

# NSW State of Volunteering Report 2023



The Centre for  
**Volunteering**

**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 and present.**



**The Centre for  
Volunteering**

This work is copyright. You may download, display, print and reproduce this material in unaltered form only (retaining this notice) for your personal, non-commercial use or use within your organisation. Apart from any use as permitted under the Copyright Act 1968, all other rights are reserved. Requests for further information should be directed to the following address:

**The Centre for Volunteering**

Level 3, 40 Gloucester St

Sydney NSW 2000

T: 02 9261 3600

E: [info@volunteering.com.au](mailto:info@volunteering.com.au)

W: [volunteering.com.au](http://volunteering.com.au)

© The Centre for Volunteering (NSW), 2023

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.

# Executive Summary

**In 2023, 4.3 million people gave time as a volunteer, contributing \$178 billion of value to the state of NSW. This report provides a snapshot of volunteering in NSW and gives information on a range of the sector's characteristics.**

The volunteering sector has experienced many challenges following the COVID-19 pandemic and subsequent cost-of-living crisis. Yet volunteers have continued to meet and to participate in activities that are key to their communities, with the average volunteer contributing 17.5 hours each month, for a total of 893.9 million hours in 2023. Volunteers have engaged both formally with an organisation (47.7%) and informally, outside an organisation in their communities (65.7%). A significant amount of volunteering is also undertaken by young people, with 70.7% of people aged 15-25 being involved in some kind of volunteer activity.

Remarkable as these contributions are, they are made possible by a significant cost to volunteers, which reinforces the fact that volunteering is not free. The report demonstrates that the annual cost of volunteering has risen per volunteer from \$1924 in 2020 to \$3115.80 in 2023. This is significant as 70.7% of the total expenses of volunteering are absorbed by volunteers. Additionally, 11% of paid volunteer managers and 24.7% of unpaid volunteer managers themselves assume the costs of volunteering activities. Nevertheless, volunteers have continued to give of themselves in service of the community, with 31.2% of volunteers intending to increase their volunteering over the next 3 years and 27.2% of non-volunteers intending to begin volunteering over the same time period.

In parallel to this is the enormous social and economic benefit that volunteering provides to NSW. The \$178 billion benefit to NSW represents 550% return on investment. In other words, for every dollar invested in volunteering, a return of \$5.50 is seen. The report further calculates the replacement cost of volunteering at **\$39.7 billion**, twice the cost of the entire NSW public sector. A significant amount of community wellbeing is attributed to the impact of volunteering and it is noted that volunteering is responsible for a 14.7% increase in workplace productivity.

The report is based on two extensive surveys of the volunteering sector. The first is the Public Survey sent to a random sample of NSW residents, with 1511 respondents. The second was a Volunteer Manager survey sent specifically to NSW volunteer managers, with 1735 respondents. These surveys form the data set analysed in the report.

The State of Volunteering Report presents a detailed examination of the characteristics of volunteers and volunteer management in NSW. It highlights the strength of the volunteering sector, and the immense benefits volunteering contributes to the state.

IN 2023 NSW  
VOLUNTEERS  
CONTRIBUTED

**893.9m**  
**hours**

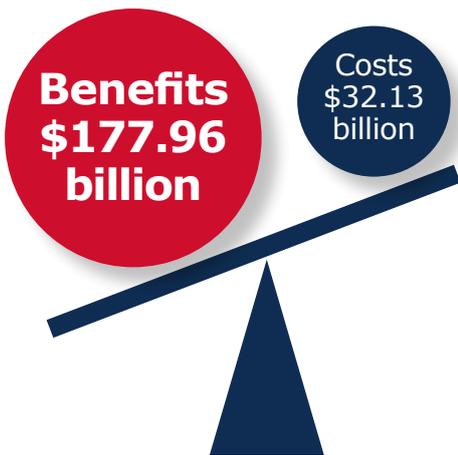


WITH AN  
AVERAGE OF

**17.5**  
**hours**  
PER MONTH

# Key Findings

Costs and benefits of volunteering in NSW in 2023



**THE VALUE**  
of volunteering  
to NSW

**\$178 Bn**

For every dollar invested, approximately \$5.50 is returned

**\$1 = \$5.50**



The average volunteer expense per volunteer hour is

**\$14.68**

Cost to individual volunteers per year  
**\$3115.80**

The average volunteer-involving organisation expense per volunteer hour is

**\$7.31**



The replacement cost of volunteering is

**\$39.7 Bn**

which is equal to twice the cost of the entire NSW public sector

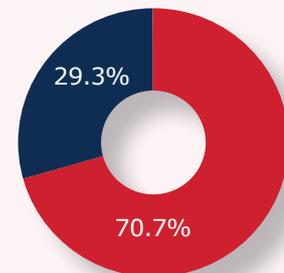


Non-volunteers attributed

**54.2%**

of community well-being to the impact of volunteering

PERCENTAGE SHARE OF TOTAL EXPENSES

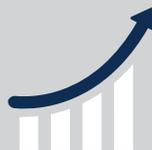


- Volunteers
- Volunteer-involving organisations



**145,000**

Jobs created in all sectors by expenditure on volunteering



**14.7%**

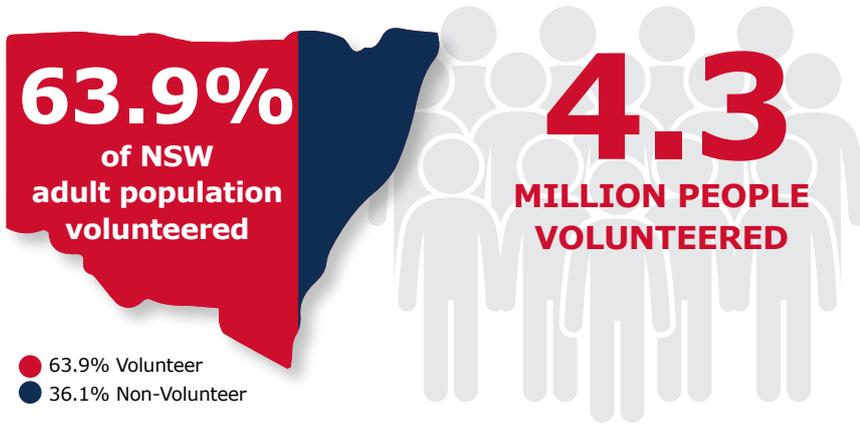
The extent to which volunteering improves workplace productivity

The contribution of volunteering expenditure to Gross State Product in NSW is



# Key Findings

## Volunteers in NSW in 2023



## TOP 5 VOLUNTEER MOTIVATIONS

- 1 To help others
- 2 To be active
- 3 To use my skills and experience
- 4 For enjoyment
- 5 For social and community connection

IN 2023 NSW VOLUNTEERS CONTRIBUTED

**893.9m**  
hours



WITH AN AVERAGE OF

**17.5**  
hours  
PER MONTH

## SOCIAL PREFERENCE for Volunteering



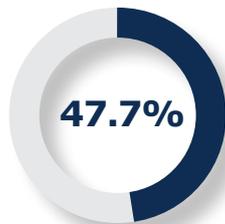
**31.3%**  
on their own



**32.6%**  
with others

**35.8%**  
both

**26.1%**  
of volunteering is undertaken from  
**home or online**



**FORMAL VOLUNTEERS**  
*(as a percentage of volunteers)*



**INFORMAL VOLUNTEERS**  
*(as a percentage of volunteers)*

**31.2%**  
OF VOLUNTEERS  
intend to volunteer more in 3 years' time



**27.2%**  
OF NON-VOLUNTEERS  
intend to volunteer more in 3 years' time

# Key Findings

## Volunteer management in NSW in 2023

### Key inclusion metrics

*(The percentage of volunteer-involving organisations that include these demographics)*

**68.4%**  
include volunteers aged 65+

**39.9%**  
include volunteers aged under 25

**29.2%**  
include culturally and linguistically diverse (CALD) volunteers

**17.3%**  
include online or remote volunteers

### TOP 3 RETENTION STRATEGIES



**1**  
Volunteer training and development



**2**  
Personal relationship building



**3**  
Awards and formal recognition

Almost  
**40%**  
of organisations include volunteers under

**25**  
years of age

### TOP 3 RECRUITMENT CHANNELS



**#1**  
Word of mouth



**#2**  
Social media



**#3**  
Website

### TOP 3 CHANGES reported by volunteer managers

**1**

Volunteer hours have decreased

**2**

Volunteers need more training

**3**

Fewer people want to volunteer



THE HON.  
JODIE HARRISON MP

## Message from the Minister



Volunteering is a big part of all our lives – whether directly or indirectly. Our society would not be what it is without the efforts of the millions of volunteers who contribute their time and effort.

Volunteering also makes us who we are.

Growing up I experienced first-hand the impact and change volunteers can generate. I have stood alongside other volunteers with charities, community radio, Landcare groups and Meals on Wheels, as well as helping people in crisis during natural disasters. I continue to see and experience it as part of who we are, our social fabric.

The NSW volunteering sector is a force for change. **The 2023 NSW State of Volunteering Report** highlights the scale, value and impact of the sector. With 4.3 million volunteers in NSW contributing close to 900 million hours, worth \$178 billion to our State's wellbeing, the NSW volunteering sector is a powerhouse. In fact, the size of the our sector makes it our State's biggest workforce – an essential workforce.

Without the efforts of volunteers, our lives and our society would be poorer, more isolated, less resilient. But the report also illustrates that there are challenges that the sector is facing. It is important to recognise the impacts of the pandemic, natural disasters, the cost-of-living, cost-of-volunteering and cost-of-operating pressures.

Volunteering is part of an ecosystem, and Government is part of that. This research, conducted in collaboration with The Centre for Volunteering, is critical. It helps inform decision-making, identify what is working well, and what the challenges are. Importantly, it helps us understand

volunteering in NSW and how we can keep our sector vibrant, and help it thrive.

Our **NSW Volunteering Strategy 2020–2030** is one way we respond to volunteer needs and those of your organisations. It takes a volunteer-centred approach and is focused on:

- investing in ways to grow participation and build the sector's capacity
- enhancing our knowledge of volunteering by investing in research
- supporting initiatives to recognise the contributions of volunteers and the impact of the sector.

I commend this report to the sector. I'm committed to continuing our strong collaboration because together we will rise to current and future challenges, and further enhance our strengths. I look forward to the change we can generate, growing volunteering, making a difference, to achieve our united vision where *'volunteering in NSW grows and is vibrant. Everyone can volunteer, more often, throughout life, and their contributions are celebrated'*.

A handwritten signature in blue ink, consisting of a stylized 'J' followed by a horizontal line and a small flourish.

**The Hon. Jodie Harrison MP**

Minister with responsibility for Volunteering  
Minister for Women, Minister for Seniors and  
Minister for the Prevention of Domestic Violence  
and Sexual Assault.



HELEN FREELAND

## Message from the Chair



The NSW Centre for Volunteering is very pleased to present this second State of Volunteering report as a resource to be used by those individuals and organisations involved in volunteering in NSW and in collaboration with peak bodies in other jurisdictions, more broadly across Australia. Promoting and supporting volunteering is the core purpose of The Centre's role as the peak body for volunteering in NSW and we are committed to continuing to build and deepen our knowledge of volunteering and the contextual factors in play, sharing that knowledge with stakeholders.

As a society we have experienced significant and continuing change since the first report was completed in 2020. Anecdotally the social and economic pressures being experienced by individuals and communities have affected volunteering activity. Indeed, indicators that we are less cohesive as a community may also be important context for understanding the impact on volunteering and the challenges that lie ahead.

To support and grow volunteering in NSW we need firstly to understand those changes and to respond and adapt to their impacts. Understanding what has changed and how that has impacted on individuals, teams and organisations that are involved in volunteering is vital. It is in our collective interests to have a vibrant, growing and sustainable volunteer sector. Attracting and retaining volunteers, reducing the barriers to volunteering remain among the challenges we need to meet.

The data in this report helps us to do that. The report builds on the 2020 report, bringing insights from volunteer managers, including those from diverse cultural backgrounds. The authors have presented the research findings. It is up to all of us to take the next steps, exploring what the data means for the future of volunteering in our settings.

We are again indebted to the many individuals and organisations who contributed the data for this report and to others for their advice and expertise. Thank you for your 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.

I encourage you all to read and share the report with colleagues and use it to strengthen volunteering in your part of NSW.

A handwritten signature in blue ink, consisting of a stylized 'H' and 'F' intertwined.

**Helen Freeland**  
Chair, The Centre for Volunteering



GEMMA RYGATE

## Message from the CEO



I am pleased to commend to the sector the second NSW State of Volunteering Report. This is a significant piece of research for the volunteering sector and broader NSW community, building on our inaugural report published in 2021. It represents the first comprehensive analysis of volunteering in NSW following the COVID-19 Pandemic and highlights the resilience and commitment of the sector.

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 an essential part of communities across the state and provides a range of social and economic benefits.

The report highlights that volunteering contributes a benefit of \$178 billion to NSW and tells us that for every dollar invested in volunteering we see a return of \$5.50. The report notes that the cost of volunteering continues to rise, reaching an average of \$3115.80 a year for individual volunteers, and a lack of time is reported as the most significant barrier to volunteering by volunteers, volunteer managers, and those who don't currently volunteer (non-volunteers). Despite these difficulties, 4.3 million people volunteered in 2023, giving over 893 million hours to their communities throughout the year.

This research is a powerful reminder of how critical the volunteer workforce is to NSW. It highlights that volunteering is not free and that support is needed from government, business, and the broader community for volunteering to thrive. Several key findings show the significance of volunteering in NSW:

1. Intention to volunteer is higher than previous years, with 31.2% of volunteers and 27.2% of non-volunteers reporting an intention to volunteer more frequently in the next three years.
2. Young people are volunteering at higher rates than ever, with 35.6% of volunteers in NSW being

under the age of 30 and 70.7% of all people under the age of 25 engaging in some form of volunteering activity.

3. Volunteer managers absorb a significant amount of the costs of volunteering, with 24.6% of paid volunteer managers and 42.8% of unpaid volunteer managers paying for the costs of volunteering up-front.
4. The volunteering sector makes up an enormous part of the NSW economy, being the largest workforce in NSW. The replacement cost of volunteering is \$39.7 billion, twice the cost of the entire NSW public sector.

In the face of some of the most challenging circumstances seen in recent times, volunteering continues to adapt in order to meet the needs of local communities. The State of Volunteering Report helps us understand where volunteering stands in 2023. The sector has displayed remarkable resilience and should not be seen as failing or in decline; rather, volunteering is changing to meet new needs and overcome new challenges.

We thank the many individuals and organisations who have contributed to this report as members of the steering committee, as advisors, and who have provided valuable survey information. Together you have played a critical role in developing and presenting this research.

Thank you especially to the NSW Government and the Department of Communities and Justice for enabling The Centre for Volunteering to undertake this research. This empirical evidence for the value and impact of volunteering is vital as an acknowledgement of the importance of volunteering to the state of NSW.

A handwritten signature in blue ink that reads "Gemma Rygate".

**Gemma Rygate**  
CEO, The Centre for Volunteering



# Contents

<b>Executive summary</b>	<b>i</b>	Barriers to volunteering	27
<b>Key findings</b>	<b>ii</b>	The cost to volunteer managers	28
Costs and benefits of volunteering	ii	Three years of change	29
Volunteers	iii	Issues in volunteer management	31
Volunteer management	iv	Organisational optimism	33
<b>Message from the Minister</b>	<b>vi</b>	Intent	34
<b>Message from the Chair</b>	<b>viii</b>	Key comparisons	35
<b>Message from the CEO</b>	<b>x</b>	<b>SECTION 3:</b>	
<b>Contents</b>	<b>xii</b>	<b>THE VALUE OF VOLUNTEERING</b>	<b>36</b>
Figures	xiii	<b>Key findings</b>	<b>37</b>
Tables	xiv	Costs	39
Equations	xiv	The benefits of volunteering	42
<b>Acknowledgements</b>	<b>1</b>	What if...?	49
<b>Introduction</b>	<b>2</b>	<b>Conclusion</b>	<b>51</b>
<b>Methodology</b>	<b>3</b>	<b>Directions for future research</b>	<b>52</b>
<b>Interpretation of findings</b>	<b>3</b>	<b>Glossary</b>	<b>56</b>
<b>SECTION 1:</b>		<b>Appendices</b>	<b>57</b>
<b>CHARACTERISTICS OF</b>		Appendix A:	
<b>VOLUNTEERS IN NSW</b>	<b>4</b>	Methodology detail	57
<b>Key findings</b>	<b>5</b>	Appendix B:	
Sample demographics	6	ABS comparison	66
Volunteer participation	7	Appendix C:	
Formal versus informal volunteering	9	Economic analysis in plain English	68
Place of volunteering	10		
Volunteer motivations	10		
Volunteer recruitment	11		
Social preference	11		
Barriers to volunteering	12		
Volunteering constraints	13		
Intent	16		
Key comparisons	17		
<b>SECTION 2:</b>			
<b>VOLUNTEER MANAGEMENT IN NSW</b>	<b>18</b>		
<b>Key findings</b>	<b>19</b>		
Sample demographics	20		
Volunteer managers	22		
Volunteer inclusion	23		
Volunteer recruitment	24		
Volunteer recognition, engagement, and retention	26		

## PHOTO CREDITS

Photos provided by the Department of Communities and Justice and The Centre for Volunteering, created by Salty Dingo on their behalf.

Page v: Mudgee Classic

Page vii: Australian Museum/Moree Show Society

Page ix: Royal Flying Doctor Service

Page xi: Riding for the Disabled, Griffith

Page 2: Hampers of Hope

Page 4: Volunteer Rescue Association

Page 18: Bathurst 6 Hour

Page 36: Sydney Royal Easter Show

Page 55: Dubbo Rivercare/Griffith Shaheedi Tournament organised by the Gurdwara Singh Sabha Society

Page 71: Wrap with Love

## FIGURES

Figure 1: Percentage of NSW residents aged 15 and over who volunteer (n = 8.17 million)	7	Figure 17: Methods used by volunteer managers to recognise, engage, and retain volunteers (n = 1735)	26
Figure 2: Volunteering participation in NSW by age cohort	7	Figure 18: Barriers to volunteering identified by volunteer managers (n = 1735) versus volunteers (n = 966)	28
Figure 3: The ways in which people contribute to their community as a volunteer	7	Figure 19: The burden of volunteer management expenses	29
Figure 4: Where people volunteered in NSW (n = 1511)	10	Figure 20: Volunteer-related issues and their relative importance to volunteer managers (n = 1735)	31
Figure 5: Volunteers' motivations for volunteering (n = 1511)	10	Figure 21: Organisation-related issues and their relative importance to volunteer managers	32
Figure 6: How volunteers find opportunities to volunteer in NSW (n = 1511)	11	Figure 22: External issues and their relative importance to volunteer managers (n = 1735)	32
Figure 7: How people prefer to volunteer in NSW (n = 1511)	11	Figure 23: The likelihood of people volunteering with the volunteer manager's organisation in 3 years (n = 1735)	33
Figure 8: Barriers to volunteering (more) in NSW, reasons that are more common to volunteers	12	Figure 24: The likelihood of a volunteer manager being with their organisation in that role in 3 years	34
Figure 9: Barriers to volunteering (more) in NSW, reasons that are more common to non-volunteers	12	Figure 25: Breakdown of volunteer expenses each month by category in NSW	39
Figure 10: Age as a self-perceived restriction to volunteering with others	14	Figure 26: Breakdown of VIOs' expenses by category	40
Figure 11: Location as a self-perceived inhibition to volunteering with others	16	Figure 27: Volunteering as an industry by employment	55
Figure 12: Future intent of NSW residents to volunteer	16	Figure 28: Indirect and induced impacts of volunteering expenditure on output and GSP by sector (NSW)	66
Figure 13: Number of volunteers managed in NSW (total n = 1735)	21	Figure 29: Indirect and induced impacts of volunteering expenditure on wages and employment by sector (NSW)	66
Figure 14: The relationship between hours worked and number of volunteers managed (total number of volunteer managers = 1735)	22		
Figure 15: Characteristics of volunteers included in VIOs	23		
Figure 16: Comparison of recruitment methods used by VIOs and volunteers	25		

## TABLES

Table 1: Public and Volunteer Manager Survey sample sizes	3	Table 16: The extent to which residents believe volunteering impacts work performance (Australia)	43
Table 2: Key findings about volunteers in NSW in 2023	5	Table 17: Replacement cost of hours donated to the community by NSW volunteers	45
Table 3: Self-reported demographic characteristics of NSW survey respondents (n = 1511)	6	Table 18: Cost of volunteering versus private and public sector employee compensation	46
Table 4: Gender as a self-perceived constraint to volunteering with others	14	Table 19: Average hours volunteered each month versus stated intent to volunteer more	50
Table 5: Ethnicity and language as a self-perceived restriction to volunteering with others	16	Table 20: New average hours volunteered each month versus stated intent to volunteer more	50
Table 6: Volunteering comparisons between NSW 2020 and 2023	17	Table 21: Comparison of the top 5 retention strategies used by volunteer managers	60
Table 7: Key findings about volunteer managers in NSW in 2023	19	Table 22: Australian and New Zealand Standard Industrial Classification of industries by division	65
Table 8: Self-reported identity of responding volunteer managers in NSW	20		
Table 9: Inclusion among larger VIOs in NSW	24		
Table 10: Perceptions of volunteering sector change over the last 3 years	30		
Table 11: Volunteer management comparisons between the 2020 and 2023 <i>NSW State of Volunteering Report</i>	35		
Table 12: Costs and benefits of volunteering (NSW)	37		
Table 13: Key findings about the costs and benefits of volunteering in NSW in 2023	38		
Table 14: Opportunity costs of hours contributed to the community by volunteers	41		
Table 15: Percentage of residents on how they believe volunteering impacts work performance (Australia)	43		
		<b>EQUATIONS</b>	
		Equation 1: Productivity premium formula	63
		Equation 2: Consumers' surplus of volunteering	64
		Equation 3: Leontief multiplier	65

# Acknowledgements

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 and present.

This is an independent report commissioned by The Centre for Volunteering, NSW. It is authored by Paul Muller and Benjamin Hillier, with statistical assistance from Muhammad Ijaz and Dionne Morris.

Support and funding for the commissioning of this report was provided by The Department of Communities and Justice.

This report could not have been prepared without the significant contributions from the following:

Project Steering Committee:

- Gemma Rygate – CEO, The Centre for Volunteering
- Kellie May – Manager, Volunteering and Youth, Department of Communities and Justice
- Kate Munro – CEO, Youth Action
- David Brett – Principal Policy Officer, NSW Sport
- Dr Saba Nadi – NSW Health
- Ivan Wong – General Manager/Strategic Support, Chinese Australian Social Services (CASS)
- Project Manager and Editor: Dr Ben Hillier – Director: Policy, Advocacy, and Research, The Centre for Volunteering
- Project Support: Tamsin Quinn – Deputy CEO, The Centre for Volunteering; Laynie Kellie – Director: Strategic Communications, The Centre for Volunteering
- Survey Translation: Multicultural NSW
- Report Designer: Lisa Reidy – Etchcraft

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

The analysis and opinions presented in this report are primarily those of its author. While this document is published by The Centre for Volunteering, its publication does not necessarily imply endorsement or agreement with the views expressed herein by The Centre for Volunteering.

**This report and related collateral can be found [HERE](#)**

To obtain a copy of the surveys used in this report, email [info@volunteering.com.au](mailto:info@volunteering.com.au)

**Explanatory note:** *Where amounts and percentages have been rounded, discrepancies may occur between totals and the sums of the component items. Proportions, ratios and other calculated amounts 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.*

**Disclosure:** *This report was prepared with the support of generative artificial intelligence technology to assist the writing process. It is important to note that while the AI has aided in composing the text, the analysis and findings presented in this report are solely those of the author.*

Citation: Muller, P., Hillier, B., Ijaz, M., and Morris, D., (2023) *NSW State of Volunteering Report 2023*. The Centre for Volunteering, Sydney.

# Introduction

Commissioned by The Centre for Volunteering, this comprehensive report offers a timely overview of the State of Volunteering in New South Wales (NSW) in 2023. As such, it serves as a valuable resource for policymakers, community leaders, volunteer managers, and engaged citizens alike.

The objectives of this report are to quantify the economic and social value of volunteering, to provide insights into the characteristics and challenges of volunteers and volunteer managers, and to advance evidence-based data that can inform stakeholder decisions. This report complements and extends previous work in this field, including the NSW State of Volunteering Report of 2020 and research undertaken by the Australian Bureau of Statistics (ABS).

One of the features of this report is the scale of the research that underpins it. We conducted one of the largest-ever population-representative surveys exclusively on volunteering within NSW, comprising a sample of 1,511 individuals. This is supported by the most extensive single survey of volunteer managers in the State, involving 1,735 respondents.<sup>1</sup>

This extensive dataset enables a deep understanding of volunteering from both the volunteer and managerial perspectives, making the findings of this report particularly relatable and reliable. It tells the story of volunteering in the State, capturing the unique characteristics that make NSW's volunteering landscape one-of-a-kind.

The report also includes a robust cost-benefit analysis that quantifies the economic and social value that volunteering delivers to NSW. The analysis reveals that the benefits of volunteering significantly outweigh the social costs, resulting in a substantial return that enriches the whole community. For every dollar invested in volunteering, there is an economic return of \$5.50, demonstrating remarkable efficiency in outcome.

This report is a compendium of statistics and observations that aims to be a catalyst for informed decision-making and action. By drawing quantifiable evidence from authentic experiences, State of Volunteering research continues to inform the strategic direction of NSW's volunteering sector.



<sup>1</sup> These surveys were concurrently undertaken in every State and Territory in Australia, resulting in a national dataset of 6,830 individuals and 3,948 volunteer managers.

# Methodology

*Note: a more detailed account can be found in Appendix A: Methodology detail.*

To assess the State of Volunteering in NSW, two primary research projects were conducted in July 2023.

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

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

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

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

In addition to their distribution in NSW, these surveys were concurrently fielded in every State and Territory in Australia. To promote participation from a broad cross-section of the community, they were professionally translated by Multicultural NSW into the following 11 written languages.

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

After preparing the data for analysis (see Appendix A), the following valid samples of the NSW public and volunteer managers were analysed. These samples form the basis for the analysis contained in Sections 1 and 2.

**Table 1: Public and Volunteer Manager Survey sample sizes**

<b>Public Survey</b>	<b>1,511</b>
<b>Volunteer Manager Survey</b>	<b>1,735</b>

The sample size will be presented in the headings of relevant figures as a reminder using the following format (n = 1511) for the public survey and (n = 1735) for the volunteer manager survey.

## Interpretation of findings

This report does provide a comprehensive analysis of the survey data. For example, while it is evident that factors like age significantly influence whether someone volunteers, the report does not attempt to explain why this is the case. Such an exploration is beyond the scope of this study, especially as the underlying reasons are likely to be nuanced and heavily dependent on additional context.

Stakeholders in the volunteering sector are therefore discussed this research with fellow volunteers, volunteer managers, and interested groups, accepting that the theories collectively developed may differ and sometimes even conflict with each other. This process will be useful when done in local communities and within organisations in consultation with volunteering peak bodies. This will help us further develop the sector and may lead to opportunities to enhance the value of volunteering to individuals and the NSW community.

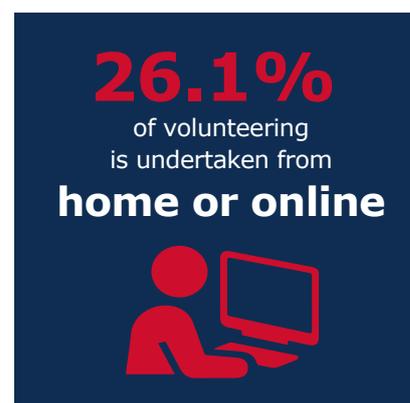


# **SECTION 1:** **CHARACTERISTICS** **OF VOLUNTEERS IN NSW**

## Key findings

**Table 2: Key findings about volunteers in NSW in 2023**

	NSW 2023
Percentage of the population aged 15 and over who volunteer	63.9%
Total NSW residents aged 15 and over who volunteer	4.3 million
Average hours volunteered per month	17.5 hours
Total hours volunteered in NSW	893.9 million
Formal volunteers (as a percentage of volunteers)	47.7%
Informal volunteers (as a percentage of volunteers)	65.7%
Percentage of volunteering done online or at home	26.1%
Top 5 volunteer motivations	<ol style="list-style-type: none"> <li>1. To help others</li> <li>2. To be active</li> <li>3. To use my skills and experience</li> <li>4. For enjoyment</li> <li>5. For social and community connection</li> </ol>
Top 3 recruitment channels used by volunteers	<ol style="list-style-type: none"> <li>1. Word of mouth</li> <li>2. Social media</li> <li>3. Google search</li> </ol>
Social preference for volunteering	By myself – 31.3% With others – 32.6% Both – 35.8%
Top 3 demographic factors that impact the ability to volunteer with others	<ol style="list-style-type: none"> <li>1. Age (for persons over 55 years or under 25 years)</li> <li>2. Care giving responsibilities</li> <li>3. Living in outer regional, remote or very remote parts of NSW</li> </ol>
Top 5 barriers to volunteering more (volunteers)	<ol style="list-style-type: none"> <li>1. No time</li> <li>2. Costs</li> <li>3. Health reasons</li> <li>4. Burnout (over-volunteering)</li> <li>5. Not sure how/never been asked</li> </ol>
Top 5 barriers to volunteering (non-volunteers)	<ol style="list-style-type: none"> <li>1. No time</li> <li>2. Not sure how/never been asked</li> <li>3. Not interested in volunteering</li> <li>4. Health reasons</li> <li>5. Lack of confidence</li> </ol>
Volunteers who intend to volunteer more in 3 years' time	31.2%
Non-volunteers who intend to volunteer more in 3 years' time	27.2%



## TOP 5 VOLUNTEER MOTIVATIONS



**1** To help others

**2** To be active

**3** To use my skills and experience

**4** For enjoyment

**5** For social and community connection

## Sample demographics

The Public Survey of NSW residents received 1,511 valid responses. The post-weighted demographic characteristics of the sample were as follows.

This is a good cross-section of responses and several population-relevant observations have been drawn from the data and presented in this report.

**Table 3: Self-reported demographic characteristics of NSW survey respondents (n = 1511)**

Age	Under 30		30-49 years		50 and over
	35.6%		39.2%		25.2%
Gender identity	Male		Female		Non-binary/other/declined
	48.7%		47.9%		3.4%
Location	Major city	Inner regional	Outer regional	Remote	Very Remote
	68.7%	18.1%	12.4%	0.4%	0.3%
Weekly hours of work for pay	0	1-20	21-40	40+	
	26.6%	14.4%	49.0%	10.1%	
Household income v national average	Lowest 20%	Low	Median	High	Highest 20%
	20.3%	20.3%	19.0%	18.4%	22.0%
Sexual orientation	Heterosexual			Non-heterosexual	
	84.5%			15.5%	
Ethnic identity	First Nations		Anglo-Australian		Another or multiple cultures
	8.0%		52.2%		39.7%
English as a first language	Yes			No	
	83.1%			16.9%	
Born in Australia	77.2%			22.8%	
Living with disability	13.9%			86.1%	
Caring duties at home	41.6%			58.4%	

## Volunteer participation

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

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

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

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

**It includes volunteering organised by your employer or school.**

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

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

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

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

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

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

The following question was asked.

*"Even if you did not think of it as volunteering, did you volunteer for any of these activities in the last 12 months?"*

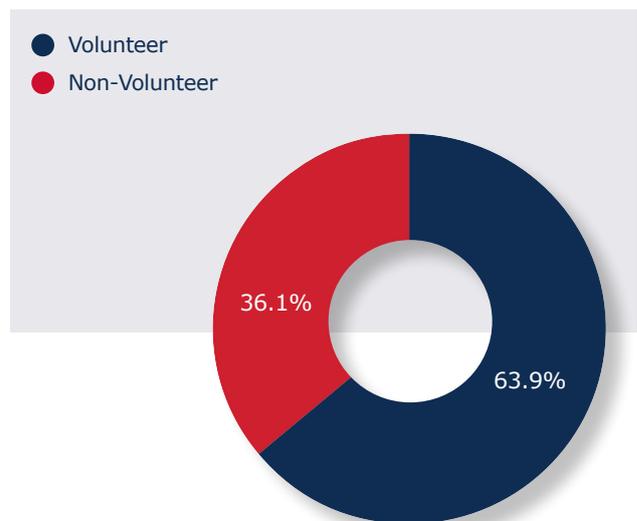
Include any seasonal, occasional, spontaneous, one-off or online help you gave.

Tick all that apply.

- Resource support** (for example: meal sharing, translation, transport, running errands)
- Social or well-being support** (for example: personal care, assistance, companionship)
- Support in someone else's home** (for example: domestic work, home maintenance, unpaid child care)

- Teaching or coaching** (for example: as an unpaid mentor, advisor, leader)
- Administrative support** (for example: fundraising, book-keeping, customer service)
- Skilled support** (for example: pro bono work, workplace or school supported activity)
- Emergency support** (for example: during a pandemic or natural disaster)
- Event support** (for example: at a festival, school, ceremony)
- Sport and recreation support** (for example: coaching, officiating, organising, providing transport)
- Advocacy** (for example: creating or sharing media, campaigning, protesting)
- Governance** (for example: as an unpaid official, board or committee member)
- Environmental or animal protection** (for example: clean-up, citizen science, rescue, rehabilitation)
- Faith based or cultural support** (for example: religious instruction, pastoral care, sharing culture)
- Other community contribution** (for example: aged care, veterans support, food or goods distribution)
- I did not or could not volunteer in the last 12 months.

**Figure 1: Percentage of NSW residents aged 15 and over who volunteer (n = 8.17 million)**



Nearly two-thirds of NSW residents aged 15 and over, or 4.3 million people, contributed to the community as volunteers in 2023. This report uses a total population of NSW residents over the age of 15 of 6.7 million.

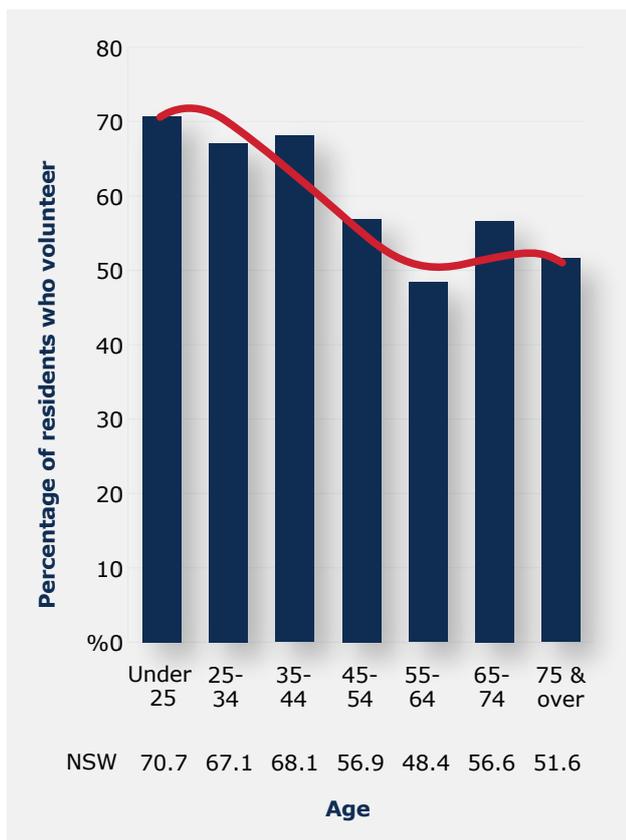
The following statistically significant observations were made about whether or not a person was a volunteer in NSW.

- As age increased, the likelihood of a person being a volunteer decreased.
- The more hours a person worked for pay, the more likely they were to be a volunteer.
- If a person had caring duties at home, they were more likely to be a volunteer.

Gender, location, and multicultural identity made no significant difference to whether or not a person was a volunteer.

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

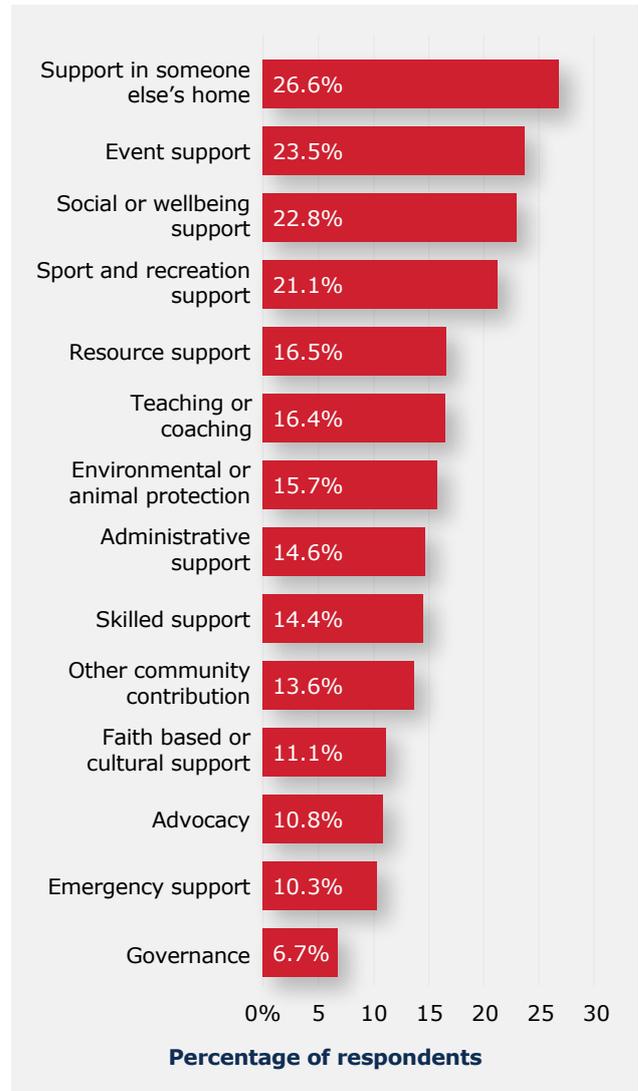
**Figure 2: Volunteering participation in NSW by age cohort**



The red trendline overlaid on Figure 2 shows that the relationship between age and volunteering in NSW is not linear and that different stages of life correlate with different levels of volunteering.

NSW volunteers also identified various methods of contributing to their community, as illustrated in Figure 3. On average, they cited 2.2 different forms of volunteering from the list of 14 options.

**Figure 3: The ways in which people contribute to their community as a volunteer**



## Formal versus informal volunteering

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

The following three questions about formal and informal volunteering were only shown to people who identified as volunteers.

*"Was any of your volunteering in the last 12 months as a member of an organisation or community group?"*

- Yes  
 No

*"On average, how many hours did you volunteer for these groups each month?"*

As well as regular hours, include any seasonal, occasional, spontaneous, one-off or online volunteering you did.

- Not-for-profit organisation(s)** such as sporting clubs; environment, conservation and animal welfare groups; special interest or hobby groups; youth groups; political parties; churches or charities
- Government service(s)** such as public schools, hospitals, libraries, emergency or local government services
- Private/commercial organisation(s)** such as private schools, aged care, facilities, festivals or events

*"On average, how many hours do you volunteer each month without being part of an organisation or group?"*

Do not include unpaid help or caring only given to your family or people living in your house.

Include things like domestic work, home maintenance or gardening outside your home, transport, or running errands, unpaid childcare, teaching, coaching or practical advice, social support, personal care or assistance, lobbying, advocacy or campaigning for a cause, helping out in the community or environmental or animal protection.

As well as regular hours, include any seasonal, occasional, spontaneous, one-off or online helping you did.

Enter zero (0) hours if you did not volunteer this way.

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

Among the residents of NSW who volunteer, it was found that:

- 65.7% of volunteers donated their time informally (not as part of a group or organisation).
- 47.7% of volunteers did so in formal settings with volunteer-involving organisations (hereafter 'VIOs'). This includes not-for-profit, government, and private organisations.
- 36.2% of volunteers volunteered both formally and informally.

The following statistically significant observations were made about formal volunteers in NSW.

- Younger volunteers were more likely to volunteer formally compared to older volunteers.
- Men were more likely than women to volunteer in formal settings.
- The more hours a person worked for pay, the more likely they were to volunteer formally.
- People with caring duties were more likely to volunteer formally.

Location and multicultural identity made no significant difference to whether or not a person volunteered formally or informally.

On average, volunteers in NSW contributed 17.5 hours per month, or 4.0 hours per week. In total, volunteer contributions in NSW amounted to 893.9 million hours over a 12-month period. Further, formal volunteers in NSW contributed an average of 14.2 hours per month, across an average 3.3 different organisations. People volunteering informally gave around two-thirds of that time at 9.3 hours per month.

## Place of volunteering

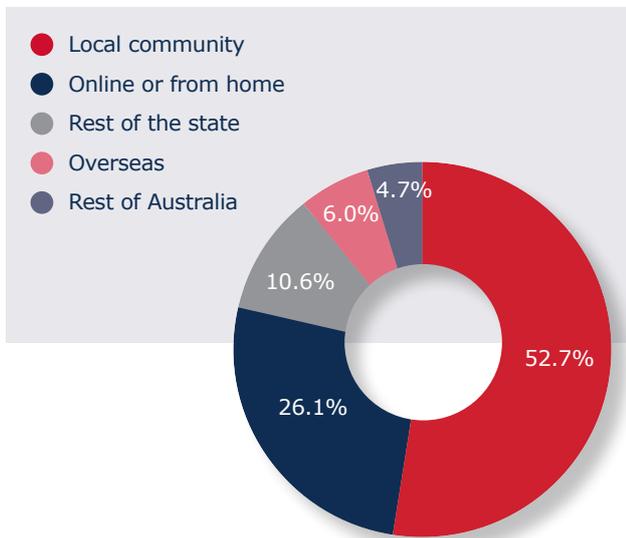
The following question was asked of NSW residents who volunteer.

*"What percentage (%) of your volunteering is done..."*

These totals should sum to 100%

- Online or from home
- In the local community
- Elsewhere in state
- Rest of Australia
- Overseas

**Figure 4: Where people volunteered in NSW (n = 1511)**



As shown in Figure 4, more than half (52.7%) of all volunteering activity was done in the local community. Notably, over one-quarter (26.1%) of volunteering in NSW was done online or from home.

Gender, location, multicultural identity carer status, and hours worked for pay made no significant difference to whether or not a person volunteered online or at home.

## Volunteer motivations

NSW residents who volunteer were asked,

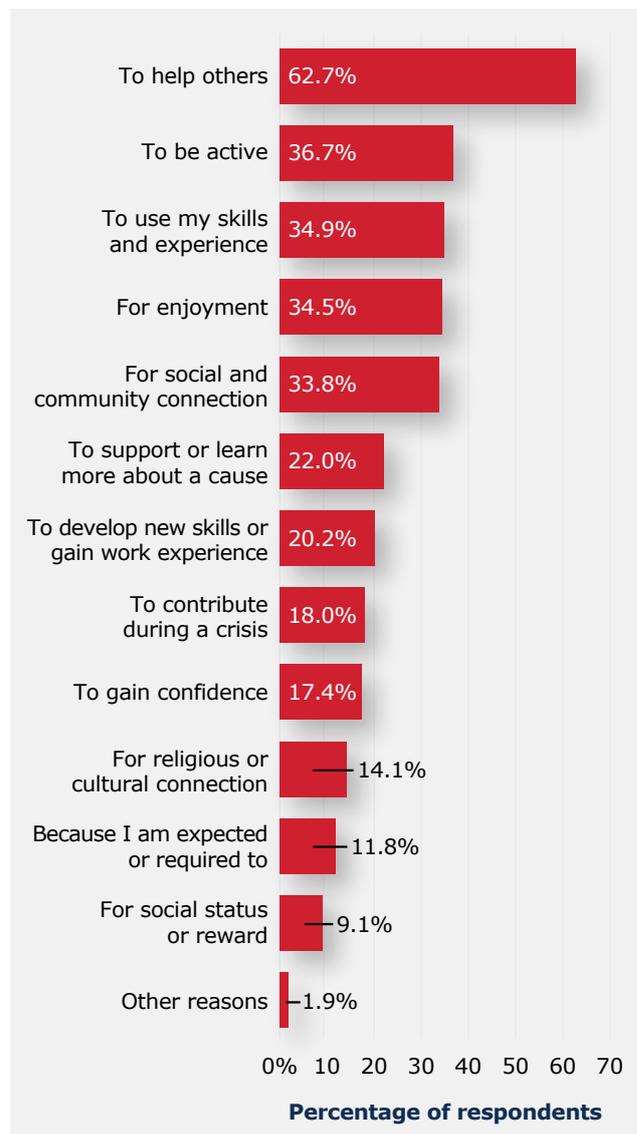
*"Why do you volunteer?"*

The list of options presented to them is shown in Figure 5, in order of most to least frequently selected.

On average, NSW residents reported 3.2 different motives for volunteering from the list of 13 possible responses. As shown in Figure 5, the top five motivations for volunteering were:

- to help others (62.7%)
- to be active (36.7%)
- to use my skills and experience (34.9%)
- for enjoyment (34.5%)
- for social and community connection (33.8%).

**Figure 5: Volunteers' motivations for volunteering (n = 1511)**



## Volunteer recruitment

People who identified as volunteers in the survey were asked:

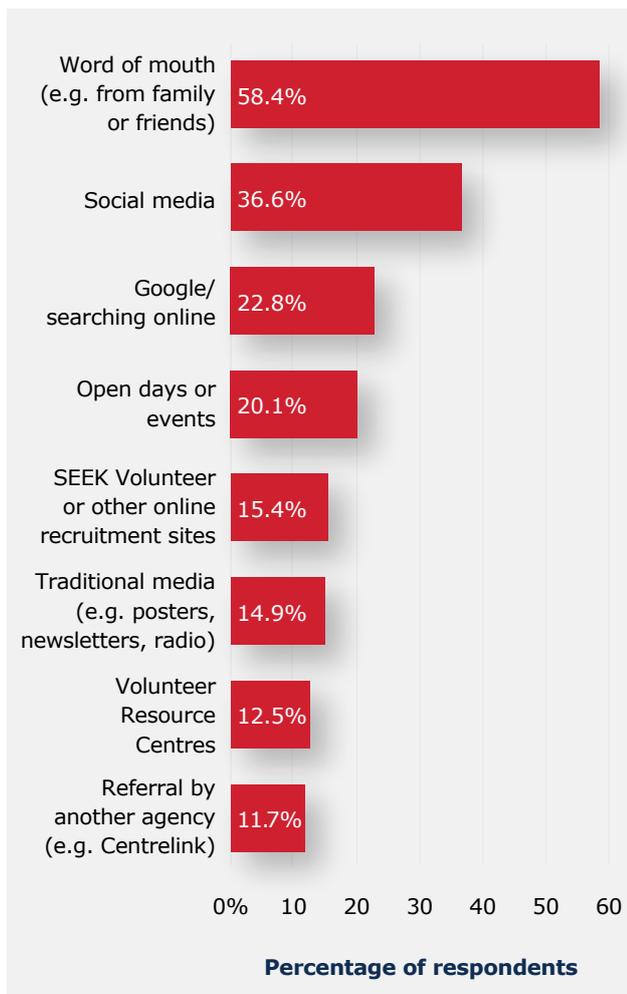
*"How do you find opportunities to volunteer?"*

The list of options presented to them is shown in Figure 6, in order of most to least frequently selected.

As shown in Figure 6, the top 5 ways volunteers find volunteering opportunities are by:

- Word of Mouth (e.g. from family or friends) 58.4%
- Social Media 36.6%
- Google/searching online 22.8%
- Open days or events 20.1%
- SEEK Volunteer or other online recruitment sites 15.4%

**Figure 6: How volunteers find opportunities to volunteer in NSW (n = 1511)**



<sup>2</sup> Note that the percentages shown in Figures 8 and 9 total 100 when calculated across both Figures. To get the top barriers to volunteering one must look at both Figures 8 and 9.

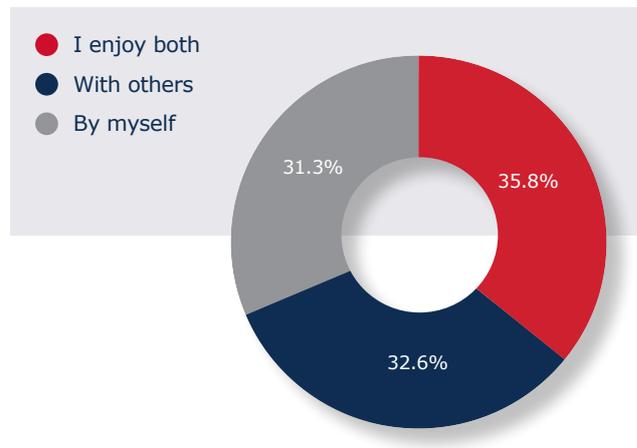
## Social preference

The following question was asked of NSW residents who volunteer.

*"Do you prefer to volunteer by yourself or with others?"*

- By myself
- With others
- I enjoy both

**Figure 7: How people prefer to volunteer in NSW (n = 1511)**



As Figure 7 shows, there is a reasonably even blend of options, with 31.3% preferring to volunteer alone, 32.6% preferring to volunteer with others and 35.8% enjoying both options.

Age, gender, location, hours of paid work, and carer status made no significant difference to whether or not a person preferred to volunteer exclusively alone.

## Barriers to volunteering

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

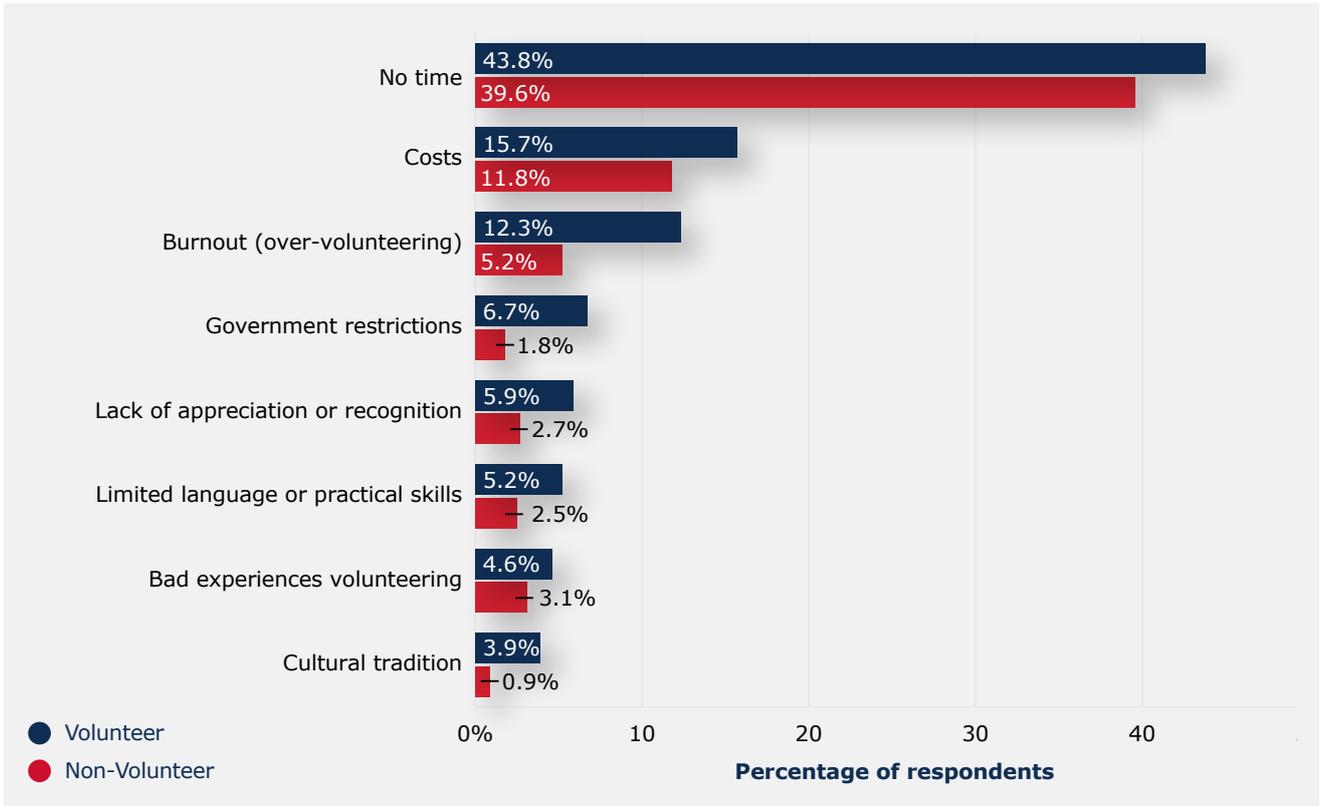
*"What stops you giving **more**\* time as a volunteer?"*

\*The term "more" was only included for existing volunteers.

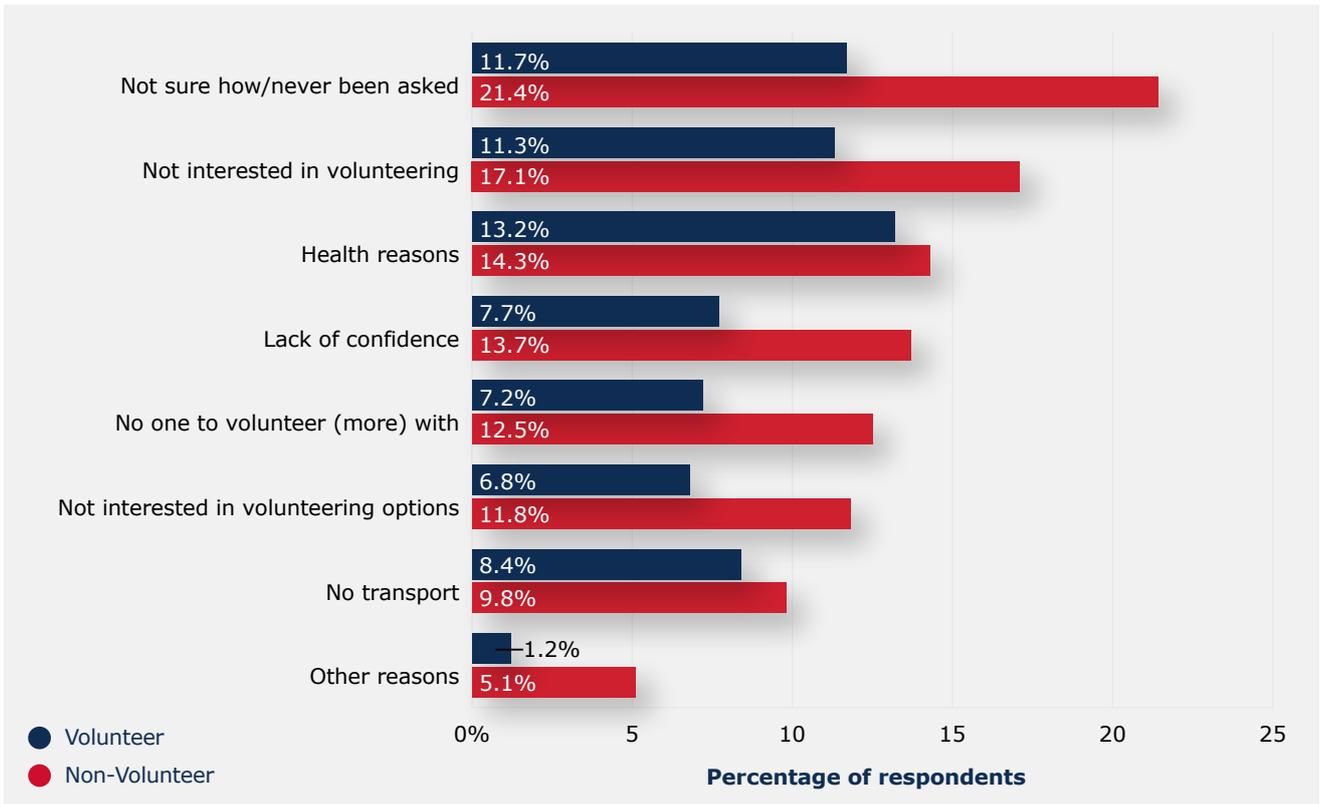
The list of options presented is shown Figures 8 and 9, in order of most to least frequently selected. Figure 8 shows instances where more volunteers reported something as a barrier than non-volunteers. Figure 9 shows instances where more non-volunteers than volunteers reported a self-identified barrier<sup>2</sup>.

Volunteers and non-volunteers both reported an average of 1.7 barriers from the list of 16 options presented to them.

**Figure 8: Barriers to volunteering (more) in NSW, reasons that are more common to volunteers**



**Figure 9: Barriers to volunteering (more) in NSW, reasons that are more common to non-volunteers**



As shown in Figures 8 and 9, the top five barriers to volunteers participating more were, in order:

1. No time – 43.8%
2. Costs – 15.7%
3. Health reasons – 13.2%
4. Burnout (over-volunteering) – 12.3%
5. Not sure how/never been asked – 11.7%

As shown in Figures 8 and 9, the top five barriers to non-volunteers participating were, in order:

1. No time – 39.6%
2. Not sure how/never been asked – 21.4%
3. Not interested in volunteering – 17.1%
4. Health reasons – 14.3%
5. Lack of confidence – 13.7%

The following statistically significant observations were made about all NSW residents who identified a lack of time as a barrier to their volunteering (more):

- The more paid hours of work done each week, the more likely you were to identify time as a barrier.
- Women were more likely to identify time as a barrier than men.
- People with caring duties at home were more likely to identify time as a barrier.

Age, location and multicultural identity made no significant difference as to whether or not a person identified a lack of time as a barrier to volunteering (more).

The following statistically significant observations were also made about all NSW residents who reported cost as a barrier to volunteering (more):

- The younger you were, the more likely you were to report cost as a barrier.
- The further you lived from a major city, the more likely you were to report cost as a barrier.

Gender, location, multicultural identity, carer status, and the number of hours a person worked for pay each week made no significant difference as to whether or not a person identified a cost as a barrier to volunteering (more).

No demographic factors (e.g., age, location, etc.) significantly correlate with someone reporting being not sure how to volunteer or never being asked to volunteer. Thus, while there is no particular group being overlooked in word-of-mouth recruitment, we know from the data in Figures 8 and 9 that certain demographics are more significantly impacted than others by the time and cost investments required of volunteering.

## Volunteering constraints

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

*"Do any of the following make it hard for you to volunteer with others?"*

- Your age
- Your gender
- Where you live
- Your employer
- Your ethnicity\*
- Your English language skill\*
- Your sexuality\*
- Your caring duties\*
- None of these make it harder for me to volunteer with others

The options marked \* were only shown to people who identified as, in order, multicultural, non-native English speakers, non-heterosexual, or having caring duties.

For context, 42.7% of non-volunteers and 58.8% of volunteers in NSW reported that one or more of the demographic factors they were asked about limited their ability to volunteer with others.

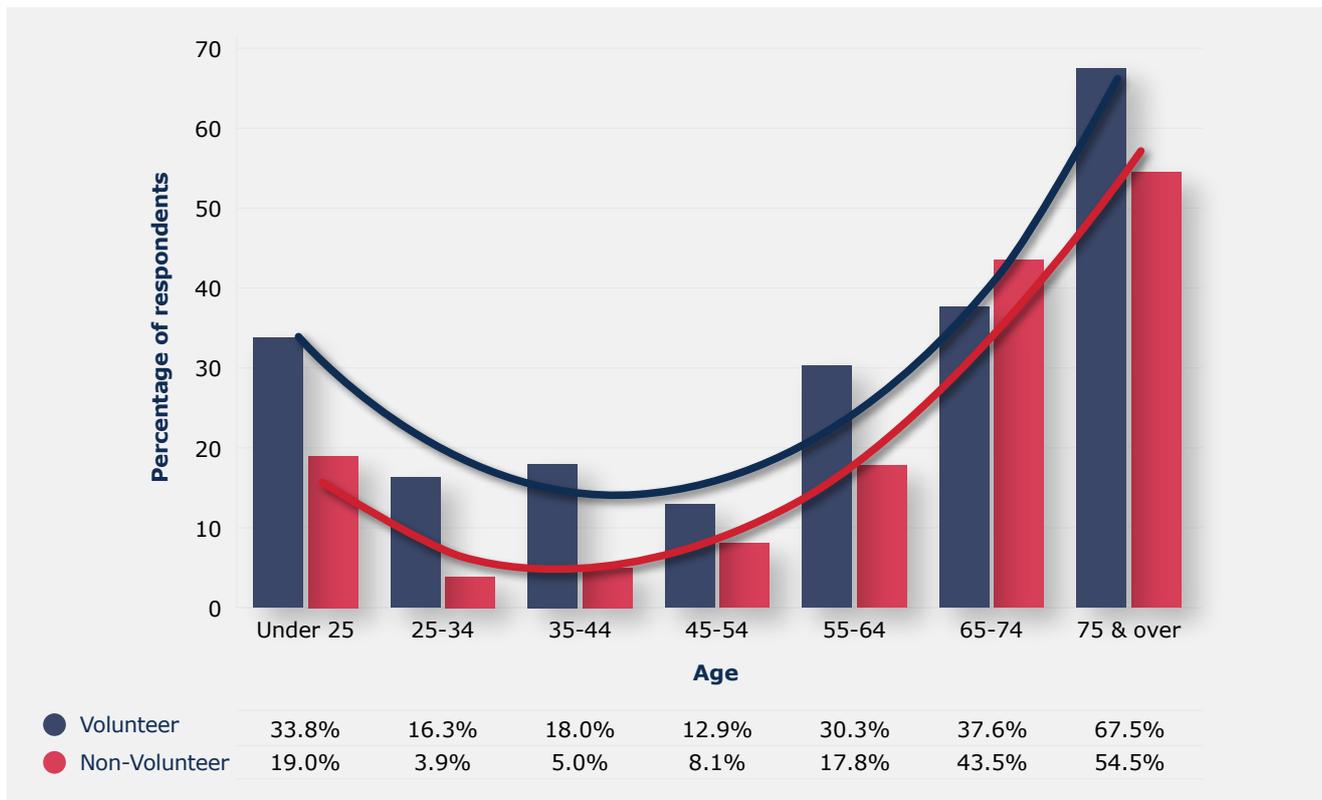
### Age

Figure 10 shows how various age groups in NSW perceived their age as a barrier to volunteering with others. The most significant age groups to self-identify their age as a barrier are people over 75 years of age, with 67.5% of volunteers and 54.5% of non-volunteers considering it a barrier. This is followed by people aged 65-74, of whom 37.6% of volunteers and 43.5% of non-volunteers consider their age a barrier. This is also the only age bracket where more non-volunteers than volunteers consider their age to be a barrier.

Notably, despite the fact that 70.7% of people under the age of 25 are engaged in volunteering activity (see Figure 2), Figure 10 demonstrates that 33.8% of volunteers and 19% of non-volunteers in this age bracket consider their age to be a barrier. This is markedly higher than any of the age brackets from 25-54. Further to this, apart from the 65-74 age bracket, there was always a higher percentage of volunteers reporting their age as a barrier when compared to non-volunteers.

While this report is unable to comment definitively on the reasons for these self-reported factors, it suggests an interesting development that both the youngest and the oldest of volunteers and non-volunteers consider their age an impediment. Further research should investigate this phenomenon.

**Figure 10: Age as a self-perceived restriction to volunteering with others**



### Gender

As seen in Table 4, men who volunteer were slightly more likely (3.2%) than women to perceive their gender as a restriction on their ability to volunteer with others. This shows a minor difference to the demographic data reported earlier in Table 3, which noted slightly more men (48.7%) volunteered than women (47.9%), though these differences are small enough to not be statistically significant. It also contrasts with prevalent narratives that the volunteering sector is largely dominated by women. While this is not the case with volunteers themselves, it is consistent with the demographic data for volunteer managers. As will be shown later in Table 8, 59.2% of volunteer managers are female as opposed to 38.1% who are male.

The experience of people who identified with other genders is not reported due to the sample size being so small as to be unreliable. As shown in Tables 3 and 8 respectively, 3.4% of volunteers either identified as non-binary or did not specify their gender, as did 2.7% of volunteer managers. We

encourage dedicated sampling of people who identify with other genders in future research to remedy the unreliability of this sample.

**Table 4: Gender as a self-perceived constraint to volunteering with others**

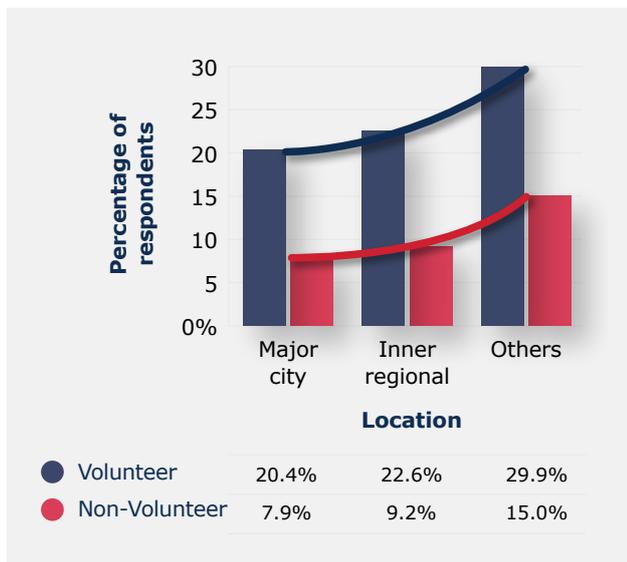
	Volunteers	Non-volunteers
Men	10.5%	2.3%
Women	7.3%	2.0%

## Location

Where you live plays a significant role in how easy or difficult you find it to volunteer with others. The further you live from a major city, the harder you find it to volunteer with others. This is especially true for those who are already involved in volunteering. They experience the challenges of location much more strongly than those who are not volunteering at all.

It is important to note that, as the sample sizes for remote and very remote volunteers and non-volunteers were too small to be independently reliable, they were added to the outer regional data in the 'Others' category in Figure 11.

**Figure 11: Location as a self-perceived inhibition to volunteering with others**



## Employment

A total of 6.2% of non-volunteers and 10.6% of volunteers in NSW reported their employer as a constraint on their ability to volunteer with others.

The following statistically significant observation can be made about NSW residents who identified their employer as a constraint to their volunteering.

- The more paid hours of work done each week, the more likely you were to perceive your employer as a constraint.

Age, gender, location, multicultural identity, and carer status made no significant difference as to whether or not a person perceived their employer as a constraint to volunteering with others.

## Ethnicity and language

Public Survey respondents in NSW who selected "another or multiple cultures" in the demographic survey were moderately likely to perceive their ethnicity as a constraint on their ability to volunteer with others.

As detailed in Table 5, 10.8% of volunteers identified ethnicity as a perceived barrier compared to only 1.1% of non-volunteers. Further, 13.8% of volunteers identified language as a perceived barrier to participation, compared to 14.4% of non-volunteers. This is notable in showing that non-volunteers consider their English-speaking ability to be more of a barrier than volunteers do.

**Table 5: Ethnicity and language as a self-perceived restriction to volunteering with others**

	Volunteers	Non-volunteers
<b>Ethnicity</b>	10.8%	1.1%
<b>English as an additional language</b>	13.8%	14.4%

## Sexual identity

10.4% of the volunteers who identified as non-heterosexual perceived their sexual identity as a barrier to volunteering with others. In comparison, 6% of non-volunteers of the same sexual identity considered their sexuality to be a barrier to volunteering.

## Caregivers

For individuals with caregiving responsibilities at home, 25.8% of NSW volunteers who have caregiving duties reported that these duties impacted their ability to volunteer with others. This is one of only a few demographics where the percentage for non-volunteers was much higher at 32.7%.

Overall, this suggests that, except for ethnicity and caregiver status, volunteers tend to perceive the demographic barriers discussed in this section as being more severe than non-volunteers do. As noted previously, a definitive answer as to why this is the case is outside of the scope of this report, yet it is an important perception to be aware of when discussing the volunteering sector.

## Intent

As part of the Public Survey, NSW residents were asked the following question.

*"Finally, in 3 years' time are you likely to be volunteering **more** or **less** than you did in the last 12 months?"*

- More
- About the same\*
- Less\*
- Not volunteering at all
- Don't know

\* Non-volunteers were not presented with the options to answer "About the same" or "Less."

As detailed in Figure 12, each answer represented a different level of optimism (or pessimism) about an individual's future volunteering.

One way to look at this data is through the lens of optimism. For example, if a person said they plan to Volunteer "More" in the next three years, they were showing a high level of optimism about their future volunteering.

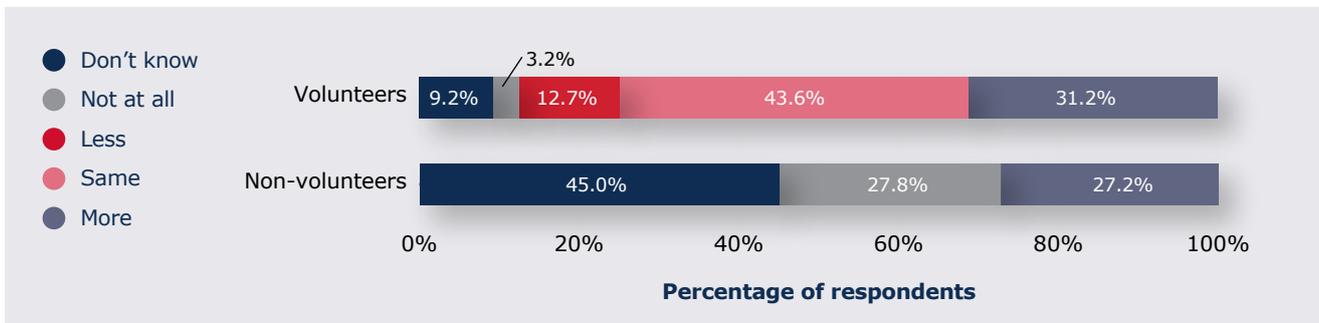
Going a step further, someone saying that their volunteering would stay the same was more optimistic than someone saying they would volunteer "Less." And someone saying they would volunteer less is more optimistic again than someone saying they would "Not (be) volunteering at all."

Excluding respondents who said they "Don't know," the following statistically significant observations were made about people's optimism to volunteer in three years' time.

- The younger the respondent, the more optimistic they were about volunteering.
- The more hours they worked for pay each week, the more optimistic they were about volunteering.

Gender, location, multicultural identity, and carer status made no significant difference to a person's optimistic intent to volunteer (more).

**Figure 12: Future intent of NSW residents to volunteer**



**31.2%**  
OF  
VOLUNTEERS  
intend to volunteer  
more in 3 years' time



**27.2%**  
OF  
NON-VOLUNTEERS  
intend to volunteer  
more in 3 years' time

## Key comparisons

One way to look at this data is through the lens of optimism. For example, if a person said they plan to volunteer "More" in the next three years, they were showing a high level of optimism about their future volunteering.

Going a step further, someone saying that their volunteering would stay the same was more optimistic than someone saying they would volunteer "Less." And someone saying they would volunteer less is more optimistic again than someone saying they would "Not (be) volunteering at all."

As detailed in Figure 12, each answer represented a different level of optimism (or pessimism) about an individual's future volunteering.

Excluding respondents who said they "Don't know," the following statistically significant observations were made about people's optimism to volunteer in three years' time.

- The younger the respondent, the more optimistic they were about volunteering.
- The more hours they worked for pay each week, the more optimistic they were about volunteering.

Gender, location, ethnic identity, and carer status made no significant difference to a person's optimistic intent to volunteer (more).

**Table 6: Volunteering comparisons between NSW 2020 and 2023**

	2020	2023
<b>Percentage of the population who volunteer</b>	75.9%	<b>63.9%</b>
<b>Average hours volunteered per month</b>	25.0 hrs	<b>17.5 hrs</b>
<b>Formal volunteers</b> <i>(as a percentage of volunteers)</i>	69.7%	<b>47.7%</b>
<b>Informal volunteers</b> <i>(as a percentage of volunteers)</i>	89.8%	<b>65.7%</b>
<b>Percentage of volunteering done online or at home</b>	33.4%	<b>26.1%</b>
<b>Top 5 volunteer motivations</b>	<ol style="list-style-type: none"> <li>1. To help others</li> <li>2. For social connection</li> <li>3. To use my skills and experience</li> <li>4. To support a cause</li> <li>5. To develop new skills/gain work experience</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>To help others</b></li> <li>2. <b>To be active</b></li> <li>3. <b>To use my skills and experience</b></li> <li>4. <b>For enjoyment</b></li> <li>5. <b>For social and community connection</b></li> </ol>
<b>Top 5 barriers to volunteering more</b> <i>(volunteers)</i>	<ol style="list-style-type: none"> <li>1. No time</li> <li>2. Costs</li> <li>3. Health reasons</li> <li>4. Not sure how/never been asked</li> <li>5. No transport</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>No time</b></li> <li>2. <b>Costs</b></li> <li>3. <b>Health reasons</b></li> <li>4. <b>Burnout<sup>3</sup></b></li> <li>5. <b>Not sure how/never been asked</b></li> </ol>
<b>Top 5 barriers to volunteering</b> <i>(non-volunteers)</i>	<ol style="list-style-type: none"> <li>1. No time</li> <li>2. Health reasons</li> <li>3. Not sure how/never been asked</li> <li>4. Not interested in volunteering</li> <li>5. Costs</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>No time</b></li> <li>2. <b>Not sure how/never been asked</b></li> <li>3. <b>Not interested in volunteering</b></li> <li>4. <b>Health reasons</b></li> <li>5. <b>Lack of confidence</b></li> </ol>
<b>Volunteers who intend to volunteer more in 3 years' time</b>	24.7%	<b>31.2%</b>
<b>Non-volunteers who intend to volunteer more in 3 years' time</b>	11.1%	<b>27.2%</b>

<sup>3</sup> Note that "Burnout (over-volunteering)" was included as an answer option for the first time in 2023.



## **SECTION 2: VOLUNTEER MANAGEMENT IN NSW**

Comparisons between the findings in Section 1 of this report, and the equivalent section in the NSW State of Volunteering Report of 2020 are highlighted here and summarised in Table 6.

It is important to note that comparisons between the 2020 and 2023 data cannot be used to suggest trends. Trends require multiple data points to establish a reliable direction, such as whether something is increasing, decreasing, or staying the same over time. It should also be noted that data collection for the NSW State of Volunteering Report of 2020 was undertaken as the impact of the COVID-19 pandemic was beginning to be felt across NSW. The findings

presented in the current report are also the first data collected about volunteering in NSW since the COVID-19 pandemic, and accordingly we are seeing how the sector has responded to the challenges of the past three years.

It is also important to be aware that The NSW State of Volunteering in 2023 Public Survey included respondents aged 15 and over. In 2020, only respondents aged 18 and over were included. Accordingly, the percentages for the 2020 should be calculated against a total population of 6.5 million and this should be kept in mind when comparing statistics between the two reports.

## Key findings

**Table 7: Key findings about volunteer management in NSW in 2023**

2023	
<b>Key inclusion metrics</b> <i>(the percentage of volunteer-involving organisations that include these demographics)</i>	68.4% include volunteers aged 65+ 39.9% include volunteers aged under 25 29.2% include culturally and linguistically diverse (CALD) volunteers 17.3% include online or remote volunteers
<b>Top 3 recruitment channels</b>	1. Word of mouth 2. Social media 3. Website
<b>Top 5 retention strategies</b>	1. Volunteer training and development 2. Personal relationship building 3. Awards and formal recognition
<b>Top 5 perceived issues for volunteers</b>	1. No time 2. Health reasons 3. Burnout 4. Loss of interest 5. Loss of connection
<b>Who pays for volunteering programs</b> <i>(Paid managers)</i>	The volunteer manager (direct) – 11.0% The volunteer manager (reimbursed) – 13.1% The organisation – 75.7%
<b>Who pays for volunteering programs</b> <i>(Unpaid managers)</i>	The volunteer manager (direct) – 24.7% The volunteer manager (reimbursed) – 18.1% The organisation – 57.2%
<b>The 3 biggest changes of the last 3 years</b> <i>(as perceived by volunteer managers)</i>	1. Volunteer hours have decreased 2. Volunteers need more training 3. Fewer youth want to volunteer
<b>Top 5 issues in volunteering</b> <i>(as perceived by volunteer managers)</i>	1. Volunteer health and safety 2. Volunteer retention 3. Volunteer recruitment 4. Organisational culture, inclusion and diversity 5. Volunteer appreciation and recognition inside our organisation
<b>Top 3 sources of help utilised by paid volunteer managers</b>	1. Their organisation 2. Fellow volunteer managers 3. Their volunteers
<b>Top 3 sources of help utilised by unpaid volunteer managers</b>	1. Their organisation 2. Their volunteers 3. Fellow volunteer managers
<b>Volunteer managers who say more people will be volunteering with their organisation in 3 years' time</b>	29.9%
<b>Volunteer managers who say they will be doing more with their organisation in 3 years' time</b>	21.9%

## Sample demographics

The Volunteer Manager Survey in NSW received 1,735 valid responses. The unweighted demographic characteristics of the sample were as follows.

**Table 8: Self-reported identity of responding volunteer managers in NSW**

Age	Under 30		30-49 years		50 and over		
	7.9%		30.5%		61.6%		
Gender identity	Male		Female		Non-binary/other/declined		
	38.1%		59.2%		2.7%		
Location	Major city	Inner regional	Outer regional	Remote	Very Remote		
	53.9%	19.9%	23.7%	1.5%	0.9%		
Weekly hours of work for pay	0		1-20		21-40	40+	
	31.0%		12.5%		47.6%	8.8%	
Household income v national average	Lowest 20%		Low		Median	High	Highest 20%
	30.9%		23.8%		18.2%	17.1%	10.1%
Sexual orientation	Heterosexual			Non-heterosexual			
	80.5%			19.5%			
Ethnic identity	First Nations		Anglo-Australian		Another or multiple cultures		
	9.5%		72.5%		18.0%		
English as a first language	Yes			No			
	91.5%			8.5%			
Born in Australia	78.9%			21.1%			
Living with disability	11.4%			88.6%			
Caring duties at home	45.1%			54.9%			

The Volunteer Manager Survey received 1735 valid responses and commenced with the following question. Some of the analysis in this section will refer to samples of paid volunteer managers and unpaid volunteer managers. In these cases, the number of paid volunteer managers is 663 and the number of unpaid volunteer managers is 1,169.

The Volunteer Manager Survey commenced with the following question.

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

Tick all that apply.

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

This does not mean that 38.2% of volunteer managers in the State are paid – it is only an observation about the group of Volunteer Managers that completed the survey.

*"What type of organisation or group do you manage volunteers with?"*

If you manage volunteers with multiple organisations or groups, choose the one you do the most work with.

Please answer all remaining questions specifically for this organisation or group.

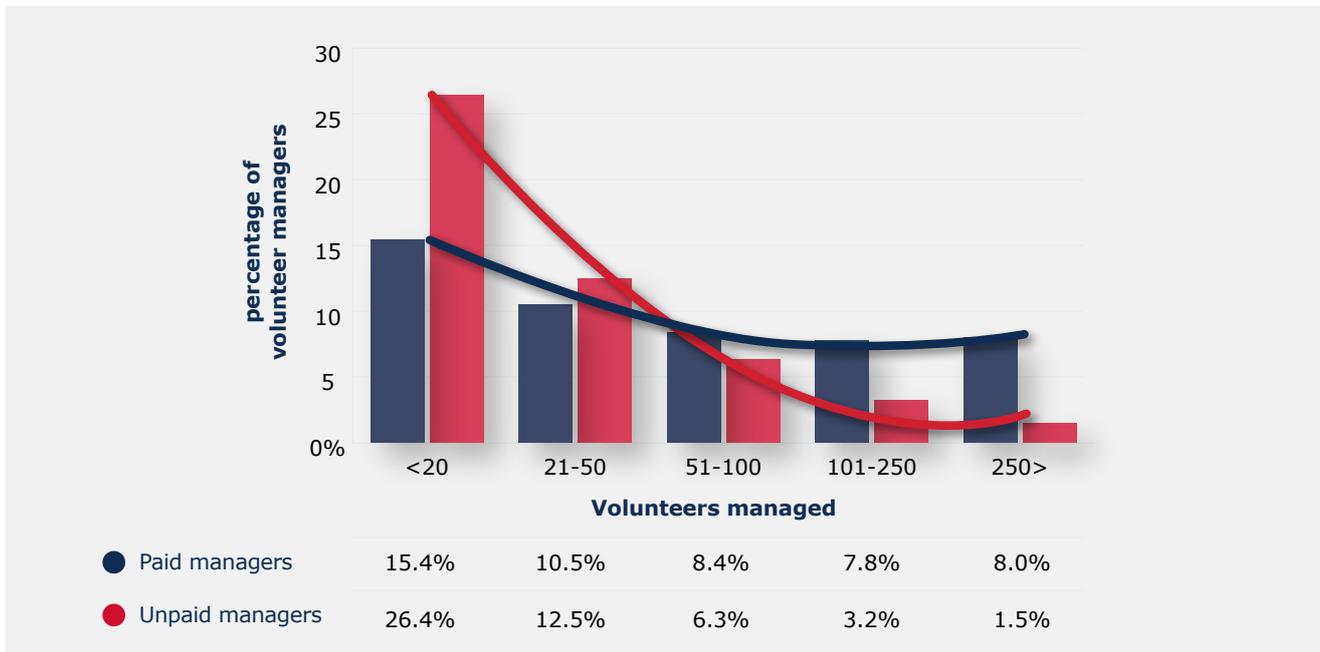
You are welcome to complete this survey again for any other organisations or groups you manage volunteers with.

- Not-for-profit/community organisation or group
- Government department/agency
- Privately owned/commercial enterprise

The majority of volunteer managers in NSW (79.7%) managed volunteers within a not-for-profit or community organisation. Government departments or agencies made up 16.9% of the sample, and 3.4% of respondents reported managing volunteers within a privately owned or commercial enterprise.

As with the previous question, this does not mean that all volunteer managers in the State necessarily follow this distribution.

**Figure 13: Number of volunteers managed in NSW (total n = 1735)**



**68.4%**  
include volunteers aged 65+

**39.9%**  
include volunteers aged under 25

**29.2%**  
include culturally and linguistically diverse (CALD) volunteers

**17.3%**  
include online or remote volunteers

## Volunteer managers

The following questions was also asked in the Volunteer Manager Survey.

*"Approximately how many volunteers were you responsible for over the last 12 months?"*

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

Figure 13 illustrates the number of volunteers managed by respondents. As the data and trend lines show in Figure 13, paid volunteer managers are more likely to oversee a larger number of volunteers compared to their unpaid counterparts. However, it is worth noting that a small number of volunteer managers can also be responsible for managing large groups of volunteers without payment.

The relationship between the number of hours a volunteer manager in NSW contributes each week and the number of volunteers they manage is statistically significant. Generally, the more volunteers that one manages, the more likely one is to be paid as a volunteer manager. Smaller teams of up to 50 volunteers are also more likely to be managed by an unpaid volunteer manager. However, there is a small but noteworthy contingent of unpaid volunteer managers that are managing very large teams of

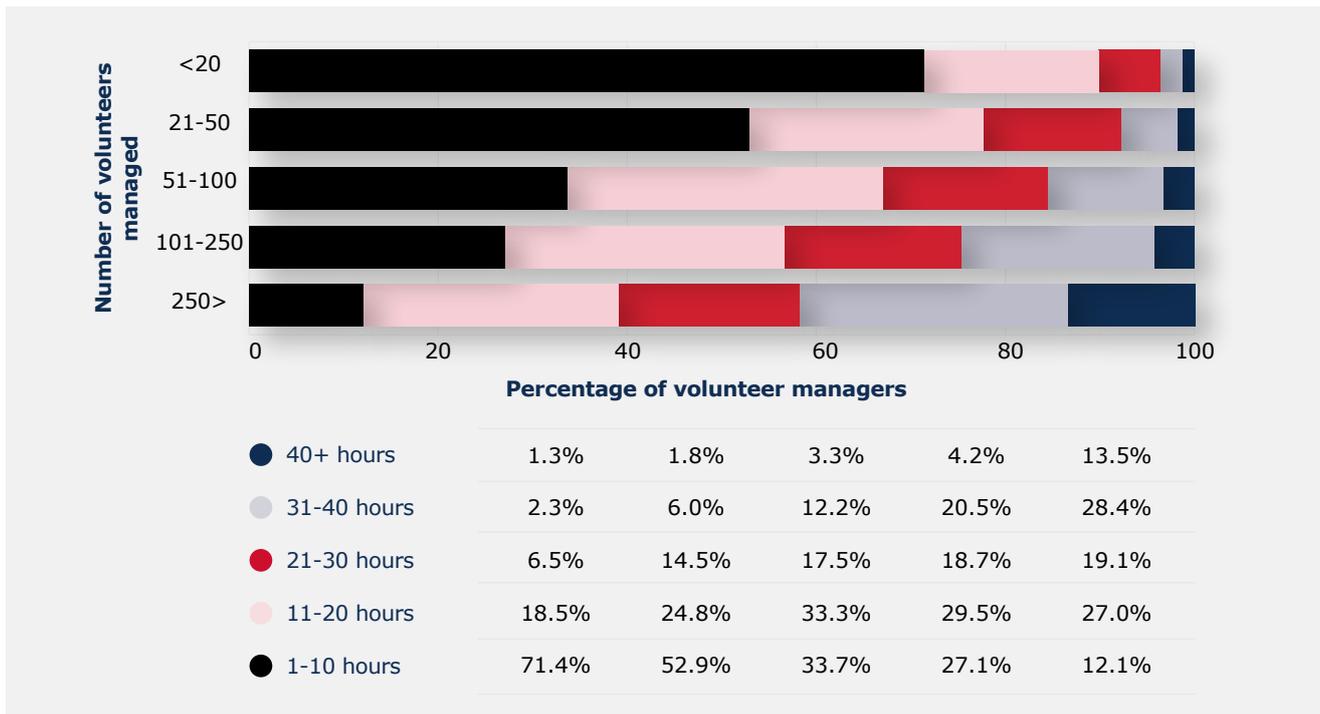
volunteers with 3.2% managing 101-250 volunteers and 1.5% managing more than 250 volunteers.

Figure 14 shows that the number of hours contributed by volunteer managers increases with the number of volunteers they manage. In general, the more volunteers that are managed, the more hours the volunteer manager works. However, this data reveals that the majority of volunteer managers work part time, even when managing very large teams of volunteers. For example, 58.2% of volunteer managers who manage more than 250 volunteers contribute less than 30 hours per week.

The following factors significantly impacted the number of hours that a volunteer manager reported contributing.

- Age: The younger the volunteer manager, the more hours they contributed per week.
- Gender: Men who manage volunteers contributed more hours per week than women.
- Workforce status: Paid volunteer managers contributed more hours per week than unpaid volunteer managers.
- Unpaid volunteer managers who responded to the survey contributed an average of 11.7 hours per week.
- Paid volunteer managers who responded to the survey contributed an average of 20.1 hours per week.
- Where the volunteer manager was located made no significant difference to the number of hours that they reported contributing.

**Figure 14: The relationship between hours worked and number of volunteers managed (total number of volunteer managers = 1735)**



## Volunteer inclusion

Volunteer managers in NSW were asked,

*"Who volunteers with you?"*

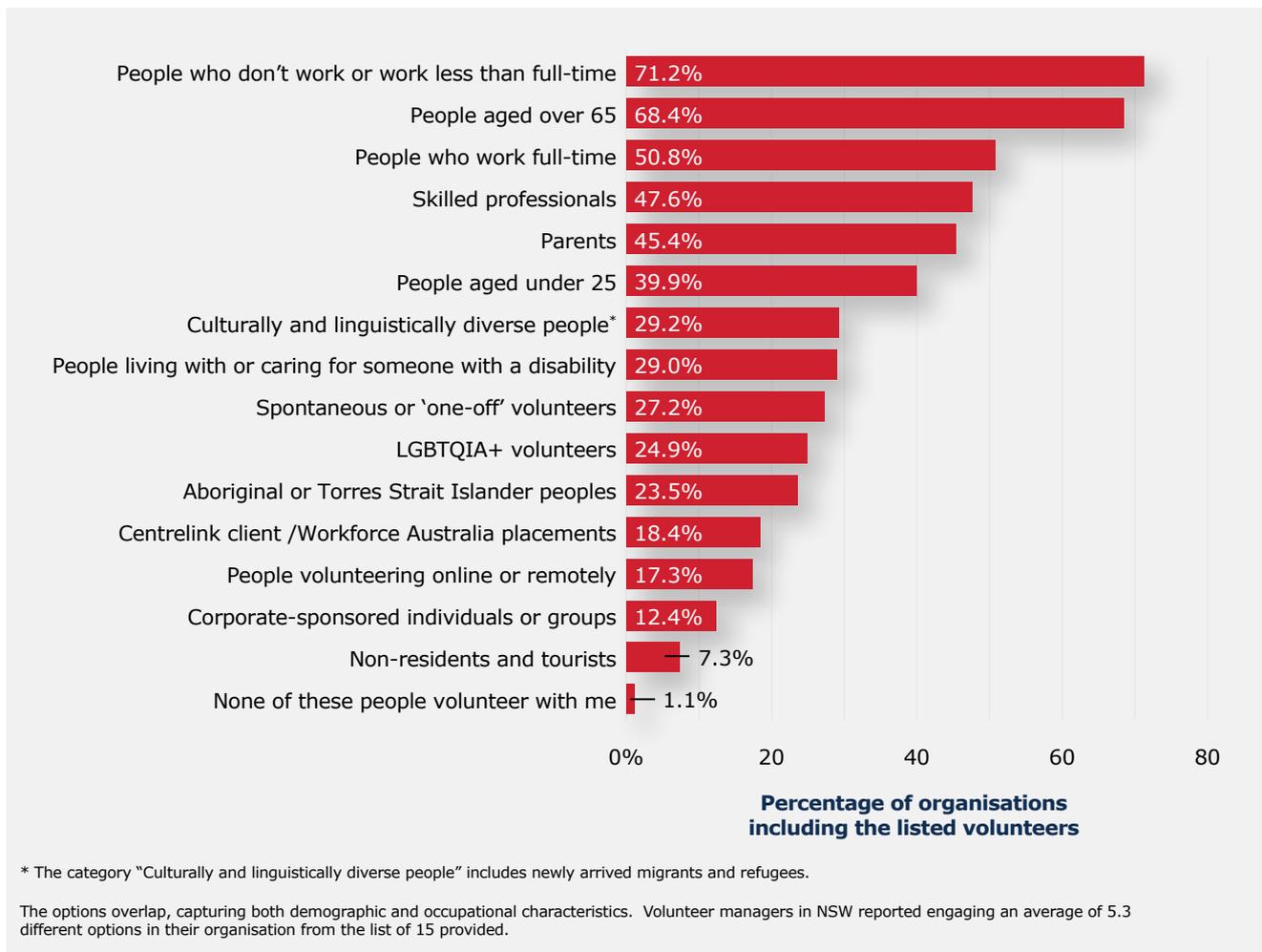
Their responses, presented in Figure 15, provide a snapshot of the diverse groups that VIOs engage, the different forms of volunteer engagement, and their different employment and life contexts.

The options overlap, capturing both demographic and occupational characteristics. Volunteer managers in NSW reported engaging an average of 5.3 different options in their organisation from the list of 15 provided.

Figure 15 only highlights whether organisations involve volunteers from the listed demographics ('yes/no'). It does not represent the actual rate of volunteer participation from these demographics.

Table 9 compares two key metrics for various demographic groups. First, it shows the rate at which each demographic group engages in formal volunteering. Second, it presents the percentage of managers who are responsible for overseeing 50 or more volunteers and have reported including members of these demographic groups in their volunteer programs.<sup>5</sup>

**Figure 15: Characteristics of volunteers included in VIOs**



5 To have diverse volunteer base that a population representative is inappropriate, as smaller teams may operate with different objectives and constraints. Excluding them in this analysis helps to avoid drawing misleading conclusions about what demographic representation 'should' look like in the volunteering sector.

Table 9 gives insight into how volunteers from the specific demographic groups are distributed within larger organisations that involve volunteers.

Age-based demographics have a significant gap between its representation in the formal volunteer population and its inclusion rate in large organisations. This suggests that volunteers from a range of age groups are fairly well represented across VIOs in NSW. Most notably, people over the age of 65 are a very small 9.5% of formal volunteers, yet they are found in nearly three-quarters (71.9%) of organisations.

Other demographic groups, such as CALD people and non-heterosexual volunteers, are more concentrated within specific organisations as indicated by a smaller gap between their percentage of the formal volunteer population and their inclusion rate.

**Table 9: Inclusion among larger VIOs in NSW**

	Percent of formal volunteer population	Inclusion rate in large organisations (50+ volunteers)
<b>People aged over 65</b>	9.5%	<b>71.9%</b>
<b>People aged under 25</b>	25.1%	<b>55.5%</b>
<b>Culturally and linguistically diverse (CALD) people</b>	25.5%	<b>41.3%</b>
<b>Non-heterosexual volunteers</b>	11.1%	<b>39.1%</b>

## Volunteer recruitment

The Volunteer Manager Survey next asked,

*"How do you typically **attract** volunteers?"*

For additional insight, Figure 16 separates these recruitment methods according to whether the volunteer manager is paid or unpaid and compares them directly with the recruitment methods reported by volunteers in Section 1 (see Figure 6). An average of 3.8 out of nine recruitment methods were reported by paid managers in NSW from the list provided, compared to 3.0 methods used by unpaid managers.

As shown in Figure 16, the top five methods for paid volunteer managers were:

- Word of mouth (76.3%)
- Our Website (63.1%)
- Social media (60.8%)
- Traditional media e.g. posters, newsletters, radio (48.4%)
- SEEK Volunteer or other online recruitment sites (39.0%)

The top five methods for unpaid volunteer managers were:

- Word of mouth (80%)
- Social media (56.5%)
- Our Website (44.6%)
- Open days or events (43.2%)
- Traditional media (36.3%)

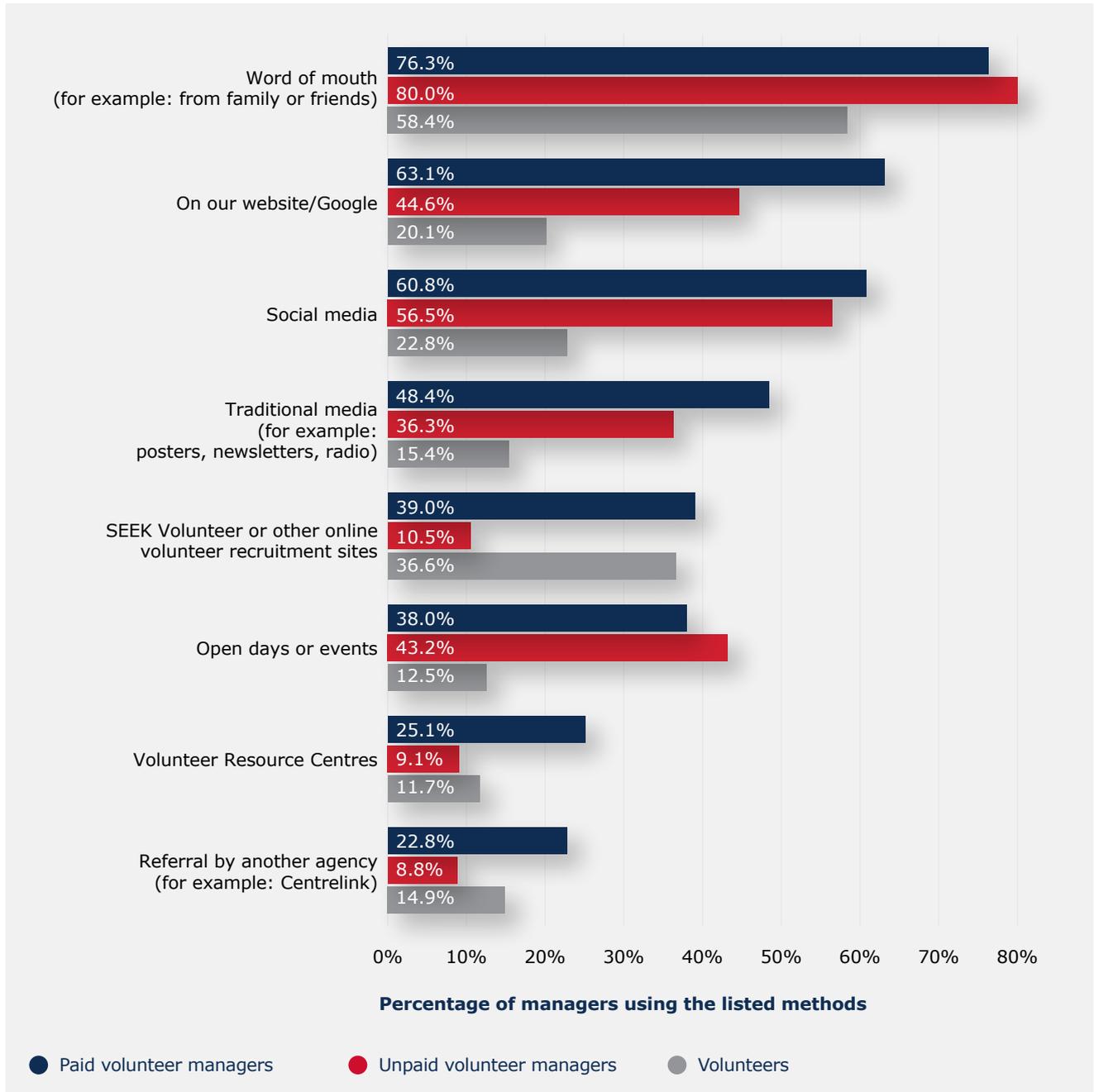
The data suggests that unpaid volunteer managers have a preference for methods that are low-cost or free. Options that may carry a significant additional cost, or perhaps require institutional connections (such as agency referrals and SEEK Volunteer) are rarely used by unpaid managers.

Some discrepancies between recruitment methods used by volunteer managers and methods used by volunteers are also shown. Notably, more traditional recruitment methods such as traditional media and open days are significantly more widely used by volunteer managers than they are volunteers. For example, nearly half of paid volunteer managers (48.4%) use traditional media to recruit volunteers, yet only 15.4% of volunteers find roles through that method.

Comparing the data in Figure 16 to the analysis of barriers to volunteering in Section 1 (see Figs 8 and 9) reveals a further interesting insight. While word of mouth is the most common method used by volunteers and both types of volunteer manager, the data also shows that the second largest barrier for non-volunteers (21.4%) is that they don't know how to volunteer or have never been asked. Additionally, 41.6% of volunteers do not report finding roles through word of mouth.

Thus, while word of mouth recruitment is working to recruit some volunteers, the data suggests that these networks are overlooking a significant proportion of people who do not currently volunteer because they have not been asked. The data does not suggest that word of mouth should not be used as a recruitment strategy, but that volunteer managers should be mindful of groups of people that may be overlooked by current recruitment methods.

**Figure 16: Comparison of recruitment methods used by VIOs and volunteers**



**TOP 3 RECRUITMENT CHANNELS**



**#1**

Word of mouth



**#2**

Social media



**#3**

Website

## Volunteer recognition, engagement, and retention

The Volunteer Manager Survey asked,

*"How do you recognise, engage and retain volunteers?"*

Volunteer managers were presented a randomised list of 20 options to indicate the methods they use. To better understand the data, these 20 options were consolidated into the categories listed in Figure 18.<sup>6</sup> It also distinguishes between the approaches of paid and unpaid volunteer managers to recognition, engagement and retention.

In NSW, paid volunteer managers reported using an average of 5.0 different methods to recognise, engage and retain volunteers. Unpaid volunteer managers

reported using an average of 3.9 different methods from the reduced list of 10 potential methods.

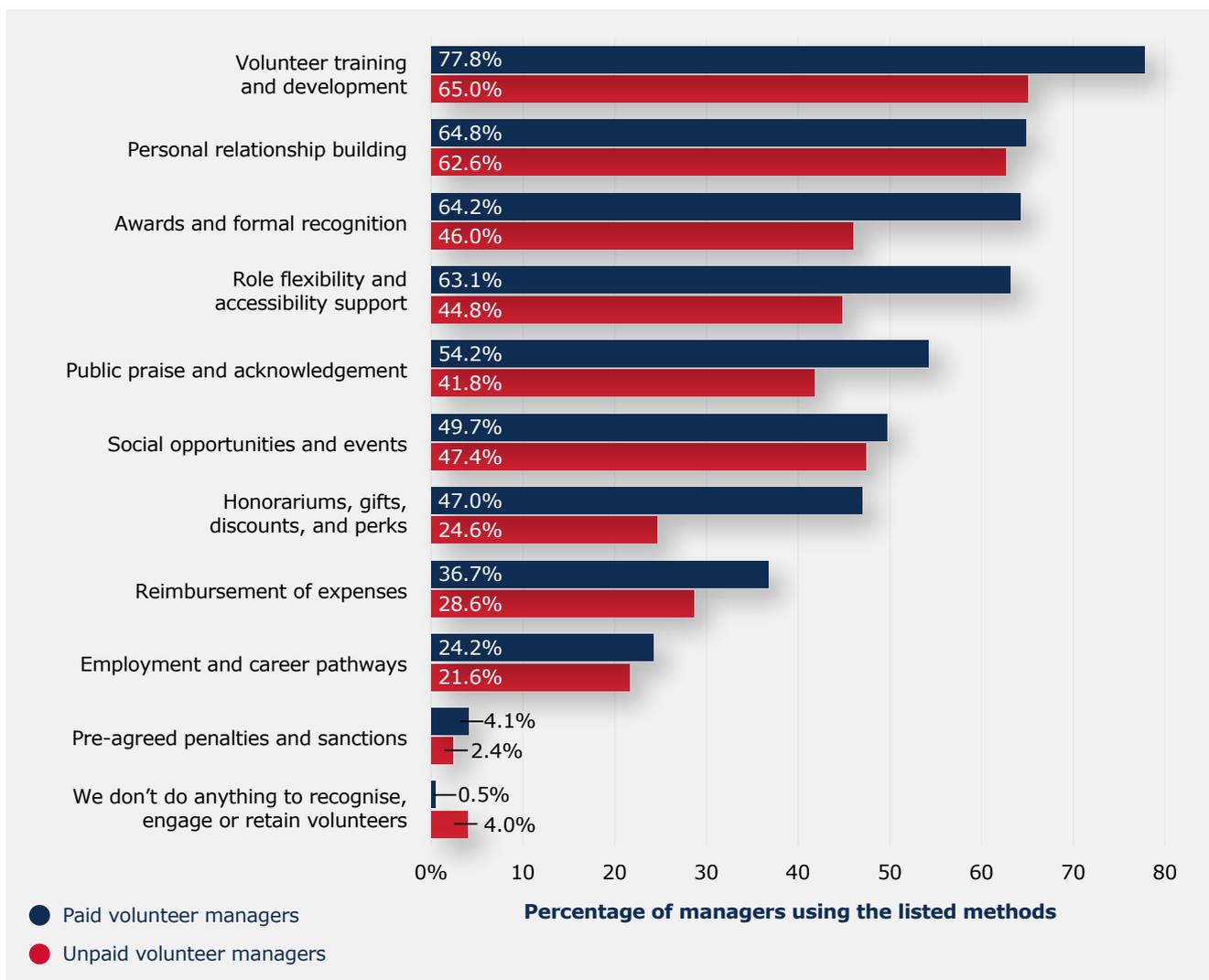
The top five recognition, engagement, and retention methods used by paid volunteer managers were:

- Volunteer training and development (77.8%)
- Personal relationship building (64.8%)
- Awards and formal recognition (64.2%)
- Role flexibility and accessibility support (63.1%)
- Public praise and acknowledgement (54.2%)

The top five recognition, engagement, and retention methods used by unpaid volunteer managers were:

- Volunteer training and development (65.0%)
- Personal relationship building (62.6%)
- Social opportunities and events (47.4%)
- Awards and formal recognition (46.0%)
- Role flexibility and accessibility support (44.8%)

**Figure 17: Methods used by volunteer managers to recognise, engage, and retain volunteers (n = 1735)**



<sup>6</sup> See Appendix A for a detailed discussion of the consolidation process.

Of note was that 0.5% of paid volunteer managers and 4% of unpaid volunteer managers reported not doing anything to recognise, engage, or retain volunteers.

TURF analysis<sup>7</sup> identified the minimally optimal mix of methods a VIO could use to recognise, engage, and retain volunteers. The analysis assumed that volunteer managers are prioritising their retention, recognition, and reward strategies according to what volunteers themselves find most meaningful.

- **Volunteer training and development** has the most individual impact, as it is employed by 69.0% of volunteer managers in NSW.
- When a second strategy, **personal relationship building**, is added to it, coverage is increased to include 84.8% of all responding volunteer managers. In other words, 84.8% of volunteer managers in NSW use either one or both of volunteer training and development and personal relationship building as recognition, engagement, and retention strategies.
- Adding **public praise and acknowledgement** to these two strategies increases reach to include the preferences 89.3% of all volunteer managers in NSW. Even though this is only the fifth most popular strategy on its own, it is the most effective for maximising reach when used in combination with the top two.

### TOP 3 RETENTION STRATEGIES



**1**  
Volunteer training and development

**2**  
Personal relationship building



**3**  
Awards and formal recognition

<sup>7</sup> See Appendix A: Methodology detail for more information on TURF analysis.



## Barriers to volunteering

When asked,

*"Why do you think people **stop** volunteering with your organisation or group?"*

volunteer managers were given the same list of options to choose from that participants were given at the equivalent question in the Public Survey.

This allows us to compare the barriers perceived by volunteer managers and the barriers perceived by volunteers, as shown in Figure 18. The barriers perceived by non-volunteers are not included here and can be reviewed in Section 1 (see Figures 8 and 9).

The top five barriers that volunteer managers perceive for their volunteers were:

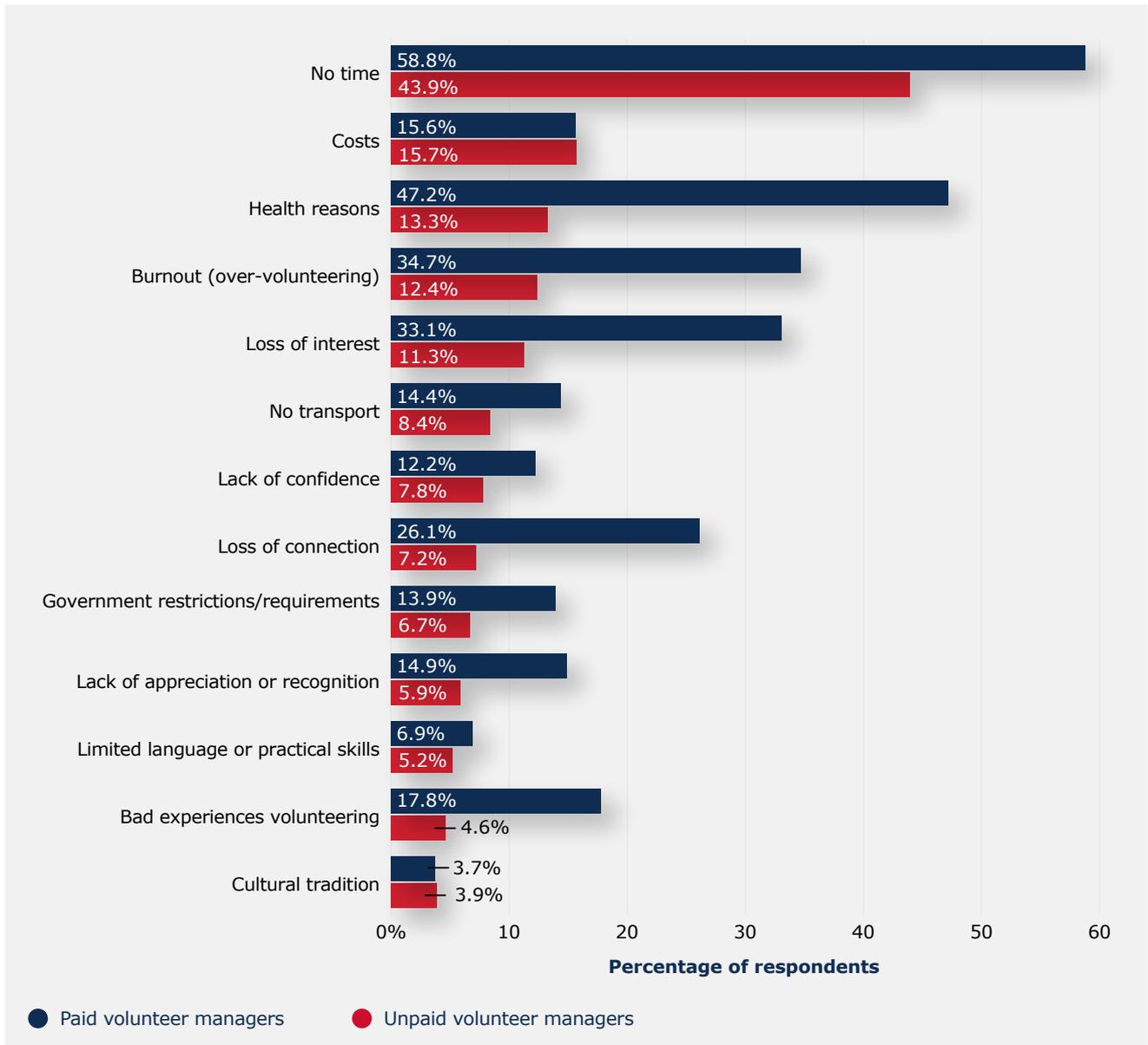
- No time (58.8%)
- Health reasons (47.2%)
- Burnout (34.7%)
- Loss of interest (33.1%)
- Loss of connection (26.1%)

Compare these to the top 5 reasons given by volunteers:

- No time (43.9%)
- Costs (15.7%)
- Health reasons (13.3%)
- Burnout (12.4%)
- Loss of interest (11.3%)

Of note in this data is that volunteer managers tend to place higher emphasis on personal reasons for not volunteering (time, health, burnout, interest, and connection) than volunteers do. Of particular importance is the factor of cost, which is listed as the second largest barrier for volunteers but is rather seventh by volunteer managers. Similarly, transport is rated as the sixth-largest barrier by volunteers but the eighth by volunteer managers. Conversely, bad experiences volunteering is rated as the sixth-largest barrier by volunteer managers but only the twelfth by volunteers.

**Figure 18: Barriers to volunteering identified by volunteer managers (n = 1735) versus volunteers (n = 966)**



## The cost to volunteer managers

Section 3 of this report examines in detail the costs and benefits of volunteering in NSW, including the expenses organisations incur supporting their volunteers. Volunteer managers were also asked the following question about these costs.

*"How much of (these expenses) did you pay for out of your own pocket?"*

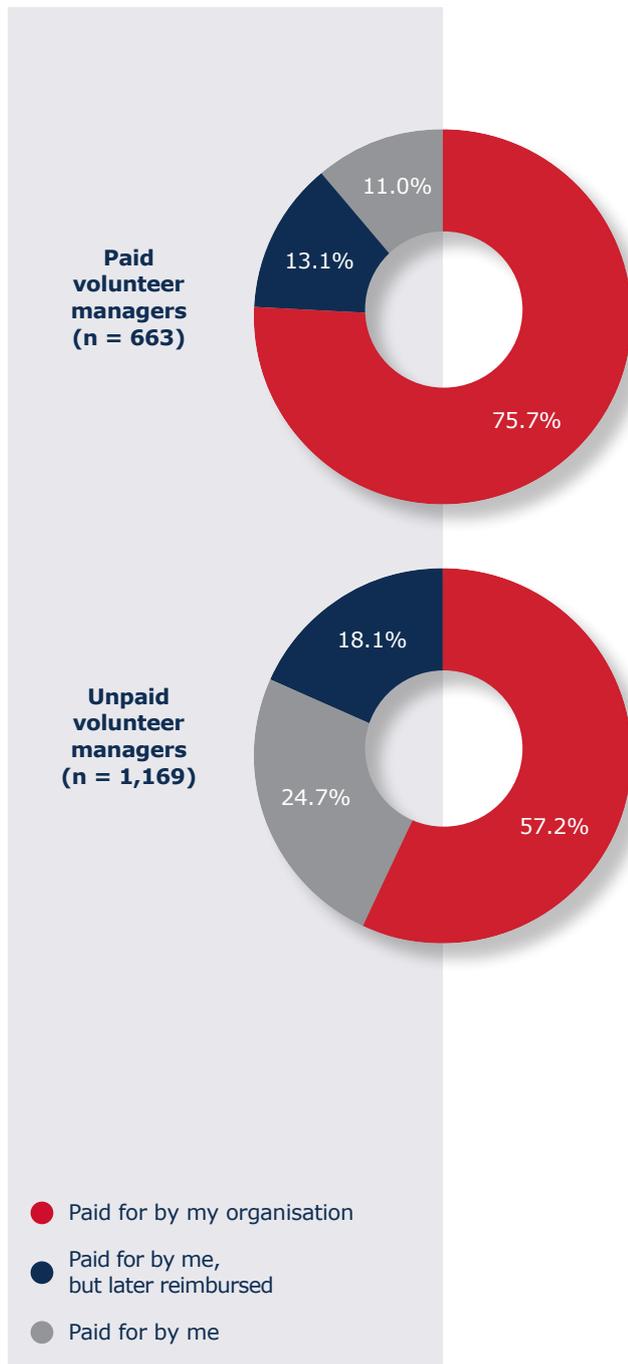
These totals should sum to 100%.

- Paid for by me
- Paid for by me, but later reimbursed
- Paid for by my organisation

Significant direct and subsidised costs were incurred by volunteer managers in NSW in the performance of their duties. 11% of paid managers and a significant 24.7% of unpaid volunteer managers personally absorb the costs of volunteer activity. A further 13.1% of paid managers and 18.1% of unpaid managers pay for the costs up-front and are later reimbursed by their organisations. This means that a total of nearly a quarter of paid volunteer managers (24.1%) and nearly half of unpaid volunteer managers (42.8%) in some way pay up-front for volunteering activity.

This is a remarkable cost to volunteer managers, especially those who are themselves voluntary and unpaid. It also highlights the fact that volunteering is not free, despite how it is often perceived. Considering the huge financial and social benefits of volunteering and the increased cost to volunteers discussed in Section 3, this clearly illustrates the need for additional support in the sector as it responds to the effects of the COVID-19 pandemic and the current cost-of-living crisis.

**Figure 19: The burden of volunteer management expenses**



### Three years of change

Volunteer managers in NSW were surveyed on the changes they have observed in their sector over the past three years. They were asked,

*"How has volunteering changed for your organisation since 2020?"*

While some managers reported seeing no significant changes, others noted either improvements or deteriorations in various aspects.

To quantify these perceptions, a **net favourability score** was calculated for each answer option.

This score represents the difference between the percentage of managers who reported positive changes ('More') and those who reported negative changes ('Less'). This net favourability score is expressed in percentage points and measures of the overall sentiment regarding each specific change in the volunteer sector. Table 10 is arranged in descending order using the absolute value of these net favourability scores, from highest to lowest. The options it gives are reproduced exactly as they appeared in the Volunteer Manager Survey.

Table 10 also includes a 'volatility ranking' for each change. This ranking measures how much consensus there was among managers about whether conditions have remained "About the same." A volatility ranking of "1" is the most volatile, meaning there was the least consensus among volunteer managers that the situation had remained the same over the same. In contrast, a ranking of "11" is the most stable option that volunteer managers generally agree has stayed the same over the last three years.

In simpler terms, the volatility ranking sorts the questions from the least stable to the most stable, based on managerial perceptions of change over the last three years.

It is reasonable to expect that volunteer managers would use more recruitment channels than individual volunteers use because they are reaching out to a wider pool of people (potentially the entire population of NSW) as opposed to seeking a specific role as an individual. As noted in Section 1, volunteers rely on an average of only 2 different channels to source their volunteering opportunities.

This not to say every person who reported "not being asked" as the main barrier would have volunteered if they had been asked to. It is simply to illustrate the ways in which recruitment methods can intersect with non-volunteering populations.

**Table 10: Perceptions of volunteering sector change over the last 3 years**

	Less	About the same	More	Net favourability	Volatility
Hours people want to volunteer	35.2%	54.4%	10.4%	<b>-24.7</b>	4
Amount of training volunteers need	9.5%	56.5%	34.0%	<b>+24.5</b>	5
Number of youth/young people who want to volunteer	41.3%	40.9%	17.8%	<b>-23.5</b>	2
Board-level volunteers are available	31.6%	59.6%	8.9%	<b>-22.7</b>	7
Number of people who want to volunteer	41.1%	39.3%	19.6%	<b>-21.5</b>	1
Volunteers want flexible hours	8.9%	65.9%	25.2%	<b>+16.4</b>	11
People want to volunteer occasional hours, rather than regular hours	12.1%	61.5%	26.4%	<b>+14.2</b>	8
Organisations want to volunteer employees' time	25.6%	61.8%	12.6%	<b>-13.0</b>	9
The direct and indirect costs to volunteers	14.5%	58.0%	27.5%	<b>+13.0</b>	6
Volunteers are claiming expenses	22.1%	64.6%	13.3%	<b>-8.8</b>	10
Volunteering is done online or from home	28.2%	51.1%	20.7%	<b>-7.5</b>	3

It is worth highlighting that 43.5% of volunteer managers perceived a decline in the number of young people wanting to volunteer over the past three years. However, the evidence of the Public Survey indicated that the younger a person was, the more likely it was that they volunteered. Further to this, Figure 2 shows that NSW residents under the age of 25 are the biggest cohort of volunteers in the state.

This also connects to the observations on Figure 18 that there was a discrepancy between the barriers perceived by volunteers and those perceived by volunteer managers. The reasons for the perceptions and points of difference between these findings should be explored in further research.

The following statistically significant observations were made of the volunteer managers in NSW who felt the number of young people wanting to volunteer had decreased over the last three years.

The closer a volunteer manager lived to a major city, the more likely they were to believe the number of youth volunteering was decreasing.

Gender, the number of hours spent managing volunteers, and the number of volunteers under management made no significant difference to a volunteer manager's perception of a decline in the number of young people wanting to volunteer over the past three years.

## TOP 3 CHANGES reported by volunteer managers:

1

Volunteer hours have decreased

2

Volunteers need more training

3

Fewer people want to volunteer

## Issues in volunteer management

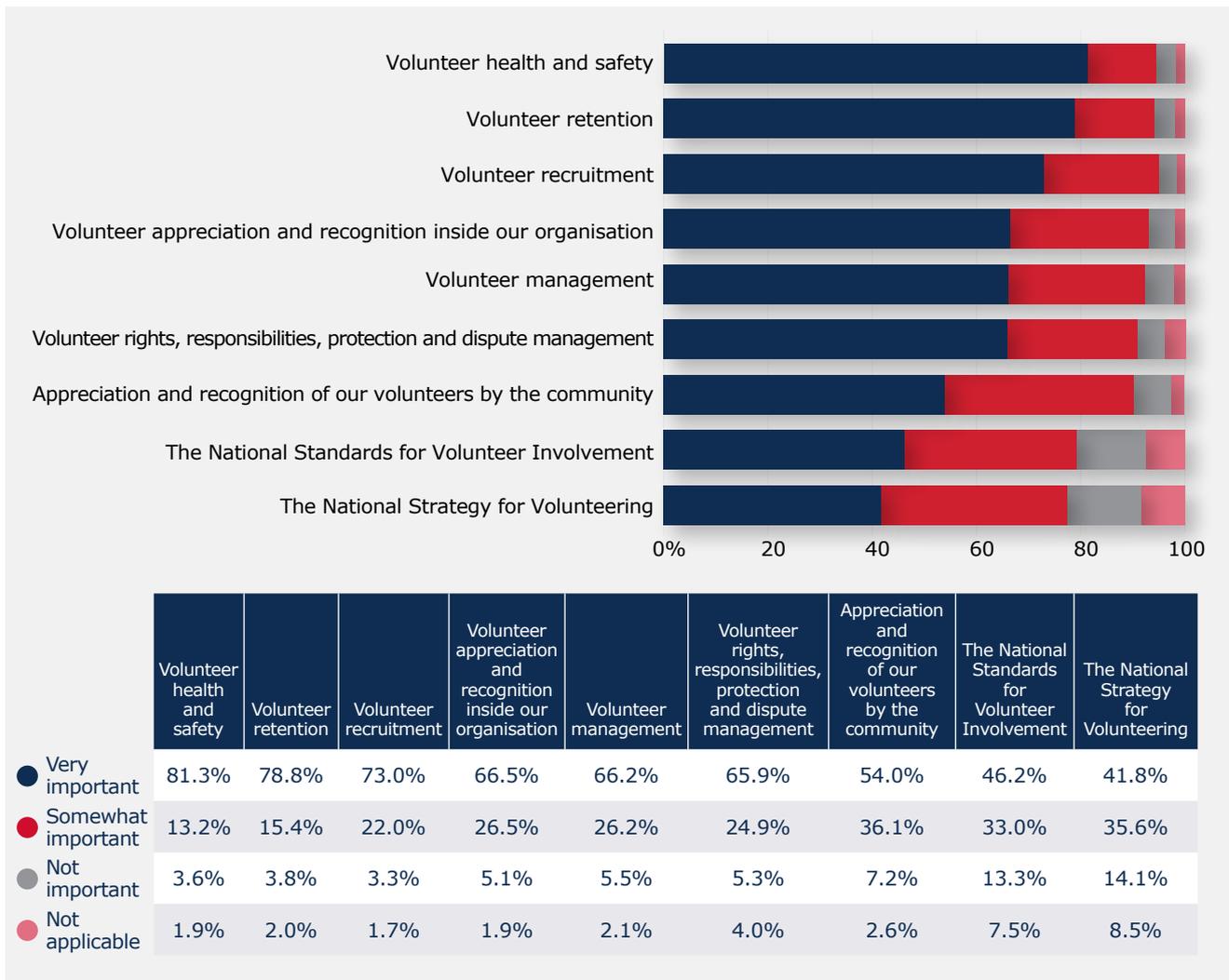
Volunteer managers in NSW were asked to rank the importance of various issues and challenges that are frequently reported in their sector. The survey aimed to understand how these professionals considered these common issues in the context of their day-to-day operations and overall strategy.

Figure 20 shows the relative importance of various volunteer-related issues to volunteer managers.

The top five issues volunteer-related issues ranked as “very important” by volunteer managers are:

- Volunteer health and safety (81.3%)
- Volunteer retention (78.8%)
- Volunteer recruitment (73%)
- Volunteer appreciation and recognition inside our organisation (66.5%)
- Volunteer management (66.2%)

**Figure 20: Volunteer-related issues and their relative importance to volunteer managers (n = 1735)**



**Figure 21: Organisation-related issues and their relative importance to volunteer managers**



**Figure 22: External issues and their relative importance to volunteer managers (n = 1735)**

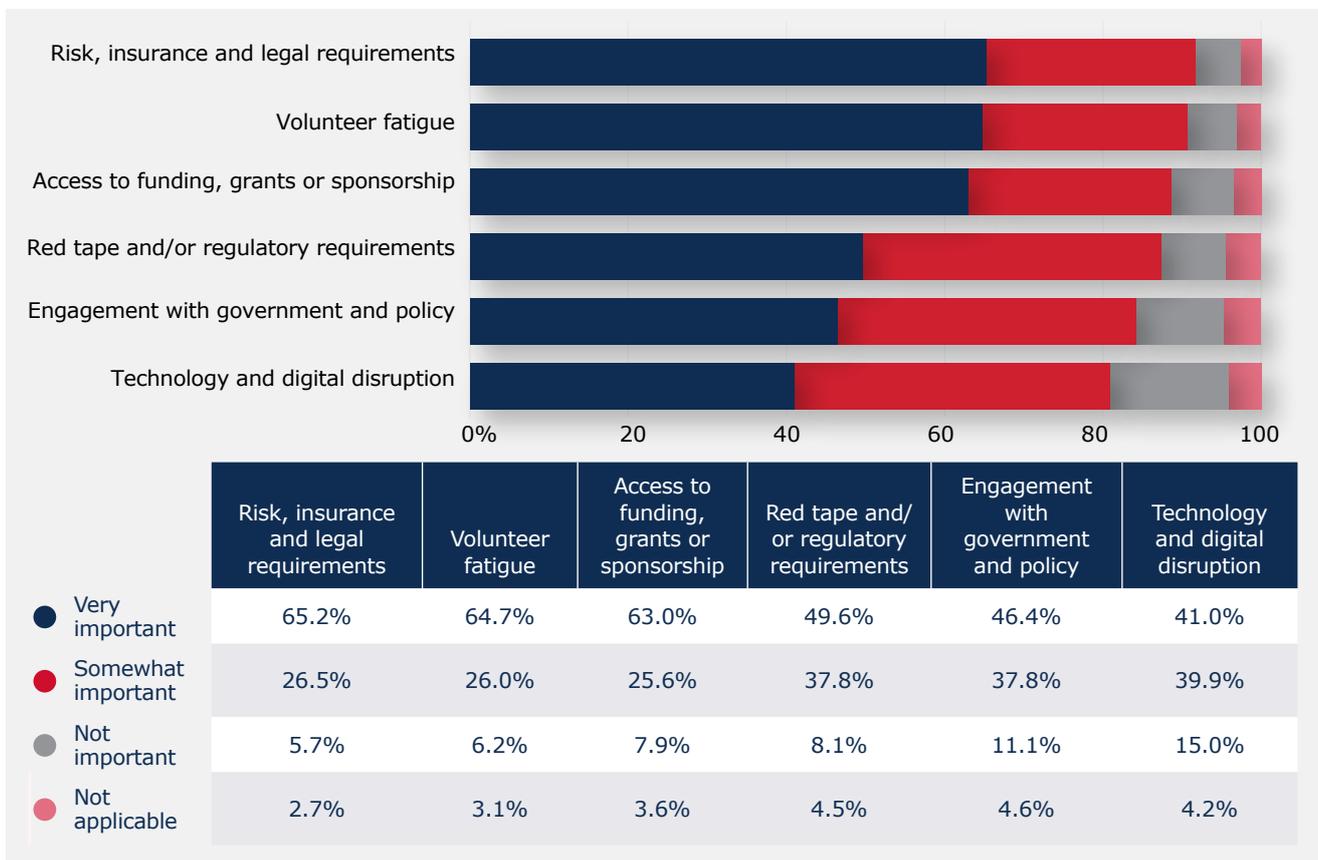


Figure 22 shows the relative importance of various external issues to volunteer managers. The top five external issues rank as “very important” by volunteer managers are:

1. Risk, insurance, and legal requirements (65.2%)
2. Volunteer fatigue (64.7%)
3. Access to funding, grants, or sponsorship (63%)
4. Red tape and/or regulatory requirements (49.6%)
5. Engagement with government and policy (46.4%)

The overall top five issues rated “very important” across Figures 21-22 are as follows:

1. Volunteer health and safety (81.3%)
2. Volunteer retention (78.8%)
3. Volunteer recruitment (73.0%)
4. Organisational culture, inclusion and diversity (68.8%)
5. Volunteer appreciation and recognition inside our organisation (66.5%)

Issues relating to volunteers generally ranked as being more important to volunteer managers than organisational-issues or external issues.

## Organisational optimism

The following question was asked of respondents to Volunteer Manager Survey.

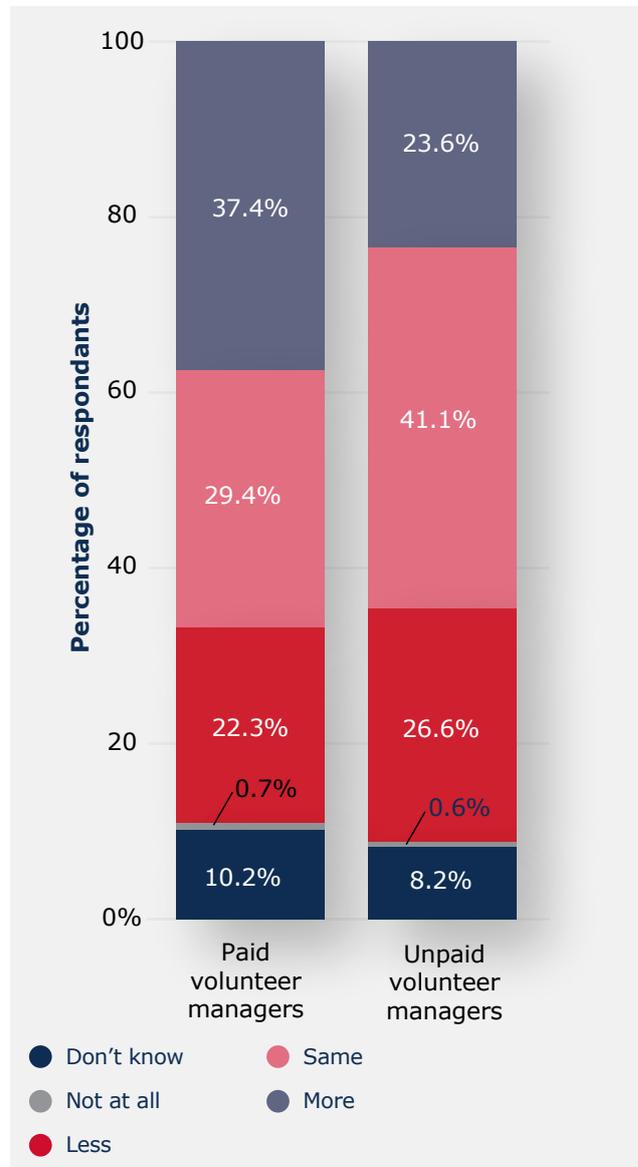
*“In 3 years, are people more or less likely to be volunteering with your organisation or group?”*

- More
- Less
- About the same
- Not volunteering at all (our organisation will have closed or our group will have ended)
- Don't know

As with the Public Survey question on intent (see Figure 12), this question was examined through the lens of optimism. For example, if a volunteer manager said that people were “More” likely to be volunteering for their organisation in three years, they were showing a high level of optimism about the future of their organisation.

As shown in Figure 23, 37.4% of paid volunteer managers and 23.6% of unpaid volunteer managers believed people would be volunteering more with their organisation in three years’ time. When added to the managers who expected levels to remain the same, a total of 66.8% of paid managers and 64.7% of unpaid managers displayed some optimism about the future of volunteering at their organisation.

**Figure 23: The likelihood of people volunteering with the volunteer manager’s organisation in 3 years (n = 1735)**



Excluding respondents who said they “Don’t know,” the following statistically significant observations were made about the optimism of volunteer managers in NSW.

- The closer a person lived to a major city, the more optimistic they were about their organisation’s future.
- The more hours spent managing volunteers, the more optimistic a person was about their organisation’s future.
- The more volunteers a person managed, the more optimistic they were about their organisation’s future.

Age and gender made no significant difference to a volunteer manager’s optimism for their organisation.

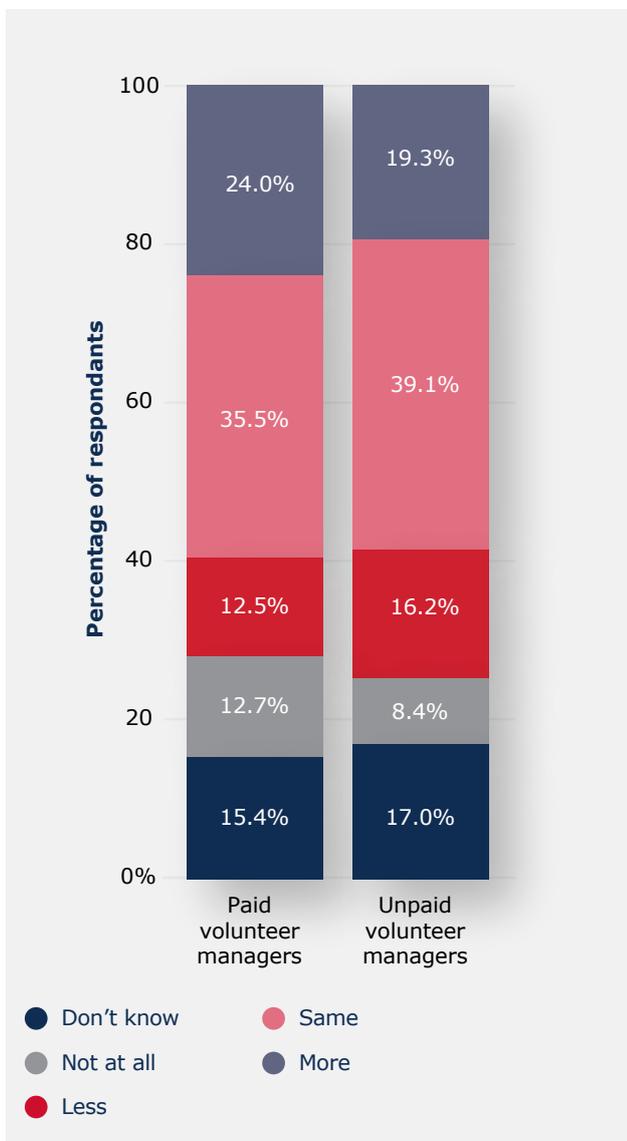
## Intent

Volunteer managers were asked:

*"How likely are you to be with your organisation, as a volunteer manager, in 3 years?"*

- Still here, doing more hours
- Still here, doing less hours
- Still here, doing about the same hours
- Not here at all
- Don't know

**Figure 24: The likelihood of a volunteer manager being with their organisation in that role in 3 years**



As with the previous section, the further along the scale from "Not at all" to "More" a volunteer manager was, the more optimistic they were about their own future with their organisation.

24% of paid volunteer managers and 19.3% of unpaid volunteer managers believed they would be doing more hours as a manager with their organisation in three years. When added to the managers who expected to be doing the same level of work, 59.5% of paid volunteer managers and 58.4% of unpaid volunteer managers showed some optimism about their personal level of engagement with volunteering. This is interesting because, when compared to Figure 23, it suggests that volunteer managers are somewhat more optimistic about the future of people volunteering in general with their organisation, even if they personally may not be as heavily involved.

Of further note is that volunteer managers were markedly more uncertain about their own future engagement than other peoples. As shown in Figure 23, only 0.7% of paid managers and 0.6% of unpaid managers were unsure of how people would volunteer in three years' time. Compare this to Figure 24, which shows 12.7% of paid managers and 8.4% of unpaid managers being unsure of their own engagement with an organisation in three years' time.

The following statistically significant observations were made about volunteer manager intent.

- The younger the volunteer manager, the more optimistic they were about their intent to continue with their organisation.
- The more hours spent managing volunteers, the more optimistic a person was about their intent to continue with their organisation.

Location, gender and the number of volunteers under management made no significant difference to a respondent's optimism for continuing as a manager with their organisation in three years.

## Key comparisons

Comparisons between the NSW findings presented in this Section, the findings for all of Australia in the same period, and the NSW State of Volunteering Report of 2020 are highlighted here.

**Table 11: Volunteer management comparisons between the 2020 and 2023 NSW State of Volunteering Report**

	NSW 2020	NSW 2023
<b>Key inclusion metrics</b> <i>(the percentage of volunteer managers that include these demographics in their programs)</i>	82.4% include vols aged 65+ 41.8% include vols aged under 25 31.0% include CALD vols 15.5% include online or remote volunteers	<b>68.4% include vols aged 65+</b> <b>39.9% include vols aged under 25</b> <b>29.2% include CALD vols</b> <b>17.3% include online or remote volunteers</b>
<b>Top 3 recruitment channels</b>	1. Word of mouth 2. Social media 3. Website	<b>1. Word of mouth</b> <b>2. Social media</b> <b>3. Website</b>
<b>Top 3 retention strategies</b>	Not comparable <i>See Appendix A</i>	<b>1. Volunteer training and development</b> <b>2. Personal relationship building</b> <b>3. Awards and formal recognition</b>
<b>Top 5 barriers to volunteering</b> <i>(as perceived by volunteer managers)</i>	Not measured	<b>1. No time</b> <b>2. Health reasons</b> <b>3. Burnout</b> <b>4. Loss of interest</b> <b>5. Loss of connection</b>
<b>The 3 biggest changes of the last 3 years</b> <i>(as perceived by volunteer managers)</i>	1. Corporate volunteering is decreasing 2. Volunteers need more training 3. Volunteers want more occasional hours	<b>1. Volunteer hours have decreased</b> <b>2. Volunteers need more training</b> <b>3. Fewer youth want to volunteer<sup>8</sup></b>
<b>Top 5 issues in volunteering</b> <i>(as perceived by volunteer managers)</i>	1. Volunteer health and safety 2. Volunteer retention 3. Volunteer appreciation and recognition inside our organisation 4. Financial viability/sustainability 5. Organisational governance	<b>1. Volunteer health and safety</b> <b>2. Volunteer retention</b> <b>3. Volunteer recruitment</b> <b>4. Organisational culture, inclusion and diversity</b> <b>5. Volunteer appreciation and recognition inside our organisation</b>
Volunteer managers who say they will be doing more with their organisation in 3 years' time	36.2%	<b>29.9%</b>

Almost **40%** of organisations include volunteers

under **25** years of age

<sup>8</sup> As earlier in Section 2, while this is the third biggest change as reported by volunteer managers, it is a misconception that does not reflect the real rate of youth volunteering.

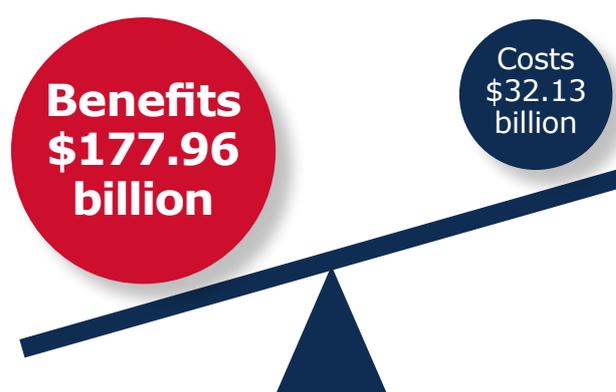


# **SECTION 3:** **THE VALUE OF** **VOLUNTEERING**

## Key findings

The value of volunteering to NSW across the entire community is the sum of the social and economic benefits enabled. This analysis values these benefits at **\$178.0 billion** (rounded up). The calculations for this amount are elaborated on in Table 12.

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



**Table 12: Costs and benefits of volunteering (NSW)**

		Sub-totals	Totals
<b>Costs (\$ million)</b>			
<b>Direct costs</b>			
Volunteer expenses	\$11,062.3		
VIO expenses	<u>\$4,588.7</u>	\$15,650.9	
<b>Opportunity costs</b>			
Volunteers' time	\$15,820.7		
Volunteering investments	<u>\$658.9</u>	<u>\$16,479.6</u>	\$32,130.5
<b>Benefits (\$ million)</b>			
<b>Commercial benefits</b>			
Producers' surplus	\$2,633.2		
Productivity premium	<u>\$30,444.4</u>	\$33,077.6	
<b>Civic benefits</b>			
Employment	\$10,088.3		
Taxes	\$3,949.2		
Volunteers' labour	<u>\$39,683.9</u>	\$53,721.6	
<b>Individual benefits</b>			
Volunteers' dividend		<u>\$91,157.2</u>	<b><u>\$177,956.2</u></b>
<b>Social return on investment</b>			<u>\$145,825.7</u>

**Benefit: cost ratio**

**5.5:1**

By contrasting the net value of volunteering in NSW with the cost of inputs, it can be seen that for every dollar invested by the community, **\$5.50** is returned (the benefit-to-cost ratio of 5.5:1).

The net (or social) return on investment – the difference between benefits and costs – is **\$145.8 billion**. Because the external benefits of volunteering significantly outweigh the social costs involved, this leads to what economists would term

an efficient outcome. In simpler terms, there is a substantial economic, social, and cultural 'profit' in volunteering.

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

Other findings of interest about the costs and benefits of volunteering in NSW are summarised in Table 13.

**Table 13: Key findings about the costs and benefits of volunteering in NSW in 2023**

	<b>NSW 2023</b>
<b>Average volunteer expenses per volunteer hour</b>	\$14.68
<b>Average VIO expenses per volunteer hour</b>	\$7.31
<b>Average annual expenses per volunteer</b>	\$3115.80
<b>Percentage share of total expenses</b>	Volunteers – 70.7% VIOs – 29.3%
<b>The contribution of volunteering expenditure to Gross State Product (NSW)</b>	2.4%
<b>The extent to which volunteering improves workplace productivity</b>	14.7%
<b>Jobs created in all sectors by expenditure on volunteering</b>	149,300
<b>The volunteering workforce is the largest industry by employment in NSW</b>	#1
<b>The increase in individual well-being attributable to volunteering</b>	+4.4 percentage points
<b>Non-volunteers' attribution of community well-being to the impact of volunteering</b>	54.2%

Except in limited cases, the 2020 NSW State of Volunteering Report direct comparisons are not made in this Section due to two major changes to the study methodology.

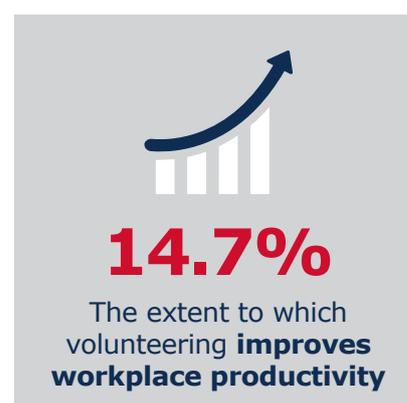
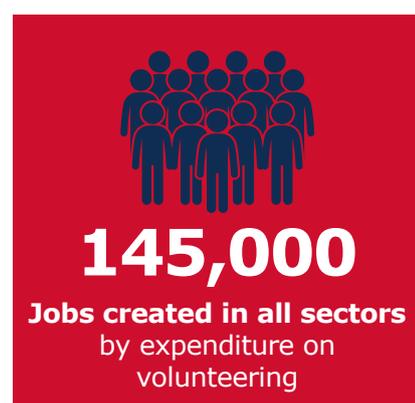
The larger sample size and analytic improvements have made it possible to more precisely value the expenses incurred by VIOs, especially as they relate to the expenses incurred by individual volunteers. VIO costs were estimated using different methods in 2020 and 2023.

The first-time inclusion of the volunteer dividend also makes direct year-to-year comparison of the benefit to cost ratio inappropriate. Both these changes were recommended as directions for future research in previous reports.

Other differences between 2020 and 2023 that make direct comparison problematic include:

- The inclusion of respondents aged 15 and over in the 2023 Public Survey. In 2020, only respondents aged 18 and over were included.
- Non-linear changes in the NSW population, workforce composition and the price of labour between 2020 and 2023.
- Non-linear changes to national income and product accounts, trade data, producer and consumer price indices, and other relevant sources of information used in input-output modelling (see Appendix A for more information).

All of these changes have the effect of distorting the true differences in value over time. It is beyond the scope of this study to make the complex adjustments to the 2020 data necessary for reliable comparison.



## Costs

Volunteering is often assumed to be a selfless act that costs nothing for the volunteers and VIOs, but this is not accurate given the context in which volunteering takes place. The economic cost of volunteering and its associated activities in NSW is calculated to be **\$32.1 billion**. This amount is a combination of two distinct components: direct costs of \$15.7 billion and opportunity costs of \$16.5 billion.<sup>9</sup> Recognising these costs helps us understand both the immediate financial implications of volunteering, and the economic choices and societal values that underpin its practice.

### Direct costs

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

The direct cost of volunteering and its associated activities in NSW is **\$15.7 billion**. This amount is a combination of two distinct components: costs to individuals of \$11.1 billion and costs to organisations of \$4.6 billion.

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

### Costs to individuals

The Public Survey asked the following question of volunteers.

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

Please provide a rough estimate or best guess for each.

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

The expenditure categories are listed in Figure 25.

<sup>9</sup> A more theoretical explanation of the costs measured here can be found in Appendix A of this report. A ‘plain English’ explanation of how these values were derived can be found in Appendix C.

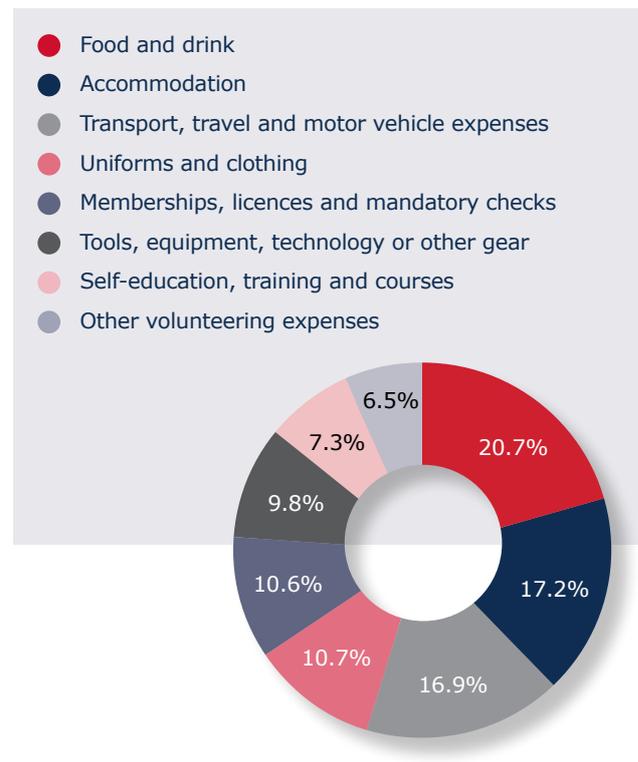
Volunteers in NSW reported spending an average of \$257 per month, or \$14.68 per hour they volunteered. In 2023, this was a gross amount of \$3115.80 per volunteer, compared to a gross amount of \$1,924 per volunteer in 2020.

Volunteers in NSW also reported that, on average, they were reimbursed for 18.2% of their expenses in 2023, compared to 7.8% of expenses reported as being reimbursed in 2020.

As shown in Figure 25, the top five expenses for volunteers in 2023 were:

1. Food and drink (20.7%)
2. Accommodation (17.2%)
3. Transport, travel and motor vehicle expenses (16.9%)
4. Uniforms and clothing (10.7%)
5. Memberships, licences and mandatory checks (10.6%)

**Figure 25: Breakdown of volunteer expenses each month by category in 2023**



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

This means that for the 12-month period analysed, the net out-of-pocket costs (direct expenses) for volunteers in NSW totalled **\$11.1 billion**.

The following statistically significant observations were made about the amount NSW volunteers spent on their service per volunteer hour:

- The younger the volunteer, the more they spent on their volunteering per hour.
- Men reported spending more than women per volunteer hour.

Location, multicultural identity, carer status, paid hours of work and household income made no significant difference to how much a person spent on their volunteering per hour.

### Costs to VIOs

The Volunteer Manager Survey asked the following question of respondents.

*"How much did it cost to manage **your** volunteers over the last 12 months?"*

Include volunteering-related expenses **you and your** organisation incurred.

Your best estimate is good enough!

Please enter zero (0) if you did not spend anything on a category.

Organisations in NSW that involve volunteers reported spending an average of \$103.83 per volunteer per month, or \$7.31 per formal volunteer hour.<sup>10</sup>

As shown in Figure 26, the top 5 expenses for VIOs were:

1. Wages (42%)
2. Equipment (12%)
3. Insurance (11.3%)

4. Transport (6.2%)
5. Administration (6.2%)

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

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

In 2023, the direct cost to VIOs in NSW was **\$4.6 billion.**

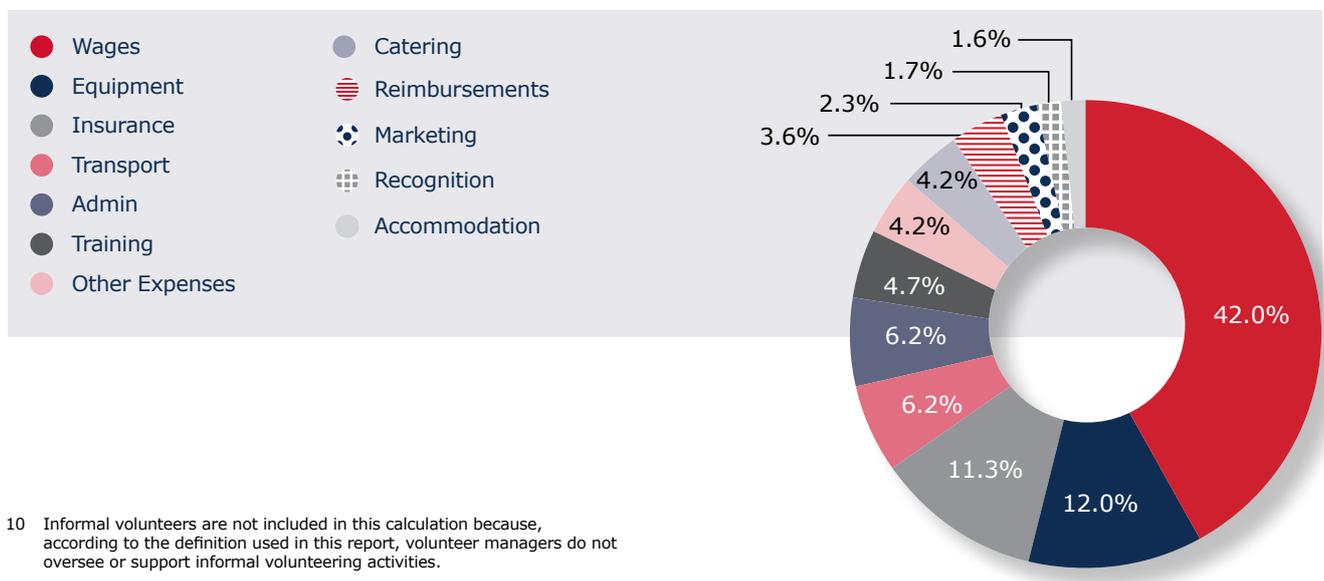
This indicates that volunteers shouldered 70.7% of the financial burden associated with volunteering, while VIOs covered the remaining 29.3%.

### Indirect costs

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

Opportunity costs are calculated by estimating the potential financial returns that these resources could generate if they were allocated to other endeavours instead of volunteering. This provides a clearer

**Figure 26: Breakdown of VIOs' expenses by category**



<sup>10</sup> Informal volunteers are not included in this calculation because, according to the definition used in this report, volunteer managers do not oversee or support informal volunteering activities.

understanding of the economic trade-offs involved, helping us grasp what is being sacrificed when these valuable resources are chosen to support volunteering rather than being used for other potentially profitable activities.

The total indirect cost of **\$16.5 billion** is the sum of the opportunity costs of volunteers' time (\$15.8 billion) and the opportunity costs of investments in volunteering (\$658.9 million).

### **Opportunity cost of volunteers' time**

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

This average is then reduced by a 35% effective rate of tax, which accounts for all forms of direct and indirect taxation. The resulting hourly rate is further adjusted to reflect the workforce composition

of NSW, comprising full-time, part-time, and non-participating individuals, segmented by age group.

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

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

According to this model, the hours contributed to the NSW community through volunteering equate to an opportunity cost of **\$15.8 billion**. This amount is a monetary estimate of what volunteers gave up in potential earnings by dedicating their time to unpaid work.

**Table 14: Opportunity costs of hours contributed to the community by volunteers**

Age	Opportunity cost of volunteers' time \$/hr	Average hours volunteered per month	Total volunteers	Total opportunity cost (\$millions)
15-24	\$9.09	19.9	737,200	\$1,601.1
25-34	\$22.55	19.1	819,700	\$4,237.5
35-44	\$28.10	13.5	801,600	\$3,644.8
45-54	\$29.03	17.6	606,200	\$3,725.3
55-64	\$20.41	16.0	484,300	\$1,896.1
65+	\$3.41	21.5	812,200	\$715.9
				<b>\$15,820.7</b>

### **Opportunity costs of diverted resources**

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

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

The metric used for evaluating what that profit might be (the long-term investment opportunity cost) is the 10-year Australian government bond rate, which stood at 4.2% in October 2023, the time this calculation was made. Using this rate as a benchmark, an estimate of the financial implications of the resources allocated to volunteering activities can be made.

Therefore, in 2023 the gross opportunity cost – that is, the potential value of gains missed out on by individuals and organisations due to their involvement in volunteering – is estimated to be **\$658.9 million**.

## The benefits of volunteering

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

It is calculated that volunteering in NSW enabled **\$178.0 billion** worth of benefits across the community. These were the sum of commercial benefits worth \$33.1 billion, civic benefits valued at \$53.7 billion, and individual benefits of \$91.2 billion.

### Commercial benefits

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

The commercial benefits generated by volunteering in NSW are valued at **\$33.1 billion**. This is the sum of producers’ surplus (\$2.6 billion) and the productivity premium returned to employers (\$30.4 billion).

### Producers’ surplus

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

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

Input-output modelling is a method used in economics to understand how different sectors within an economy interact with each other.<sup>11</sup> It illustrates the flow of goods and services between sectors, helping to predict the output effect of a change in demand for a particular industry. Employing input-output modelling methodology, it is found that the volunteering-related expenditure of \$15.7 billion increases the overall output in NSW economy by \$29.1 billion. This calculation includes the production of intermediate goods and accounts for imports worth \$5.3 billion.

<sup>11</sup> See Appendix A for more information.

The Gross Value Added (GVA) by volunteering to the NSW economy is \$28.7 billion, which equates to 2.5% of the State’s Gross State Product of \$660.7 billion. This is similar in scale to the NSW mining sector, which contributed \$28.9 billion in GVA. Considering that material inputs and existing infrastructure are already accounted for, when the cost of labour and taxes is subtracted from this GVA, a theoretical producers’ surplus of **\$2.6 billion** is revealed.

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

### Productivity premium

The Public Survey asked the following question of all respondents.

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

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

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

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

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

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

The analysis in Tables 15 and 16 indicates that the act of volunteering is largely seen as having a positive or neutral impact on work performance. Those who actively volunteer are more likely to attribute increased productivity to their volunteering. For consistency in reporting, the productivity multiplier was derived from the combined interstate data sample and held constant for all States and Territories. Other equation inputs were specific to NSW.

**Table 15: Percentage of residents on how they believe volunteering impacts work performance (Australia)**

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

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

Lots of things contribute to workplace productivity.

These include:

- The physical conditions and culture of the workplace
- The technology and tools available to do the job

- Your skills and experience
- Your personal and professional networks
- Your physical and mental health
- Your satisfaction with your job and life

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

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

**Table 16: The extent to which residents believe volunteering impacts work performance (Australia)**

	Volunteers	Non-volunteers	Total
Less productive	-25.8%	-27.0%	-26.2%
More productive	32.4%	30.0%	31.8%
Productivity multiplier	17.5%	9.3%	14.7%

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

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

The extent to which volunteering in NSW improved the productivity of employees is estimated to be **\$30.4 billion**.

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

Statistically significant observations about the productivity multiplier follow.

- The younger a person was, the higher their productivity multiplier.
- The more hours a person worked for pay each week, the higher their productivity multiplier.
- People who identified as multicultural were more likely than others to assign a higher percentage of their workplace productivity to volunteering.

Gender, location, and carer status made no significant difference to a respondent's productivity multiplier.

## Civic benefits

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

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

The civic benefits enabled by volunteering in NSW are valued at **\$53.7 billion**. This is the sum of employee wages (\$10.1 billion), taxes (\$3.9 billion) and the theoretical replacement cost of volunteers’ labour (\$39.7 billion).

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

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

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

## Employment

The input-output model, outlined in more detail in Appendix A, shows that volunteering-motivated expenditure in NSW generated 149,300 jobs across all sectors of the economy. 93,900 of these were full-time positions.

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

The model quantifies the wage benefits generated

by these jobs as being worth **\$10.1 billion**. This amount directly benefits households, augmenting their disposable income and, consequently, their purchasing power.

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

## Taxes

The input-output model also reveals that NSW’s volunteering-related expenditure of \$15.7 billion generates **\$3.9 billion** in tax revenue for the government.

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

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

## Volunteers’ labour

It was noted in Section 1 of this report that volunteers in NSW contributed 893.9 million hours of their time to various individuals, causes and organisations. The replacement cost of that labour is the expense that beneficiaries would incur if they had to hire paid professionals to do the same work.

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

In addition to the base wage, there are several other costs associated with employment that need to be taken into account. These include the administrative

and capital overheads that would be incurred for each working hour, as well as the minimum requirements of the Australian government's superannuation guarantee. To allow for these, an additional 15% has been added to the median wage data for each age group.

This approach assumes that the value of the activities provided by each volunteer is equivalent to the value of their direct employment, accounting

for their age. This is not a perfect accounting of the value of the services provided by volunteers but is more reliable than approaches that price volunteer labour at the minimum wage. Improving the replacement cost method is encouraged as a direction for future research.<sup>12</sup>

On these terms, the cost to the NSW community (which is avoided by government) of replacing volunteer labour is **\$39.7 billion**.

**Table 17: Replacement cost of hours donated to the community by NSW volunteers**

Age	Replacement cost of volunteers' time \$/hr	Average hours volunteered per month	Total volunteers	Total replacement cost (\$millions)
15-24	\$20.22	19.9	737,200	\$3,559.0
25-34	\$44.45	19.1	819,700	\$8,352.0
35-44	\$54.66	13.5	801,600	\$7,090.8
45-54	\$57.37	17.6	606,200	\$7,360.9
55-64	\$51.33	16.0	484,300	\$4,769.5
65+	\$40.73	21.5	812,200	\$8,551.5
				<b>\$39,683.9</b>



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

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

Therefore, the opportunity cost of time for people over 65 is quite low at an average of \$3.41 per person, as most people at this age are no longer working. However, of the people who are working at this age, their average replacement cost to employers is \$40.73 per hour.

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

The results were remarkable: in NSW, the volunteering sector is equivalent to 41.6% of the entire workforce. Furthermore, it is over half the size of the workforce in the private sector and double the size of the workforce in the public sector.

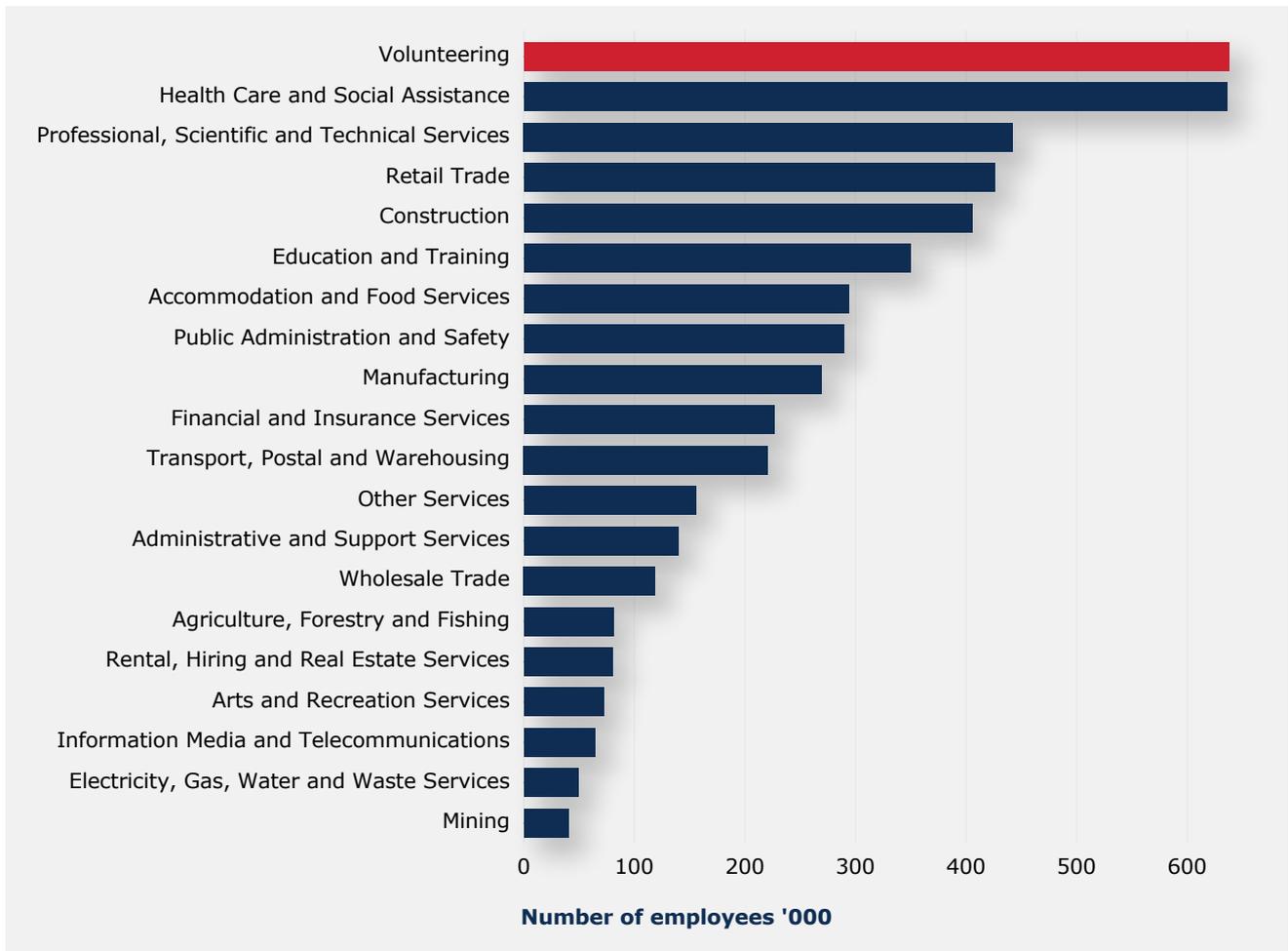
As such, the volunteering sector is an industry that is relied upon and, using the replacement cost method, is the largest industry by employment in the state.

<sup>12</sup> The potential intrinsic value that results from a volunteer's willingness to donate their time at below market rates is considered in the volunteer dividend later in this report.

**Table 18: Cost of volunteering versus private and public sector employee compensation**

Sector	\$	Relative size of volunteering sector
Replacement cost of volunteers	\$39.7 billion	100.0%
Private sector compensation of employees	\$76.1 billion	52.2%
Public sector compensation of employees	\$19.8 billion	200.2%

**Figure 27: Volunteering as an industry by employment**



**Individual benefits**

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

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

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

At a minimum, this benefit is equal to the costs individuals bear in the pursuit of their volunteering. Therefore, using the revealed preference method,

it can be said that in 2023, NSW volunteers enjoyed at least \$26.9 billion in individual benefits from their volunteering. This is the sum of the money they spent (\$11.1 billion) and time they contributed (\$15.8 billion).

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

In answering the first question, the value of the benefits that volunteers personally accrue is estimated to be **\$91.2 billion**. The calculations for this amount are explained in the volunteer dividend sub-section.

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

### **Volunteer dividend**

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

For sellers, value is realised when they make a profit that surpasses their production costs, a metric already discussed in the sub-section on producer's surplus (\$2.7 billion). For buyers, value is achieved when they perceive that they have gotten a "bargain," meaning they would have been willing to pay more than the actual price to satisfy their need. A consumer's surplus is thus the additional benefit or utility an individual receives beyond the cost associated with an activity or consumption.

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

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

In this context, volunteers are the consumers. They finance their participation through the resources they purchase to enable their volunteering (\$11.1

billion) and the opportunity cost of the time they contribute (\$15.8 billion). Understanding the surplus of volunteers as a form of dividend allows us to go beyond these zero-sum returns to price the intrinsic value that volunteers gain from their activities.

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

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

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

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

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

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

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

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

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

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

In the sample of over 6,800 Australian residents, it was found that being a volunteer was associated with a 4.4-point increase in life satisfaction, a proxy for well-being. Whereas only 0.6% of the overall variance in well-being could be explained by volunteering, there was a less than one in 1,000 chance that the relationship observed was due to random error.

Surprisingly, the number of hours spent volunteering did not significantly impact one's sense of well-being. This indicates that the mere act of volunteering is enough to produce well-benefits, without a specific volume requirement.

According to the formula described in Appendix A, the monetised value of the consumers' surplus associated with a 4.4-point increase in life satisfaction in NSW is \$21,400 per annum. When this value is extrapolated to the entire population of volunteers in NSW, it translates into a well-being benefit of **\$91.2 billion**.

### Important note

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

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

### Non-use value

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

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

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

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

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

It is determined by lots of things, including our:

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

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

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

Given the findings already revealed in this report, it is not surprising to see a statistically significant

difference in the average reported scores between volunteers and non-volunteers. What does stand out, however, is that non-volunteers attribute 54.2% of community well-being to the impact of volunteering.

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

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

## What if...?

The question that remains is how to optimise the community's returns on its investments in volunteering for a net social benefit. The value of volunteering fundamentally depends upon the rate of regular participation. In other words, the more volunteers a community has and the more hours they contribute, the greater the benefit to society. That said, there are obvious limits to how much people are willing and able to contribute.

The governing assumption, made earlier, is that volunteers will not be willing to disproportionately increase their personal expenditure of time and money to subsidise the social benefit. What is the maximum, then, that the community should be willing to pay to get more of (or maximise) the benefits of volunteering?

NSW residents have defined those limits for us with their stated intent. Table 19 is a detailed breakdown of what respondents said about their intent to volunteer more. It shows that the average number of hours they volunteer each month is sorted into nationally determined quintiles.

In other words, the 20% of volunteers who did the least of amount of volunteering contributed an average of 1.9 hours per month. The 20% of volunteers who did the most of amount of volunteering contributed an average of 26.6 hours per month.

Let's consider a hypothetical scenario where two developments occur over the next three years:

1. Individuals who expressed an intention to volunteer less or discontinue volunteering altogether instead maintain their current rate of participation. For the purposes of the analysis outlined in Table 20, we do not have to consider this group as their participation has remained consistent.
2. Half of those who plan to volunteer more increase their average monthly hours to the next higher quintile. As shown in Table 20, this means half the people who do not currently volunteer but expressed an intention to volunteer more increase their volunteering hours to 1.9 hours per month. People who currently volunteer 1.9 hours a month and intend to volunteer more then increase their volunteering to 4.9 hours per month and so on.

The full calculations for the increase in volunteering each month are shown in Table 20. The bracketed numbers in the third column indicate the actual increase in hours each month needed for the group to reach the next quintile.



**Non-volunteers attributed**

**54.2%**

**of community well-being** to the impact of volunteering

**Table 19: Average hours volunteered each month versus stated intent to volunteer more**

Average hours volunteered per month	Percent of volunteers	Intent to volunteer <i>more</i>
0	0%	41.1%
1.9	0-20%	30.3%
4.9	20-40%	34.6%
8.9	40-60%	39.0%
15.8	60-80%	36.2%
26.6	80-100%	48.3%

**Table 20: New average hours volunteered each month versus stated intent to volunteer more**

Current average hours volunteered per month	Intent to volunteer <i>more</i>	Average hours volunteered per month in 3 years' time
0	41.1%	1.9 (+1.9)
1.9	30.3%	4.9 (+3.0)
4.9	34.6%	8.9 (+4.0)
8.9	39.0%	15.8 (+6.9)
15.8	36.2%	26.6 (+10.8)
26.6	48.3%	37.4 (+10.8)

If the hypothetical scenario outlined in Table 20 came to pass, not only would it add 495,000 volunteers to the NSW volunteer workforce, but it would also add 83.1 million hours to the pool of service.

Basic modelling indicates that if this scenario were realised—compared to an alternative case in which volunteering participation rates only remained constant— the net yield would be in the order of **\$15.0 billion** (+9.3%) in the third year.

How, then, can individuals be encouraged to stay committed to volunteering when they contemplate stepping back? And considering the discrepancy between what people claim they will do in surveys and their actual actions, how can those who express a willingness to volunteer more be motivated to follow through?

Realistically, substantial shifts in volunteer retention and commitment are most likely to occur through government intervention. Government bodies at different levels possess the financial resources and the vested interest to bring about such change.

Although a specific analysis of strategic investment options needs to be conducted before making recommendations on the effectiveness of various approaches, insight is offered into the scale of investment needed. For instance, increasing the NSW budget for VIOs by 9.3% would necessitate an additional \$426.6 million per year.

To put it into perspective, this amount is one-third of one percent of the NSW Government's annual budget. This is not to suggest that the burden should fall solely on the NSW Government, but it serves as an illustrative example of the financial scope required.

In fact, should this goal be achieved with a lesser investment, a greater surplus could be enjoyed by all.

## Conclusion

This report illustrates the range of benefits that volunteering has for individuals and the community of NSW. It suggests that the scale and impact of volunteering have been historically undervalued and underrecognised in public discourse. The data presented is compelling: if volunteering's proven annual return of 550% on every dollar invested were tied to a commercial investment, it would set off a financial frenzy.

Notably, 63.9% of NSW residents volunteer in some form, an amount significantly higher than official government estimates. Yet it is also evident that volunteering in NSW has room for further growth as it continues to recover from the challenges of the past three years.

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

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

The cost-benefit analysis reveals that the external benefits of volunteering far outweigh the social costs, making the activity economically efficient. Moreover, it indicates that increased investment in volunteering could produce exponential returns.

While this study has limitations that warrant further research, it offers a foundational framework that decision-makers in the public, private and not-for-profit sectors can use for ongoing improvements in how volunteering is promoted and managed.

# Directions for future research

## Data collection

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

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

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

## Longitudinal research

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

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

Moreover, the volunteering landscape is influenced by numerous external factors such as economic

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

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

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

Even though the existing body of research has laid a solid foundation, revisiting it at regular intervals will enrich our understanding of the complex dynamics affecting the volunteering sector. This report begins that process, creating another data point alongside the 2020 NSW State of Volunteering report. This multi-dimensional approach will allow for a more nuanced, comprehensive, and actionable body of knowledge that can inform both policy and practice in meaningful ways.

## Mixed methods

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

Our research indicates that a large percentage of the variance in the dependent variables analysed could not be fully explained by the demographic factors

modelled. Essentially, while the statistical significance of some relationships affirms that they contribute to understanding the phenomenon, the extent to which they do is limited. This raises questions about what other factors could be at play, highlighting a research gap that requires further exploration.

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

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

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

### **Inclusive volunteering**

The importance of mixed-method research becomes particularly evident when studying demographic groups that do not align with the mainstream, able-bodied, and Anglo-centric perspectives on volunteering. For such communities – including First Nations Australians and people living with disabilities – the definitions and experiences of volunteering differ significantly from those of the general population. This makes it challenging to directly compare metrics related to participation and inclusion. At a minimum, any relevant survey questions and the presentation of findings should be contextualised appropriately.

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

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

### **The social cost of volunteering**

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

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

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

### **Unmeasured and under-measured benefits**

Other areas inviting further investigation are the unquantified and under-quantified benefits of volunteering. Examples include, but are not limited to, the following.

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

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

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

### **The demand side of volunteering**

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

The demand side refers to the necessity or requirement for volunteer efforts within the community. The question asks, "how many volunteers does our community actually need?" For this, a whole range of sub-questions might emerge. For example, are market methods of pricing the replacement cost of volunteers appropriate given the different competitive pressures in the scramble to secure reliable volunteer labour? Which services can and should be reasonably supplied by volunteers versus paid workers?

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

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



# Glossary

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

# Appendices

## Appendix A: Methodology detail

### Data cleaning

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

The Public Survey and Volunteer Manager Survey had in-built integrity checks to ensure the data was of a high quality. The surveys employed condition logic to ensure only relevant questions were shown to respondents, answer options were randomised to reduce position bias, and where appropriate, numeric entry fields were capped with logical limits to prevent the inadvertent overstatement of value.

The following individual survey responses were further excluded from the analysis:

- Responses commenced before the survey officially opened (pilot and test responses).
- Incomplete responses (Public survey only).
- Responses that took less than three minutes to complete (Volunteer Manager Survey only).

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

- Year of birth could not be before 1923 – answers that met this criterion voided the whole response.
- If a person has 16 waking hours a day in a 30-day month, that is 480 hours. Therefore, the sum of hours and paid work and hours volunteered could not be greater than 450 per month – answers that met this criterion voided the whole response.
- A person was reclassified as a non-volunteer if the sum of their reported volunteer hours was zero.
- If a person stated they volunteered for one or more organisations but reported zero hours, they were not considered to be a formal volunteer.
- A logical cap of 50 was applied to the sum of organisations a person volunteered for in one year.
- A logical cap of  $\pm 50\%$  was applied to the productivity premium a person could nominate.

- Free-text responses to “Other” questions that were given in bad faith (for example, giving “Attack helicopter” as gender) – answers that met this criterion voided the whole response.

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

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

In the Volunteer Manager Survey, however, it was known that respondents were more earnest by electing to participate without payment, and that many respondents would be (and were) challenged by this question. For that reason, the expenditure question was placed as late in the survey as possible, and only careless answers to the expenditure question voided, without voiding the other questions that the respondent answered.

### Statistical significance

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

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

Tests of statistical significance are used to find out if there is a significant relationship between two variables. In simpler terms, it helps us understand if changes in one variable are related to changes in another.

For example, in this report it is important to know if whether or not a person volunteers is related

to their age. To learn this, an appropriate test of statistical significance is applied to see if the distribution of volunteers and non-volunteers significantly differs according to respondents' self-reported year of birth.

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

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

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

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

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

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

The tests of statistical significance applied in this study are discussed in Appendix A. In the interests of making this report as accessible to as many readers as possible, the technical detail of each test run is not written up – the place for that will be in future academic publications.

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

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

### New variables

To facilitate analysis, several new variables were created from the sample data in its raw form. The following new variables for each respondent were derived from their original responses. The validity of the new variables was assured through confirmation of the new sample sizes and rigorous spot checks to assess data integrity.

#### Continuous variables

- Age this year (from Year of Birth)
- Total volunteer hours (the sum of formal and informal volunteer hours)
- Total expenditure (the sum of the individual expenditure categories in both surveys)

#### Ordinal variables

- Age by cohort (from Age this year)
- **Location** (from Postcode)
- Organisational optimism and intent to manage or volunteer (excluding "Don't know" responses)

#### Categorical variables

- Volunteer (yes/no from the volunteering participation question)
- **Volunteer retention** (from the Volunteer Manager Survey question, "How do you recognise, engage and retain volunteers?")

### Location

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

This involved joining three datasets sourced from the Australian Bureau of Statistics: Mesh Block codes mapped to postcodes, Mesh Block codes mapped to Statistical Areas Level 1 codes, and Statistical Areas Level 1 codes mapped to Remoteness Areas. When

a conflict arose with a postcode covering multiple Remoteness Areas, it was designated as belonging to the smaller Remoteness Area.

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

### **Volunteer retention**

The Volunteer Manager Survey asked the following question.

*"How do you recognise, engage and retain volunteers?"*

*Tick all that apply.*

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

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

Here is the updated list of strategies related to the recognition, engagement, and retention of volunteers. It is presented in no particular order. This revised approach is recommended for future data collection.

#### Awards and formal recognition

- Internal awards (for example: certificates/ letters of appreciation)
- External awards (for example: State Volunteer of the Year Awards, Australia Day honours)
- Honour boards

#### Employment and career pathways

- Formal performance reviews
- LinkedIn endorsements or letters of reference
- Status (for example: titles, rank, privileges)
- Progressive autonomy and empowerment

#### Honorariums, gifts, discounts, and perks

- Paid honorariums
- Discounted or free resources (for example: meals, uniforms, insurance, accommodation)
- Free merchandise or gifts (for example: t-shirts, gift cards, movie tickets)
- Rewards (for example: movie tickets, tokens of appreciation)

#### Personal relationship building

- Birthday, Christmas and anniversary acknowledgement
- Group chats, team meetings
- Regular communication and thanks
- Opportunities for feedback

#### Pre-agreed penalties and sanctions

- Loss of privileges or access to privileges
- Loss of competition points
- Severance (for example: ethical breaches, persistent no-shows)

#### Public praise and acknowledgement

- Media mentions (for example: website, socials, newsletters, press releases)
- Public ceremonies and events

#### Reimbursement of expenses

#### Role flexibility and accessibility support

- Diverse and rewarding volunteering opportunities
- Flexible work arrangements

- Inclusive workplace or role modifications
- Volunteer accessible services (for example: childcare, transport, mental health)

Social opportunities and events

- Out of hours gatherings, events, or celebrations
- Peer-enabled safe spaces
- Cultural and inter-organisational exchanges

Volunteer training and development

- Accredited training (for example: Certificate II, Diploma)
- Other training (for example: short courses, workshops)
- Dedicated volunteer management training and/or resources
- Induction and orientation programs
- Mentoring programs

Other

- Another way
- We don't do anything to recognise, engage or retain volunteers

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

For completeness, a comparison of the top five retention strategies using the 'old' method is presented in Table 21.

**Table 21: Comparison of the top 5 retention strategies used by volunteer managers**

	NSW 2020	NSW 2023
<b>Top 5 retention strategies</b> <i>(old measure)</i>	<ol style="list-style-type: none"> <li>1. Personal connections and relationship building</li> <li>2. Out of hours gatherings, events and celebrations</li> <li>3. Awards (certificates/letters of appreciation)</li> <li>4. Induction and orientation programs</li> <li>5. Reimbursement of expenses</li> </ol>	<ol style="list-style-type: none"> <li>1. Personal connections and relationship building</li> <li>2. Out of hours gatherings, events and celebrations</li> <li>3. Awards (certificates/letters of appreciation)</li> <li>4. Induction and orientation programs</li> <li>5. Other training (short courses, workshops)</li> </ol>

**Data weighting**

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

**Public Survey**

In the Public Survey, responses were drawn from an online panel of NSW residents aged 15 years and over. Respondents were paid for their participation. Quotas were used to ensure a representative cross-section of NSW residents across gender, age, and location. As a result, these variables were sufficiently representative of the NSW population for the purposes of analysis.

Further analysis revealed household income as the most unrepresentative variable in the sample, prompting the need for data weighting. The initial distribution of responses was skewed towards the lowest income quintile, while less than ten percent of respondents reported being in the highest. Given the unbalanced representation, a weighting scheme was applied to specifically address these discrepancies and mitigate potential income-based biases. The aim was to bring the proportion of responses in each income quintile closer to an equitable 20% representation.

To do this, weighting coefficients were calculated by dividing the target proportion of 20% by the actual proportion observed in each income quintile. These weights were then applied to all cases within each income group before conducting statistical analyses. This weighting strategy allowed representation across income levels to normalise, thereby minimising the potential for biased results due to the initially skewed income distribution.

## Volunteer Manager Survey

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

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

The large sample size somewhat reduces the risk of the sample being unrepresentative. While a large sample size does not completely eliminate the limitations inherent in the sampling method, it does provide a more robust dataset that is less susceptible to extreme variances. In the absence more reliable data, this sample is a useful starting point for analysing the experiences and perspectives of volunteer managers in NSW.

## Statistical methods

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

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

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

**Linear regression** was employed to examine the relationship between a continuous or ordinal dependent variable and one or more independent variables, with the assumption that the relationship was linear in nature. Independent variables that failed to meet the assumption of collinearity were rejected from each model.

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

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

## Cost-benefit methodology

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

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

For example, if a company is considering investing

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

In the context of volunteering, cost-benefit analysis considers more than just the price of a volunteer's time; it also evaluates the positive and negative impacts on the organisations they volunteer for and the community in which they move. This involves looking at the value of skills transferred, boosts in economic output, and even the social bonds formed, which are all benefits. Conversely, it also considers the direct and opportunity costs incurred by volunteers – what they could otherwise have achieved with their time and money spent volunteering.

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

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

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

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

## Costs

### Direct costs to volunteers

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

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

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

### Direct costs to organisations

Organisations that rely on the efforts of volunteers have a similar cost burden. Administrative costs include the salaries of staff who manage volunteer programs that demand recruitment, training, and supervision. Organisations may also need to spend money on background checks, insurance, and safe work practices<sup>13</sup> to ensure the safety and well-being of volunteers.

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

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

### Opportunity cost of volunteers' time

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

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

<sup>13</sup> Volunteer health and safety was collectively reported by volunteer managers to be the number one issue for their organisation (Section 2).

When the 43.9% of volunteers in Section 1 said they had no more time to give, what they meant in economic terms was that they had reached the point where their other work and leisure activities were now more valuable to them than their volunteering.

### Opportunity costs of diverted resources

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

However, when it is said that money is “diverted” to volunteering, it is important to remember that this is often a positive form of economic redistribution. While this money could indeed have been used for other welfare-improving projects, it is also true that volunteering often supports causes and fills gaps that are not otherwise funded or sufficiently addressed by other means.

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

### Benefits

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

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

### Equation 1: Productivity premium formula

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

Where:

- *Productivity Premium* is the total productivity premium for the population summed over all 10-year age cohorts.
- $\sum_{i=1}^n$  indicates the sum over  $n$  different 10 year age cohorts.
- $C_{L_i}$  is the replacement cost of labour for the  $i^{\text{th}}$  age cohort.
- $P_{M_i}$  is the productivity multiplier of labour for the  $i^{\text{th}}$  age cohort.
- $V_{N_i}$  is the number of volunteers also in paid employment of labour for the  $i^{\text{th}}$  age cohort.
- $H_{W_i}$  is the average hours worked per week for the  $i^{\text{th}}$  age cohort.

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

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

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

**Individual benefits** stand apart from commercial and civic benefits, in that they are directly enjoyed by the volunteers themselves. The concept of ‘well-being’ serves as an umbrella term to capture the range of emotional, psychological, and even physical advantages that come from volunteering.

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

Additionally, volunteering often provides opportunities for social interaction and skill-building, contributing

to an individual's personal development and social connectivity. These benefits to the individual, while perhaps less tangible than commercial or civic gains, are nonetheless real and quantifiable.

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

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

$$\text{Consumers' Surplus} = \left[ \frac{f'(\ln(M))}{M} \right]^{-1} = \frac{M}{\beta_V}$$

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

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

Using this to calculate a consumer's surplus for 1-point of life satisfaction on the 1-100 scale, reference is made to the average annual earnings data for NSW residents, which was most recently \$1,463.20 per week ( $M$ ).

#### Input-output modelling

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

An input – output representation of the economy comprises a set of industries that are linked by these input – output or intermediate relationships and by the final demand for each industry's output. The model used in this report is the NSW 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 VIO, who passes it on in a meal to a homeless person.

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

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

By contrast, RIOM is a closed model that includes the household sector as a separate industry. This enables the consideration of induced effects of changes in demand. Induced effects reflect the changes in consumer spending resulting from changes in economic activity and therefore in employment. The household sector is considered as an 'industry' whose outputs are labour, and whose inputs consist of consumer spending; if you create more employment, you also create an increase in demand from the household sector for consumer goods like food, accommodation, entertainment and so on.

RIOM applies the ABS 2020-21 transaction tables in conjunction with demand and employment information for each Australian state and territory to model the impact of changes in demand on these regional economies, estimating changes in their output, employment and gross state product (GSP).

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, GSP (following the value-added method), employment, wages, imports, and taxation.

**Equation 3: Leontief multiplier**

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

$LV_E$  = vector of volunteering expenditure  
 $\Delta O$  = 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 NSW spent a combined amount of \$15.6 billion (direct costs) on volunteering-related expenditure in 2023. This amount represents final demand in four main industry categories:

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

The expenditure on volunteering in NSW 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 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:

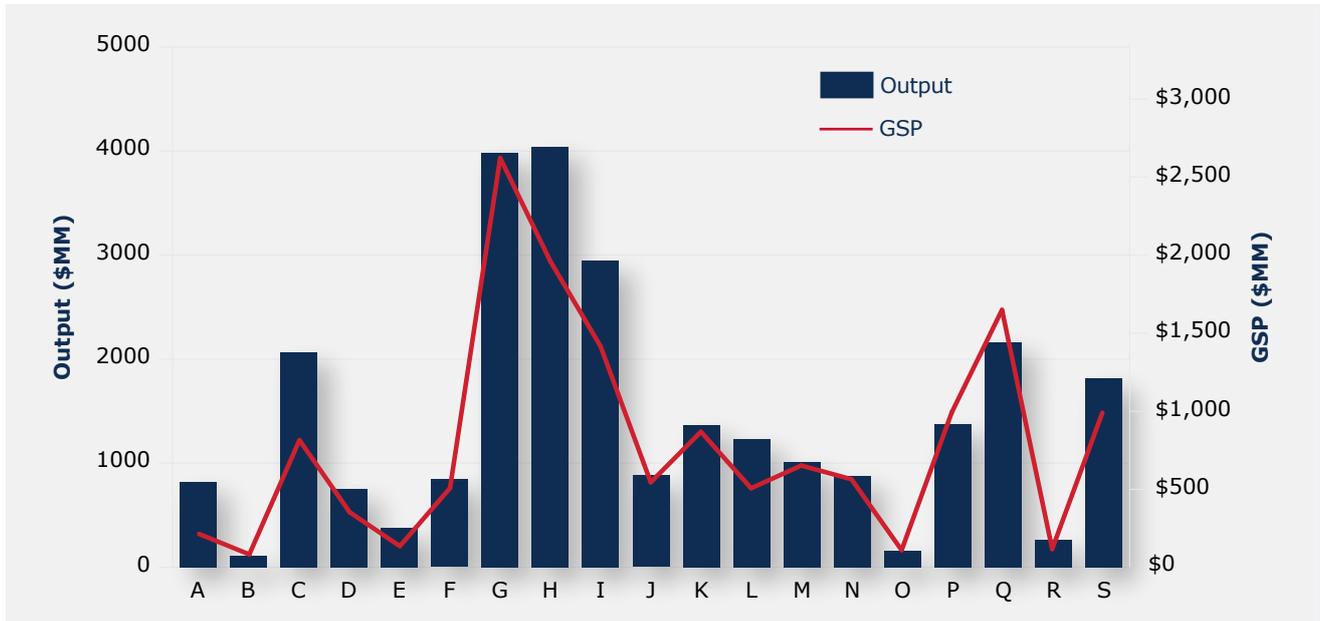
- The motivating expenditure for the analysis is the estimated expenditure in 2023. Unless explicitly stated and adjusted for, all data is sourced from that period.
- Financial multipliers are calculated using the NSW RIOM model. This model is derived from the ABS 2020-21 NSW Input – Output Table. Financial multipliers are assumed to be consistent between 2023 and 2020-21.
- Volunteering activities were fully realised within NSW in 2023. Investment expenditure is limited to items included in the survey responses, which are assumed to represent typical annual expenditure.
- Impacts are calculated based on direct, indirect (intermediate inputs), and household consumption effects. Increases in gross operating surplus or taxation revenue are not assumed to directly result in increased expenditure in the NSW economy (the government sector is not closed).
- Where demand results in importation of goods or services from outside NSW (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 Table 22.

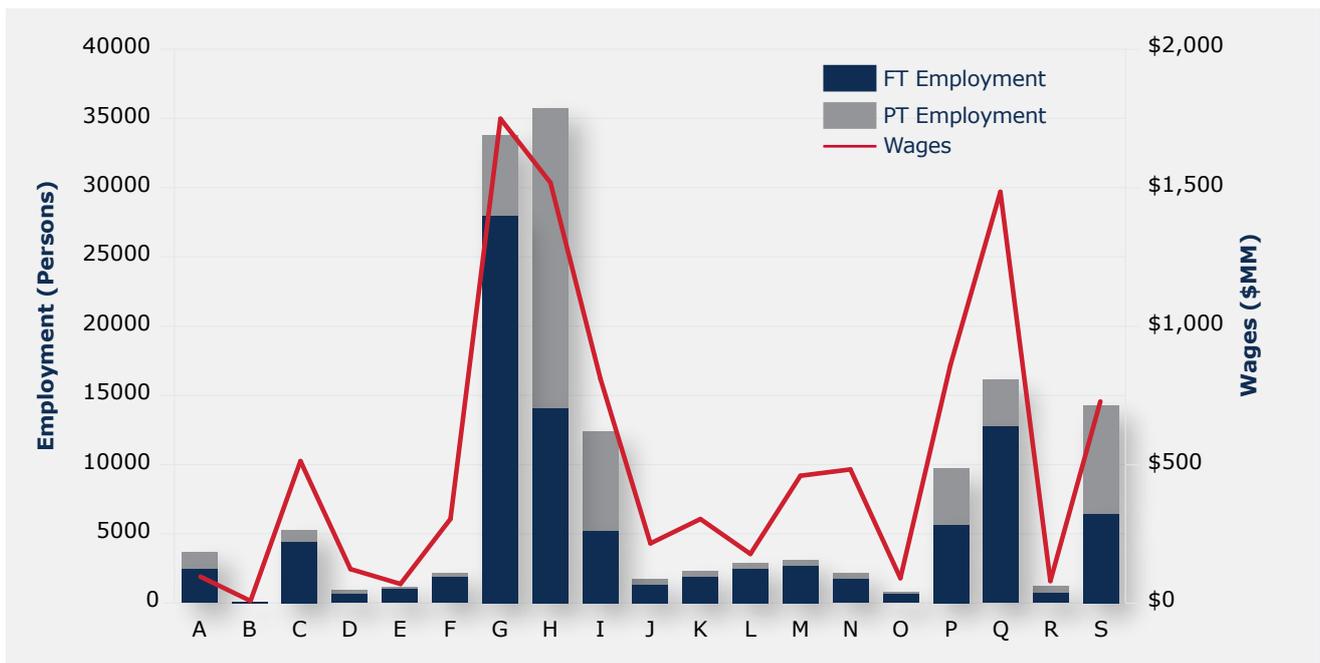
**Table 22: Australian and New Zealand Standard Industrial Classification of industries by division**

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

**Figure 28: Indirect and induced impacts of volunteering expenditure on output and GSP by sector (NSW)**



**Figure 29: Indirect and induced impacts of volunteering expenditure on wages and employment by sector (NSW)**



## Appendix B: ABS comparison

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

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

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

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

This is broadly aligned with the definition of formal volunteering used in the Public Survey, but excludes

workplace volunteering (facilitated by employers) and volunteering aligned to an educational outcome, categories allowed for by the Volunteering Australia definition.

The 2021 Census results found that 13.0% of residents of NSW volunteered, a large drop from the 2016 Census (18.1%). That said, 2021 Census was conducted during the covid-pandemic, when many parts of Australia were in lockdown and movements within, into and out of Australia were tightly controlled.

Regardless of the timing, the ABS recognises that this percentage significantly underestimates the absolute rate of volunteering in Australia. To better understand the quantum of volunteering in the community, the ABS began including questions on volunteering in their General Social Survey (GSS) in 2002. The GSS captures data on the social characteristics, well-being, and social experiences of people in Australia in greater detail than the Census.

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

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

The 2020 GSS found the following for New South Wales residents:

- 23.1% of residents of NSW aged 15 years and over, participated in unpaid voluntary work through an organisation in 2020 (formal volunteering).
- 33.8% of NSW residents aged 15 years and over participated in informal volunteering in the four weeks prior to the survey.<sup>14</sup>

These findings are notably higher than the Census results, but still well short of the 63.9% of NSW residents aged 15 years and over found to volunteer in this report.

<sup>14</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.

The ABS is careful to clarify that their GSS amounts are not summable, as no effort has been made to allow for double-counting (people who reported volunteering both informally and informally). The ABS also notes that it is unknown if the volunteering amounts can be safely extrapolated to estimate an annual rate of informal volunteering or if the data can be reliably compared to previous periods.

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

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

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

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

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

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

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

- The length of the survey instruments.
- According to the ABS, the census takes an average of 30 minutes to complete, and the GSS takes 90 minutes to complete. The average time to complete the Public Survey in 2023 was under eight minutes (nationally).
- Respondents may become disinterested or fatigued when faced with a lengthy survey. This can lead to lower response rates and less accurate or thoughtful responses as participants rush through questions to complete the survey quickly.
- The framing of the survey instruments.
- The Census and GSS are broad surveys covering a wide range of topics, whereas the Public Survey is specific to volunteering.
- When a survey covers a wide range of unrelated topics or frequently switches from one theme to another, respondents can experience cognitive overload. They may find it challenging to stay focused and provide well-thought-out responses.

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

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

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

## Appendix C: Economic analysis in plain English

**Table 21: The costs and benefits of volunteering to NSW, 2023**

		Sub-totals	Totals
<b>Costs (\$ million)</b>			
<b>Direct costs</b>			
Volunteer expenses	\$11,062.3		
VIO expenses	<u>\$4,588.7</u>	\$15,650.9	
<b>Opportunity costs</b>			
Volunteers' time	\$15,820.7		
Volunteering investments	<u>\$658.9</u>	<u>\$16,479.6</u>	\$32,130.5
<b>Benefits (\$ million)</b>			
<b>Commercial benefits</b>			
Producers' surplus	\$2,633.2		
Productivity premium	<u>\$30,444.4</u>	\$33,077.6	
<b>Civic benefits</b>			
Employment	\$10,088.3		
Taxes	\$3,949.2		
Volunteers' labour	<u>\$39,683.9</u>	\$53,721.6	
<b>Individual benefits</b>			
Volunteers' dividend		<u>\$91,157.2</u>	<u>\$177,956.2</u>
<b>Social return on investment</b>			\$145,825.7

**Benefit: cost ratio**

**5.5:1**

## Direct costs

Cash investments in volunteering.

### Volunteer expenses

Cash investments made by volunteers in their volunteering activity.

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

### VIO expenses

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

**For example:** The Care Club is a medium-sized VIO 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 expense includes investments made by government in volunteering as either VIOs themselves, or as donors to community-based VIOs.*

## Opportunity costs

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

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

### Volunteers' time

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

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

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

### Volunteering investments

It is assumed that the next best – and safest – use of the money spent by volunteers and VIOs 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 by the producers and suppliers is known as the producers' surplus.

**For example:** Jabiri purchases a uniform to referee junior football games on the weekend. The profit made by the uniform retailer is a direct benefit to the 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 that supply goods and services to volunteers and VIOs necessarily employ people to fulfil this demand. Employment here refers to the jobs created by the investments in volunteering.

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

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

#### **Taxes**

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

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

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

#### **Volunteer labour**

This is what it would take to replace the labour of all of New South Wales' volunteers at a fair market rate. As a saving enjoyed by VIOs, government and the community, it is expressed here as a benefit.

**For example:** Taylor normally earns a gross wage of \$40/hour. With superannuation and other payroll expenses, this actually costs their employer an equivalent of \$46/hour.

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

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

#### **Individual benefits**

The benefits returned to individual volunteers.

#### **Volunteers' dividend**

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

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

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

#### **Value of volunteering**

Benefits. The value created by volunteering in NSW in 2023 is estimated to be **\$178.0 billion**.

#### **Social return on investment**

Benefits less costs. Volunteering's social return is estimated here to be \$145.8 billion.

#### **Benefit cost ratio**

Benefits divided by costs. Using this method, we can see what each dollar of investment (cost) enables in the community; in this case, \$5.50 in benefits.



**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 and present.**



**The Centre for  
Volunteering**

**The Centre for Volunteering**

Level 3, 40 Gloucester St  
Sydney NSW 2000

T: 02 9261 3600

E: [info@volunteering.com.au](mailto:info@volunteering.com.au)

W: [volunteering.com.au](http://volunteering.com.au)

© The Centre for Volunteering (NSW), 2023