaction, a sense of purpose, social recognition, or personal fulfillment, in addition to their salary or wages. It is used to explain why, for example, jobs in the arts sector are in such high demand even though wages are relatively low and insecure.

Government agencies around the globe are increasingly requesting a quantification of the well-being benefits stakeholders might accrue (or lose) in formal cost benefit analyses presented to them. In the absence of specific methodological direction from Australia and Australian governments, the method stipulated in the United Kingdom and New Zealand for quantifying the changes in well-being that volunteering might induce is applied.

In the Public Survey, all respondents were asked the following question.

On a scale of 1-100, where 1 is very dissatisfied and 100 is completely satisfied, how satisfied are you with your life nowadays?

Self-rated life satisfaction scales like this are regarded as reliable measures of well-being for several reasons.

Foremost, they are straightforward and easy to administer, offering broad accessibility. They also capture the nuanced, subjective experiences that are crucial for a holistic understanding of well-being. Importantly, they have been found to correlate well with other objective and subjective indicators, such as income and health status, and demonstrate good test-retest reliability. They are also adaptable to diverse cultural settings.

For those reasons, life satisfaction scales are utilised by a wide range of stakeholders, including academic researchers, government bodies, healthcare providers, economists, corporations, and international organisations like the World Bank and United Nations. Their widespread use across multiple sectors attests to their reliability and versatility in measuring well-being.

In the sample of over 6,800 Australian residents, it was found that, controlling for a range of other demographic factors, being a volunteer was associated with a 4.3-point increase in life satisfaction, a proxy for well-being. Whereas only 10.5% of the overall variance in well-being could be explained by our model, there was a less than one in 1,000 chance that the relationship observed was due to random error.

Furthermore, for each extra hour a person spent volunteering, an additional 0.04 percentage point increase in wellbeing was reported.

According to the formula described in Appendix A, the monetised value of a consumer's surplus associated with a 4.3-point increase in life satisfaction in Australia is \$19,300 per annum. When this value is extrapolated to the entire population of volunteers in Australia, it translates into a well-being benefit of **\$271.8 billion**.

IMPORTANT NOTE

Expressions of consumer surplus essentially measure satisfaction and should not be confused with a willingness on the part of volunteers to pay more. In terms of value, increasing prices would result in a real loss for current volunteers. This is because the dividends enjoyed by volunteers would be converted into producers' surplus for no net gain to them as consumers, increasing the real and opportunity costs of entry and forcing some volunteers out.

As it will be demonstrated, a more efficient gain can be realised by converting non-volunteers into volunteers and incentivising those who are under-volunteering to volunteer more. Deliberately exploiting the currently high levels of consumer surplus – by either increasing prices or withdrawing subsidies – is likely to be counterproductive.

Non-use value

Non-use value in economics refers to the value that people assign to a good, service, or resource even if they do not use it. This concept is often used in environmental economics to explain why people might place a value on preserving natural habitats, endangered species, or cultural heritage, even if they never actually engage with these resources.

Non-use value is explained in various ways in academic literature, but largely centres around the following three ideas that are contextualised here for volunteering.

- Existence value: The value people derive from knowing that volunteering exists, even if they never use it.
- Bequest value: The value people place on preserving volunteering for future generations to enjoy.
- Option value: The value people place on preserving the option to volunteer in the future, even if they are not volunteering today.

To better understand the non-use value of volunteering, Public Survey respondents were asked the following question.

Quality of life is the degree to which you feel healthy, comfortable and able to participate in or enjoy life’s events.

It is determined by lots of things, including our:

- Physical health
- Psychological health
- Financial wealth
- Level of independence
- Social relationships
- Environment
- Spiritual, religious or personal beliefs.

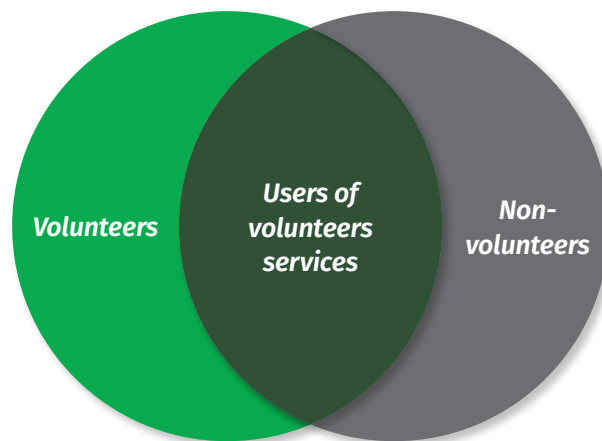
Volunteering – in all its forms – can impact many of these domains.

As a percentage, how much do you think volunteering **in the community** impacts the quality of life of **all of us**?

Given the well-being benefit already revealed in this report, it is not surprising to see a statistically significant difference in the average reported scores between volunteers and non-volunteers. What does stand out, however, is that non-volunteers attribute 54.2% of community well-being to the impact of volunteering.

This observation introduces a complex measurement challenge due to the significant overlap among volunteers, non-volunteers, and users of volunteer services. To fully grasp the true value of volunteering, it is necessary to quantify the consumer surplus for each of these three groups without double-counting the benefits.

Figure 36: The relationship between volunteers, non-volunteers and users of volunteer services



Unfortunately, the limits of the method applied here do not allow us to make these fine distinctions. Acknowledging our approach therefore undervalues the full suite of volunteering benefits, this is identified as a promising direction for future research.

Conclusion

The data is compelling: a proven annual return of 500% on every dollar invested would be a notable financial return if it were tied to a commercial investment. This suggests that the scale and impact of volunteering has been historically undervalued and under-recognised in public discourse.

Notably, nearly two-thirds of Australian residents volunteer in some form. Yet it is also evident that volunteering in Australia has room for further growth.

From an economic standpoint, this report challenges the traditional view that the value of volunteering is merely the minimum-wage replacement cost of its labour. Rather, volunteering has a much broader economic impact, affecting almost every activity in the country.

The measures in this report indicate it is Australia's largest industry by labour force. Consequently, there is a strong case for better resource allocation and knowledge sharing within the volunteering sector to leverage its full potential.

Ultimately, the cost-benefit analysis reveals that the external benefits of volunteering far outweigh the social costs, making the activity economically efficient. Moreover, it indicates that increased investment in volunteering could produce exponential returns. This study offers a foundational framework that decision-makers in the public, private and not-for-profit sectors can use for ongoing improvements in how volunteering is promoted and managed.



Directions for future research

Data collection

Future research is recommended to gain a more comprehensive understanding of the volunteer manager population in Australia. A more robust data collection methodology, including offline outreach through paper-based surveys, could be employed to capture a broader range of demographics, potentially including those who may have been inadvertently overlooked in this study. Such under-represented demographic groups include:

- Young volunteer managers
- Culturally and linguistically diverse volunteer managers
- Volunteers and their managers in the public and private sectors

While continuously reinventing the survey instruments could hinder the ability to track trends over time, several minor adjustments to the instruments are proposed based on feedback from the sector. These minor changes aim to improve the survey's relevance and accuracy without significantly compromising its longitudinal comparability.

Longitudinal research

The body of knowledge that has been accumulated in this and complementary State of Volunteering Reports in Australia provides valuable cross-sectional insights into the volunteering sector. However, a key limitation of cross-sectional research is that it captures a snapshot at a single point in time, making it difficult to infer cause-and-effect relationships or track changes over time. This is where longitudinal studies can add significant value to our understanding of the volunteering sector.

Longitudinal studies involve collecting data from the same

subjects repeatedly over a period of time. By doing so, trends and changes in volunteering attitudes, behaviours, and management practices can be observed. This approach allows for a more in-depth analysis of causal relationships between variables. For instance, the current research highlighted certain demographic and organisational factors correlated with managerial optimism for the future of their organisation. A longitudinal study could show whether changes in these factors directly lead to changes in optimism and, if so, under what conditions.

Moreover, the volunteering landscape is influenced by numerous external factors such as economic conditions, changes in government policy, or shifts in community needs and interests. Longitudinal data would enable researchers to control for these variables, offering a clearer understanding of intrinsic factors that drive or hinder volunteer participation. This would enrich the current body of knowledge by contextualising it within a broader temporal framework, making the findings more robust and actionable.

Longitudinal studies can also validate the sustainability of successful volunteer management practices. If a certain approach to volunteer management is shown to consistently produce high levels of engagement over several years, this adds credibility to its efficacy. Conversely, practices that seem promising in the short-term but lose effectiveness over time could be flagged for reconsideration.

Finally, longitudinal research can offer insights into the lifecycle of volunteers and volunteer managers.

This could include understanding points of entry and exit from volunteer roles, the long-term impacts of volunteering on personal and professional development, and generational shifts in attitudes toward volunteering. Such insights are crucial for strategic planning and for developing targeted interventions that encourage long-term volunteer engagement.

Even though the existing body of research has laid a solid foundation, revisiting it at regular intervals will enrich our understanding of the complex dynamics affecting the volunteering sector. This multi-dimensional approach will allow for a more nuanced, comprehensive, and actionable body of knowledge that can inform both policy and practice in meaningful ways.

Mixed methods

The analyses of this report modelled a range of demographic and organisational attributes as predictor variables. While these attributes did reveal some level of correlation, it's crucial to acknowledge the limitations of our modelling, particularly their relatively low predictive influence.

Our research indicates that a large percentage of the variance in the dependent variables analysed could not be fully explained by the demographic factors modelled. Essentially, while the statistical significance of some relationships affirms that they contribute to understanding the phenomenon, the extent to which they do is limited. This raises questions about what other factors could be at play, highlighting a research gap that requires further exploration.

Future research could benefit substantially from incorporating



qualitative methods to complement our quantitative method. Qualitative approaches, such as in-depth interviews or focus groups, could offer nuanced insights into the specific contexts, attitudes, and experiences that contribute to changes in volunteer behaviour. This could encompass both personal factors (like individual motivations or emotional resilience) and external factors (such as organisational culture, community engagement, or the policy landscape), which the models employed in this study cannot adequately address.

Moreover, ethnographic studies that immerse researchers within organisations for an extended period could provide a more holistic understanding of the day-to-day challenges and opportunities in volunteer management. Through this method, researchers can witness firsthand the complexity and diversity of experiences that cannot easily be reduced to ones and zeros. By integrating the richness of qualitative data with existing quantitative findings, a multi-faceted understanding of what drives the volunteering sector can be achieved.

For while this analysis has advanced a foundational understanding of how demographic and organisational attributes relate to volunteering, the unexplained variance signals a need for more comprehensive research. Utilising qualitative methodologies could unearth hidden dimensions to these complex issues, thus enriching our understanding and potentially leading to more effective strategies for bolstering the volunteering sector in the future.

Inclusive volunteering

The importance of mixed-method research becomes particularly evident when studying demographic groups that do not align with the

mainstream, able-bodied, and Anglo-centric perspectives on volunteering. For such communities – including First Nations Australians and people living with disabilities – the definitions and experiences of volunteering differ significantly from those of the general population.

This makes it challenging to directly compare metrics related to participation and inclusion. At a minimum, any relevant survey questions and the presentation of findings should be contextualised appropriately.

The unique perspectives of these communities should not be left out of discussions about volunteering. Their differences make their inclusion in the broader body of research on volunteering even more critical. This is not just because volunteering can have a profound impact on these communities, but also because their experiences can offer valuable insights that may be applicable in other settings.

Therefore, additional research in these spaces is highly recommended to create a more comprehensive understanding of volunteering in Australia.

Young People and Volunteering

This report identified multiple areas relating to younger Australians and their volunteering that require future research, such as the perception volunteer managers have of young person volunteering and the acute discrepancies in cost for young volunteers and older volunteers. As noted in the report, there is a persistent narrative in the volunteering sector that young people are not volunteering despite the data clearly demonstrating that they volunteer at higher rates than any other cohort by age.

Accordingly, additional research is needed to explore the reasons

that these narratives persist on a national scale, while also exploring the reality of young peoples' experiences volunteering in greater depth. This will facilitate more effective advocacy by volunteering organisations and organisations supporting young people and further strengthen the health of volunteering in Australia.

The social cost of volunteering

There is a growing need for comprehensive research aimed at quantifying the social costs associated with volunteering. While the positive impacts of volunteering are often highlighted, understanding its hidden costs – such as the displacement of paid workers, inequities in participation, volunteer burnout, potential compromises in service quality, and volunteer-enabled extremism – is essential for a 'warts-and-all' view of its societal implications.

These social costs are often complex, interconnected, and elusive, making them difficult to measure through conventional means. Nonetheless, developing methodologies to assess these impacts can provide a more balanced perspective that could inform public policy and organisational decision-making.

The goal should be to formulate a framework that not only quantifies but also contextualises the social costs, thus enabling more sustainable and equitable practices in the realm of volunteering. This research direction has the potential to substantially enrich the discourse on social welfare, the intersections between volunteering and paid labour, and the role of government in civil society.

Unmeasured and under-measured benefits

Other areas inviting further investigation are the unquantified

and under-quantified benefits of volunteering. Examples include, but are not limited to, the following.

- The transfer effects of inbound and outbound volunteer tourism.
- Employers' perspective on the productivity multiplier.
- The true replacement cost of volunteer labour.
- The well-being benefits enjoyed by consumers of volunteer services.

Another key challenge to tackle is the issue of measurement complexity arising from the considerable overlap among volunteers, non-volunteers, and users of volunteer services. Fully understanding the true societal value of volunteering requires a comprehensive framework that can reliably quantify the consumer surplus for each of these distinct groups.

This would involve crafting methodological approaches that can segregate and measure these benefits without double-counting or overlapping, thereby providing a more nuanced and accurate view of volunteering's impact on community well-being.

The demand side of volunteering

The current study has made a substantial contribution to the field by examining the supply side of volunteering, focusing on volunteer participation and various motivational factors behind it. However, one of the significant gaps in this research domain is the lack of focus on the demand side of volunteering.

The demand side refers to the necessity or requirement for volunteer efforts within the community. The question asks, how many volunteers does our community actually need? For this, a whole range of sub-questions might emerge. For

example, are market methods of pricing the replacement cost of volunteers appropriate given the different competitive pressures in the scramble to secure reliable volunteer labour? Which services can and should be reasonably supplied by volunteers versus paid workers?

To fill this gap in the research, various methodological approaches can be considered. These might include community surveys among volunteer-involving organisations and governmental bodies, data analytics using machine learning algorithms, gap analysis, economic modelling, and in-depth case studies. Each of these methods offers a unique angle from which to understand and quantify volunteer demand, providing a more balanced and comprehensive view of community needs and opportunities for volunteer engagement.

By complementing the existing research on the supply side with a rigorous examination of the demand side, a more holistic understanding of the volunteering ecosystem is enabled. This balanced view is crucial for everyone involved, from volunteers and community organisations to policymakers, ensuring that community needs are met effectively, efficiently and equitably.



Glossary

ABS	Australian Bureau of Statistics
ASGS	Australian Statistical Geography Standard
CALD	Culturally and Linguistically Diverse
GDP	Gross Domestic Product
GSS	General Social Survey of households conducted by the Australian Bureau of Statistics
GVA	Gross Value Added
Net favourability score	A measurement that shows whether a group has a positive or negative view of something, taking into account both favourable and unfavourable opinions.
Percentage point	<p>A “percentage point” is a unit of measure used to describe the absolute difference between two percentages. It's not the same as "percent change," which is a relative measure.</p> <p>For example, let's say the percentage of people who are volunteering increased from 40% to 50%. The difference is 10 percentage points, because you subtract the starting percentage (40%) from the ending percentage (50%).</p> <p>However, if you were to describe this as a “percent change,” you would say that the percentage of people volunteering increased by 25%. This is calculated by taking the change (10%) and dividing it by the starting value (40%), then multiplying by 100 to get it in percentage terms.</p>
Public Survey	Survey of Australia and Australian residents
Quintile	<p>In statistics, a quintile is one of four points that divide a data set into five equal parts, or one of the five groups created by these points.</p> <p>Each quintile contains 20% of the total observations, allowing for easier comparison and analysis of data distribution.</p>
Statistical significance	A less than one-in-twenty chance that the result is random. It is safe to assume that a statistically significant finding can be generalised for the population the sample is drawn from. When a variable is described as a “statistically significant predictor” or “indicator”, this means that the variable in question can be generalised to the population it is drawn from as an impact on a given activity.
TURF analysis	Total Unduplicated Reach and Frequency analysis is a statistical technique used to determine how to include the most diverse options or items within a limited selection.
Vols	Volunteers
Volunteer	Someone who willingly gives time for the common good and without financial gain
Volunteer manager	Someone who manages, supervises, organises or coordinates volunteers. They can be paid in this role or a volunteer themselves.
Volunteer Manager Survey	Survey of Australia and Australian volunteer managers

Appendices

APPENDIX A: METHODOLOGY DETAIL

Data cleaning

Data cleaning is the process of preparing a sample for analysis by removing or excluding incorrect, incomplete, duplicated, or irrelevant data. This standard practice in the statistical sciences is necessary to improve the quality of the data so that the results of the analysis can be trusted.

The survey had built-in integrity checks to ensure the data was of high quality. It employed conditional logic to ensure only relevant questions were shown to respondents, answer options were randomised to reduce position bias, and where appropriate, numeric entry fields were capped with logical limits to prevent the inadvertent overstatement of value. Incomplete responses, as well as responses commenced before the survey officially opened (pilot and test responses), were further excluded from analysis.

As respondents to the survey were being paid for their participation, very strict qualification criteria were applied to their responses. Qualification criteria included:

- Year of birth could not be before 1923 – answers that met this criterion voided the whole response.
- If a person has 16 waking hours a day in a 30-day month, that is 480 hours. Therefore, the sum of hours and paid work and hours volunteered could not be greater than 450 per month – answers that met this criterion voided the whole response.
- A person was reclassified as a non-volunteer if the sum of their

reported volunteer hours was zero.

- If a person stated they volunteered for one or more organisations but reported zero hours, they were not considered to be a formal volunteer.
- A logical cap of 50 was applied to the sum of organisations a person volunteered for in one year.
- A logical cap of $\pm 50\%$ was applied to the productivity premium a person could nominate.
- Free-text responses to “Other” questions that were given in bad faith (for example, giving “Attack helicopter” as gender) – answers that met this criterion voided the whole response.

Careless responses to the expenditure questions in both surveys were also encountered. A response to the expenditure question was considered to be “careless” if it met any of the following criteria: entering the same number for each category of expenditure (for example, \$2000 for all), inputting a number that appeared to be randomly typed (for example, \$5643685), or providing a sequence of numbers that was highly improbable (for example, \$1, \$2, \$3, \$4, \$5).

Careless responses to the expenditure question voided the entire response. The assumption here was that if a respondent was careless on one question, there was a reasonable likelihood that they may not have been attentive or truthful in their other answers as well. This is a known risk when people are paid to complete surveys.

New variables

To facilitate analysis, several new variables were created from the sample data in its raw form. The

validity of the new variables was assured through confirmation of the new sample sizes and rigorous spot checks to assess data integrity.

Due to the small and potentially unreliable sample sizes of participants who identified as non-binary or First Nations, these groups were excluded from the statistical analysis. It is recommended that future research focuses on increasing the representation of these populations to allow for more comprehensive analysis.

- New continuous variables
 - Age this year (from Year of Birth)
 - Total volunteer hours (the sum of formal and informal volunteer hours)
 - Total expenditure (the sum of the individual expenditure categories in both surveys)
- New ordinal variables
 - Age by cohort (from Age this year)
 - Location (from Postcode)
 - Distance from home (from Place of Volunteering)
 - Organisational optimism and intent to manage or volunteer (excluding “Don’t know” responses)
- Categorical variables
 - Gender (male/female from the gender identity question)
 - Work for pay (yes/no from the hours of paid worked question)
 - Ethnic identity (Anglo-Australian/other from the ethnic identity question)
 - LGBTQIA+ (yes/no from the sexual orientation question)
 - Disability (yes/no from the disability status question)



- Carer (yes/no from the carer status question)
- Volunteer (yes/no from the volunteering participation question)

Location

Responses to the postcode question were reclassified by location as Major City, Inner Regional, Outer Regional, Remote, and Very Remote, in line with the Australian Statistical Geography Standard (ASGS) Remoteness Structure.

This involved joining three datasets sourced from the Australian Bureau of Statistics: Mesh Block codes mapped to postcodes, Mesh Block codes mapped to Statistical Areas Level 1 codes, and Statistical Areas Level 1 codes mapped to Remoteness Areas. When a conflict arose with a postcode covering multiple Remoteness Areas, it was designated as belonging to the smaller Remoteness Area.

Location was treated as an ordinal variable to the extent that each category from Major City to Very Remote was considered to be increasingly more distant from a major city, if not in terms of geography, but in terms of access to services. This is how Remoteness Areas are defined in the ASGS.

Volunteer retention

The Volunteer Manager Survey asked the following question.

How do you recognise, engage and retain volunteers?

Tick all that apply.

- Reimbursement of expenses
- Paid honorariums
- Internal awards (for example: certificates / letters of appreciation)
- External awards (for example: State Volunteer of the Year Awards, Australia Day honours)

- Rewards (for example: movie tickets, tokens of appreciation)
- Out of hours gatherings, events or celebrations
- Public ceremonies and events
- Status (for example: titles, rank, privileges)
- Accredited training (for example: Certificate II, Diploma)
- Other training (for example: short courses, workshops)
- Mentoring programs
- Media mentions (for example: website, socials, newsletters, press releases)
- Pre-agreed penalties or sanctions for non-participation (for example: loss of privileges or competition points)
- Formal performance reviews or references
- Personal connections and relationship building
- Flexible work arrangements
- Diverse and rewarding volunteer opportunities
- Dedicated volunteer management training and/or resources
- Induction and orientation programs
- Discounted or free meals, uniforms, insurance, accommodation and the like
- Another way
- We don't do anything to recognise, engage or retain volunteers

To better understand the data, these 20 options were consolidated into 10 categories and the “Do nothing” alternative. Free text “Another way” responses, which accounted for less than five percent of the data, were also recoded to fit within the new category list.

Here is the updated list of strategies related to the recognition, engagement, and retention of volunteers. It is presented in alphabetical order. This revised approach is recommended for future data collection.

- Awards and formal recognition
 - Internal awards (for example: certificates / letters of appreciation)
 - External awards (for example: State Volunteer of the Year Awards, Australia Day honours)
- Honour boards
- Employment and career pathways
 - Formal performance reviews
 - LinkedIn endorsements or letters of reference
 - Status (for example: titles, rank, privileges)
 - Progressive autonomy and empowerment
- Honorariums, gifts, discounts, and perks
 - Paid honorariums
 - Discounted or free resources (for example: meals, uniforms, insurance, accommodation)
 - Free merchandise or gifts (for example: t-shirts, gift cards, movie tickets)
 - Rewards (for example: movie tickets, tokens of appreciation)
- Personal relationship building
 - Birthday, Christmas and anniversary acknowledgement
 - Group chats, team meetings
 - Regular communication and thanks
 - Opportunities for feedback
- Pre-agreed penalties and sanctions
 - Loss of privileges or access to privileges



- Loss of competition points
- Severance (for example: ethical breaches, persistent no-shows)
- Public praise and acknowledgement
 - Media mentions (for example: website, socials, newsletters, press releases)
 - Public ceremonies and events
- Reimbursement of expenses
- Role flexibility and accessibility support
 - Diverse and rewarding volunteering opportunities
 - Flexible work arrangements
 - Inclusive workplace or role modifications
 - Volunteer accessible services (for example: childcare, transport, mental health)
- Social opportunities and events
 - Out of hours gatherings, events, or celebrations
 - Peer-enabled safe spaces
 - Cultural and inter-organisational exchanges
- Volunteer training and development
 - Accredited training (for example: Certificate II, Diploma)
 - Other training (for example: short courses, workshops)
 - Dedicated volunteer management training and/or resources
 - Induction and orientation programs
 - Mentoring programs
- We don't do anything to recognise, engage or retain volunteers

It is acknowledged that by not presenting this new list to

respondents, the intent of some respondents may be incompletely represented. It also means the findings are not directly comparable to previous State of Volunteering Reports. This issue will resolve in future studies should the new taxonomy be continued.

Data weighting

Data weighting is a statistical technique used to adjust the contribution of individual data points in a dataset. The method is widely applied in survey analysis and research to ensure that the sample accurately represents the target population. By assigning different weights to specific responses, biases or imbalances in the sample data can be corrected. This ensures that groups underrepresented in the sample have a proportional influence on the overall results, thereby enhancing the generalisability of the findings.

Public Survey

To ensure that the sum of our Public Survey samples accurately reflected the Australian population, weights were applied based on age and gender, household income, geographic location, and State of residence. Weights (w_i) for each category were calculated using the formula:

$$w_i = \frac{\text{Expected Percent}}{\text{Sample Percent}}$$

These weights were then applied to each participant based on their demographic characteristics. A combined weight was computed by multiplying the individual weights from each category:

$$\text{Combined Weight} = w_{\text{Age}} \times w_{\text{Gender}} \times w_{\text{Income}} \times w_{\text{Location}} \times w_{\text{State}}$$

While the actual sample size of the survey was 6,830, the weighting process resulted in an effective

sample size of 7,120. This is normal because weighting adjusts the data to better reflect the target population, sometimes increasing (or decreasing) the effective sample size to account for overrepresented or underrepresented groups.

Given the complexity involved in weighting 22 variables, we achieved a 'best fit' model rather than a perfectly representative one. The deviations of the weighted variables from their target values had a mean of -0.0011 (SD = 0.0230), with no variable deviating by more than 0.0644 (Gender - Female).

Volunteer Manager Survey

The Volunteer Manager Survey used a convenience sampling method, meaning the survey was distributed and promoted to the Volunteering Australia's first- and second-degree networks of volunteer managers and the organisations that engage them. It is acknowledged that these networks are extensive but not a complete reckoning of every paid and unpaid volunteer manager in the country.

Given the vast and diverse landscape of volunteering in Australia, the true demographic makeup of the population of volunteer managers remains unknown. Anecdotal evidence – supported by the survey returns – suggests a tendency for this group to skew older, female, and lower income, meaning it cannot be assumed that the population of volunteer managers mirrors the demographic makeup of the country. Yet, without a population baseline of volunteer managers to compare the sample to, there is also no reference point to weight the data against.

The large sample size somewhat reduces the risk of the sample being unrepresentative. While a large sample size does not completely eliminate the limitations



inherent in the sampling method, it does provide a more robust dataset that is less susceptible to extreme variances. In the absence of more reliable data, this sample is a useful starting point for analysing the experiences and perspectives of volunteer managers in Australia.

Statistical methods

The selection of the statistical tools used in this research depended on the nature of the data and the question being considered or the hypothesis being tested. Descriptive statistics provided an initial understanding of the data's distribution and central tendencies, cross-tabulations explored categorical data associations, linear and binary logistic regressions addressed relationships and predictions, and TURF analysis optimised choice options. These tools were chosen and strategically applied to extract meaningful insights that might support evidence-based decision-making.

Descriptive statistics including frequencies and means, were used to provide a summary overview of the data. Frequencies gave insight into the distribution of categorical variables, indicating the count of observations within each category. Means, on the other hand, were calculated for continuous variables, offering a measure of central tendency.

Cross-tabulations were used to explore relationships between two categorical variables. This tool allowed us to create contingency tables to visualise the distribution and association between variables. Pearson's chi-square test of significance was used to assess whether the differences between variables correlated.

Linear regression was employed to examine the relationship between a continuous or ordinal dependent variable and one or more

independent variables, with the assumption that the relationship was linear in nature. Independent variables that failed to meet the assumption of collinearity were rejected from each model.

Binary logistic regression was applied when the dependent variable was binary and categorical. It was used to model the probability of an event occurring, such as whether or not someone was a volunteer (yes/no). For the outcome of either regression to be reported in this study, the model itself had to meet our threshold of statistical significance ($p < 0.05$).

TURF (Total Unduplicated Reach and Frequency)

analysis was employed in situations where it was desirable to determine the optimal combination of options or features to maximise reach while minimising duplication. TURF analysis helped identify the most effective combinations that would reach the widest audience without unnecessary overlap.

Statistical significance

Descriptive statistics are numbers that summarise and describe the main features of a dataset. The three sections of this report use descriptive statistics to report on things like the percentage of the population who volunteer, the issues volunteer managers prioritise and the amount both groups spend on their volunteering/volunteers.

When comparisons are made across groups – for example, comparing the behaviours of volunteers and non-volunteers, or the experiences of paid versus unpaid volunteer managers – inferential tests of **statistical significance** are routinely applied.

Tests of statistical significance are used to find out if there is a significant relationship between

two variables. In simpler terms, it helps us understand if changes in one variable are related to changes in another.

For example, in this report it is important to know if whether or not a person volunteers is related to their age. To learn this, an appropriate test of statistical significance is applied to see if the distribution of volunteers and non-volunteers significantly differs according to respondents' self-reported year of birth.

If the test shows a significant result, it means that the variables in the sample are related, and this is unlikely to be due to random chance. If it is not significant, then any difference observed is probably just random and not indicative of a real relationship between the variables.

In this report, the threshold for statistical significance is set at less than five percent ($p < 0.05$). In simpler terms, this means that any relationship labelled as "significant" has less than a one-in-twenty chance of occurring randomly.

Another way to understand this is to imagine surveying a different group of 1,000 people from the same population 20 times. If a result is "significant," you would expect to see the same result at least 19 out of those 20 times. While it can't be known for sure if this particular sample is the one-in-twenty exception without running the survey 20 times, it is scientifically reasonable to conclude that the significant findings from this sample are likely to be true for the entire population.

Tests of statistical significance therefore help researchers decide if what is observed in the data is likely to hold true for the wider population, or if it is probably just a coincidence.



Keep in mind though that a non-significant finding may have meaning, especially if it rebuts an assumption. For example, one could jump to the conclusion that because the Volunteer Manager Survey responses show significantly more female-identifying volunteer managers than males, this means that women volunteer more than men.

The raw data in the Public Survey might support this assumption by revealing that one percent more women volunteer than men. However, as this result fails the test of statistical significance, it is not safe to draw the general conclusion that women volunteer more than men.

The tests of statistical significance applied in this study are done on the more statistically reliable national datasets and discussed in the Appendices. In the interests of making this report as accessible to as many readers as possible, the technical detail of each test run is not written up – the place for that will be in future academic publications.

Importantly, though, the significant results discussed in this report cannot fully explain all the factors that might impact a finding. For example, even though a person's age did significantly impact whether or not a person reported being a volunteer, a whole range of other factors not measured could also be important, including their health, religious and political beliefs, education, social status, and environment.

Please do not take from the findings that the factors reported on are the only variables of significant (or insignificant) influence.

Cost-benefit methodology

Volunteering makes significant contributions to society beyond

the hours spent in service. It is a source of social, cultural, and even economic capital that enriches Australian communities. Traditional methods of quantifying the value of volunteering often fall short because they primarily focus on how much it would cost to replace volunteers with minimum-wage staff. But this replacement cost method is limited; it fails to capture the wider societal impacts of volunteering, such as enhanced community cohesion or individual well-being.

Cost-benefit analysis, which has become the international standard for evaluating policy choices, offers a more comprehensive approach. Originating from private sector practices, cost-benefit analysis evaluates the overall advantages and disadvantages of an action, including its wider economic and social impacts.

For example, if a company is considering investing in new machinery, they would normally only look at the cost of the equipment versus the expected financial return. Cost-benefit analysis goes further by also considering the broader, social implications, like job creation or environmental impacts, which could affect the community. These considerations are important if the company expects community support or government subsidy for their investment.

In the context of volunteering, cost-benefit analysis considers more than just the price of a volunteer's time; it also evaluates the positive and negative impacts on the organisations they volunteer for and the community in which they live. This involves looking at the value of skills transferred, boosts in economic output, and even the social bonds formed, which are all benefits. On the flip side, it also considers the

direct and opportunity costs incurred by volunteers – what they could otherwise have achieved with their time and money spent volunteering.

In Section 3 of this report, which aims to estimate the value of volunteering in Australia, cost-benefit analysis measures volunteering's overall contribution to the country over a one-year period. This does not mean it compares the value of volunteering to something else directly; rather, it aims to provide a thorough understanding of its net impact in market terms.

For accuracy, this analysis must be rigorous. To that end, it integrates several well-established methodologies to determine the unique input costs and outcomes of volunteering – financial analysis to gauge the scale of volunteering, revealed and stated preferences to evaluate direct and opportunity costs, input-output analysis for economic impacts, econometric methods to quantify costs avoided by the community through volunteering, and hedonic pricing to estimate the well-being benefits returned to individual volunteers.

Importantly, a conservative position is adopted by tending in the presence of uncertainty to overestimate costs and underestimate benefits. The ultimate objective is to provide a comprehensive, reliable, and defensible estimate of the value created by volunteering in Australia, establishing an evidence base for investment and laying a platform for future research in this regard.

What follows is a theoretical explanation of the different costs and benefits measured in this report. A much simpler explanation of how these values were derived can be found in Appendix C.



Costs

Direct costs to volunteers

While volunteers are not paid, volunteering is not 'free', as volunteers incur costs to contribute and participate as volunteers. These costs can include transportation to and from the volunteering site, the purchase of special clothing or equipment, and even meals during their service hours.

If volunteers have to take time off work or access childcare to be able to volunteer, this represents a monetary cost. In some instances, volunteers may need to independently undergo specific training or certification, which may also come with associated fees.

Even if they are individually modest, these purchases can add up and create a financial burden on the volunteer. As noted in Section 1, one-in-seven volunteers in Australia reported these costs to be a barrier to volunteering more.

Direct costs to organisations

Organisations that rely on the efforts of volunteers have a similar cost burden. Administrative costs include the salaries of staff who manage volunteer programs that demand recruitment, retention, and supervision.⁸ Organisations may also need to spend money on background checks, insurance, and safe work practices to ensure the safety and well-being of volunteers.

Resources like office space, utilities, and supplies may also be necessary, as well as less visible costs such as system management software or tools that help keep track of volunteers, their schedules, and their contributions.

Each of these elements, and many more, represents a financial commitment from the organisation to facilitate volunteering.

Opportunity cost of volunteers' time

When volunteers dedicate their time to a cause, they forego other activities they could engage in. This is known as the opportunity cost of their time. This could include missing wages from paid employment, time that could be spent on educational advancement, or even leisure time with family and friends that contributes to their well-being.

The opportunity cost is real and should be acknowledged. For some, that cost may be minimal, but for others, particularly those who are already time-poor or financially constrained, the opportunity cost can be substantial.

When the volunteers in Section 1 said they had no more time to give, what they meant in economic terms was that they had reached the point where their other work and leisure activities were now more valuable to them than their volunteering.

Opportunity costs of diverted resources

Resources, whether financial or material, are finite. When organisations allocate resources to manage and facilitate volunteer programs, those resources are diverted from other potential uses. For example, an organisation may choose to invest in a volunteer program aimed at environmental clean-up, but the same funds could be used to support other social initiatives, like education or healthcare. Each choice comes with trade-offs, and the opportunity cost of the expenditure on volunteering prices the benefits that could have been gained from the next best alternative that was not chosen.

However, when it is said that money is "diverted" to volunteering, it is important to remember that this is often a positive form of economic redistribution. While this money could indeed have been used for other welfare-improving projects,

it is also true that volunteering often supports causes and fills gaps that are not otherwise funded or sufficiently addressed by other means.

Understanding these trade-offs is essential for organisations to make informed decisions that align with their mission and the greater social good.

Benefits

Commercial benefits relate to the tangible financial gains and economic value that arise directly and indirectly from volunteer activities. One of these benefits is the producers' surplus, which refers to the extra profit that local businesses earn from the sale of products and services that facilitate volunteering. This added income has a ripple effect on the local economy, promoting its growth and long-term sustainability.

There is also what is termed the productivity premium. This concept captures how volunteering benefits the workforce. The experience and skills gained by volunteers often translate into increased efficiency and value in their professional lives. The spillover of these skills enhances organisational productivity, creating a mutually beneficial situation for both employers and employees. Together, these commercial benefits amplify the overall positive economic impact of volunteering within the community.

Equation 1:

Productivity premium formula

Productivity Premium =

$$\sum_{i=1}^n (C_{L_i} \times P_{M_i} \times V_{N_i} \times H_{W_i})$$

Where:

- **Productivity Premium** is the total productivity premium for the

⁸These were all top-five issues reported by volunteer managers (Section 2).



population summed over all 10-year age cohorts.

- $\sum_{i=1}^n$ indicates the sum over n different 10 year age cohorts.
- CL_i is the replacement cost of labour for the i^{th} age cohort.
- PM_i is the productivity multiplier of labour for the i^{th} age cohort.
- VN_i is the number of volunteers also in paid employment of labour for the i^{th} age cohort.
- HW_i is the average hours worked per week for the i^{th} age cohort.

Civic benefits primarily accrue, in the economic sense, to the public purse. By extension, they continue through to society as a whole. First among these is the role volunteering plays in employment. The money spent on volunteer-related activities stimulates job creation in various sectors. This does more than just add value to the economy; it also helps the government save on welfare costs, reducing the financial burden it would otherwise have to shoulder.

Another source of civic benefit comes from the taxes levied on volunteer-motivated expenditure. The significant revenues government collects in this regard is returned to the community as essential public services like hospitals, schools, and road infrastructure, enhancing the overall quality of life for residents.

A further civic benefit enjoyed is the contribution of volunteers' labour. If this labour were to be replaced with paid employees, the resulting economic cost would be substantial. Since volunteers often fulfill roles that are not commercially viable, they save the government from incurring these expenses while maintaining current standards of living.

Individual benefits stand apart from commercial and civic benefits,

in that they are directly enjoyed by the volunteers themselves. The concept of 'well-being' serves as an umbrella term to capture the range of emotional, psychological, and even physical advantages that come from volunteering.

When individuals engage in altruistic activities, they often report higher levels of happiness, life satisfaction, and a sense of purpose. This enhanced well-being is not just a nebulous feeling; it can have real-world implications. For instance, increased happiness and lower stress levels can lead to better physical health, which in turn could result in fewer medical expenses and a longer, more fulfilling life.

Additionally, volunteering often provides opportunities for social interaction and skill-building, contributing to an individual's personal development and social connectivity. These benefits to the individual, while perhaps less tangible than commercial or civic gains, are nonetheless real and quantifiable.

The approach to pricing the surplus life satisfaction attributable to volunteering is based on the recent work of Daniel Fujiwara of the London School of Economics. Fujiwara's method centres on the relationship between the natural logarithm of income ($\ln[\text{income}]$) and life satisfaction. In his 2021 research, Fujiwara found that the coefficient for $\ln(\text{income})$ is 1.25 when life satisfaction is measured on a 1-7 scale.

**Equation 2:
Consumers' surplus of
volunteering**

Consumers' Surplus =

$$\left[\frac{f'(\ln(M))}{M} \right]^{-1} = \frac{M}{\beta_Y}$$

To translate that coefficient for $\ln(\text{income})$ to the 1-100 scale of the Public Survey, the original value of 1.25 is multiplied by $100/7$, yielding a converted coefficient, denoted as β_Y , of 17.86.

$$\beta_Y = \frac{100}{7} \times 1.25 = 17.86$$

Using this to calculate a consumer's surplus for 1-point of life satisfaction on the 1-100 scale, reference is made to the average annual earnings data for Australian residents, which in 2023 was \$1,549.97 per week (M).

Input-output modelling

The value of expenditure associated with volunteering in Australia can be understood in two contexts. First, the amounts spent by individuals, businesses and government on volunteering reveal a value that the community perceives in the activity. Second, expenditure on volunteering creates a change in final demand that has an economic impact on employment, output and gross domestic 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 increased demand for the products of other 'linked' industries.

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

Broadly speaking, input-output 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 their milk to a cheesemaker (part of the Manufacturing industry), who uses it as an ingredient. 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 volunteer-involving organisation, 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 input-output model: 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 demand. Induced effects 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 2020-21 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 domestic product (GDP).

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

**Equation 3:
Leontief multiplier**

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

LV_E = vector of volunteering expenditure

ΔO = change in total output

X = transaction table of intermediate demand

C = table of induced consumption demand

As previously noted, the producers of volunteering (the volunteers and the organisations that involve them) in Australia spent a combined amount of \$1.1 billion (direct costs) on volunteering-related expenditure in 2023. This figure represents final demand in four main industry categories:

- community services
- road transport
- retail trade, and
- accommodation and food services.

The expenditure on volunteering in Australia 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 GDP are proportional to changes in output following the constant return to scale assumption inherent in input-output models. A number of the assumptions that underpin the analysis are disclosed here:

- The motivating expenditure for the analysis is the estimated expenditure in 2023. Unless explicitly stated and adjusted for, all data is sourced from that period.
- Financial multipliers are calculated using Australia RIOM model. This model is derived from the ABS 2020-21 Australia Input-Output Table. Financial multipliers are assumed to be consistent between 2023 and 2020-21.
- Volunteering activities were fully realised within Australia in 2023. 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 Australia economy (the government sector is not closed).
- Where demand results in importation of goods or services from outside Australia (interstate or overseas), no further impact is assumed on the economy.

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

Table 20: Australian and New Zealand Standard Industrial Classification of industries by division

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

Figure 37: Indirect and induced impacts of volunteering expenditure on output and GDP by sector

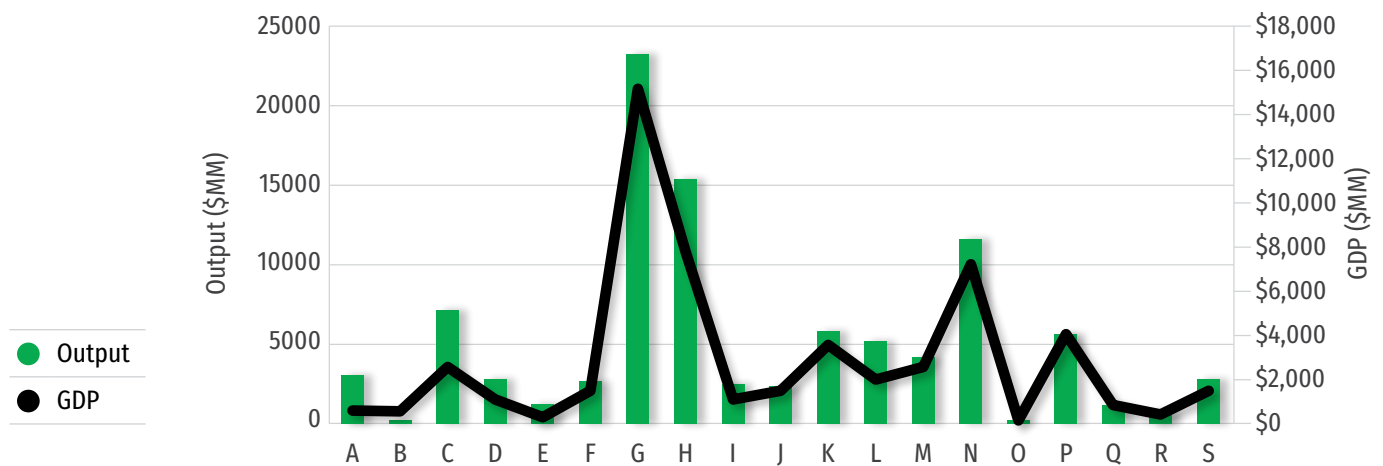
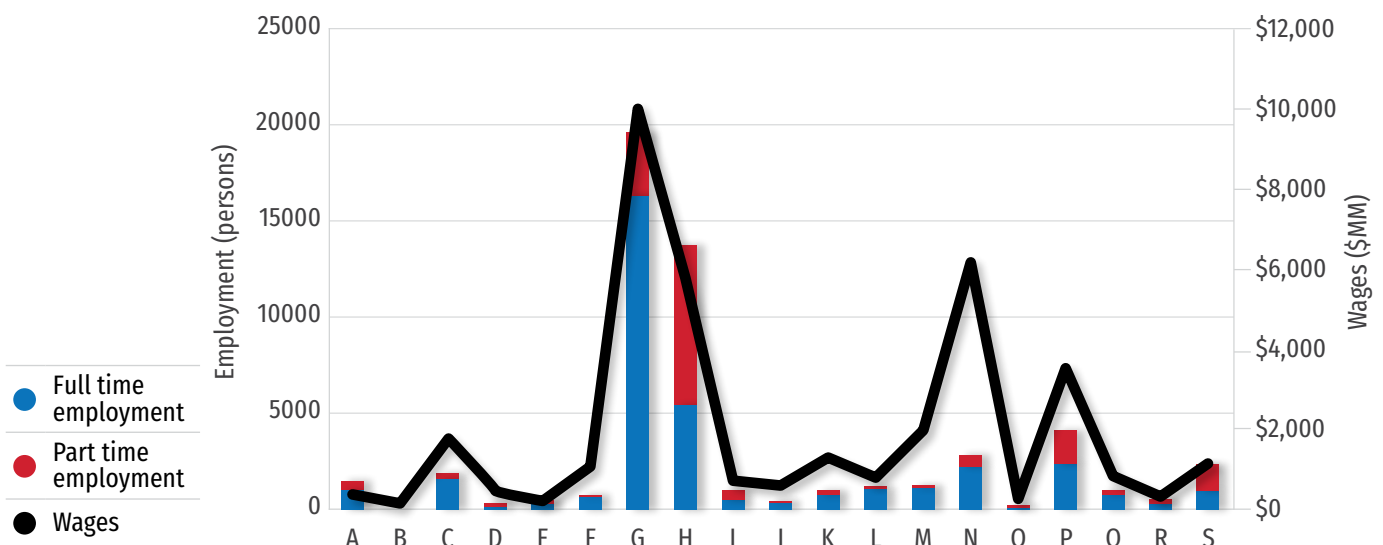


Figure 38: Indirect and induced impacts of volunteering expenditure on wages and employment by sector



APPENDIX B: ABS COMPARISON

The Australian Bureau of Statistics (ABS) measures volunteering in Australia in two ways.

The Census of Population and Housing (2006, 2011, 2016 and 2021) recorded people who spent time doing unpaid voluntary work through an organisation or group in the 12 months prior to census night, excluding work done:

- as part of paid employment
- if the main reason is to qualify for government benefit; obtain an educational qualification; or due to a community work order, or
- for a family business.

The examples given were voluntary work for sporting teams, youth groups, schools or religious organisations.

This is broadly aligned with the definition of formal volunteering used in the Public Survey, but excludes workplace volunteering (facilitated by employers) and volunteering aligned to an educational outcome, categories allowed for by the Volunteering Australia definition.

The 2021 census results found that 18.0% of residents of Australia volunteered, a large drop from the 2016 census (21.3%). That said, 2021 census was conducted during the covid-pandemic, when many parts of Australia were in lockdown and movements within, into and out of Australia were tightly controlled.

Regardless of the timing, the ABS recognises that this figure significantly underestimates the absolute rate of volunteering in Australia. To better understand the quantum of volunteering in the community, the ABS began including questions on volunteering in their General Social Survey (GSS) in 2002. The GSS captures data on

the social characteristics, well-being, and social experiences of people in Australia in greater detail than the Census.

Following extensive community consultation, the ABS updated its definition of volunteering in the 2019 GSS from, *'The provision of unpaid help willingly undertaken in the form of time, service or skills, to an organisation or group, excluding work done overseas'*, to better align with Volunteering Australia's 2015 definition, *'Volunteering is time willingly given for the common good and without financial gain.'* With this in mind, the ABS also redesigned the GSS to distinguish informal volunteering, while maintaining the longitudinal integrity of the extant questions on formal volunteering.

Also conducted during the covid pandemic, the most recent iteration of the GSS in 2020 collected data from approximately 5,304 Australian households but excluded people who live in very remote parts of Australia.

The 2020 GSS found the following for Australia residents:

- 30.2% of residents of Australia aged 15 years and over, participated in unpaid voluntary work through an organisation in 2020 (formal volunteering).
- 32.9% of Australia residents aged 15 years and over participated in informal volunteering in the four weeks prior to the survey.

These findings are notably higher than the Census results, but still well short of the 35.6% of formal volunteers, 49.5% of informal volunteers, and 64.3% of Australia residents aged 15 years and over total volunteers revealed in this report.

The ABS is careful to clarify that their GSS figures are not summable, as no effort has been made to

allow for double counting (people who reported volunteering both informally and informally). The ABS also notes that it is unknown if the volunteering figures can be safely extrapolated to estimate an annual rate of informal volunteering or if the data can be reliably compared to previous periods.

So how might the differences in findings between the Census, GSS and Public Survey used in this report be explained?

The State of Volunteering in Queensland Report of 2020 was used to test the quality of the Public Survey methodology. In that study, the same group of respondents were randomly presented one of two distinct questions about whether or not they volunteered.

Half the survey respondents were asked the GSS questions on volunteering participation exactly as they appeared in the GSS. The second group were presented with a detailed definition of volunteering and a series of volunteering options to choose from, as per the question presented at the top of Section 1 in this report.

A detailed discussion of the method and findings can be read in the State of Volunteering in Queensland Report of 2020. However, as with this report, the research revealed significantly higher rates of volunteering participation using the Public Survey questions over the GSS questions.

Those results were consistent with the findings of the 2019 State of Volunteering Report in Australia, in which a representative online panel was used to survey 403 respondents over a two-week period in April 2019; followed by a second set of 315 telephone interviews undertaken in May 2019. In that study, there were no statistically significant differences in the

⁹ Informal volunteering is defined by the ABS as the provision of unpaid work/support to non-household members, excluding that provided only to family members living outside the household.



responses between the two cohorts when comparing participation rates in volunteering or the number of hours volunteered per month.

Five other State of Volunteering Reports using the Public Survey method were conducted in New South Wales, Victoria, Western Australia, and Tasmania between 2013 and 2021. All returned consistently higher rates of volunteering participation than the Census and GSS collections over the same period.

Besides the differences in the questions asked and context provided to survey respondents, there are other material differences between the Census, GSS and the Public Survey that may further explain the differences in the reported rates of volunteering participation.

- The length of the survey instruments.
 - According to the ABS, the census takes an average of 30 minutes to complete, and the GSS takes 90 minutes to complete. The average time to complete the Public Survey in 2023 was under eight minutes (nationally).
 - Respondents may become disinterested or fatigued when faced with a lengthy survey. This can lead to lower response rates and less accurate or thoughtful responses as participants rush through questions to complete the survey quickly.
- The framing of the survey instruments.
 - The Census and GSS are broad surveys covering a wide range of topics, whereas the Public Survey is specific to volunteering.
 - When a survey covers a wide range of unrelated topics or

frequently switches from one theme to another, respondents can experience cognitive overload. They may find it challenging to stay focused and provide well-thought-out responses. This can result in more errors and less reliable data.

- The relative positioning of volunteering questions in the Census and GSS survey instruments.
 - Census question 51 of 66 and GSS section 7.9 of 16 are about volunteering.
 - The later a question is asked, the more likely it is that the risk factors mentioned above will impact the quality of response data.

It is hypothesised that these factors are as significant as the differences in the questions themselves in explaining why the Public Survey methodology reveals a rate of volunteering participation that is much higher than what has been reported by the ABS.

This study's relative focus, coupled with its established test-retest reliability, instils a high degree of confidence in the accuracy of the findings presented in this report, complementing the existing work of the ABS.



APPENDIX C: ECONOMIC ANALYSIS IN PLAIN ENGLISH

The costs and benefits of volunteering to Australia, 2023

Costs (\$ billion)		
<i>Direct costs</i>		<i>Sub-totals Totals</i>
Volunteer expenses	\$44.5	
Volunteer-involving organisation expenses	\$8.4	
		\$53.0
<i>Opportunity costs</i>		9.8%
Volunteers' time	\$57.4	9.0%
Volunteering investments	\$2.3	
		\$59.7
		\$112.6
Benefits (\$ billion)		
<i>Commercial benefits</i>		
Producers' surplus	\$10.0	
Productivity premium	\$92.7	
		\$102.7
<i>Civic benefits</i>		
Employment	\$38.0	
Taxes	\$14.8	
Volunteers' labour	\$138.4	
<i>Individual benefits</i>		
Volunteers' dividend		\$271.8
		\$565.6
<i>Social return on investment</i>		\$453.0
Benefit: cost ratio	5.0 : 1	

Direct costs

Cash investments in volunteering.

Volunteer expenses

Cash investments made by volunteers in their volunteering activity.

For example: Sara is a volunteer wildlife carer. Above and beyond the time she donates, she purchases specialty training as well as foods, medicines and habitats for her injured charges. In 2023, she built a semi-permanent Stage 2 refuge in her backyard for animals on the path to release.

Volunteer-involving organisation expenses

Cash investments made by volunteering-involving organisations in support of their volunteers.

For example: The Care Club is a medium-sized volunteer-involving organisation supporting 250 volunteers. In addition to purchasing uniforms, tools and equipment for their volunteers, they employ and resource dedicated personnel to recruit, roster and professionally develop their volunteer team.

Note: *This figure includes investments made by government in volunteering as either volunteer-involving organisations themselves, or as donors to community-based volunteer-involving organisations.*

Opportunity costs

In choosing to invest time or money in volunteering, an individual or volunteer-involving organisation misses out on the opportunity to spend that money on something else.

The benefit that they would have received from the 'next best' use of their money is – in economic terms – an opportunity cost.

Volunteers' time

It is assumed that the next best use of a volunteer's time is paid work. The benefit they forgo by volunteering for one hour is the money they would receive in their hand for one hour's work.

For example: Suraiya volunteers two hours per week toward an adult literacy program at her local library. As she is otherwise employed part-time, the opportunity cost of her volunteering would be her equivalent take-home pay for two hours work per week.

Note: *If Suraiya was unemployed, there would be no opportunity cost to her time using our method.*

Volunteering investments

It is assumed that the next best – and safest – use of the money spent by volunteers and volunteer-involving organisations on volunteering (direct costs) would be to invest in Australian government-backed 10-year bonds.

For example: Callum spends \$500 of his own money each year doing small jobs for his elderly neighbours. If he chose instead to invest that money in 10-year bonds, he would make \$4.50 profit. The opportunity to make \$4.50 has therefore been lost to him by his choice to volunteer.

Note: *We can assume from this that Callum receives personal benefit from his volunteering that is at least equal to \$4.50.*

Commercial benefits

Benefits to employers and industry as a result of volunteering and its investments.

Producers' surplus

The money invested in volunteering (direct costs) is spent with producers and suppliers all around the country. The profit

made on these transactions by the producers and suppliers is known as the producers' surplus.

For example: Jabiri purchases a uniform to referee junior football games on the weekend. The profit made by the uniform retailer is a direct benefit to the country, as the producer will now re-spend it in the economy.

Note: *The intermediate profits made within the supply chain, and those that occur outside Australia, are not counted here as benefits.*

Productivity premium

The productivity premium is the self-reported extent to which a person's volunteering impacts (positively or negatively) their 'day job'.

Revealed here as a net benefit, it is enjoyed by employers, as they do not have to pay for the knowledge, skills and experience their employees gain through volunteering.

For example: Amy volunteers as an assistant director with a community theatre group. In that role she acquires and hones a range of organisational and leadership skills that are relevant and transferable to her paid employment as a project coordinator with a construction company.

Note: *The productivity premium enjoyed by the beneficial recipients of acts of volunteering (for example, Amy's theatre troupe) are not counted in this study. As such, our productivity premium is likely to be a significant underestimate.*

Civic benefits

Benefits enjoyed by the community as a result of volunteering and its investments.

Employment

Producers that supply goods



and services to volunteers and volunteer-involving organisations necessarily employ people to fulfil this demand. Employment here refers to the jobs created by the investments in volunteering.

For example: The retailer that sells Jabiri his uniform to referee weekend football matches allocates a percentage of each sale to her labour costs. As she and others sell more and more uniforms, this adds up to real part- and full-time equivalent jobs in the economy.

Note: Another way to look at this employment is as an equivalent welfare cost avoided by government.

Taxes

Producers that supply goods and services to volunteers and volunteer-involving organisations necessarily pay taxes on those sales. Taxes here refer to the sum of local, state and federal taxes they incur.

For example: The retailer that sells Jabiri his uniform to referee weekend football matches pays a direct and indirect percentage of each sale to the government in the form of taxes.

Note: The government redistributes these taxes to deliver benefits to the whole community through, for example, hospitals, roads and schools.

Volunteer labour

This is what it would take to replace the labour of all of Australia's volunteers at a fair market rate. As a saving enjoyed by volunteer-involving organisations, government and the community, it is expressed here as a benefit.

For example: Taylor normally earns a gross wage of \$40/hour. With superannuation and other payroll

expenses, this actually costs their employer an equivalent of \$46/hour.

When Taylor donates their time as a volunteer to the Red Cross, this is what their time should truly be valued at (noting that this is not the only benefit realised).

Note: The variable effect of age on labour cost is allowed for in this study.

Individual benefits

The benefits returned to individual volunteers.

Volunteers' dividend

The sum of less tangible benefits enjoyed by volunteers above and beyond (in direct and opportunity costs) what they paid to participate.

For example: It costs JC 5 hours and \$15 in transport costs to volunteer each week at a local hospice. It's worth so much more to him than that – three times as more, in fact!

Note: This figure does not include an estimate of the value gained by the hospice patients JC volunteered for, nor the value placed on JCs time by the patient's families or others in the community.

Value of volunteering

Benefits. The value created by volunteering in Australia in 2023 is estimated to be \$565.6 billion.

Social return on investment

Benefits less costs. Volunteering's social return is estimated here to be \$453.0 billion.

Benefit-cost ratio

Benefits divided by costs. Using this method, we can see what each dollar of investment (cost) enables in the community; in this case, \$5.00 in benefits.



Contact details

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