



# New South Wales State of Volunteering

REPORT



# Executive Summary

Volunteers contributed over 1.5 billion hours, an average of 5.6 hours per week

1.5BN  
HOURS

**In 2020, nearly 4.9 million residents of New South Wales over 18 years of age<sup>1</sup> gave time as a volunteer.**

This included people who volunteered formally with organisations and those who did not have an affiliation with an organisation but contributed informally to their communities. Volunteers contributed over 1.5 billion hours in 2020, with individuals volunteering for an average of 5.6 hours every week.

It was shown in this study that volunteers are a frontline workforce, delivering services to communities in a wide variety of contexts in not-for-profit organisations (2.6 million volunteers in 2020), in private sector organisations (0.7 million volunteers in 2020), and for governments (0.6 million volunteers in 2020), as well as undertaking informal volunteering.

Approximately 4.4 million NSW residents also gave of their time 'informally' to other, non-household or non-family members in 2020, through acts such as domestic work, transport and child-care.

As phenomenal as this contribution is, it is costing New South Wales volunteers on average over \$1,900 a year to volunteer. On average, only 20.2% of volunteers are reimbursed approximately 38.7% of their out-of-pocket expenses. This means on top of their valuable time and skills, volunteers themselves are donating approximately \$5.56 per hour to volunteer.

To demonstrate the scale of the volunteering sector, we compared the cost to replace voluntary work in New South Wales with the total compensation of employees in the government and private sectors. The volunteering sector is nearly four-times larger than the New South Wales Government (public) sector workforce and almost exactly the same size as the private sector.

Ultimately, across the 12 months of 2020, the value of volunteering to New South Wales was approximately **\$127 billion**. This is the sum of commercial benefits worth \$53.1 billion and civic benefits valued at \$74.1 billion. This figure includes the \$64.8 billion it would cost to replace the labour that volunteers contribute to New South Wales and represents a net return of approximately \$3.30 on every dollar invested by all stakeholders.

Therefore, because the external benefits of volunteering exceed the social costs, the outcome is not inefficient, and there is a substantial social, cultural and economic 'profit' in volunteering. Indeed, the net (or social) return on investment – the difference between benefits and costs – is estimated here to be \$89.0 billion.

<sup>1</sup> There were 6.4 million adult residents of New South Wales as of June 2020.

# The COSTS and BENEFITS

## of volunteering to New South Wales<sup>2</sup>

### Costs (\$ Million)

	Sub-totals	Totals
<b>Direct costs</b>		
Volunteer expenses 8,598.5		
Volunteer-involving organisation expenses 1,970.7		
	10,569.2	
<b>Opportunity costs</b>		
Volunteers' time 27,562.8		
Volunteering investments 95.1		
	27,657.9	38,227.2

### Benefits (\$ Million)

#### Commercial benefits

Producers' surplus 2,109.1		
Productivity premium 51,015.1		
	53,124.2	

#### Civic benefits

Employment 6,687.4		
Taxes 2,648.3		
Volunteers' labour 64,791.1		
	74,126.8	127,251.0

**Social return on investment 89,023.8**

Benefit: cost ratio 3.3 : 1

<sup>2</sup> See Appendix C for a plain English summary / explainer of these numbers.

# KEY Findings

Compared with 2019, more people volunteered for more hours in 2020.



NSW volunteers donated

**1.5BN**  
HOURS  
IN 2020



AN AVERAGE OF  
**25** HOURS/MONTH  
**5.8** HOURS/WEEK

**\$127 BILLION**

THE VALUE OF VOLUNTEERING TO NSW

The cost benefit ratio for volunteering in NSW in 2020 was 3.3:1  
For every dollar invested, approximately \$3.30 is returned.

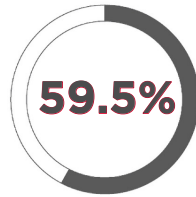
**FORMAL**



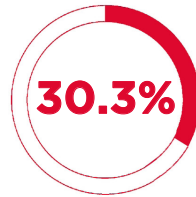
Volunteered exclusively in formal settings\*

\*volunteer-involving organisations (not-for-profit, government and private organisations)

**INFORMAL**



Volunteered both formally and informally



Volunteered exclusively in informal contexts



**47.5%**

Almost half of volunteering occurs on the ground in local communities

Volunteers indicated that they are **twice as likely** to volunteer more over the next three years than less likely; one-in-three (36.8%) are uncertain as to their future volunteering intentions.



**33.4%**

One-third of volunteering is undertaken from home or online



Over **four in every five** volunteer-involving organisations (82.4%) relied on volunteers aged over 65 years old, and nearly half included skilled professionals among the ranks of their volunteers.



the centre for  
volunteering

# 49.6%

of VIOs counted **skilled professionals** among their ranks of volunteers



# 35.9%

1 IN 3 ORGANISATIONS  
**REIMBURSE**  
VOLUNTEERS' EXPENSES

**Financial viability/sustainability** and **governance** were the main organisational-related issues reported; and **access to funding, grants and sponsorship**, as well as **risk, insurance** and **legal issues** were the top reported external threats.

# 69.1%

**OF ORGANISATIONS  
PREDICT THEY WILL  
HAVE THE SAME OR  
MORE VOLUNTEERS  
IN THREE YEARS' TIME**

The **main issues** for volunteer-involving organisations relating to volunteers were **health and safety**, and **volunteer retention**.

## RECRUITING VOLUNTEERS

- 90.3%** Personally approaching participants, members and their networks via word of mouth
- 57.9%** Social Media
- 49.1%** Website
- 35%** Open days and events

## MOTIVATING & RETAINING VOLUNTEERS

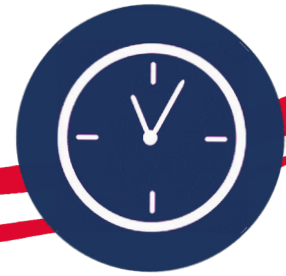
- 69.3%** Personal connections and relationship building
- 46%** Out-of-hours gatherings, events and celebrations
- 42.9%** Awards (for example, certificates and letters of appreciation)
- 41.3%** Induction and orientation programs

## PRIORITY AREAS OF SUPPORT VIO'S IDENTIFIED

- 35.2%** Volunteer Management
- 13.9%** Access to funding, grants or sponsorship
- 10.7%** Volunteer Recruitment
- 9.6%** Volunteer appreciation & recognition inside our organisation

# YOUTH

## Volunteering



# 3X

Nearly three times as many youth expected to be volunteering more in three years' time, but nearly one-in-five could not state with certainty what their volunteering would look like.

Youth aged 18-24 spent

# 40.7 HOURS

PER MONTH VOLUNTEERING

**YOUTH MADE UP A SIGNIFICANT PROPORTION OF THE VOLUNTEER POPULATION, WITH 41.8% OF VOLUNTEER-INVOLVING ORGANISATIONS UTILISING PERSONS AGED 18-24 AND 24.3% ENGAGING VOLUNTEERS UNDER THE AGE OF 18.**

# 87.6%

Youth aged 18-24 reported the highest rates of volunteering participation and volume. Excluding volunteering for an individual as a category of service, youth reported volunteering in an average of 3.1 different categories of service, versus 2.0 categories for adults 25 and older.

Youth fulfilled a diverse range of roles in these organisations, including (but not limited to):



**FUNDRAISING AND EVENTS, FOOD PREPARATION AND SERVICE, SPORT AND PHYSICAL ACTIVITY, MARKETING, MEDIA AND COMMUNICATIONS, ADMINISTRATION AND OFFICE MANAGEMENT, EDUCATION AND TRAINING, COMPANIONSHIP AND SOCIAL SUPPORT**

# 1.4 ROLES

Youth volunteers reported that they were typically utilised in only 1.4 roles within volunteer-involving organisations.

COMPARED WITH ADULT VOLUNTEERS

# YOUTH PREFER...



Helping out in the community **+17.9**  
Teaching, coaching or practical advice **+14.4**



Transport or running errands **-15**  
Personal care / assistance **-11**



# Message from the Minister

Volunteering has always been a big part of my life.

My parents were avid volunteers – from P&C committees to the school canteen – they were always willing to give a helping hand. Basketball gave me the same opportunity to give back. I've spent many years coaching and managing junior basketball teams.

The one thing my experiences volunteering have taught me, is that for every person you help, you gain an enormous amount back.

The Centre for Volunteering's State of Volunteering Report provides an overview of the contribution people are making across NSW.

The last 18 months have tested the character and resolve of our great state, but volunteers responded. Last year, almost 4.9 million people gave some of their time to volunteer efforts. These are everyday people, putting their community above themselves, contributing more than 1.5 billion hours cumulatively.

Last year we launched the first 10-year NSW Volunteering Strategy. At the heart of it is how we engage with volunteers and organisations about the issues that affect them and find solutions to the challenges they face. The NSW Government will continue working hard to promote volunteering and to support volunteers and the organisations that rely on them with this strategy as our blueprint.

Finally, I would like to say a big thank you to all the people who have given a little or a lot of their time.

Your work is the glue that keeps our community together and it is greatly appreciated by all of us.

The Hon Alister Henskens SC MP  
Minister for Families, Communities and Disability Services



# Foreword

from The Centre For  
Volunteering New South Wales

People volunteer for many reasons, to help others and to make a positive difference in their communities, and there are manifest benefits for those who participate in community life through volunteering.

The *Report on the State of Volunteering in NSW* makes an important contribution to our understanding of volunteering with insights that may be surprising, even for those who are deeply immersed in volunteering and its management. The findings indicate that we may not have fully appreciated the scale of the volunteering effort across our state. Very significant numbers of people volunteer their time and expertise, and the range of activities in which they are involved is extensive, touching many aspects of community life. The monetarised value of this volunteering effort is a staggering figure, well in excess of what most people would estimate.

In addition to its contribution to our economy, volunteering impacts positively on the quality of community life, connecting people and through that, helping to build individual and community resilience and social inclusion. These qualities are invaluable when people and communities are marginalised, under stress or in crisis as very many have been in recent times.

We are indebted to the many hundreds of individuals and organisations who provided the data for this report and others who contributed their advice and expertise. We thank them all very much for their support of the project. The State of Volunteering Report is a product of great collaboration between The Centre for Volunteering and its committed staff team, The Institute of Project Management, with its deep research and project management expertise and the NSW Department of Communities and Justice which brought expertise and commitment to the table, as well as funding the project.

The Report will be of great interest and value to people who volunteer and to the large and small organisations that support them. It should inform future public policy and will contribute a NSW perspective to the national picture of volunteering that is emerging as the peak bodies in some other jurisdictions complete their own research.

Above all, this report confirms what we do already know. Volunteers are amazing people and what they give through volunteering makes a huge and positive difference to individuals in almost all aspects of community life. The Centre for Volunteering will draw on this report as it continues and extends its advocacy and capacity building work to amplify even further the value of volunteering in NSW.

Helen Freeland  
Board Chair





## Message from the CEO

I am pleased to commend to the sector the inaugural report on the State of Volunteering in NSW. This is a landmark piece of research for the volunteering sector, the NSW community and for all who believe in the value and power of volunteering. The report provides a comprehensive and enlightening evidence base upon which we can build a better understanding of the value of volunteering, its status in the community, the benefits of volunteering to NSW, the needs, motivations and challenges for volunteers, and the true cost of volunteering for our state.

The findings of the report are significant and reinforce the fact that volunteering is irreplaceable, that it delivers substantial return on investment, and that volunteering is a vital ingredient for strong, connected, resilient communities. The benefits of volunteering are reciprocal and multilayered – for individuals and groups receiving services from volunteers, for communities, for government, for volunteer-involving organisations and for volunteers themselves.

Volunteering is time willingly given, for the common good and without financial gain and, in NSW, is undertaken for a variety of reasons: wanting to make a difference; addressing a need; passion for a cause; for social connection and fun; for career and employment pathways; for improving health and wellbeing. Volunteering is a powerful human movement that brings myriad direct and indirect positive social and economic benefits.

This research is a powerful reminder of how critical the volunteer workforce is and how important it is for government, business and the broader community to value, engage with and invest in our sector.

Many factors have contributed to the changing landscape of volunteering:

1. Rapid Technical innovation in this digital age has seen the rise of the virtual volunteer, online volunteer matching databases, training via webinars and moodles, and Zoom just to name a few. To ensure we can sustain and even increase the volunteer workforce, we need to identify innovative means of volunteer engagement.

2. The way we view volunteers and the structure of volunteer roles has changed. There has been a move away from structured traditional volunteering roles to more flexible and inclusive roles.

3. Motivations to volunteer have shifted: Today more than ever, volunteering is key to social inclusion and we need to consider untapped talent pools and look at all possible ways to engage this market by providing opportunities for all people who wish to volunteer to help others and engage in their local communities.

4. This diverse volunteer pool demands new ways of thinking and planning for volunteer engagement that fosters social, economic and digital inclusion for volunteers and communities alike.

All these factors are challenging the way the sector operates, requiring us to look at alternative means to achieve the same ends and support our volunteers, client bases and achieve our respective organisations' missions.

Today, in such a challenging climate we can only be agile, accept our circumstances, learn from our experiences and lead change. The State of Volunteering Report provides the evidence we need to support volunteering into the future.

We thank the many individuals and organisations who have contributed to this report as members of the reference group, as researchers and advisors, and who have provided valuable survey information. Together you have played an important role in bringing this research to fruition.

Thank you especially to the NSW Government and the Department of Communities and Justice for enabling The Centre for Volunteering to undertake this research. Being equipped with data and empirical evidence from which the value and impact of volunteering can be evaluated and celebrated, ensures we can work together effectively to shape a strong future for volunteering in NSW.

Gemma Rygate  
Chief Executive Officer

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The Centre for Volunteering acknowledges the Gadigal People of the Eora Nation as the traditional owners of the land on which our office stands. We recognise the importance of their connection to place and community on these lands and pay our respects to Elders past, present and emerging.

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

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The principal authors are Paul Muller and Dr Claire Ellis, with statistical analysis by Elsa Xu.

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The analysis and opinions in this report are the views of its authors and third parties. Publication of this document by The Centre for Volunteering, NSW does not necessarily reflect the views of The Centre for Volunteering, NSW.

Nevertheless, it has been written with significant contributions from:

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The authors would also like to thank the many people and organisations who gave their time directly, via the surveys, or during the consultation process.

# ABBREVIATIONS USED IN THIS REPORT

ABS	Australian Bureau of Statistics	NSW	New South Wales
CALD	Culturally & Linguistically Diverse	RIOM	Regional Input–Output Matrix
GSP	Gross State Product	SOVR	State of Volunteering Report

This report and related collateral can be found at: [www.volunteering.com.au/SOVR](http://www.volunteering.com.au/SOVR)  
To obtain a copy of the surveys used for data collation for this report email [info@volunteering.com.au](mailto:info@volunteering.com.au)



# INTRODUCTION

This report was commissioned by The Centre for Volunteering, NSW to quantify the economic, social and cultural value of volunteering to the state.

In this report we consider the characteristics of volunteers, volunteering and volunteer-involving organisations, and we apply the cost-benefit methodology to quantify the social, cultural and economic value of volunteering in New South Wales. We finally relate the findings of this report to previous work on volunteering undertaken by the Australian Bureau of Statistics (Appendix B) and recommend directions for future research.

The period of data collection also means that we are uniquely able to compare volunteering before and during the state-wide COVID-19 restrictions (2019 and 2020).

This report's findings are numerous and have the potential to significantly influence the strategic direction of New South Wales's volunteering sector by providing:

- quantification of the social, economic and cultural contribution that volunteering makes to New South Wales volunteers, businesses, all levels of government and the broader community
- robust social and economic information and advice to assist stake holders in making strategic decisions about future resource allocation
- benchmarking of the outcomes of volunteering in New South Wales against which to measure future performance and the impact of any strategic changes
- comparative data on the outcomes of volunteering in New South Wales, the impact of a crisis and the barriers to participation, and
- evidence-based data for informed decision-making by The Centre for Volunteering, NSW, government, volunteer-involving organisations and other key stakeholders.

**The principal finding is that because the external benefits of volunteering exceed the social costs, the outcome is not inefficient, and that the volunteering of many yields a substantial social, cultural and economic 'profit' that is enjoyed by all.**



# METHODOLOGY

The methodology used in this report has evolved from that originally applied in estimating the economic, social and cultural value of volunteering in Tasmania in 2014, in Western Australia in 2015, again in Tasmania in 2019, in Victoria in 2020 and in Queensland in 2021. Iterations of the method have also been successfully applied to economy-wide valuations of public-private goods such as sport and physical recreation, live music, the Arts, and major events.

Volunteering is defined here as **'time willingly given for the common good and without financial gain'**. This definition was developed by Volunteering Australia in 2015 and adopted by all states and territories.

This definition includes formal volunteering that takes place within organisations (including institutions and agencies) in a structured way, and informal volunteering, acts that take place outside the context of a formal organisation. While the vast majority of volunteering is undertaken by individuals, entities also donate employee time, and this is included within this definition of volunteering.<sup>3</sup>

A volunteer-involving organisation is also defined here as **any group of people formally convened for a particular purpose that recruits, inducts and supports volunteers in the achievement of that purpose.**

This definition is intentionally inclusive of community-based, not-for-profit, government and commercial organisations.

The report is divided into four sections, each looking at volunteering in New South Wales from the perspective of a different set of stakeholders.

## SECTION 1: The characteristics of volunteering in New South Wales

Section 1 describes volunteering as it occurred in New South Wales in both 2019 and 2020 from the self-reported perspective of volunteers.

To better understand this, a survey was sent to a random sample (n=1,168) of New South Wales residents aged 18 years and over, drawn from several online panels across February - April 2021. The survey asked a range of questions on individuals' volunteering participation (both formal and informal),<sup>4</sup> expenditure, motivations, barriers, impacts on employment, and future intentions. A number of the responses were also used in the cost-benefit analysis of Section 3.

For many questions, respondents were also asked to comment on their volunteering separately for 2019 and 2020 to allow analysis of the impact of COVID-19 and associated restrictions on people's volunteering behaviours.

The survey used quotas to ensure a broad and generally representative sample across gender, age, household income and location. To reflect the population distribution, results were post-weighted to Australian Bureau of Statistics (ABS) data on New South Wales age, gender, location (major cities v regional/rural/remote) and household income quintiles.

Following the application of post-stratification weights, chi-square goodness of fit tests revealed non-significant differences for both gender and age brackets, suggesting that the weighted sample distribution was not significantly different to the New South Wales population. In other words, the data relied on in this study accurately reflects the state of volunteering in New South Wales.

<sup>3</sup> Volunteering Australia, 2015, Volunteering Australia Project: The Review of the Definition of Volunteering

<sup>4</sup> See also Appendix B.



## SECTION 2: The profile of volunteer-involving organisations

Section 2 describes the experiences and perspectives of volunteer-involving organisations with an active presence in New South Wales.

To that end, the Institute of Project Management supported the Centre for Volunteering, NSW to field an online survey of state-based volunteer-involving organisations across February – March 2021. This was a convenience sample, which means there was no randomisation or stratification of sampling. The survey was distributed widely through several channels, and the respondents self-selected by answering the survey.

Questions asked of volunteer-involving organisations included reflections on their structure, the demography of their volunteer workforce, recruitment and retention methods, volunteer management expenses, emerging and current issues, and forecasts for growth. Data on expenditure was also used as an input to the cost-benefit analysis of Section 4.

There were 1,068 valid responses received from volunteer-involving organisations in the survey period, including 814 who provided financial data. Respondents came from all parts of the State, a variety of sectors and participating organisations involved anywhere between one and 9,149 volunteers. A reasonable cross-section of responses was received, and in the absence of more reliable sources, a number of population-level inferences are drawn from the data in this report. That said, where a conflict was observed between the findings of this and the population survey used in Section 1, the population survey data was preferred.

## SECTION 3: Youth volunteering

Section 3 considers youth – persons aged 12 to 24 – as a distinct subset of volunteers. From the population survey, we were able to extract a cohort of youth volunteers aged 18 to 24 (n=76) and combine them with another direct, convenience sample of New South Wales youth volunteers aged 12 to 24 (n=404) to create a new sample of 480 youth volunteers.

The results that follow contrast their responses with those of New South Wales residents aged 25 and over ('others'). To reflect the population distribution, the youth results were post-weighted to ABS data on New South Wales gender and location, with the 'other' sample post-weighted for age, gender, location and household income distribution.

Given the sample size, more detailed analysis at the population level could not be completed. There is also not enough data in our survey responses to draw even tentative conclusions about the behaviour of youth non-volunteers.

Youth-specific responses in the survey of volunteer-involving organisations are also revealed in this section of the report.

## SECTION 4: The costs and benefits of volunteering in New South Wales

Section 4 uses cost-benefit analysis to price a number (but not all) of the economic, social and cultural impacts of volunteering on the New South Wales community.

The volunteering sector has long been an enabler and driver of equitable social and economic growth. As such, it has made a significant contribution to community wellbeing. Beyond the altruistic nature of each volunteering act, volunteering is a vibrant source of knowledge and cultural and recreational exchange. It enriches the lives of countless Australians.

The extent of this contribution cannot be fully captured in financial statements, for at the heart of any public investment decision is this basic question: **does the planned activity (volunteering) lead to a net improvement in community wellbeing?**

The economic assessment of volunteering has typically focused on quantifying the market replacement cost of volunteers (in other words, how much it would cost if we had to pay all volunteers). Yet, although replacement cost analysis is a necessary step towards resolving the social wellbeing question, it does not distinguish costs from benefits.

# METHODOLOGY CONT.

Similarly, such studies cannot be used to show the economy-wide impact of volunteering-induced expenditure; nor can they show the effects of volunteering on less tangible community outcomes such as productivity, civics and individual wellbeing. It is for this reason that cost-benefit analysis is now the government-preferred approach to evaluating policy choices.<sup>5</sup> A cost-benefit approach is required to identify the opportunity cost associated with expenditure, as well as the costs and benefits that may accrue to individuals, the community and the broader society.

Cost-benefit analysis as a methodology grew out of financial evaluation techniques employed by the private sector to assess not only whether a particular proposal's advantages (benefits) outweigh its disadvantages (costs), but to choose between alternative proposals intended to achieve the same goal. Such an analysis depended on quantifying all the costs of a proposal compared with the value of the benefits it would provide.

For example, a mining company might undertake a simple financial comparison of the upfront cost of investing in new equipment against the present value of the additional profit it is expected to provide in the future. Consequences of the decision that affect others outside the company are not considered. In economic terms they are considered *externalities*. For example, the fact that the manufacture of that equipment provides jobs, or that the use of the equipment may cause environmental harm would not ordinarily constrain the choice.

Cost-benefit analysis differs from financial evaluation in that it considers costs and benefits to the community as a whole, as well as non-cash costs and benefits. Thus, the consumer savings from the new equipment cited above are no longer an externality; they are one of the outcomes of the project and as such would be considered one of its benefits.

A cost-benefit approach is thus required to identify the real and opportunity costs associated with expenditure, as well as the benefits that flow, including economic impacts, preferences and avoided costs. In the cost-benefit approach, avoided cost theory, as it is applied

here, assumes that any positive change in public welfare enabled by volunteering is a benefit that would otherwise need to be met by the community in order to maintain the status quo.

The cost-benefit approach also demands particular attention be paid to identifying and distinguishing between the recipients of benefits and the bearers of costs. This is particularly important in considering costs and benefits that are not traded at market prices. A central example in the context of this report is in the valuation of volunteer labour. One hour spent volunteering incurs a cost to the volunteer (however quantified). The same hour of work represents a benefit to the organisation for which they volunteer (and/or the individual whom they directly assist). This does not, however, mean that the value of that hour is the same in both contexts, as differing valuation methods may be appropriate in each case.

Cost-benefit analysis is not, however, a static valuation technique. It is a comprehensive means of comparing one alternative to another, and therein lies its limitations for the purpose of standalone valuation.

Foremost, this study is concerned with estimating the **value** of volunteering to New South Wales. This value is defined here to be the sum of benefits enabled over a fixed period – in this case, one year. Net value (benefits minus costs) is only relevant to the extent that it allows demonstration of the process of how value is created, and to make observations about allocative efficiency.

As a result, the substitutability of the costs and benefits is less material than it would be in traditional cost-benefit analysis. This is because this study is not overtly comparing volunteering with anything, even if the use of the value arrived at was to be used as a basis for future comparison. In valuing volunteering, this study is only measuring its gross contribution to the community. The hypothetical presumption that, in the complete absence of volunteering in New South Wales, other alternatives might fill the void created, should not alter our understanding of its value at the point in time in which it is measured. After all, valuation is not a zero-sum game.

<sup>5</sup> Department of the Prime Minister and Cabinet, 2020, Cost-benefit analysis guidance note, Australian Government

This does not, however, give licence to be casual with estimates – if anything it imposes a higher standard of rigour, especially in regard to the risk of overestimation. A conservative position is therefore adopted by tending, where necessary, to overestimate costs and underestimate benefits.

In the conduct of its cost-benefit analysis, this report therefore uses:

- financial analysis to scope the activity and estimate, among other things, total activity
- revealed preference methodologies to arrive at estimates of direct and opportunity costs
- input–output analysis to benchmark standard economic outcomes
- stated preferences to contingently price the return to industry as a result of employees' volunteering
- econometric analysis to systematically quantify the costs avoided by the community through volunteering.

Ultimately, none of the valuation methods previously used in the literature on volunteering are rejected; rather, through our cost-benefit framework, they are integrated into a cohesive, holistic framework that allows for convenient, relatable analysis.





# SECTION ONE

The  
Characteristics  
of Volunteering  
in New South Wales

# THE CHARACTERISTICS OF VOLUNTEERING

**75.9%**  
of NSW adult population

NEARLY



4.9  
MILLION



**1.5BN**  
HOURS  
ACROSS  
THE  
STATE

## Volunteering Participation

Our survey of New South Wales residents revealed that 75.9% of the 6.4 million residents of New South Wales aged 18 and over volunteered in 2020 – nearly 4.9 million people in total.

In doing so, those volunteers donated an average of 25.0 hours per month (5.8 hours per week), which equates to 1.5 billion volunteer hours across the State in 2020.

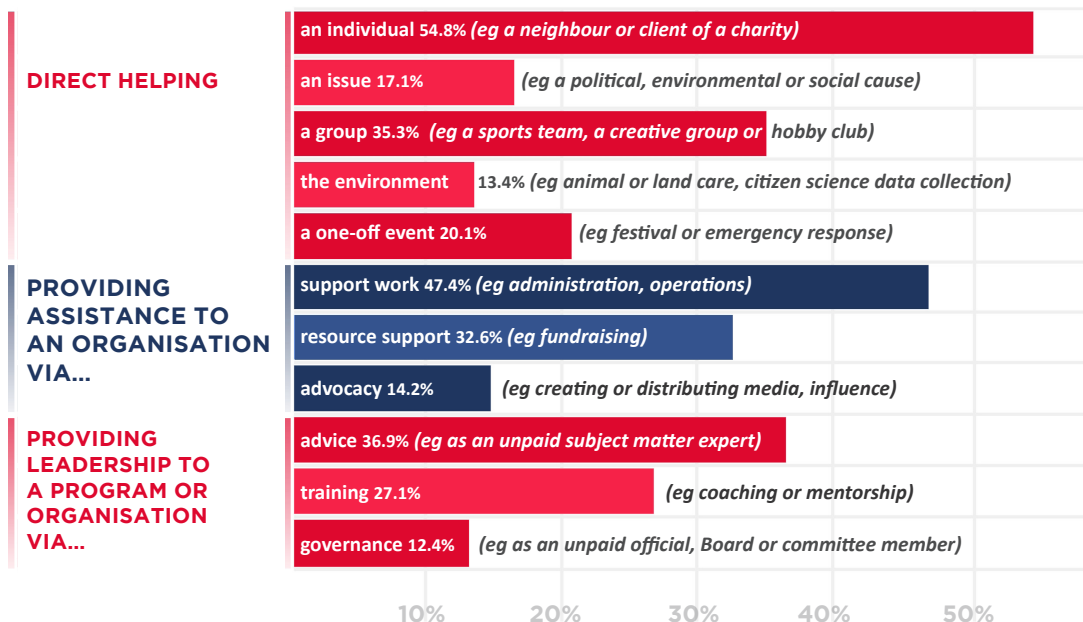
Of the residents of New South Wales who volunteer, it was found that in 2020:

- 10.2% of volunteers did so exclusively in formal settings with volunteer-involving organisations (not-for-profit, government and private organisations)
- 30.3% of volunteers donated their time exclusively informally (without organisational support), and
- 59.5% of volunteers volunteered both formally and informally.

## HOW

### RESIDENTS OF NEW SOUTH WALES VOLUNTEERED IN 2019-20

Table 1:



Nearly 3.4 million (53.0%) adult residents of New South Wales formally volunteered for a volunteer-involving organisation in 2020. The typical volunteer in this capacity gave their 14.8 hours per month to an average of 1.7 different organisations as follows:

- 13.2 hours per month for 1.5 not-for-profit organisations
- 16.7 hours per month for 1.5 government services organisations, and
- 9.2 hours per month for 1.2 private or commercial organisations.

# HOW

## RESIDENTS VOLUNTEERED INFORMALLY IN 2019-20

Respondents were also asked to list the type of unpaid help (informal volunteering) they gave to others in 2019-20, excluding the formal volunteering already reported. New South Wales' 4.3 million informal volunteers (68.2% of the population) typically gave their 16.9 hours per month across an average of 1.7 of the activity categories listed here.

Table 2:



### Changes to volunteering from 2019 to 2020

There were some significant differences in how residents of New South Wales volunteered between 2019 and 2020. These differences are important to note as it is assumed that 2020 was atypical given the COVID-19 pandemic and subsequent disruptions to daily life.

For that reason, no trends should be inferred from these differences, and it cannot be assumed that volunteering will revert by default to 2019 levels in 2021 or future years.

### COMPARISON OF VOLUNTEERING BY POPULATION IN NSW FROM 2019-20

Table 3:

	2019	2020	2019 v 2020
TOTAL people and hours volunteered	4.7 million volunteers 24.2 hours per month	4.8 million volunteers 25.0 hours per month	1.4% increase 3.3% increase
FORMAL volunteering for an organisation	3.3 million volunteers 16.1 hours per month 1.8 organisations	3.4 million volunteers 14.8 hours per month 1.7 organisations	1.0% increase 8.1% decrease 4.9% decrease
Volunteering for a not-for-profit organisation	2.6 million volunteers 14.2 hours per month 1.6 organisations	2.6 million volunteers 13.2 hours per month 1.5 organisations	1.3% increase 7.5% decrease 5.5% decrease
Volunteering for a government organisation	0.7 million volunteers 17.7 hours per month 1.5 organisations	0.7 million volunteers 16.7 hours per month 1.5 organisations	3.5% increase 5.6% decrease 1.0% decrease
Volunteering for a private/commercial organisation	0.6 million volunteers 10.7 hours per month 1.3 organisations	0.6 million volunteers 9.2 hours per month 1.3 organisations	4.3% increase 14.5% decrease 6.5% decrease
INFORMAL volunteering	4.1 million volunteers 15.5 hours per month 1.6 different activities	4.3 million volunteers 16.9 hours per month 1.7 different activities	5.0% increase 9.6% increase 4.8% increase
Where New South Wales volunteers do their volunteering	29.1% online/at home 48.9% local community 15.8% elsewhere in NSW 5.7% elsewhere in Australia 4.4% global	33.4% online/at home 47.5% local community 13.6% elsewhere in NSW 5.1% elsewhere in Australia 3.5% global	14.8% increase in online/ at home, at the expense of other categories 3.5% global

## COMPARISON OF VOLUNTEERING BY INDIVIDUALS IN NSW FROM 2019-20

Table 4:

	VOLUNTEERED MORE IN 2020	VOLUNTEERED THE SAME IN BOTH YEARS	VOLUNTEERED LESS IN 2020	VOLUNTEERED IN 2019 BUT NOT 2020
Formal volunteering	23.7%	45.9%	22.4%	8.0%
Informal volunteering	31.6%	44.5%	21.0%	2.8%
Total volunteering	29.4%	43.9%	21.9%	4.8%



### Donations to volunteer-involving organisations

During 2020, 32.0% of volunteers reported they directly donated money to organisations they volunteered for. This money is above and beyond the donations of time they may have made, or money spent (expenses) in support of their own volunteering (discussed in Section 3).

Over two-in-five volunteers (42.3%) also reported making donations to other organisations or charities, which is comparable with the 40.4% of non-volunteers who made similar donations. There was no significant difference in the value of donations of each cohort.

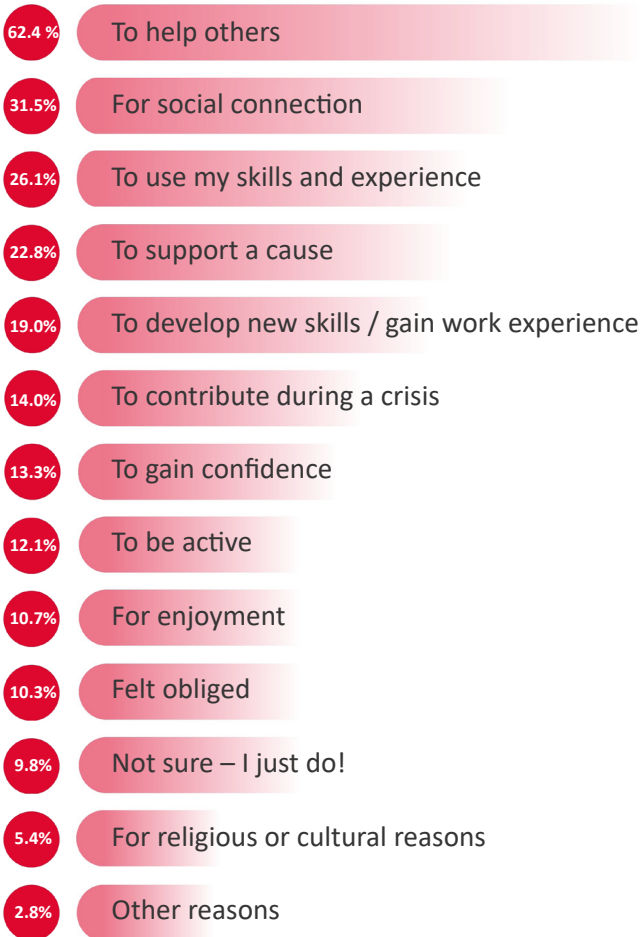
Interestingly, over one-third (39.4%) of volunteers who donated to their volunteer-involving organisation reported making no other charitable gifts or donations in 2020.

## Motivations and barriers to volunteering

A number of interesting discoveries were made about volunteer behaviour and intentions. Respondents were invited to list up to three reasons from a predefined list describing why they volunteer. People stated that they predominantly volunteered to help others and, to a lesser extent, for social connection and to use their skills and experience.

### 2020 VOLUNTEER MOTIVATIONS

Table 5:



Respondents were also invited to list up to five issues from a predefined list 'that prevented you giving (more) time as a volunteer'. Table 6 separates the responses of people who volunteered in 2019-20 from those who do not volunteer in that period. It shows over half of volunteers (55.6%) and two-fifths of non-volunteers (41.2%) indicated they had 'No time' to give to (further) volunteering. Health reasons featured strongly in both lists, as did costs.

Interestingly, more non-volunteers were unsure as to how to go about volunteering (25.9%) than those who were genuinely not interested (21.7%).

**“PEOPLE CAN FIND THEMSELVES IN DIFFICULT SITUATIONS AND TO HELP THEM I VOLUNTEER. I ALSO VOLUNTEER FOR ACTIVITIES/CAUSES I STAND FOR WHILE USING AND LEARNING SKILLS.”**

**“I love volunteer work. I have met awesome people, made new friends, and gave back to the community.”**

**“It’s my way of giving back to the country which has given me a lot of opportunities.”**

**“I volunteer to practice English and gain confidence.”**



**“I like to volunteer because it feels good. It helps with healthy mental health and I stay positive by doing these deeds.”**

# BARRIERS TO RESIDENTS VOLUNTEERING IN 2020

Table 6:

VOLUNTEERS		NON-VOLUNTEERS	
No time (eg family, work or study commitments)	55.6%	No time (eg family, work or study commitments)	41.2%
Costs	29.1%	Health reasons	28.5%
Health reasons	28.9%	Not sure how/never been asked	25.9%
Not sure how/never been asked	14.0%	Not interested in volunteering	21.7%
No transport	13.8%	Costs	16.4%
Government restrictions/regulation	13.7%	No transport	12.7%
Not interested in volunteering more	13.5%	Not interested in the volunteering options in my area	10.5%
Lack of skills	9.5%	Lack of skills	7.3%
Not interested in the other volunteering options in my area	9.2%	Bad experiences volunteering	6.5%
Bad experiences volunteering	8.1%	Government restrictions/regulation	3.2%
Other reasons	3.2%	Other reasons	2.2%

Volunteers and non-volunteers were both asked to describe in more detail the reasons why they didn't or couldn't volunteer (more). Volunteer comments centred around no time (48), health (21) and COVID (10). Most non-volunteer comments noted a lack of available time or health issues and included the following statements:

“If you don't know of things that you could do to help, then you can't help! So probably awareness.”

“I'd love to volunteer more but work full-time with 2 small kids. It's hard to find time.”

“Distance, paying for transport, home and life obligations.”

“I am already stretched to the limit.”

“A lot of volunteering places are now closed because of COVID.”

**41.2%**  
**NO TIME IS THE MAIN BARRIER TO VOLUNTEERING**



## Natural disasters and COVID impacts

Volunteers were asked, “What impacts (good or bad) have natural disasters had on your volunteering in the last two years?”

Using an open text box to capture 174 responses, fires were most commonly referenced as a type of natural disaster.

An analysis of sentiment showed 26.4% of respondents felt natural disasters had a negative impact on their volunteering, while 24.1% suggested that the impacts were positive. The balance of responses did not suggest a strong sentiment either way.

Statements included:

- “It made me want to volunteer more to help the people who are affected.”
- “I’m in the SES so it has a big impact. We get busier.”
- “Where I am from there has been drought and bush fires. I felt I was making a difference to those affected most by supporting them and getting some well needed funds/supplies.”
- “There have been more opportunities to volunteer due to the bushfires, which is good and bad because it means more people need help.”
- “My volunteering requirement has increased.”
- “The fires in 2019 stopped everything. It was tough.”
- “I have volunteered more than I usually do due to the increase of natural disasters in Australia.”
- “The 2019-2020 bush fires were a wake-up call for everyone in the community. I have been volunteering as a fire fighter.”
- “It encouraged us to do more volunteering to help those who are in need.”
- “I’m more involved; more exhausted.”

Volunteers were also asked, “What impacts (good or bad) has COVID had on your volunteering?”

A total of 391 free-text comments were received, of which 27.9% were negative and only 7.4% suggested a positive impact.

Statements included:

- “A huge impact. We were unable to have our meetups all last year due to restrictions.”
- “This impact has been substantial. I have done a lot less volunteering since the outbreak of the coronavirus.”
- “I have been able to develop new volunteering opportunities closer to home.”
- “It has stopped the more social interaction side of my volunteer work.”
- “It has actually been positive in some ways, because the group is more informal now and everyone loves to have an informal chat. We would like to get back together one day, but our group will probably continue with the format we have used over the past year.”
- “COVID-19 has made volunteering more difficult and has made me more hesitant to continue or engage with volunteering.”
- “It has made me more empathetic.”
- “COVID-19 hasn’t made much of negative impact. I’m still helping in every way that I can, just changing my method of volunteering.”
- “I have increased the time I spent in volunteering. There are so many in our community in need.”
- “COVID has mucked a lot up for everyone. I can’t volunteer as there is really no place now to volunteer.”



Volunteers were then asked, “What impact are these types of events likely to have on your future volunteering?”

Of the 485 responses, 22.7% noted they were unsure, and 35.5% stated ‘none/ not much’.

Statements included:

- “I’m a bit nervous for future volunteering and being around people.”
- “I would like to return to volunteering – but it will depend on the safety of doing so.”
- “It will not change my volunteering, in fact, when things get back to normal, I will be looking around for another organisation to join.”
- “I think that I have lost interest now as it has been so long.”
- “There is so much online volunteering now. This means I can give more time and volunteer more.”
- “Increased stress.”
- “I am feeling more motivated to get out into the community and volunteer.”
- “Maybe I will be more cautious in what kind of volunteering I undertake, for my own safety and health.”
- “Natural disasters would encourage me to volunteer more. Disasters such as COVID would likely restrict or prevent me from volunteering.”
- “None, as far as I can currently tell. Full steam ahead for the future!”

## Volunteer Intentions

The following table shows respondents were largely positive when asked whether, in three years' time, they were likely to be volunteering more or less than they did in the last 12 months; 68.2% of volunteers stated they would be volunteering about the same or more in three years.

Analysis of the non-volunteers' intentions show that only 11.1% of non-volunteers intend to be volunteering in three years' time; however, there was a significant number of people who stated they were uncertain about what the future of volunteering might look like for them, particularly among those not presently volunteering (36.8%).

# NSW VOLUNTEERING INTENTIONS 2020 TO 2023

Table 7:

	2020 VOLUNTEERS	2020 NON-VOLUNTEERS
(Volunteering) more	24.7%	11.1%
(Volunteering) about the same	43.5%	N/A
(Volunteering) less	12.2%	N/A
Not volunteering at all	8.0%	52.1%
Don't know or unsure	11.6%	36.8%



# SECTION TWO

The  
Profile of  
Volunteer-Involving  
Organisations

# THE PROFILE OF VOLUNTEER-INVOLVING ORGANISATIONS

## Characteristics of respondents

There was a strong response to the volunteer-involving organisations' survey, particularly from not-for-profit organisations.

Of the respondents, 87.8% were organisations that directly involved volunteers, and 12.2% were regional, state or national entities responsible for other volunteer-involving organisations. Of the responding regional, state or national entities responsible for other volunteer-involving organisations, 87.9% also directly used volunteers at their own location.

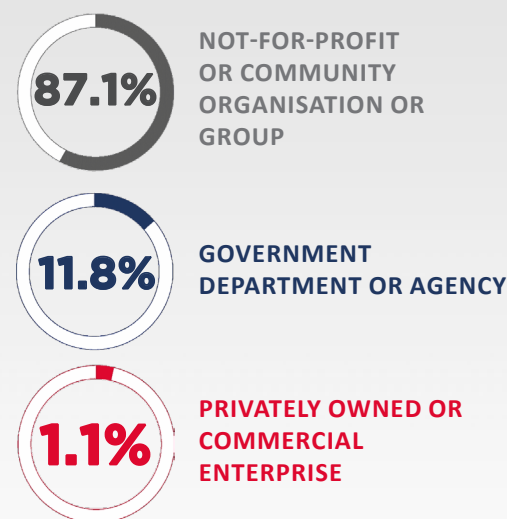
Respondents were also asked to self-categorise their service focus using the taxonomy provided by the Centre for Volunteering. The following table should not be taken as a true representation of the make-up of volunteer-involving organisations in NSW; rather, it evidences a good cross-section of responses in our sample.

Table 9:

Community Services	31.7%
Sport	11.2%
Museums & Heritage	7.4%
Emergency Response	7.0%
Environment & Conservation	5.7%
Arts & Culture	5.2%
Seniors & Aged Care	5.1%
Education & Training	4.3%
Health	4.2%
Animal Welfare	2.0%
Disability Services	2.0%
Recreation	2.0%
Young People	1.8%
Family Services	1.7%
Homelessness	1.2%
Mentoring & Advocacy	0.8%
Migrant Services	0.7%
Veteran Services	0.6%
Disaster Relief	0.5%
Indigenous Australians	0.4%
Human Rights	0.3%
Drug & Alcohol Services	0.2%
Other	3.8%

Table 8:

## ORGANISATIONS, BY TYPE, THAT RESPONDED TO THE VOLUNTEER-INVOLVING ORGANISATION SURVEY:



## SERVICE FOCUS OF VOLUNTEER-INVOLVING ORGANISATIONS

Analysis of the 'other' category showed 'tourism / visitor economy' had 19 responses (1.7%), 'religion / church' 12 responses (1.1%) and 'agriculture' 10 responses (0.9%).

## Volunteer Profile

Volunteer-involving organisations were asked to identify who typically volunteers in their organisation, albeit without reference to the proportion or extent to which these groups contribute to volunteer workforce composition. The responses 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.

As the categories are not discrete, capturing both demographic and occupational characteristics, volunteer-involving organisations reported engaging an average of 6.5 different profiles from the list provided.

Table 10:

GROUPS OF VOLUNTEERS REPRESENTED IN VOLUNTEER-INVOLVING ORGANISATIONS' VOLUNTEER PROFILE	% VOLUNTEER-INVOLVING ORGANISATIONS
Over 65s	82.4%
People who don't work or work less than full-time	77.1%
People who work full-time	52.5%
Skilled professionals	49.6%
People aged 18-24	41.8%
Past and current program participants	38.7%
Spontaneous or 'one-off' volunteers (for an event or project)	37.6%
University or TAFE students	32.6%
People with a disability	31.4%
Families with children	31.2%
Migrants / culturally and linguistically diverse people	31.0%
School students	27.9%
Centrelink clients / JobActive placements	26.5%
Under 18s	24.3%
Parents of program participants	20.5%
Indigenous / Torres Strait Islanders	20.3%
People volunteering online or remotely	15.5%
Corporate-sponsored groups	9.2%
Corporate-sponsored individuals	7.7%
Non-residents who are travelling or from outside the state (tourists)	4.9%
Others	1.7%

A comment box allowed organisations to add categories or give more detail. 'Members' was noted as an additional category by 13 respondents (1.1%).

**A FURTHER QUESTION ASKED ABOUT CHANGES IN THE LAST 12 MONTHS AROUND WHO VOLUNTEERS, AND THE OPEN TEXT RESPONSES NOTED THE MOST FREQUENTLY REPORTED CHANGE WAS FEWER 'OLDER - THOSE WITH UNDERLYING HEALTH ISSUES' (89 RESPONSES), 55 REPORTED 'MORE STUDENTS / YOUNG PEOPLE', AND 37 REPORTED MORE 'WORKING AGE' VOLUNTEERS. THIS IS CONSISTENT WITH THE FINDINGS OF A RECENT VOLUNTEERING AUSTRALIA STUDY WHICH FOUND THAT VOLUNTEERS OVER THE AGE OF 65 WERE MORE LIKELY TO HAVE STOPPED VOLUNTEERING THAN OTHER AGE GROUP.<sup>7</sup>**

- “We have had many skilled professionals who have lost their jobs or who were on Jobactive apply to volunteer.”
- “The impact of COVID on our volunteer base was significant. We had a great response from our local community with business people & younger individuals joining our organisation during the worst of the restrictions.”
- “Absolutely. Our contracts with Job Providers are suspended and therefore we do not have the JobSeeker volunteers we usually have. Because of this we have had to change the way we deliver our services.”
- “Many of our older volunteers have not returned after lockdown due to their vulnerability and fear around COVID.”
- “We had more job seekers and more full-time employees who were able to volunteer as they now had flexible hours due to working from home. We also saw an increase in young people and people who had never volunteered before.”

Organisations were also asked to comment on what any reported change in volunteer hours from 2019 to 2020 has meant for them and the services they offer the community.

Of the 779 valid responses, 60.0% mentioned COVID and 13.5% noted reduced services.

Organisations were asked ‘What has this change in volunteer hours meant for your organisation and the services you offer to your community?’

Statements included:

- “Having more volunteers has resulted in better service delivery and engagement with the local community and external stakeholders.”
- “While the amount of hours hasn’t reduced, having fewer volunteers has resulted in a greater workload on the remaining volunteers. It has meant a huge struggle to maintain service continuity.”
- “The number of volunteers has dropped considerably after the COVID lockdown. We have had to move from some roles which were previously being filled by volunteers changing to paid staff. Previously we had too many volunteers.”
- “The biggest loss in 2020 was only having Work for the Dole volunteers for 3 weeks the entire year. Their contribution is so vital to our service that we still haven’t caught up the backlog caused by their absence. They are a wonderful asset to our charity and we miss them.”
- “We have seen a larger number of volunteers join our organisation and willing to volunteer more of their time which has benefited our community programs. Programs are much more organised and structured. Greater availability of people and the accessibility of goods to further assist community members.”

<sup>7</sup> Australian National University Centre for Social Research, 2020, The Experience of Volunteers During COVID 19, Volunteering Australia



## Volunteer Recruitment

Volunteer-involving organisations reported attracting volunteers through a range of methods (See below). Word of mouth and social media were the most commonly used; however, there was still a significant place for additional forms of 'traditional' forms of engagement such as open days and events, posters, signs and newsletters. An average of 3.1 concurrent recruitment methods were reported by responding organisations.

90.3%  
**WORD OF MOUTH**  
**TO RECRUIT VOLUNTEERS**

### METHODS USED TO RECRUIT VOLUNTEERS IN 2020

*Table 11:*

Word of mouth (personally approaching participants, members and their networks)	90.3%
Social media	57.9%
Website	49.1%
Open days / events	35.0%
Traditional media (eg posters, signs, newsletters)	32.6%
Referral by another agency (eg Centrelink)	15.9%
Volunteer Resource Centres / The Centre for Volunteering	14.9%
SEEK Volunteer	13.4%
General brand investment / development	10.8%
Others	2.4%

An open text box allowed organisations to add more detail or include further categories, with nine (0.7%) noting they use 'previous clients', nine (0.7%) reporting they target universities.

## Volunteer recognition, engagement and retention

Volunteer-involving organisations use a range of ways to motivate and retain their volunteers (Table 12). Personal connections/relationship building was the top form of motivation and retention used, followed by out-of-hours gatherings, events and celebrations, awards (e.g. certificates and letters of appreciation etc), induction and orientation programs, and reimbursement of expenses.

An average of 5.1 concurrent recognition and retention methods were reported by responding organisations.

## METHODS USED TO MOTIVATE AND RETAIN VOLUNTEERS IN 2020

Table 12:

Personal connections and relationship building	69.3%
Out of hours gatherings, events, celebrations	46.0%
Awards (eg certificates / letters of appreciation)	42.9%
Induction and orientation programs	41.3%
Reimbursement of expenses	35.9%
Flexible work arrangements	34.9%
Engagement through media (eg website, socials, newsletters, press releases)	31.9%
Non-accredited training (eg short courses, workshops)	28.1%
Diverse and challenging volunteer opportunities	26.5%
Dedicated volunteer management training and/or resources	25.7%
Public ceremonies and events	21.8%
Positive brand development / association (ie investing in your organisation's brand generally, without specifically targeting volunteers)	20%
NSW Volunteer of the Year awards	19.5%
Mentoring programs	19.1%
Rewards (eg movie tickets, tokens of appreciation)	17.9%
Discounted or free meals, uniforms, insurance, accommodation etc	14.5%
Accredited training (eg Certificate II, Diploma)	11.7%
Status (eg titles, rank, Australia Day Honours)	8.1%
Formal performance reviews or references	7.9%
Paid honorariums	3.9%
Pre-agreed penalties or sanctions for non-participation	0.5%
Other	1.5%

Additional comments noting how volunteer-involving organisations motivate and retain volunteers, 2020 that could not be re-coded included:

- "Through acknowledgement and appreciation of their work."
- "Our volunteers are proud of the service they provide. We form teams that enjoy working together."
- "Volunteers are part of the decision-making process in the running of the organisation."
- "Frequent verbal and written acknowledgement of their efforts in helping their students; praises/compliments/encouragement given to them & their opinions and feedback are constantly sought."
- "Working with experienced volunteer; social occasions; e-newsletters and shared updates. We try to make the experience as rewarding as possible."
- "Friendship and support for vulnerable volunteers."

## The main issues facing volunteer-involving organisations

Volunteer-involving organisations were asked to rate the importance of the main issues they were facing in 2020, as compared to how they rated their importance over the last three years. In nearly all instances, there was a heightened priority or urgency attached to the issues identified.

# THE MAIN ISSUES

IN 2020 vs. THE PAST 3 YEARS

Table 13:

ISSUE	VERY IMPORTANT	SOMEWHAT IMPORTANT	NOT IMPORTANT	NOT APPLICABLE
Volunteer health and safety	83.7% +12.1	12.5% -10.7	1.8% -1.2	2.0% -0.2
Volunteer retention	73.7% +10.5	19.0% -8.0	4.2% -2.5	3.0% +0.1
Volunteer appreciation and recognition inside our organisation	67.9% +9.6	23.2% -7.4	5.9% -2.2	2.9% -0.1
Volunteer management	63.9% +11.5	26.4% -7.9	4.5% -3.4	5.2% -0.2
Volunteer recruitment	61.2% +7.2	26.2% -8.2	7.4% -0.4	5.3% +1.4
Volunteer rights, responsibilities, protection and dispute management	55.8% +10.7	25.3% -8.0	9.7% -2.1	9.1% +0.0
Appreciation and recognition of our volunteers by the community	53.8% +7.0	32.1% -4.7	9.1% -2.2	5.0% -0.1
Understanding and implementing National Standards for Volunteer Involvement	35.0% +8.4	29.6% -4.4	18.5% -3.5	16.9% -0.5
Financial viability / sustainability	71.1% +11.1	19.7% -8.8	4.3% -2.1	4.9% -0.3
Organisational governance	62.4% +13.1	27.9% -8.9	4.8% -3.6	4.9% -0.6
Organisational culture, inclusion and diversity	61.6% +11.5	27.2% -7.4	6.0% -3.7	5.1% -0.4
Project, program and change management	48.3% +14.6	33.7% -8.9	9.2% -5.3	8.8% -0.4
Impact measurement, evaluation and reporting	37.1% +10.0	37.7% -3.4	14.3% -5.6	10.9% -1.0
Access to volunteer management resources and templates	33.5% +9.5	35.4% -4.4	19.1% -4.7	12.0% -0.4
Access to funding, grants or sponsorship	69.1% +14.1	20.8% -9.5	5.5% -4.0	4.6% -0.6
Risk, insurance and legal issues	63.2% +12.9	26.5% -9.8	7.1% -2.6	3.2% -0.5
Volunteer fatigue	55.4% +14.9	28.8% -10.2	9.2% -4.9	6.6% +0.2
Red tape and/or regulatory requirements	49.2% +13.4	33.8% -7.6	11.1% -5.4	5.9% -0.4
Engagement with government / policy	47.2% +13.8	34.4% -7.2	10.6% -6.0	7.8% -0.7
Technology and digital disruption	43.2% +18.0	32.9% -8.2	16.1% -8.6	7.8% -1.1

<span style="display:inline-block; width:15px; height:15px; background-color:#a6c9ec; border:1px solid #000;"></span>	Volunteer-related issues
<span style="display:inline-block; width:15px; height:15px; background-color:#e67e22; border:1px solid #000;"></span>	Organisation-related issues
<span style="display:inline-block; width:15px; height:15px; background-color:#95a5a6; border:1px solid #000;"></span>	External issues

The previous table reveals that the top issues volunteer-involving organisations collectively rated as being either 'very important' or 'somewhat important' were:

- Volunteer health and safety (97.2%)
- Volunteer retention (92.7%)
- Volunteer appreciation and recognition inside our organisation (91.1%)
- Financial viability / sustainability (90.8%)
- Organisational governance (90.3%)
- Volunteer management (90.3%)

The high response to volunteer health and safety was not surprising, given the currency of COVID-19 across the survey period.

When directly asked about the top three priority areas of support volunteer-involving organisations felt they needed, the most significant responses (in priority order) were:

- Volunteer management (35.2%)
- Access to funding, grants or sponsorship (13.9%)
- Volunteer recruitment (10.7%)
- Volunteer appreciation and recognition inside our organisation (9.6%)

Each response was manually coded from free text and the results have been weighted using a 3:2:1 scale according to the priority placed on each response.

Other issues reported included:

- Financial viability / sustainability (4.4%)
- Organisational governance (4.1%)
- Access to volunteer management resources and templates (3.9%)
- Organisational culture, inclusion and diversity (2.6%)
- Engagement with government / policy (2.3%)

- Volunteer health and safety (2.2%)
- Red tape and/or regulatory requirements (2.2%)
- Project, program and change management (2.1%)
- Technology and digital disruption (2.1%)
- Appreciation and recognition of our volunteers by the community (2.0%)
- Volunteer retention (1.3%)
- Volunteer fatigue (0.5%)
- Volunteer rights, responsibilities, protection and dispute management (0.3%)
- Risk, insurance and legal issues (0.3%)
- Understanding and implementing National Standards for Volunteer Involvement (0.2%)
- Impact measurement, evaluation and reporting (0.1%)



# THREE YEAR TRENDS

FOR VOLUNTEER-INVOLVING ORGANISATIONS

## Trends in volunteering

Volunteer-involving organisations were also asked about the following three-year trends in volunteering.

### 2020 vs. THE PAST 3 YEARS

Table 14:

MORE  
MORE  
LESS

ISSUE	LESS	ABOUT THE SAME	MORE
Amount of training volunteers need	6.4%	62.3%	31.3%
Volunteering is done online or from home	21.2%	48.1%	30.6%
People want to volunteer occasional rather than regular hours	9.1%	61.3%	29.6%
Volunteers want flexible hours	6.4%	71.9%	21.7%
Companies want to volunteer employees' time	35.3%	58.4%	6.3%
Number of people who want to volunteer	32.2%	41.7%	26.2%
Number of youth / young people who want to volunteer	30.1%	48.7%	21.1%
Board-level volunteers are available	28.1%	62.8%	9.1%
Hours people want to volunteer	24.5%	62.3%	13.2%
Volunteers are claiming expenses	21.2%	71.4%	7.5%

Table 15:

Volunteer-involving organisations were finally asked:

“In 3 years’ time, are people more or less likely to be volunteering with your organisation?”

Around one-third of volunteer-involving organisations (32.9%) that responded indicated they expected the same level of volunteering in three years’ time, and 36.2% indicated there will be more, or a lot more, people volunteering (See table 15).

This is an interestingly optimistic response, given volunteer-involving organisations also noted across the last three years there were generally fewer volunteers, volunteering fewer hours in more fragmented ways (see above table).

Despite the challenges, then, **New South Wales volunteer-involving organisations remain broadly positive about the outlook for their sector;** even though significant uncertainty (17.7%) remains among volunteer-involving organisations about the how the next three years will play out.

PREDICTED VOLUNTEER SUPPLY 2020-23	
MORE (volunteers)	36.2%
ABOUT THE SAME (number of volunteers)	32.9%
LESS (volunteers)	12.7%
NOT VOLUNTEERING AT ALL	0.6%
DON'T KNOW/ UNSURE	17.7%

# SUMMARY

## Section Two Summary

The importance of having a diversified team of volunteers and management tools is reinforced by these results. For instance, the reference to the loss of older volunteers and a reluctance of this group to return following the COVID-19 lockdown was noted in this survey, confirming the importance of a varied volunteer workforce to help mitigate future impacts.

The reliance on word of mouth as a primary means of recruiting volunteers was very high, raising queries about diversity. Recruiting within networks can be a barrier to inclusion and diversity as peer-to-peer recruitment may result in an exclusionary bias toward 'people that look like me'. Although no priority should be assumed from the distribution in Table 11, it is notable that a number of opportunities to attract and recruit volunteers are not fully utilised.

There are also risks with an ageing volunteer workforce and under-representation of specific groups around ensuring sustainability of the sector. The results point to the need for further work to better understand groups that should be targeted for growth. Some of the changing trends around online volunteering and occasional, rather than regular hours being sought, also point to the importance of strong contemporary volunteer management.

Ultimately, greater support is needed within the sector, with these results showing the issues facing New South Wales volunteer-involving organisations have significantly increased in importance over the last three years. This reinforces anecdotal feedback from the sector around more uncertainty, stress, demands and complexity within the sector, and the need to support the sector to be able to rapidly adapt.





# SECTION THREE

Youth  
Volunteering

# THE CHARACTERISTICS OF YOUTH VOLUNTEERING

Our survey of New South Wales residents revealed that 87.6% of residents of New South Wales aged 18-24 volunteered in 2020 – over 640,000 youth in total.

In doing so, those volunteers donated an average of 40.7 hours per month (9.4 hours per week), which equates to 313.3 million volunteer hours across the State in 2020 .

The following table shows how youth self-identified the multiple ways they chose to volunteer in 2019-20, compared with the rest of the NSW adult population.

## 87.6%

OF YOUNG PEOPLE IN NSW VOLUNTEERED IN 2020

## 313.3 MILLION

## 40.7 P/MONTH

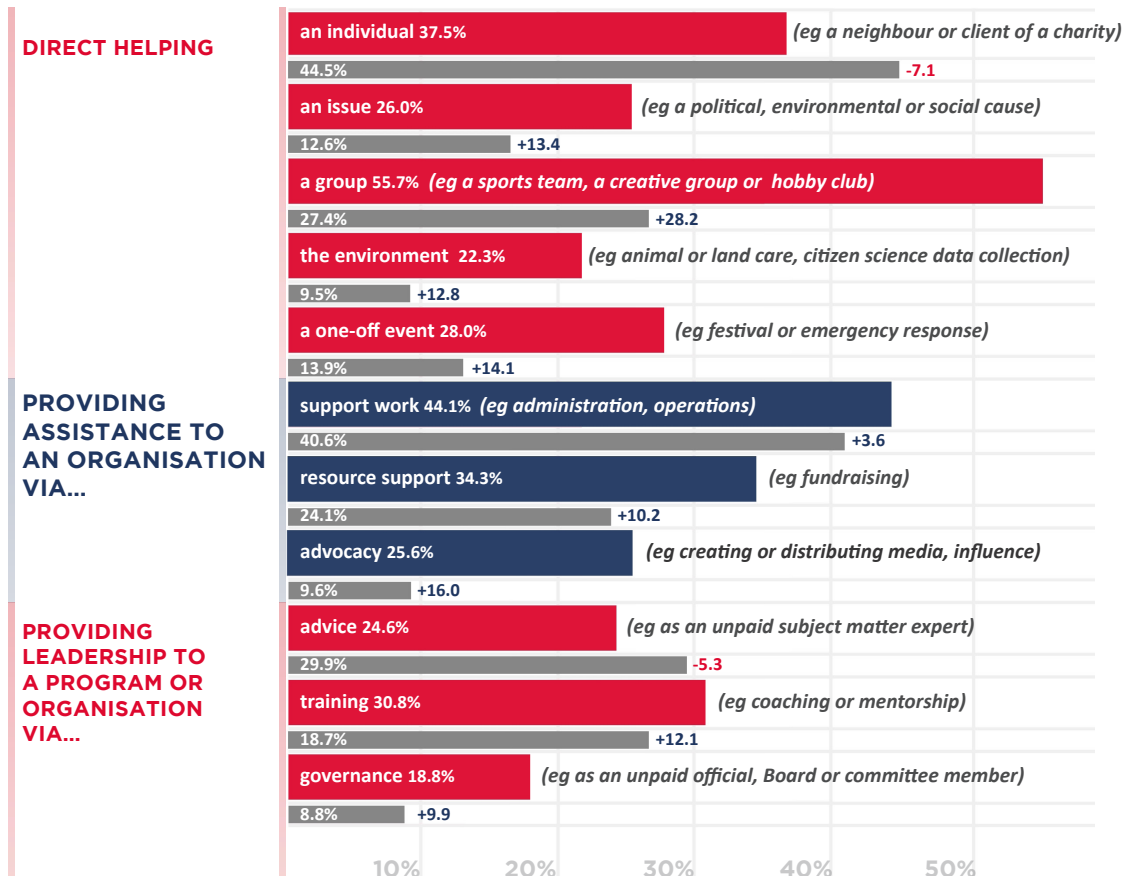
## 9.4 P/WEEK

## VOLUNTEER HOURS

## HOW

### NEW SOUTH WALES YOUTH VOLUNTEERED IN 2019-20 vs. OTHERS (PERSONS AGED 25+)

Table 16:



Youth volunteers were far more likely to volunteer in nearly all categories, especially for:

- a group (eg a sports team, creative group or hobby club) +28.2
- an organisation through advocacy (eg creating or distributing media, influence) +16.0
- a one-off event (eg festival or emergency response) +14.1
- an issue (eg a political, environmental or social cause) +13.4



The only categories they were less likely to volunteer for were:

- an individual (eg a neighbour or client of a charity) -7.1
- an organisation by providing advice (eg as an unpaid subject matter expert) -5.3

Excluding volunteering for an individual as a category of service, youth reported volunteering in an average of 3.1 different categories of service, versus 2.0 categories for adults 25 and older. At over half as much again (+59.0%), this speaks to a significant difference in the appetite for diverse volunteering roles among youth in organisational / formal settings.

Respondents were also asked to list the type of unpaid help (informal volunteering) they gave to others in 2019-20, excluding the formal volunteering already reported.

# HOW YOUTH VOLUNTEERED INFORMALLY IN 2019-20 vs. OTHERS

Table 17:



When volunteering informally and compared to volunteers aged 25 and over, youth strongly preferred helping out in the community (+17.9) and teaching, coaching or practical advice (+14.4) over transport or running errands (-15.0) and personal care / assistance (-11.0).

Youth also reported volunteering in an average of 1.9 different informal categories, versus 2.2 categories for adults 25 and older. This difference is less remarkable than the one expressed through formal volunteering, and interestingly skews negative. It also rebuts the presumption that youth may be generally over-reporting their volunteering.

Respondents were also invited to list up to three reasons from a predefined list describing why they volunteer. From the results below it is immediately obvious that youth are highly motivated to volunteer to develop new skills and/or gain work experience in a way that older volunteers are not. Youth also appear to emphasise volunteering as a way to gain confidence, while social connection is not the driver for them that it is for people aged 25 and over. That said, the differences between other motivators are not statistically significant.

Table 18:



## YOUTH VOLUNTEER MOTIVATIONS IN 2019-20 vs. OTHERS

# 48.6%

**OF YOUTH VOLUNTEERS  
ARE MOTIVATED TO GIVE  
THEIR TIME TO DEVELOP  
NEW SKILLS AND/OR GAIN  
WORK EXPERIENCE CF 14.2%  
FOR OLDER VOLUNTEERS**



**“I want to help people and speak up for the people who can’t for themselves.”**

A sample of youth responses to the statement ‘Feel free to explain in more detail why you volunteer’ includes:

- “I volunteer to give back to the community that did so much for me and to help other young people through hard times and advocate for them.”
- “I enjoy allowing others to tap into my skills and experience, while simultaneously building on those skills and experiences.”
- “Because it makes me happy. It gives me the opportunity to give back and improve my community. To share knowledge and experience with others. To keep connected. To inspire others and be inspired.”
- “I want to help people and speak up for the people who can’t for themselves.”
- “It’s a good feeling. Initially I did it for the free food but along the way I’ve made great connections, learnt skills and gained so much more confidence!”

## Barriers to volunteering

Youth volunteers were further invited to list up to five issues from a predefined list 'that prevented you giving more time as a volunteer'.

Health was clearly the not barrier to youth volunteering that it was/is for older volunteers; however, youth perceived themselves to be far more time and (to a lesser extent) transport constrained than those aged 25 and over.

# YOUTH BARRIERS TO VOLUNTEERING IN 2020 COMPARED WITH OTHERS

Table 19:

**78.2%**  
**NO TIME IS THE MAIN BARRIER TO YOUNG PEOPLE VOLUNTEERING**

**25.3%**  
**COSTS**

**23.3%**  
**NO TRANSPORT**

YOUTH VOLUNTEERS	OTHER VOLUNTEERS
No time (eg family, work or study commitments) <b>78.2%</b>	No time (eg family, work or study commitments) <b>56.4%</b> +21.8
Costs <b>25.3%</b>	Health reasons <b>30.3%</b> -20.0
No transport <b>23.3%</b>	Costs <b>24.9%</b> +0.5
Not sure how/never been asked <b>18.0%</b>	Not sure how/never been asked <b>16.1%</b> +1.9
Government restrictions/regulation <b>14.4%</b>	Not interested in volunteering more <b>12.3%</b> -3.2
Lack of skills <b>12.4%</b>	Government restrictions/regulation <b>12.2%</b> +2.2
Not interested in the other volunteering options in my area <b>10.5%</b>	No transport <b>11.9%</b> +11.4
Health reasons <b>10.3%</b>	Lack of skills <b>10.5%</b> +1.8
Not interested in volunteering more <b>9.1%</b>	Not interested in the other volunteering options in my area <b>9.2%</b> +1.4
Bad experience volunteering <b>6.6%</b>	Bad experience volunteering <b>8.0%</b> -1.4
Other reasons <b>6.7%</b>	Other reasons <b>3.3%</b> +3.3

When youth volunteers were asked to elaborate as to why they don't / can't volunteer more, the following statements were broadly representative of the responses received.

- "It takes up a lot of time and it's hard to balance volunteering with study, work and other responsibilities."
- "The places that I want to volunteer for are only open when I am at school."
- "I'm not sure where to volunteer more, scared to do it with people I don't know, and have a lack of time and confidence."

- "Age limits restrict me from volunteering at places I would want to."
- "I don't know about programs in my area and I am scared about not being able to commit during exam periods."

## Natural disasters and COVID impacts



As with all volunteers, youth volunteers were specifically asked, “What impacts (good or bad) have natural disasters had on your volunteering in the last two years?”

Responses included:

- “It’s easier to get involved, easier to see the need.”
- “I’ve been involved in the bushfire response for my community which was both good and bad. I’d have preferred it wasn’t needed but I enjoyed being able to give back to the community that raised me.”
- “The onset of the drought spurred me into action in 2019 as I was attending an agricultural school and many of my close friends and family were directly affected.”
- “I have always held a lot of admiration for our first responders and the bushfire in 2019/2020 helped me give back to them when they needed it the most. I fundraised money to buy necessities for our fire-fighters.”
- “I did more volunteering than I would have to help the community in crisis.”
- “It has made it more difficult to volunteer although I looked at other areas I could put my time into.”
- “The fires in 2019 had an impact as some events which I was meant to volunteer at were cancelled.”
- “Volunteering with SES meant that there was more work to be done”

Youth volunteers were also asked, “What impacts (good or bad) has COVID had on your volunteering?”

Statements included:

- “It has changed the platform on which we communicate and hold events, but has otherwise created stronger relationships with our team.”
- “COVID-19 had a significant impact on my volunteering due to everything being moved online. Due to this I was volunteering from home which impacted badly on my social connections and effectiveness in the groups I was volunteering for. COVID-19 also impacted the mental health and wellbeing of those I was volunteering with which was difficult.”
- “COVID-19 stopped me from volunteering for most of the year. We got to restart at the end of the year, but that time away made me feel disconnected as volunteering was always fun and great to take part in.”
- “I was not able to volunteer for almost a year during the COVID-19 crisis, which I was very disappointed about.”
- “Bad. Many people are hesitant to volunteer now as they are concerned for their future which puts more strain on the volunteers who stay.”
- “It has increased online activity meaning more volunteer work can be done from home.”
- “It has been a lot harder to volunteer.”
- “COVID-19 has meant there are fewer people volunteering in my organisation, meaning I’ve had to commit more time to pick up the slack.”
- “During the COVID-19 initial lockdowns my volunteering became incredible important as it was one of the only consistent things in my week.”
- “I lost my job but received government support. I was able to spend more time volunteering.”



Youth volunteers were then asked, “What impact are these types of events likely to have on your future volunteering?”

Responses included:

- “I think extreme natural disasters and pandemics would continue to impact my future volunteering due to the uncertainty and anxiety experienced because of such events.”
- “I feel better equipped to respond to a natural disaster crisis in the future as a result of my role in my community during the fires. Finding ways to volunteer online will also improve my access to volunteering in the future.”
- “I will develop my skills and these experiences will become life lessons once I enter adulthood.”
- “Such events fuel my desire to volunteer more, because I can see issues/gaps within services that need to be addressed. It also fuels my need to advocate on behalf of my community.”
- “I don’t think they will change my future volunteering, they just made me more aware of what you can do as a volunteer online and other alternative options to volunteering.”
- “If we are required to adhere to more guidelines without support I will think twice before volunteering. It is necessary, but has created a lot more work.”
- “Watching people struggle through these times, especially the youth in our local area, makes me want to help more.”
- “In the future, these events could limit my volunteering as it was risky and dangerous to volunteer and go outside your own home.”
- “It differs but overall I believe my volunteering will be a-okay because within these events more people need more assistance and I’m willing to do that. The volunteering just looks different.”
- “They are more likely to make me want to volunteer but also will adapt the way I volunteer.”

# YOUTH VOLUNTEER INTENTIONS

## 2020 TO 2023

Table 20:

	YOUTH VOLUNTEERS	OTHER VOLUNTEERS	+/-
(Volunteering) more	36.0 %	24.2%	+11.8
(Volunteering) about the same	29.7%	43.3%	-13.6
(Volunteering) less	13.0%	11.9%	+1.1
Not volunteering at all	2.7%	8.6%	-5.9
Don't know or unsure	18.7%	12.0%	+6.7

## Volunteer Intentions

The table above shows responding youth were largely positive when asked whether, in three years' time, they were likely to be volunteering more or less than they did in the last 12 months. 65.7% of youth volunteers stated they would be volunteering about the same or more in three years, a similar level to that reported by Australians 25 and over (67.5%).

Interestingly, a much smaller percentage of youth expected to be volunteering at the same rate now as in three years' time. Nearly three times as many youth expected to be volunteering more in three years' time than less, but nearly one-in-five could not state with certainty what their volunteering would look like.

# 36%

**OF YOUTH VOLUNTEERS INTEND TO VOLUNTEER MORE IN THE NEXT THREE YEARS, COMPARED WITH 24.2% OF OLDER VOLUNTEERS**

## Youth and volunteer-involving organisations

Respondents to the survey of volunteer-involving organisations were asked a number of questions related to and specifically about their engagement with youth volunteers.

It was noted in Table 10 that youth were heavily relied upon by volunteer-involving organisations, as per the extract below.

Table 21:

YOUTH VOLUNTEERS REPRESENTED IN VOLUNTEER-INVOLVING ORGANISATIONS' VOLUNTEER PROFILE	% OF VOLUNTEER-INVOLVING ORGANISATIONS
People aged 18-24	41.8%
University or TAFE students	32.6%
School students	27.9%
Under 18s	24.3%

Respondents were also asked about the roles youth volunteers are undertaking in their organisation. The results are shown in the following table, with youth volunteers reporting that they were typically utilised in only 1.4 roles within volunteer-involving organisations. This is interesting given the preference expressed by youth for diversity in volunteering roles (Table 16).

Table 22:

THE ROLES YOUNG / YOUTH VOLUNTEERS ARE UNDERTAKING	% OF YOUTH-INVOLVING VIO RESPONDENTS
Fundraising & Events	34.0%
Food Preparation & Service	21.2%
Sport & Physical Activity	20.6%
Marketing, Media & Communications	19.2%
Administration & Office Management	19.0%
Education & Training	18.7%
Companionship & Social Support	15.9%
Arts, Craft & Photography	14.2%
Safety & Emergency Services	12.4%
Tutoring & Coaching	10.9%
Music & Entertainment	10.5%
Trades & Maintenance	10.5%
Seniors & Aged Care	9.0%
Retail & Sales	7.6%
Working with Animals	7.1%
Disability Support	5.9%
Driving & Transportation	5.9%
Tour Guides, Information & Heritage	4.8%
Research, Policy & Analysis	4.0%
Counselling & Help Line	3.8%
Childcare	3.5%
Accounting & Finance	2.9%
Mediation & Advocacy	2.2%
Translating & Interpreting	1.9%
Others	7.4%

# YOUTH VOLUNTEER ROLES

34%

FUNDRAISING & EVENTS

21.2%

FOOD PREP. & SERVICE

20.6%

SPORT & PHYSICAL ACTIVITY

An open text box allowed organisations to add more detail or include further categories and 36 responses (6.0%) noted 'garden/ environment/ conservation' areas.



Those organisations who noted they did not engage youth volunteers were separately asked to provide reasons /comment in a text box. Analysis of the responses (n=71) is shown in the following table.

Table 23:

WHY ORGANISATIONS DO NOT USE YOUTH / YOUNG VOLUNTEERS	
Youth not interested	30.0%
Hours required during school/study	25.4%
Don't have skills/experience required	13.3%
Regulatory reasons	10.0%
Youth too busy/school/work commitments	9.6%
Working with Children/Insurance	8.3%
Don't stay/not ongoing	5.4%
Supervision required	4.6%
Too hard	1.7%

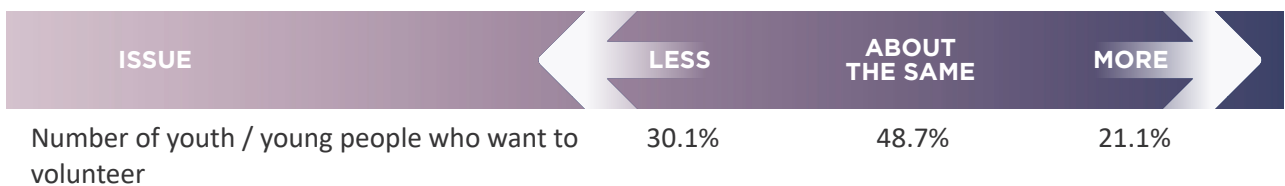
Regulatory reasons cited included a minimum working age required, the requirement for others to have a Working with Children clearance and/or insurance costs. As an aside, it is noted later in this report in Table 26 that insurance was the most significant single cost to volunteer-involving organisations in 2020.

The downward trend in youth being willing to volunteer perceived by responding volunteer-involving organisations was also noted in Table 14 and restated here.

# DOWNWARD TRENDS

**VOLUNTEER-INVOLVING ORGANISATIONS YOUTH VOLUNTEERING 2020 VS. THE PAST 3 YEARS**

Table 24:



# SUMMARY

## Section Three Summary

It is clear from the exploratory findings of this research that youth volunteering in New South Wales differs significantly from the volunteering patterns and behaviour of those aged 25 and over across a number of key dimensions. As these differences no doubt exist on a continuum, these differences are likely to continue but decay into the 25–34-year-old age cohort.

It could also be hypothesized from our data that there is a disconnect between the understanding and expectations of many volunteer-involving organisations and the youth who are (potentially) interested in volunteering with them.

While the data shows young people volunteer in a diverse range of roles (Table 16), the scale of opportunity / utilisation needs to be increased. Of particular interest is the preference of youth volunteers for roles that develop new skills or allow them to gain work experience (Table 18). This mode of learning may well be cost effective and create better outcomes than formal training programs that have high costs for government, varied results, and don't necessarily lead to jobs for students.

Adequate resourcing is also critical for organisations to be able to manage and support the specific expectations and requirements of youth volunteers. Organisations that do this well will deliver a volunteer experience that creates positive lifelong outcomes for each young person.

For this and other reasons, further research into the characteristics of youth volunteering and related policy interventions is commended as a direction for future research.





# SECTION FOUR

The  
Costs & Benefits  
of Volunteering  
in New South Wales

# THE COSTS & BENEFITS OF VOLUNTEERING

## The cost of volunteering in New South Wales

Volunteering is not free as the inputs that enable and facilitate volunteering in New South Wales and their related outputs come at a cost. Labour, materials and infrastructure are either directly purchased or donated. Also, given the scarce resources of individuals (and the organisations that involve them), the diversion of money to volunteering implies that other opportunities to improve individual welfare are denied – another social cost that must be considered.

The total social and economic cost of volunteering in New South Wales and its related enterprises in 2020 is estimated to be \$38.2 billion.

This comprises direct costs of \$10.6 billion and opportunities 'lost' to individuals, investors and the community of \$27.7 billion.

**VOLUNTEERING IS NOT FREE**



## Direct costs

The direct costs cited here estimate the change in final demand attributable to volunteering in New South Wales in 2020. These are the costs borne by individuals and organisations in support of volunteering activities and associated consumption.

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

**INDIVIDUALS SPENT  
\$1924  
OF THEIR OWN MONEY TO  
VOLUNTEER**

## Costs to Individuals

Individuals reported spending an average of approximately \$1,900 on their volunteering in 2020. The breakdown of this expenditure is shown in this table.

Of these expenses, only 20.2% of volunteers<sup>8</sup> receive approximately 38.7% of their out-of-pocket expenses reimbursed. Once this value is multiplied by the estimated number of volunteers in New South Wales, this equates to volunteers in New South Wales having net outgoings of approximately \$8.6 billion, or \$5.56 per volunteer hour.

## HOW MUCH VOLUNTEERING COSTS FOR INDIVIDUALS

*Table 25:*

Transport, travel and motor vehicle expenses	\$361.71	18.8%
Food and drink	\$343.17	17.8%
Phone, internet and communications	\$225.81	11.7%
Accommodation	\$205.65	10.7%
Memberships, licences and subscriptions	\$186.13	9.7%
Self-education and training	\$174.73	9.1%
Uniforms and clothing	\$173.71	9.0%
Tools, equipment and other resources	\$158.78	8.3%
Other	\$94.46	4.9%
	<b>\$1,924.16</b>	<b>100.0%</b>

<sup>8</sup> This figure is independent of the report in Table 12 that 35.9% of volunteer-involving organisations reimburse expenses. It is noted that even within organisations that reimburse expenses, not all volunteers might receive reimbursement. This table also includes informal volunteering expenses that may or may not be reimbursed.

As indicated in Section 1 of this report, the 32.0% of New South Wales volunteers who also reported making cash donations to volunteer-involving organisations across the same year gave, on average, \$312.12. This figure is highlighted for comparative purposes only and not included as a cost of volunteering.

## Costs to volunteer-involving organisations

From the responses to the volunteer-involving organisation survey, it is estimated that a further **\$2.0 billion was spent by volunteer-involving organisations to enable volunteering in 2020** on the activities listed in the following table.

### COSTS BY PERCENTAGE FOR VOLUNTEER-INVOLVING ORGANISATIONS

Table 26:

Insurances	39.2%
Wages and salaries (related to volunteer management)	33.0%
Materials, tools and equipment	8.1%
Administration	3.1%
Motor vehicle, transport and fuel	3.0%
Volunteer reimbursements	3.0%
Induction, education and training	1.9%
Catering (food and beverages)	1.8%
Marketing and promotion	1.5%
Volunteer recognition (eg awards, merchandise)	1.0%
Accommodation	0.4%
Other expenses	3.8%
	<b>100.0%</b>

39.2%

THE GREATEST EXPENSE REPORTED BY VOLUNTEER-INVOLVING ORGANISATIONS IS INSURANCES

## Opportunity Costs

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

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

## Volunteer's time

Recognising that not all wages are equal, the opportunity cost of volunteering labour is estimated using the average weekly earnings for part-time and full-time workers for each age cohort, less a 35% effective rate of tax across all forms of direct and indirect taxation. The hourly rate is then adjusted to reflect the proportional composition of the New South Wales workforce – full-time, part-time and non-participants per age group.

This approach applies a simple leisure/work trade-off model that identifies the opportunity cost of one hour of leisure by the income that could have been earned by working for an extra hour. This is consistent with a flexible labour model and assumes that additional work opportunity is available. As one would expect, the opportunity cost of leisure is low for the very young or very old – where significant numbers of people are not in the workforce or are underemployed – but quite high for those in age groups with greater workforce participation.

## OPPORTUNITY COSTS

OF HOURS DONATED TO THE NEW SOUTH WALES COMMUNITY BY VOLUNTEERS IN 2020

Table 27:

AGE	OPPORTUNITY COST OF VOLUNTEERS' TIME \$/HR	AVERAGE HOURS VOLUNTEERED/YEAR	VOLUNTEER POPULATION IN NEW SOUTH WALES	TOTAL OPPORTUNITY COST (\$MILLIONS)
18-24	\$7.62	488.2	641,478	\$2,387.2
25-34	\$20.69	359.9	1,044,016	\$7,773.5
35-44	\$25.29	406.8	906,416	\$9,327.0
45-54	\$25.71	235.6	785,939	\$4,759.2
55-64	\$18.69	271.1	560,155	\$2,837.9
65+	\$3.14	162.7	935,863	\$478.0

Therefore, the 1.5 billion hours donated to the New South Wales community by volunteers in 2020 came at an opportunity cost to donors of \$27.6 billion.

**\$27,562.8**

## Volunteering investments

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

The long-run cost of investment applied here is 0.9%, the 10-year bond rate at the time of reporting. To that end, we estimate that the gross cost of the opportunities diverted to volunteering by individuals and volunteer-involving organisations in New South Wales in 2020 is approximately \$95.1 million

## The benefits to New South Wales of volunteering

Volunteering in New South Wales alters the states of economic, social and cultural capital in individuals, organisations and communities. These forms of capital are converted into economically valuable outputs that contribute to the welfare of all.

In 2020, it is estimated that volunteering in New South Wales enabled \$127 billion worth of benefits across the community. These were the sum of commercial benefits worth \$53.1 billion and civic benefits valued at \$74.1 billion.

### Commercial benefits

#### Producers' surplus

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

Using a methodology known as input–output modelling,<sup>9</sup> the change in final demand of \$10.6 billion brought about by the volunteering expenditure of consumers (the direct costs of individuals and volunteer-involving organisations) increased output in the New South Wales economy by an estimated \$19.9 billion. This includes the production of intermediate goods as well as imports of \$3.4 billion.

The Gross Value Added to the New South Wales economy of volunteering is therefore \$11.4 billion, or 1.8% of New South Wales's Gross State Product of \$624.9 billion .

As material inputs are already allowed for – and our assumption is that the infrastructure would exist regardless of volunteering – if Gross Value Added is discounted by the cost of labour and taxes, we are left with a theoretical producers' surplus to businesses of \$2.1 billion.

This surplus represents the fair return to providers of capital and can be assumed to cover the cost of investment and the opportunity cost of the use of land or buildings for other purposes.

It is important to note, though, that the nature of the modelling means that this \$2.1 billion is distributed among all New South Wales firms that contribute intermediate or final goods and/or services that are consumed as a result of volunteering in New South Wales, and not just volunteering producers.

**\$11.4  
BILLION**  
**GROSS VALUE ADDED TO  
THE NSW ECONOMY**

**1.8%**  
**OF NEW SOUTH WALES'  
GROSS STATE PRODUCT**

**\$2.1  
BILLION**  
**IN PRODUCERS' SURPLUS  
TO BUSINESSES**

<sup>9</sup> See Appendix A

## Productivity premium

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

It was revealed that 56.9% of volunteers believed their volunteering added an average of 22.8% value to their productivity in their paid employment. Conversely, 5.3% felt their volunteering adversely impacted their day job by a factor of 20.2%.

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

Thus, the extent to which volunteering in New South Wales improved the productivity of individuals in 2020 (a benefit enjoyed by their employers) is estimated to be \$51.0 billion.

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

## Civic benefits

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

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

## Employment

Using the input–output model, the expenditure associated with volunteering in New South Wales is estimated to generate in the order of 94,750 jobs, of which 59,500 are full-time. Again, this refers to jobs created economy-wide and not just in the volunteering sector.

This realises a wage benefit of \$6.7 billion that is directly returned to households, with an equivalent welfare cost avoided by government.

Equation 1:

### PRODUCTIVITY PREMIUM FORMULA

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

$\hat{w}$  = median annual wage per cohort

$m_p$  = productivity multiplier

$v$  = total volunteers

$r$  = discount rate

# 56.9%

**OF VOLUNTEERS BELIEVED VOLUNTEERING ADDED AN AVERAGE OF 19.5% VALUE TO THEIR PRODUCTIVITY IN PAID EMPLOYMENT**



## Taxes

Input–output modelling also reveals that volunteering-related expenditure of \$10.5 billion (direct costs) generated approximately \$2.6 billion in tax revenue for the government.

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

## Volunteers' labour

The labour of volunteers is another civic contribution of volunteering. As already stated, it is estimated that volunteers donated 1.5 billion hours to New South Wales in 2020. The replacement cost of this labour is determined by calculating what it would cost beneficiaries to employ people to perform the equivalent work.

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

Using median wage data for each age cohort and allowing an additional 15% for superannuation, payroll and administration costs, **it was found that the cost to the community of replacing volunteers' labour in New South Wales would be \$64.8 billion.**

# REPLACING VOLUNTEERS' LABOUR

WHAT THE COST TO THE NEW SOUTH WALES COMMUNITY WOULD BE

Table 28:

AGE	REPLACEMENT COST OF VOLUNTEERS' TIME \$/HR	AVERAGE HOURS VOLUNTEERED/YEAR	VOLUNTEER POPULATION IN NEW SOUTH WALES	TOTAL OPPORTUNITY COST (\$MILLIONS)
18-24	\$19.01	488.2	641,478	\$5,956.2
25-34	\$43.02	359.9	1,044,016	\$16,164.9
35-44	\$52.39	406.8	906,416	\$19,317.2
45-54	\$53.80	235.6	785,939	\$9,960.2
55-64	\$50.33	271.1	560,155	\$7,642.9
65+	\$37.76	162.7	935,863	\$5,749.6
				<b>\$64,791.1</b>



To demonstrate the scale of the volunteering sector, we compare the cost to replace voluntary work in New South Wales with the total compensation of employees in the government and private sectors.

The volunteering sector is nearly four-times larger than the New South Wales Government (public) sector workforce and almost exactly the same size as the private sector.

Table 29:

**PUBLIC & PRIVATE SECTOR  
COMPENSATION  
VS. COST OF VOLUNTEERING**

SECTOR	\$
Volunteering replacement cost	\$64.8 billion
Private sector compensation of employees	\$63.3 billion
Public sector compensation of employees	\$17.1 billion

# CONCLUSION

## THE VALUE OF VOLUNTEERING TO NEW SOUTH WALES IN 2020

### The benefits to New South Wales of volunteering

The value of volunteering to New South Wales across the entire community is the sum of the benefits enabled. This analysis estimates these benefits to be worth **\$127 billion** in 2020 (Table 30).

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

Notably, this report ‘prices’ volunteering using common labour market metrics. In doing so, it does not include the very real – but less tangible – value of volunteering to the recipients of volunteering acts (also known as the surplus to consumers).

FOR EVERY DOLLAR INVESTED  
**\$3.30**  
 IS RETURNED

Table 30:

COSTS (\$ MILLION)		
Direct costs		Sub-totals
Totals		
Volunteer expenses	8,598.5	
Volunteer-involving organisation expenses	1,970.7	
		10,569.2
Opportunity costs		
Volunteers' time	27,562.8	
Volunteering investments	95.1	
		27,657.9
<b>38,227.2</b>		
BENEFITS (\$ MILLION)		
Commercial benefits		
Producers' surplus	2,109.1	
Productivity premium	51,015.1	
		53,124.2
Civic benefits		
Employment	6,687.4	
Taxes	2,648.3	
Volunteers' labour	64,791.1	
		74,126.8
<b>127,251.0</b>		
Social return on investment	<b>89,023.8</b>	
Benefit: cost ratio	<b>3.3 : 1</b>	

By contrasting the net value of volunteering in New South Wales with the cost of inputs, it can be seen that for every dollar invested by the community, approximately \$3.30 is returned.

Therefore, because the external benefits of volunteering exceed the social costs, the outcome is not inefficient, and there is a substantial social, cultural and economic ‘profit’ in volunteering. Indeed, the net (or social) return on investment – the difference between benefits and costs – is estimated here to be \$89.0 billion.

Ultimately, this analysis has examined whether those who donate their time, skills and money to volunteering are supporting the common good. This report demonstrates the economically real and significant value of volunteering to New South Wales.

Although there are some limitations to the analysis that would benefit from future research, the potential now exists for decision-makers in both industry and government to leverage this framework for continual improvement in the marketing and delivery of their services.



Recommendations for

# FURTHER RESEARCH

## Recommendations for further research

The findings in this research report are significant and greatly improve our documented understanding of volunteering in New South Wales. These findings are also in line with similar reports in other Australian states and territories, noting state by state variations.

While this report is thorough, there are limitations to the State of Volunteering methodology and research, and the findings also indicate other research questions worth pursuing. The Centre for Volunteering, NSW, working with the Project Advisory Group, has highlighted key areas below where practitioners, policymakers and researchers would benefit from further research to better understand and document the following areas:

### 1. Australian Bureau of Statistic collections

The Australian Bureau of Statistics is presently the most cited source of data on volunteering. It collects data on volunteering through the Census and the General Social Survey (see Appendix B). Work has been done to improve and expand data collection methods for the 2020 General Social Survey; however, further areas of research could be expanded to complement data on volunteering patterns, such as the costs of volunteering and pathways to employment.

The ABS has collected a lot of additional data on the paid workforce during the COVID-19 pandemic. However, far less data has been collected on the volunteer workforce. Given the large number of volunteers, the wide range of volunteering activities and the economic and social value of volunteering, this information would be valuable to document and understand.

### 2. Youth volunteering

Engaging younger people in volunteering, particularly to diversify, grow and sustain volunteer workforces, is another area of interest for leaders of volunteers in New South Wales. The core work of this report aggregates the motivations and barriers of all residents of New South Wales. An additional targeted survey was conducted to provide a greater understanding of the motivations and volunteering trends of younger residents of New South Wales to help the sector better plan and prepare for the future.

The COVID-19 pandemic and related economic recession and revival add another layer of complexity and set of challenges to understand in relation to young people, who across New South Wales, Australia, and globally stepped forward in increasing numbers to volunteer. At a time of higher and uncertain employment, volunteering can provide meaningful activity and develop skills and capabilities that can support pathways to paid employment. This is particularly relevant to young people who are at high risk of long-term unemployment or who are from disadvantaged groups and areas.

Further research would inform a better understanding of the motivations and participation patterns of younger volunteers – and meaningful strategies and programs to keep them engaged for life

### 3. Informal volunteering

Informal volunteering is within the scope of this report and is included in key findings and headline figures. It is noted that 4.4 million residents of New South Wales over the age of 18 volunteered informally in 2020.

Research into informal volunteering is important for improved understanding of social and cultural capital and, for example, to understand how volunteering relates to social cohesion and community resilience. A lot of volunteering activity occurs informally in the community, and often goes unnoticed, as different demographic groups vary in how they perceive social participation. For example, there may be high levels of unrecorded informal volunteering in different cultural communities in Australia. Acknowledgement of this may positively influence community and policy attitudes towards these groups. Anecdotally, too, informal volunteering has not only been prevalent during the COVID-19 pandemic; stories of powerful models of informal volunteering service delivery and community support have come to the fore.

#### 4. Cost to individuals of volunteering

By highlighting the average out of pocket expenses volunteers incur, this report raises questions around the affordability of volunteering and the extent to which cost is a barrier to participation. Further work examining the variations in cost burden for volunteers in different sectors and across the state is needed, with a view to proposing appropriate government and organisational policy responses.

Further, many volunteer-involving organisations were unable to provide information on their volunteer-related expenses. Organisations not recording and accounting for these expenses as a cost of doing business hide the true cost of volunteering and promote the anachronistic view that volunteering is an inevitable, free and unlimited resource. Cost-accounting capability building within the sector will go a long way toward ensuring the financial and strategic viability of key sector stakeholders.

#### 5. Volunteering in regional and rural areas

Volunteering in rural and regional New South Wales is not only a way of life but essential to maintaining a variety of services. Many issues for volunteering in rural towns and regional cities differ from those in the Greater Sydney area. Some of the known issues for volunteering, in rural areas in particular, include ageing and declining populations and volunteer numbers, demand outstripping supply, volunteer fatigue, impact of drought and natural and manmade disasters, digital inclusion and connectivity, the higher cost of transport, lower levels of service provision and the tyranny of distance.

Further research is needed to better understand how volunteering uniquely impacts regional and rural communities, especially in the face of rapid social, urban and economic change.

#### 6. Volunteer patterns among diverse groups

The survey design of this report included questions to New South Wales residents to self-identify as part of specific cohorts (CALD, LGBTIQI+, Aboriginal and Torres Strait Islander and people with disability).

These questions helped ensure that the goal of informed and equitable diverse and inclusive representation by all residents of New South Wales in the data was met. However, the sample size for this report did not allow us to derive statistically significant findings about these specific population groups.

It is important that volunteering is accessible, diverse and inclusive of all residents of New South Wales and that the volunteering sector, the groups themselves and government understand the volunteering patterns of all cohorts in more detail and work collaboratively to deliver successful solutions and outcomes. This detail includes volunteers' motivations, successes, barriers to participation, opportunities, and volunteering costs and trends.

#### 7. Volunteering diversity

Indicative data from this research (unpublished due to small sample sizes) hints at variations in volunteering patterns for people on different income levels. Socio-economic volunteering patterns are complex and intersect with other factors, such as age, location, opportunities available and the behaviours of entire communities. Further research into the relationship between volunteering and socio-economic differences would be helpful to guide diverse and inclusive volunteering policy and practice. Similarly, volunteerism in places of concentrated disadvantage is another area that should be examined to assist policymaking.

#### 8. Volunteering during the COVID-19 pandemic

This report provides comparative data on how the COVID-19 pandemic has affected the sector, and the findings are in line with other relevant research reports. Further research would support greater understanding of:

- the long-term impact of safety, health and wellbeing concerns and restrictions on volunteering, particularly older volunteers, including how and whether volunteers re-engage with and are re-engaged by organisations, and

- the significant global informal volunteering movement that mobilised during COVID-19, including in New South Wales and across Australia. Research would inform a better understanding of this powerful movement and the development of meaningful strategies and programs to keep these volunteers engaged in future.

## 9. Volunteer sector-specific research

In New South Wales, some areas of volunteering are leading with the development of contemporary volunteering research that is relevant to their individual and often to the broader sector. This report aggregates findings of the entire volunteer sector, which is extremely diverse. For more granular and tailored understandings, standalone research reports should be conducted to uncover issues and trends unique to individual volunteering contexts. Some sector-specific directions for future research may include, but are not limited to:

- Disaster and Emergency management.

This sector has been the subject of active research and policy development. It is highlighted here due to the critical importance of volunteers involved in disaster and emergency management frameworks and because of the escalating frequency and challenges of disasters and emergencies, which are both jurisdictional and national in nature.

Further research will help the disaster and emergency management sector undertake more effective workforce planning and preparedness across all phases of disasters and emergencies.

- Community sport.

Sport plays a very significant role in community connectedness and can contribute to better health and wellbeing outcomes, particularly for rural and regional communities. Sport is often the hub to many other connections. The community sports sector relies on in-person activities often delivered by its significant volunteer workforce. Further understanding is needed to support the sector to re-engage and revitalise its volunteers and local communities as New South Wales moves forward from the COVID-19 pandemic.

- Aged care.

Volunteers are a vital part of the aged-care workforce, supporting the wellbeing and connectedness of older people in their own homes and in aged-care homes. As major sector reforms are being considered that may greatly affect volunteering, more evidence is needed for planning and decision-making about effective volunteer programs.<sup>9</sup>

- Corporate volunteering.

Businesses that encourage employees to volunteer during paid work hours are an increasingly important source of volunteers to volunteer-involving organisations; however, it was interesting to note in this research that “companies wanting to volunteer employees’ time” had decreased by 35.3% over the last three years (Table 17). This may well be in response to the impacts of COVID-19, remote working and the current economic environment, but given the importance of employee volunteering to the sector this is worth further investigation.

## 10. Value not measured

This report has made an original and significant contribution to our understanding of the ‘true’ value of volunteering to New South Wales. Nevertheless, several sources of value have yet to be measured, each of which could notably impact the criticality of volunteering in the community. A non-exhaustive list of additional econometrics might include:

- Other, shadow costs of volunteering (for example, in-kind contributions and subsidies)
- The impact of volunteering on volunteers’ health, wellbeing and status
- The value created for recipients of acts of volunteering, including value added to:
  - o Individuals
  - o Organisations
  - o Built and natural environments

(Continued over the page)

<sup>9</sup> Volunteering Australia, 2020, Volunteering Australia submission to the Royal Commission into Aged Care Quality and Safety.

- The opportunity cost of vacant volunteering roles (see recommendation five, above)
- A contingent valuation of the surplus use and non-use values of volunteering, and
- The potential value that might be unlocked by interventions that motivate additional volunteering in the community

## 11. State of Volunteering in Australia Report

The Australian Government has recently commissioned a State of Volunteering in Australia Report. It is recommended that any advice, learnings, knowledge and information related to the development of this State of Volunteering in New South Wales Report that may be helpful to the national report be provided for the use of the authors of the national report.

The benefits of a national report would include:

- Being able to make direct comparisons and develop benchmarking between states and territories
- An ability to more easily identify trends, challenges, successes and opportunities over time
- Information for future research, consistent standards of practice and communication, and opportunities for future collaboration, and
- A greater sample size to better understand volunteer patterns for socio-economic groups and geographic cohorts.





# APPENDIX A

## Input–output modelling

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

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

An input–output 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 New South Wales 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 2016-17 transaction tables in conjunction with demand and employment information for each Australian state and territory to model the impact of changes in demand on these regional economies, estimating changes in their output, employment and gross state product.

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

*Equation 2:*

### LEONTIEF MULTIPLIER

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

$LV_E$  = vector of volunteering expenditure

$\Delta O$  = 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 New South Wales spent a combined amount of \$6.5 billion (direct costs) in 2020. This figure represents final demand in three main industry categories:

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

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

Changes in employment and gross state product (GSP) are proportional to changes in output following the constant return to scale assumption inherent in 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 2020. Unless explicitly stated and adjusted for, all data is sourced from that period.
- Financial multipliers are calculated using the New South Wales RIOM model. This model is derived from the ABS 2017-18 New South Wales Input–Output Table. Financial multipliers are assumed to be consistent between 2020 and 2017-18.
- Volunteering activities were fully realised within New South Wales in 2020. Investment expenditure is limited to items included in the survey responses, which are assumed to represent typical annual expenditure.
- Impacts are calculated based on direct, indirect (intermediate inputs), and household consumption effects. Increases in gross operating surplus or taxation revenue are not assumed to directly result in increased expenditure in the New South Wales economy (the government sector is not closed).

- Where demand results in importation of goods or services from outside New South Wales (interstate or overseas), no further impact is assumed on the economy.

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

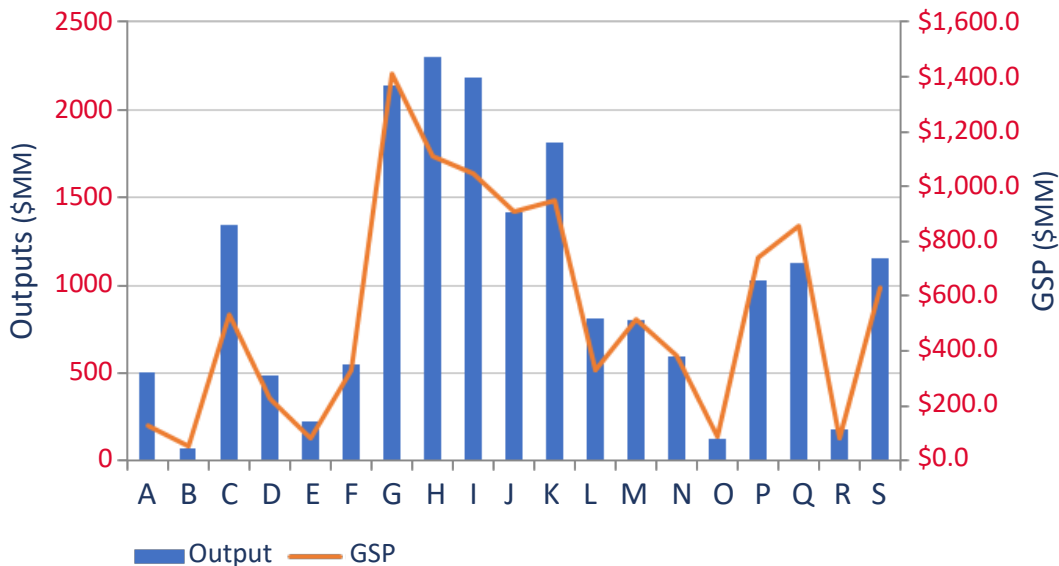
## Australian and New Zealand Standard Industrial Classification of industries by division

Table 31:

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

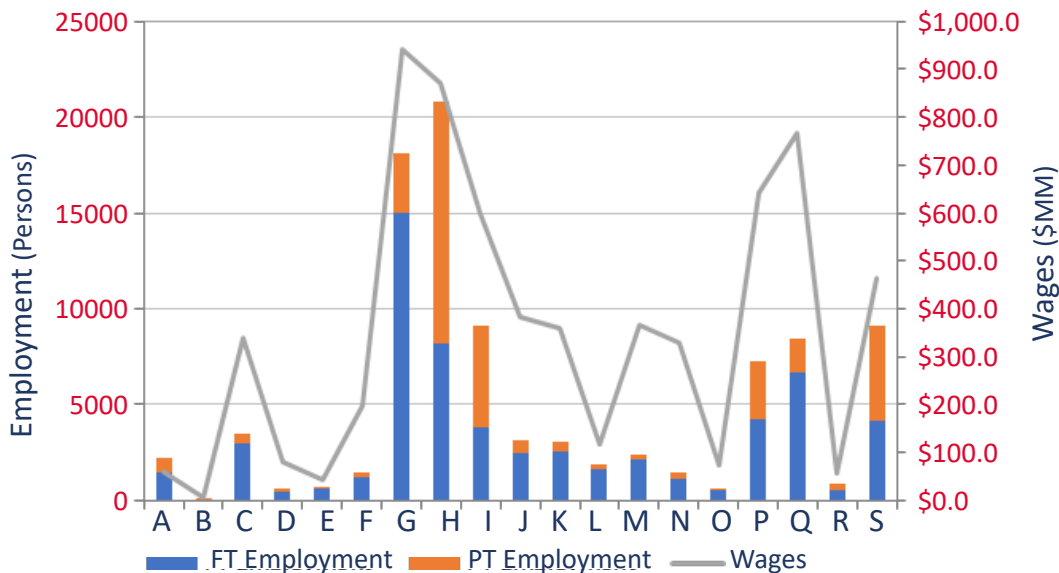
## Indirect and induced impacts on output and GSP by sector

Graph 1:



## Indirect and induced impacts on wages and employment by sector

Graph 2:



# APPENDIX B

## ABS comparison

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

Its Censuses 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 this report, but it excludes workplace volunteering (facilitated by employers) and volunteering aligned to an educational outcome, categories we include in our definition. The limited examples are also a constraint that will be discussed shortly.

Pending publication of the 2021 census results, the 2016 census found that 18.1% of residents of New South Wales volunteered, a figure virtually unchanged from the 2011 census (16.9%).

The ABS recognises that this figure significantly underestimates the absolute rate of volunteering in the community. That said, given the volume responses, fine grain differences in the rate of formal volunteering by key demographics such as gender, age, geography, and household and economic status can be most reliably observed in the census. Importantly, though, cross-tabulations in this regard should always be subject to tests of statistical significance.

In an effort 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. In greater detail than the census, the GSS provides data on the social characteristics, wellbeing and social experiences of people in Australia.

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 capture informal volunteering, while maintaining the time series of existing formal volunteering items.

Although the survey was previously conducted once every four years, the survey is planned to run annually from 2019. The 2019 iteration of the GSS collected data from approximately 3,535 Australian households online (43%) or via a face-to-face interview (57%). Given the intent to run the GSS annually, this was approximately one-quarter of the typical GSS sample.

The 2019 GSS found the following for New South Wales residents:

- Just over one-quarter (28.9%) of residents of New South Wales aged 15 years and over, participated in unpaid voluntary work through an organisation in 2019 (formal volunteering).
- Just under one-third (29.1%) of the New South Wales population aged 15 years and over participated in informal volunteering in the four weeks prior to the survey<sup>10</sup>.

The ABS is careful to clarify that these figures are not summable, as no effort has been made as yet to allow for double-counting (people who reported volunteering both informally and informally).

The ABS notes that it is unknown if the informal volunteering figure – collected over the three-month period from 29 April to 20 July 2019 – can be safely extrapolated to estimate an annual rate of informal volunteering. Their informal volunteering figure should thus be treated as a proxy for the annual rate of informal volunteering.

<sup>10</sup> 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.

A further limitation of both the Census and GSS is question placement. The volunteering question is the 51st question on the Census form. The GSS volunteering questions are in the middle of the GSS survey (section 7.9 out of 16 sections). Both surveys can take 60-90 minutes to complete.

The State of Volunteering Report (SOVR) for Queensland was used to test the quality of our data and we asked two separate groups of questions about volunteering in Queensland. One used GSS questions on volunteering participation exactly as they appeared in that survey and the second group were asked a separate set of questions on volunteering developed over a number of iterations of the SOVR that more specifically and explicitly aligned to the Volunteering Australia definition. The method, results and a more detailed discussion can be read in the State of Volunteering Queensland 2020 report and, as with this report, the work revealed significantly higher rates of volunteering participation than both the Census and GSS.

The results are consistent with our own findings in the 2019 State of Volunteering Report for Tasmania, in which a representative online panel was used to survey 403 respondents over a two-week period in April 2019; this was followed by a second set of 315 telephone interviews undertaken in May 2019. In that study, there were no statistically significant differences in the responses between the two surveys when comparing participation rates in volunteering or the number of hours volunteered per month.

The other material differences between the GSS and our SOVR survey are:

- the length of the instruments (the GSS can take up to 90 minutes to complete versus 15 minutes for the SOVR)
- the relative positioning of volunteering participation questions in the instruments (midway through the GSS and up-front in the SOVR), and
- the framing of the instruments (a General Social Survey (GSS) versus a volunteering-specific survey (SOVR)).

We hypothesise that these factors are just as significant as the differences in the questions themselves in explaining why the SOVR reveals a higher rate of volunteering participation across both the SOVR Group 1 and Group 2 datasets.

We are fortunate, then, that in the SOVR we have been able to ask a much more specific set of questions about volunteering, without the constraints of the ABS instruments and approach. The relative rigour that this study is able to apply therefore gives us a very high degree of confidence in the veracity of our results as a complement to the existing work of the ABS.



# APPENDIX C

## Economic analysis in plain English

## The Costs & Benefits of Volunteering in New South Wales

COSTS (\$ MILLION)		
<b>Direct costs</b>		<b>Sub-totals</b>
<b>Totals</b>		
Volunteer expenses	8,598.5	
Volunteer-involving organisation expenses	1,970.7	
		10,569.2
<b>Opportunity costs</b>		
Volunteers' time	27,562.8	
Volunteering investments	95.1	
		27,657.9
<b>38,227.2</b>		
BENEFITS (\$ MILLION)		
<b>Commercial benefits</b>		
Producers' surplus	2,109.1	
Productivity premium	51,015.1	
		53,124.2
<b>Civic benefits</b>		
Employment	6,687.4	
Taxes	2,648.3	
Volunteers' labour	64,791.1	
		74,126.8
<b>127,251.0</b>		
Social return on investment	<b>89,023.8</b>	
Benefit: cost ratio	<b>3.3 : 1</b>	

### 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 2019 she built a semi-permanent Stage 2 refuge in her backyard for animals on the path to release.

*Note:* This figure does not include reimbursements made to volunteers by volunteering-involving organisations.

#### Volunteer-Involving Organisations expenses

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

*For example:* The Care Club is 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 after 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.

*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 State. The profit made on these transactions 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 State, 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 the State, 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 who 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 who 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 allocates 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 New South Wales' 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.

## Social return on investment

Benefits less costs. It is estimated here to be \$89.0 billion.

## Benefit cost ratio

Benefits divided by costs. Using this method, we can see what each dollar of investment (cost) creates for the community; in this case, \$3.30 in benefits.







# PHOTO

## PHOTO CREDITS

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