

Media release

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Shambolic Federal funding process disrespectful and unfair

Volunteering Victoria today presented to the long awaited Senate Committee Inquiry at a public hearing in Canberra, and outlined the dire impact on the volunteering sector of the recent DSS funding round.

Volunteering Victoria CEO Sue Noble told the Committee that now the full impact is becoming clear, it was time for the Government to fix it.

“There was a lack of consultation or collaboration from the beginning – with our sector and others. That meant that basic errors occurred which ultimately mean Victorians who rely on the multitude of services designed to support our most vulnerable people, and foster a resilient, strong connected community, will suffer, and our strong volunteering culture will suffer too,” Ms Noble said.

The volunteering sector alone submitted 715 applications to the Department (for \$120.7 million) with just 56 organisations approved (for \$6.36 million), leaving gaping holes in already limited funding of services that rely on the good management of volunteers to support communities, and particularly disadvantaged communities.

The full results of funding are still not known, leading to further uncertainty, with volunteering support organisations, and volunteer-involving organisations not able to redirect those in need to alternatives.

“We believe some of the funding decisions must be urgently reviewed, and that consultation about the next funding round must begin with the sector immediately given that this funding round to the sector expires in June 2016,” said Ms Noble.

“The Productivity Commission in its 2014 report cautioned against simply applying market instruments to the social services sector, and that a more nuanced approach is critical. The Commission warned that reforms must not aim to simply lower costs without considering effect that cuts may have on equity of access, quality and safety. We are talking about the impact on people’s lives – often the most vulnerable people in our community.

“There has been little regard for the fact that delivering social services are highly complex, meaning that changes in one part of the system will often have ‘knock on’ effects elsewhere. There have been widespread cuts to funding for not for profits for example – a move that will lead to increased reliance on volunteers to supplement the paid workforce.

“Yet funding for Volunteer Support Organisations is being reduced – and in addition, other Government policies like Work for the Dole, will place pressure on the volunteering sector to support many thousands of placements, but the funding has been allocated to Job Services Agencies rather than Volunteer Support Organisations.”

Ms Noble said volunteers wanted to help, but proper support was essential – especially as services that rely on volunteers would be straining under additional demand compounded by these recent funding decisions.

“The volunteering sector needs to be treated with respect. This process meant there was no consultation, collaboration or negotiation with the sector. There was no transparency during the process, lack of disclosure of results even now, and no acknowledgement of the peak bodies who can represent the interests of volunteering organisations and advise on impacts of the process and are core to linkages and collaborative partnerships across the sector,” Ms Noble said.

“Formal volunteering alone was conservatively estimated as being worth \$25.4 billion to the Australian economy in 2010. Other research puts that figure as high as \$290 billion per year.

“Lack of Government investment in the sector will result in Australians doing less volunteering, less efficiently and less effectively. Can we really afford that?” she asked.

**Volunteering Victoria's submission (number 24) is available with all submissions to the Inquiry [available here](#).*

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