
C Data on the sector

This appendix provides further information on trends in the not-for-profit (NFP) sector. As noted in chapter 5, available data sources are of variable quality and some gaps exist. In a number of cases, data are obtained from different sources which limits comparability. Despite these challenges, it is possible to discern some broad trends or identify developments in specific aspects of the sector's activities.

The appendix provides information on:

- the sector's overall economic contribution (drawing on the recently released satellite account (ABS 2009a), the earlier estimates of the Australian Bureau of Statistics (ABS 2002) and the estimates of Lyons and Hocking (2000))
- sources of income and expenditure
- workforce
- relationships with government, business and the community more generally
- activities in which not-for-profit organisations (NFPs) are prominent (such as culture and recreation and community services).

Additional data on philanthropy are discussed appendix G.

C.1 Economic contribution of the sector

As discussed in chapter 4, while estimates are based on the same underlying conceptual framework, caution should be exercised in comparing satellite account data over time because of differences in data collection methods and NFP coverage.

- The ABS (2009, pp. 434) notes that the most recent satellite account is based on a dedicated survey of NFPs which enabled more detailed collection of data on activity classification (International Classification of Non-Profit Organisations (ICNPO)).
- There has also been a change to the underlying industry classification (Australian and New Zealand Standard Industrial Classification (ANZSIC)). As noted below, this may affect measured changes in the composition of the sector.

Notwithstanding the caveat on comparability — in particular, in relation to detailed activity comparisons — it is clear that the seven years from 1999-2000 have been a period of significant overall growth for the sector.

This appendix presents the ABS estimates in nominal dollars, that is not adjusted for inflation, as these adjustments are not available at a disaggregated level. The reader should be aware that the estimates presented in chapter 4 are mostly in real dollars (that is, adjusted for inflation¹), which explains the differences in both levels and growth rate estimates. For example, as noted in chapter 4, in real terms, gross value added grew at an average rate of 7.7 per cent per annum in the seven years to 2006-07 whereas sector GDP, on a basis comparable with the national accounts in nominal terms, grew at an average annual rate of 11 per cent (table C.1). Even allowing for some difficulties in comparability between satellite account data, these growth rates provide solid evidence that the sector has grown strongly and expanded as a proportion of the total economy.

Table C.1 Contribution to national income
Economically significant organisations (nominal dollars)

	1999–2000	2006–07	Average annual growth
	\$ million	\$ million	%
NFP gross value added (national accounts basis)	19 702	40 959	11
plus net taxes on NFP products	1 106	1 918	8
Equals NFP GDP (national accounts basis)	20 808	42 877	11
plus non market output of market producers ^a		288	
plus volunteer services	8 874	14 598	7
Equals NFP gross value added (satellite account basis)	28 576	55 845	10
plus net taxes on NFP products	1 106	1 918	8
Equals NFP gross domestic product (satellite account basis)	29 682	57 763	10

^a Not collected in 1999-2000.

Sources: ABS (*Non-profit institutions Satellite Account, 1999-2000*, Cat. no. 5256.0); ABS (*Non-profit Institutions Satellite Account, 2006-07*, Cat. no. 5256.0).

The satellite accounts add in the value of non-market output and volunteer services, which are not included in the standard national account measures. Growth in the measured contribution of volunteer services was also strong, although not as large as growth in the sector measured on a ‘conventional’ national accounts basis (that is, on a basis comparable with other aggregate measures of economic activity). This

¹ Real dollars are calculated using the final consumption implicit price deflator (ABS 2009b).

growth was made up of an increase in both total hours volunteered (at 2.2 per cent per annum) and the value of the hours worked.

Lyons and Hocking (2000) provided the first measures of aggregate economic activity in the sector. While their data are not strictly comparable with those provided in the first satellite account (in particular, the Lyons and Hocking data were produced prior to the development of the ICNPO framework) they are drawn from broadly the same information sources. Lyons (2009, p. 2) notes that ‘... just under 85 per cent of estimates of the overall size of the nonprofit sector in 2000 is derived from sources of equivalent variability to those used for 1995-96’.

A comparison between the 2000 and 1996 data suggests that the rapid growth in the sector may be a more recent phenomenon.

Overall, there were no major changes in the size or configuration of the Australian nonprofit sector over the four years between 1996 and 2000. Overall the sector grew only marginally faster than the economy ... In employment terms, the nonprofit sector increased by only 5%, compared with a growth of 7% in the economically active population. The income and expenditure of the sector grew by 34% and 33% respectively, but this was only marginally faster than the growth in GDP of 29%. (Lyons 2009, p. 3)

As discussed in chapter 4, gross value added is a measure of the economic contribution of an activity. It shows the ‘value’ a producer adds to the raw material goods and services it purchases in the process of producing its own output. NFP gross value added is measured as the value of NFP output of goods and services less the value of intermediate inputs used in its production. Tables C.2 and C.3 provide information on both a national accounts basis and a satellite account basis. The difference between these measures is due to the inclusion of non-market and volunteer services in the satellite accounts.

On a national accounts basis, which reflects employment, growth in culture and recreation is the relatively subdued. This is in contrast to the period from 1996 to 2000. Growth in education and research NFPs and in social services NFPs appears to be an ongoing trend. In commenting on the growth in the sector in the four years to 2000, Lyons noted:

When we look at the major fields of nonprofit activity, we can see above average growth in Culture and Recreation, Education and Research and in Social Services. However, the income and expenditure of health nonprofits barely grew and employment actually declined. Excepting International Aid, nonprofit employment and income appear to have declined in these other fields of activity. As a consequence, the contribution of nonprofits in these three fields to the overall impact of the nonprofit sector has increased. In 2000, almost two-thirds of nonprofit employment was

concentrated in these three fields, up from 58% in 1995; they earned almost 70% of nonprofit income, up from 60% four years earlier. (2009, p. 3)

Table C.2 Gross value added (national accounts basis)

Economically significant NFPs (nominal dollars)

	1999–2000	2006–07	Average annual growth
	\$ million	\$ million	%
Culture and recreation	4 439	6 644	6
Education and research	6 208	11 012	9
Health ^a	2 981	6 943	13
Social services	3 422	6 608	10
Associations ^b	583	2 075	20
Other ^c	2 069	7 678	21
Total	19 702	40 959	11

^a Includes hospitals. ^b Business and Professional Associations and Unions. ^c Includes religious congregations and associations, political organisations, and those involved in environmental and animal protection, advocacy and international assistance.

Sources: ABS (*Non-profit Institutions Satellite Account, 1999–2000*, Cat. no. 5256.0); ABS (*Non-profit Institutions Satellite Account, 2006–07*, Cat. no. 5256.0).

Table C.3 Gross value added (satellite account basis)

Economically significant NFPs (nominal dollars)

	1999–2000	2006–07	Average annual growth
	\$ million	\$ million	%
Culture & recreation	6 601	12 195	9
Education & research	7 065	11 715	7
Health ^a	3 442	8 048	13
Social services	6 175	10 584	8
Associations ^b	871	2 296	15
Other ^c	4 422	11 007	14
Total	28 576	55 845	10

The 1999-2000 figures do not include an estimate of the non-market output of market producers. In 2006-07, this represented 0.5 per cent of total gross value added (table C.1). ^a Includes hospitals. ^b Business and Professional Associations and Unions. ^c Includes religious congregations and associations, political organisations, and those involved in environmental and animal protection, advocacy and international assistance.

Sources: ABS (*Non-profit Institutions Satellite Account, 1999-2000*, Cat. no. 5256.0); ABS (*Non-profit Institutions Satellite Account, 2006-07*, Cat. no. 5256.0).

Lyons attributes the subdued growth in the measured contribution of health activities of the sector from 1996 to 2000 to a decline in the number of NFP hospitals. And, as noted in chapter 4, informal advice from the ABS suggests that comparatively slower growth in culture and recreation NFPs from 2000 to 2007

may be partly attributable to changes to the ANZSIC definitions underlying the data.

Table C.4 provides the share of value added by broad ICNPO classification for 2006-07. This includes estimates on both the conventional national accounts basis and on the satellite account basis (that is, inclusive of the value of volunteer services). Table C.5 provides shares of the sector's contribution to GDP in 1995-96 (based on the data of Lyons and Hocking 2000).

The difference between the activity shares arises from the different extent to which these activities rely on volunteer labour. Activities with a heavier reliance on volunteer labour, notably in culture and recreation, have a higher share on a satellite accounts basis than on the national accounts basis. Conversely, education and research and hospitals have a relatively higher dependence on paid staff.

The data in tables C.4 and C.5 are not directly comparable since, as noted above, the activity classifications used the Lyons and Hocking data differ from that the ICNPO classifications used by the ABS (these were not published until 2002) and some of the data sources differ. It should also be noted that the 1996 data are based on national accounting conventions and so do not include estimates of the value of volunteer contributions (Lyons and Hocking 2000 provide separate estimates of the value of the direct value of volunteers).

However, the data are *suggestive* of some broad trends over the 11 years to 2007 including:

- the share of social services and health have been relatively stable
- the relative share of culture and recreation may have declined somewhat (although, as noted above, this may be related to some recent definition changes)
- the relative importance of education may have declined
- the measured contribution of religious organisations appears to have increased.

Table C.4 Share of gross value added, 2006-07
Economically significant NFPs

	<i>National accounts basis</i>	<i>Satellite account basis</i>
	% of total	% of total
Culture and recreation	16.2	21.8
Education and research	26.9	21.0
Health (excluding hospitals)	8.4	7.9
Hospitals	8.6	6.5
Social services	16.1	19.0
Religion	3.2	np ^d
Associations ^a	5.1	4.1
Environment etc. ^b	10.2	8.4
Other activities ^c	5.4	np
Total	100.0	100.0

^a Business and Professional Associations and Unions. ^b Environment, development, housing, employment, law, philanthropic and international. ^c Activities not elsewhere classified. ^d Not published.

Source: ABS (*Non-profit Institutions Satellite Account, 2006-07*, Cat. no. 5256.0).

Table C.5 Contribution to GDP, 1995-96
Based on the classification of Lyons and Hocking (2000)

	<i>% of total</i>
Community services ^a	15.9
Health	19.3
Education	29.1
Education related ^b	1.8
Other human services ^c	1.3
Religion	2.2
Philanthropic intermediaries	0.1
Arts and culture	1.3
Sport and recreation	17.9
Interest groups ^d	8.5
Other ^e	2.7
Total	100.0

^a Includes childcare; accommodation for the aged; other residential care (for example, accommodation for the homeless, childrens' homes and accommodation for people with disabilities); and other non-residential care (includes most of the large charities along with specialist organisations providing community or home-based care, support, counselling, information, advice and advocacy for young people, families, people with disabilities and older people). ^b Includes research; university unions; and parent associations. ^c Includes housing associations and cooperatives; provision of legal services; community transport; and employment services. ^d Business and professional associations; unions; environmental groups. ^e Includes business services (such as business enterprise centres set up to help unemployed people start businesses); accommodation (such as youth hostels); books and publishing (such as NFPs which publish newspapers); emergency services (such as Surf Lifesaving Australia).

Source: Lyons and Hocking (2000).

C.2 Income and expenditure

Income sources

Table C.6 and C.7 provide information on NFP sources of revenue in 1995-96. On average, government funding represented 30 per cent of funding sources but in some sectors (community services, health and education) the share is around 50 per cent. Commercial sales represented, on average, a little under a third of the sector's income and were the most important revenue sources for sports and recreation (representing over 80 per cent of the total), education related activities, other human services, arts and culture and 'other'.

Not surprisingly, fees for service were important sources of revenue for community services, health and education. Overall, fundraising represented 7 per cent of sector income, but was responsible for 75 per cent of the income of religious organisations. Membership dues were the most important income source for interest groups such as professional associations and trade unions.

Tables C.8 and C.9 provide information on income sources in 1999-2000. As noted, these data are based on the ICNPO classifications and use different data sources and are, therefore, not directly comparable to the 1995-96 data.

As shown in table C.9, in 1999-2000 NFPs in education and research, health and social services received most of their income in the form of transfers. Transfers received by the entire sector totalled \$13.5 billion in 1999-2000. Three-quarters of this, \$10.1 billion, was received as government grants which included government funded services. Household donations and membership dues totalled \$2.9 billion, while corporate donations amounted to \$470 million.

Information on income sources for 2006-07 are provided in tables C.10 and C.11.

In 2006-07 income from service provision was the dominant income source for NFPs involved in culture and recreation, education and research, health and social services (table C.11). Donations and transfers are comparatively less important for these groups.

This contrasts with the position in 1999-00 (table C.9) when transfers were the primary income source. This reflects changes to the treatment of volume-based government funding (that is, government-funded services) by the ABS and its inclusion within 2006-07 estimates for income received for service provision. In 2006-07, volume-based government funding represented 37 per cent of service provision income for the entire sector.

Table C.6 Revenue sources, 1995-96

Shares of total funding

	Government funding a		Fundraising b		Fees for service c		Commercial sales d		Membership dues		Interest income		Other income e	
	% of total		% of total		% of total		% of total		% of total		% of total		% of total	
Community services	50	16	20	8	0	3	4							
Health	45	2	46	2	0	1	3							
Education	53	5	31	6	1	1	3							
Education related	20	11	0	47	17	2	3							
Other human services	44	1	1	51	0	0.5	3							
Religion	0	76	0	24	0	0	0							
Philanthropic intermediaries	25	5	4	0	4	49	13							
Arts and culture	38	8	0	46	0	0	8							
Sport and recreation	2	4	0	84	9	1	1							
Interest groups	14	3	0	26	41	6	10							
Other	16	2	0	49	17	1	16							

a All revenue received from all levels of government for operating purposes (includes all income received as grants or as payment for the delivery of contracted services). **b** Includes donations (from individuals or companies), bequests, grants from foundations, revenue from special events, fetes and raffles, from opportunity shops and from sponsorship. **c** Revenue from clients or customers of the organisation for services provided. **d** Revenue from goods and services sold to members. It also includes revenue raised by the sale of goods or services to members of the public, where such services are not part of the core 'business' or rationale of the organisation (in that case they would be recorded as fees for service). For example, the sale of publications by a professional association are included here, as are bar sales by clubs. **e** Revenue not counted elsewhere. It may include commissions paid by vending machine owners, and revenue from the lease of property and the sale of assets such as motor vehicles.

Source: Lyons and Hocking (2000).

Table C.7 Sources of revenue, 1995-96

Shares of total funding

	<i>% of total</i>
Government funding	30
Fundraising	7
Fees for service	17
Commercial sales	31
Membership dues	8
Interest income	2
Other income	4
Total	100

Source: Lyons and Hocking (2000).

Table C.8 NFP income by organisation type, 1999-2000

Economically significant NFPs

	<i>\$ million</i>	<i>% of total</i>
Education and research	8 822	26
Health	4 217	13
Social services	5 253	16
Culture and recreation	9 375	28
Associations ^a	1 465	4
Other ^b	4 351	13
Total	33 484	100

^a Business and Professional Associations and Unions. ^b Includes religious congregations and associations, political organisations, and those involved in environmental and animal protection, advocacy and international assistance.

Source: ABS (*Non-profit Institutions Satellite Account, 1999-2000*, Cat. no. 5256.0).

Table C.9 NFP income types, by organisation type, 1999-2000

Economically significant NFPs

	<i>Sales of goods and services</i>	<i>Interest received</i>	<i>Transfers received ^c</i>
	<i>% of total</i>	<i>% of total</i>	<i>% of total</i>
Education and research	45	2	53
Health	41	1	57
Social services	31	2	66
Culture and recreation	92	2	6
Associations ^a	55	6	39
Other ^b	59	2	39

^a Business and Professional Associations and Unions. ^b Includes religious congregations and associations, political organisations, and those involved in environmental and animal protection, advocacy and international assistance. ^c Includes volume-based government funding.

Source: ABS (*Non-profit Institutions Satellite Account, 1999-2000*, Cat. no. 5256.0).

Table C.10 NFP income, by organisation type, 2006-07

Economically significant NFPs

	<i>\$ million</i>	<i>% of total</i>
Culture and recreation	13 395	17
Education and research	16 016	21
Health (excluding hospitals)	5 582	7
Hospitals	5 349	7
Social services	11 832	15
Religion	3 707	5
Associations ^a	3 890	5
Environment etc. ^b	10 658	14
Other ^c	6 210	8
Total	76 639	100

^a Business and Professional Associations and Unions. ^b Environment, development, housing, employment, law, philanthropic and international. ^c Activities not elsewhere classified.

Source: ABS (Non-profit institutions satellite account, 2006-07, Cat. no. 5256.0).

Table C.11 NFP income sources, by organisation type, 2006-07

Economically significant NFPs

	<i>Sales of goods</i>	<i>Income from service provision</i>	<i>Donations and transfers</i>	<i>Investment income</i>	<i>Other income</i>
	% of total	% of total	% of total	% of total	% of total
Culture and recreation	5	69	18	2	6
Education and research	2	80	14	2	2
Health (excluding hospitals)	1	71	22	4	2
Hospitals	2	88	np ^d	np ^d	1
Social services	10	62	21	2	5
Religion	3	23	51	9	13
Associations ^a	3	0	0	7	0
Environment etc. ^b	6	39	45	5	6
Other activities ^c	59	np ^d	np ^d	np ^d	np ^d
Total	9	62	22	3	4

^a Business and Professional Associations and Unions. ^b Environment, development, housing, employment, law, philanthropic and international. ^c Activities not elsewhere classified. ^d Not published.

Source: ABS (Non-profit institutions satellite account, 2006-07, Cat. no. 5256.0).

Within the category of donations and transfers, the most important elements were direct transfers from government for current operations (43 per cent of the total) and donations, bequests and legacies from households (25 per cent). Income measures do not include the value of any tax concessions.

As noted in chapter 4 (table 4.9), for the sector as a whole, government funding represented around a third of sector income in 2006-07. Self generated income was around half of all sector income, while philanthropy accounted for 10 per cent.

However, as table C.11 shows, there are wide variations in income sources across the different activity categories in the sector. For example, social service NFPs are likely to be much more dependent on governments as a source of funding. ACOSS conducts an annual survey of NFPs involved in the provision of community services. It suggests that more than two-thirds of income of those organisations responding to the survey was received from government (table C.12).

Table C.12 ACOSS survey results (funding sources)

Proportion of total funding by source^b

	2006-07	2007-08
	% of total	% of total
Australian Government	39.7	39.5
State and territory government	27.2	29.9
Local government	0.2	0.2
Client fees	9.9	8.5
Own sources ^b	22.6	21.9

^a Based on the responses of 223 community organisations to the Australian Community Sector Survey 2009.

^b Includes donations, sales of goods and services, sponsorship etc.

Source: ACOSS (2009).

Expenditure

In 1995-96, labour costs for the sector represented half of total expenditure, although the share was higher in community services, health, education, religion and philanthropic intermediaries (table C.13).

Labour costs also represented half of the total in 1999-2000 (table C.14) but had declined in relative importance by 2006-07 (table C.15). Nonetheless, labour costs remained the largest expense for most categories.

Table C.13 Expenditure shares, 1995-96

	<i>Labour costs</i>	<i>Other costs</i>
	% of total	% of total
Community services ^a	60	40
Health	65	35
Education	69	31
Education related ^b	31	69
Other human services ^c	53	47
Religion	59	41
Philanthropic intermediaries	66	34
Arts and culture	42	58
Sport and recreation	28	72
Interest groups ^d	41	59
Other ^e	39	61
Total sector	51	49

^a Includes childcare; accommodation for the aged; other residential care; and other non-residential care. ^b Includes research, university unions and parent associations. ^c Includes housing associations and cooperatives; provision of legal services; community transport; and employment services. ^d Business and professional associations; unions; environmental groups. ^e Includes business services; accommodation; books and publishing; emergency services.

Source: Lyons and Hocking (2000).

Table C.14 Use of income by organisation type, 1999-2000

Economically significant NFPs

	<i>Purchases of goods & services</i>	<i>Consumption of fixed capital</i>	<i>Compensation of employees</i>	<i>Other expenses</i>	<i>Saving</i>
	% of total	% of total	% of total	% of total	% of total
Education and research	20	3	67	14	-3
Health	27	7	63	2	2
Social services	28	4	61	3	4
Culture and recreation	50	7	30	6	7
Associations ^a	58	4	41	3	-5
Other ^b	39	2	44	12	2
Total sector	35	5	51	8	2

^a Business and Professional Associations and Unions. ^b Includes religious congregations and associations, political organisations, and those involved in environmental and animal protection, advocacy and international assistance.

Source: ABS (*Non-profit institutions satellite account, 1999-2000*, Cat. no. 5256.0).

Table C.15 Use of income by organisation type, 2006- 07

Economically significant NFPs

	<i>Purchases of goods & services</i>	<i>Depreciation and amortisation</i>	<i>Labour costs</i>	<i>Transfers paid</i>	<i>Other expenses</i>	<i>Saving</i>
	% of total	% of total	% of total	% of total	% of total	% of total
Culture and recreation	20	6	27	10	31	7
Education and research	12	3	59	3	15	8
Health (excluding hospitals)	14	5	58	np	14	np
Hospitals	24	4	53	np	16	np
Social services	14	3	54	2	15	11
Religion	15	3	33	11	24	14
Associations ^a	17	3	39	5	29	7
Environment etc. ^b	13	2	34	24	19	7
Other activities ^c	44	2	15	np	23	np
Total	18	4	43	8	20	8

^a Business and Professional Associations and Unions. ^b Environment, development, housing, employment, law, philanthropic and international. ^c Activities not elsewhere classified.

Source: ABS (*Non-profit institutions satellite account, 2006–07*, Cat. no. 5256.0).

C.3 Paid workforce

As noted above, the cost of employing staff is the largest component of spending for most activities within the sector. In 1995-96, the most significant employers within the sector were community services and education with a little under a quarter of total employment each (table C.16).

In 1999-2000, education and research and social services each had around one-quarter of sector employment (table C.17). Culture and recreation and health were also significant employers.

In 2006-07, education and research and social services retained their relative shares (table C.18). The share of health (if hospitals are added back in) has increased while culture and recreation has declined. However, as noted, the relative decline in culture and recreation may be related to changes in data classification between the two surveys.

In 2006-07, a little over 40 per cent of the paid workforce was employed on a full-time basis, although a larger proportion of full-time workers was employed by associations, in education and research, and in the category which includes

environmental activities and in other activities. Permanent part-time workers accounted for a little over a third of the sector's paid workforce, while casual workers represented around a quarter (table C.19).

Table C.16 Paid employment, 1995-96

	<i>% of total</i>
Community services ^a	22.8
Health	19.2
Education	23.2
Education related ^b	1.6
Other human services ^c	2.1
Religion	2.9
Philanthropic intermediaries	0.1
Arts and culture	1.2
Sport and recreation	17.0
Interest groups ^d	8.1
Other ^e	1.8
Total	100.0

^a Includes childcare; accommodation for the aged; other residential care; and other non-residential care. ^b Includes research, university unions and parent associations. ^c Includes housing associations and cooperatives; provision of legal services; community transport; and employment services. ^d Business and professional associations; unions; environmental groups. ^e Includes business services; accommodation; books and publishing; emergency services.

Source: Lyons and Hocking (2000).

Table C.17 Paid employment, 1999-2000

Economically significant organisations

	<i>'000 persons</i>	<i>% of total</i>
Culture and recreation	126	20.8
Education and research	148	24.4
Health	90	14.9
Social services	156	25.9
Associations ^a	16	2.6
Other ^b	69	11.5
Total	605	100

^a Business and Professional Associations and Unions. ^b Includes religious congregations and associations, political organisations, and those involved in environmental and animal protection, advocacy, and international assistance.

Source: ABS (*Non-profit institutions satellite account, 1999-2000*, Cat. no. 5256.0).

Table C.18 Paid employment, 2006-07

Economically significant NFPs

	<i>'000 persons</i>	<i>% of total</i>
Culture and recreation	103	11.6
Education and research	218	24.5
Health (excluding hospitals)	100	11.2
Hospitals	56	6.3
Social services	222	24.9
Religion	41	4.6
Associations ^a	22	2.5
Environment etc ^b	110	12.4
Other activities ^c	18	2.0
Total	890	100.0

^a Business and Professional Associations and Unions. ^b Environment, development, housing, employment, law, philanthropic and international. ^c Activities not elsewhere classified.

Source: ABS (*Non-profit institutions satellite account, 2006-07*, Cat. no. 5256.0).

Table C.19 Employment by type, 2006-07

Economically significant organisations

	<i>Permanent full-time</i>	<i>Permanent part-time</i>	<i>Casual</i>	<i>Total number</i>
	<i>%</i>	<i>%</i>	<i>%</i>	
Culture and recreation	33.3	17.6	49.1	102 656
Education and research	52.8	30.6	16.6	218 388
Health (excluding hospitals)	37.1	42.4	20.5	55 652
Hospitals	24.7	58.0	17.3	99 665
Social services	31.5	39.7	28.8	221 549
Religion	50.2	31.3	18.5	40 744
Associations ^a	75.7	9.4	14.9	22 485
Environment etc ^b	51.0	28.5	20.5	110 482
Other activities ^c	56.1	26.3	17.6	18 298
Average over all sectors	41.4	34.3	24.3	
Total number of workers	368 514	305 332	216 074	889 919

^a Business and Professional Associations and Unions. ^b Environment, development, housing, employment, law, philanthropic and international. ^c Activities not elsewhere classified.

Source: ABS (*Non-profit institutions satellite account, 2006-07*, Cat. no. 5256.0).

C.4 Volunteers

General trends in volunteering

The percentage of the adult population volunteering increased from 24 per cent in 1995 to 35 per cent in 2006. Although the total number of hours has increased, the amount of time each volunteer contributed decreased from a median of 74 annual hours per person in 1995 to 56 hours in 2006 (table C.20). Average (or mean) hours are significantly higher than median (or mid-range) hours, suggesting that a comparatively small number of volunteers are contributing a large number of hours.

The characteristics of volunteers vary by age and gender (tables C.21 and C.22). In 2006:

- people in the age group 35–44 were most likely to volunteer
- women were more likely to volunteer than men
- people aged 65–84, on average, contributed the most hours annually.

The overwhelming majority of volunteering activity, around 84 per cent, occurs in the NFP sector. A further 14 per cent of volunteering is undertaken for government — most commonly schools and other educational and training institutions, and emergency services (ABS 2007b).

Table C.20 Trends in volunteering

	1995	2000	2006
Number of volunteers (millions)	3.2	4.4	5.2
Volunteer rate (per cent) ^a	23.6	31.8	35.1
Total annual hours (millions)	511.7	704.1	729.9
Median Annual Hours	74	72	56
Average Annual Hours	156.6	160.0	140.4

^a Proportion of age group volunteering. For any group, the volunteer rate is calculated as the number of volunteers in that group expressed as a percentage of total population in that group.

Source: ABS (*Voluntary work, Australia*, Cat. no. 4441.0).

Around three-quarters of volunteering is associated with sport and physical recreation, education and training, community/welfare and religious groups.

The activities most frequently undertaken by volunteers in 2006 were:

- fundraising — 48 per cent of volunteer involvements
- preparing and serving food — 31 per cent

- teaching/providing information — 28 per cent
- administration — 26 per cent (table C.23).

Despite an overall growing numbers of volunteers, there has been a trend of declining volunteering in the community services sector (figure C.1). The percentage of the adult population volunteering in community and welfare organisations decreased from 9.4 per cent (181 million hours) in 2000 to 7.6 per cent (135 million hours) in 2006 (ABS 2007b).

The most commonly reported reasons for volunteering are to ‘help others or the community’, ‘personal satisfaction’, arising out of a ‘personal or family involvement’, or to do ‘something worthwhile’ (table C.24).

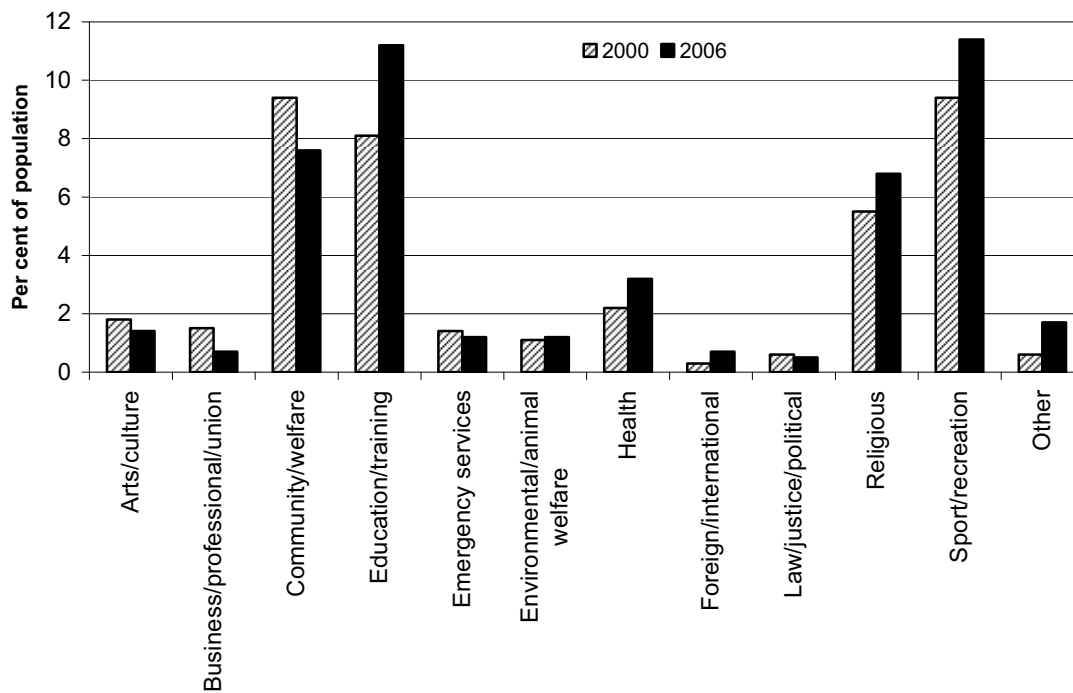
Table C.21 Volunteers in 2006, by age

	<i>Number of volunteers</i>			<i>Annual average hours volunteered</i>		
	<i>Males</i>	<i>Females</i>	<i>Persons</i>	<i>Males</i>	<i>Females</i>	<i>Persons</i>
	'000	'000	'000	hours per person	hours per person	hours per person
18–24 years	293.9	280.4	574.3	94.5	114.0	104.0
25–34 years	398.0	460.9	858.9	96.7	88.1	92.1
35–44 years	549.0	726.0	1 275	90.5	123.1	109.0
45–54 years	546.4	555.2	1 101.6	138.0	121.7	129.8
55–64 years	304.8	421.6	726.4	209.1	162.5	182.0
65–74 years	203.7	250.4	454.1	263.2	197.9	227.2
75–84 years	89.2	116.0	205.2	405.8	153.8	263.3
85 years & over ^a	20.1	10.9	31	76.9	122.1	92.8
Total	2 405.1	2 821.4	5 226.5	144.0	130.0	136.4

^a Estimates for this age category have high standard errors and should be treated with caution.

Source: ABS (*Voluntary work, Australia*, Cat. no. 4441.0).

Figure C.1 Volunteering rate by organisation type, 2000 and 2006



Data source: ABS (Voluntary Work, Australia, Cat. no. 4441.0).

Table C.22 Volunteering over time, by age

Adjusted for consistency between surveys

	Volunteer rate ^a			Annual hours volunteered		
	1995	2000	2006	1995	2000	2006
	per cent	per cent	per cent	hours	hours	hours
18–24 years	16.6	26.8	31.8	51	60.4	63.6
25–34 years	20.4	27.5	31.9	73.2	84.4	84.7
35–44 years	31.7	40.1	44.4	123	148.6	143.2
45–54 years	27.7	35.4	39.8	100.7	149.3	145.6
55–64 years	23.8	32.5	32.7	74.2	139.4	132.8
65–74 years	23	30.3	32.6	69.6	90.1	103.2
75–84 years	16.2	19.6	22.4	18.9	29.1	54
85 years and over ^b	6.6	8.9	14.2	1.2	2.9	2.9
Total	23.6	31.8	35.1	511.7	704.1	729.9

^a Proportion of age group volunteering. For any group, the volunteer rate is calculated as the number of volunteers in that group expressed as a percentage of total population in that group.

Source: ABS (Voluntary work, Australia, Cat. no. 4441.0).

Table C.23 Volunteers by type of activity, 2006

	<i>Volunteers</i>	<i>Volunteer involvements^a</i>	<i>Median age of volunteers</i>
	'000 people	'000 involvements	Years old
Administration etc	1 629	1 986	47
Counselling and mentoring	1 360	1 610	47
Coaching, refereeing and judging	1 307	1 500	41
Fundraising and sales	2 871	3 717	44
Advocacy and policy	375	438	50
Management	1 488	1 798	46
Performing and media production	539	641	45
Personal care and assistance	626	689	46
Preparing and serving food	2 024	2 444	44
Protecting the environment	351	395	49
Property maintenance	1 301	1 502	45
Community safety	1 813	2 177	42
Teaching and instruction	292	321	41
Transportation	1 465	1 726	45
Other	378	417	45
Total^b	5 227	7 782	44

^a The work a volunteer does for each particular organisation is defined as a volunteering involvement.

Source: ABS (*Voluntary work, Australia*, Cat. no. 4441.0).

Table C.24 Reasons for volunteering, 2006

	<i>Proportion of all volunteers^a</i>
	%
Help others/community	56.6
Personal satisfaction	44.0
Personal/family involvement	37.2
To do something worthwhile	36.2
Social contact	22.1
Use skills/experience	16.0
To be active	15.6
Religious beliefs	15.0
Other ^b	19.5

^a Volunteers may give more than one reason, therefore figures for individual categories. ^b Includes 'to learn new skills', 'gain work experience', 'felt obliged', 'just happened' and 'other' unspecified

Source: ABS (*Voluntary work, Australia*, Cat. no. 4441.0).

Contribution of volunteers to the NFP sector

In 1999-2000, 558 million volunteers hours were contributed to the NFP sector (table C.25). This comprised over 5 million volunteer involvements and was the equivalent to 285 300 full-time staff.

Table C.25 Volunteer involvements and hours volunteered, 1999-2000

	Volunteer involvements		Total hours volunteered		Full-time equivalent persons	
	'000	% of total	Million hours	% of total	'000	% of total
Culture and recreation	1 327	26	136.0	24	69.5	24
Education and research	649	13	53.9	10	27.6	10
Health	264	5	29.0	5	14.8	5
Social services	1482	29	173.2	31	88.5	31
Associations ^a	233	5	18.1	3	9.3	3
Other ^b	1 097	22	148.0	27	75.6	26
Total	5 053	100	558.1	100	285.3	100

^a Business and Professional Associations and Unions. ^b Includes religious congregations and associations, political organisations, and those involved in environmental and animal protection, advocacy, and international assistance.

Source: ABS (Non-profit institutions satellite account, 1999-2000, Cat. no. 5256.0).

In 2006-07, 623 million hours were volunteered by the equivalent of 317 200 full-time staff (table C.26). Compared with 1999-2000, there has been rapid growth in culture and recreation but declines in most other activity categories.

Table C.26 Volunteer involvements and hours volunteered, 2006-07

	Total Hours volunteered		Full-time equivalent persons	
	Million hours	% of total	'000	% of total
Culture and recreation	232.2	37	118.1	37
Education and research	31.7	5	16.2	5
Health (excluding hospitals)	39.2	6	20.0	6
Hospitals	4.2	1	2.1	1
Social services	163.0	26	83.0	26
Religion	np ^d	--	np	--
Associations ^a	9.4	2	4.8	2
Environment etc ^b	21.9	4	11.1	4
Other activities ^c	np	--	np	--
Total	623.3	100	317.2	100

^a Business and Professional Associations and Unions. ^b Environment, development, housing, employment, law, philanthropic and international. ^c Activities not elsewhere classified. ^d Not published.

Source: ABS (Non-profit institutions satellite account, 2006-07, Cat. no. 5256.0).

C.5 Relationship with government

As noted, governments are an important source of funding for sector activities. Table C.27 presents some of the views of respondents to the ACOSS Community Sector Survey of the relationship between governments and service providers.

- 85 per cent of respondents disagreed, or strongly disagreed, with the statement that government funding was adequate to cover the true cost of service provision.
- A similar proportion indicated that contractual arrangements left them free to publicly discuss client issues.
- A third indicated that contract requirements adversely affected service delivery.

Governments also provide tax concessions to encourage giving or lower the cost of undertaking activities (chapter 7). The ACOSS survey indicated that these concessions were accessed to varying degrees by NFPs providing community services (table C.28).

Table C.27 ACOSS survey results (government funding for services),^a 2007-08

Proportion of respondents agreeing and disagreeing with selected statements

<i>Statement</i>	<i>Strongly Agree</i>	<i>Agree</i>	<i>Neither agree or disagree</i>	<i>Disagree</i>	<i>Strongly disagree</i>
	%	%	%	%	%
Government funding covers the true cost of delivering contracted services	2	6	7	41	44
Government funding adequately covers the cost of partnerships and collaborations required in our contracts with Government	33	7	19	41	0
Contract requirements adversely affect our organisation's ability to deliver contracted services	9	24	44	23	0
Our organisation is able to speak publicly about the issues facing our clients	32	51	10	6	2

^a Totals may not add to 100 per cent due to rounding.

Source: ACOSS (2009).

Table C.28 ACOSS survey (tax concession status) ^a, 2007-08

Proportion of respondents with specified tax status

	<i>Per cent</i>
Income tax exempt charity (ITEC) only	42.0
Public benevolent institution (PBI) only	18.2
Deductible gift recipient (DGR) only	8.5
ITEC, PBI and DGR	18.2
PBI and DGR	4.6
ITEC and PBI	2.0
None of the above	6.5

Source: ACOSS (2009).

C.6 Relationship with business

The Centre for Corporate Public Affairs (2008) surveyed NFPs about their relationship with business (table C.29). Around half of the NFPs surveyed thought that business was fair in its dealings and approximately two-thirds believed that business honoured its commitments. Approximately half believed that business understood their objectives and thought that collaborative projects with business were more successful than they would have been in the absence of that collaboration. More than two-thirds thought that involvement with business improved effectiveness.

Table C.29 NFP attitudes & experience of working with business

Based on the responses of 153 community NFPs

	<i>Strongly agree or agree</i>	<i>Neutral</i>	<i>Strongly disagree or disagree</i>
	% of respondents	% of respondents	% of respondents
<i>We find that working with business that:</i>			
Business is fair	53	39	8
Business respects our staff	66	27	7
Business honours its commitments	65	27	7
Business is flexible	38	44	18
We understand business objectives	70	19	11
Business understands our objectives	49	26	25
We generally agree on which project to work	65	30	5
Our objectives take time to align	54	31	15
We generally get what we want	39	38	23
It improves what we do	68	26	6
Our projects are more successful than if we did not work with business	48	37	15

Source: CPPA (2008).

Virtually all respondents indicated that a prime motivation for working with business was to secure a funding source (table C.30). Three-quarters responded that gain access to specialist corporate skills was also an important reason for collaboration.

Table C.30 What are the main reasons NFPs work with business?

Based on the responses of 153 community NFP organisations

	<i>Strongly agree or agree</i>	<i>Neutral</i>	<i>Strongly disagree or disagree</i>
	% of respondents	% of respondents	% of respondents
To secure a funding source	98	0	2
To gain access to specialist corporate skills to assist in building capacity	75	15	10
For reputation benefits	54	29	17
To meet stakeholder expectations	44	32	24

Source: CPPA (2008).

Around half of those responding to the CCPA survey indicated that they had significant, long-term agreements with business. Almost 90 per cent involved mutual obligation (table C.31) and 82 per cent had provisions to tie the support provided by business to specific programs. According to CCPA:

The survey results also revealed the frequency with which these agreements are reviewed. Forty-three per cent of NFP-business agreements are reviewed annually. A further 36 per cent are reviewed against specific project milestones. These figures suggest there is considerable accountability and assessment activity within partnerships. (2008, p. 48)

Table C.31 Features of agreements with business

Based on the responses of 153 community NFPs

<i>What is usually included in long-term agreements with business partners?</i>	<i>% of respondents</i>
Mutual obligation	89
Specific use of support for particular programs	82
Performance indicators	71
Closure or exit provisions	64
Constraints on use for 'overhead'	24

Source: CPPA (2008).

C.7 Relationship with the community

The general community is also an important source of giving for NFPs. As noted in chapter 7, donations, bequests and legacies from individuals contributed over half of all philanthropic funding and about 6 per cent of total sector income. Giving (and not giving) by community members is driven by a wide range of motivations (table C.32). Bequests to the sector tend to be made equally by males and females (table C.33), although younger people (aged 18 to 24) are more likely to include NFPs in their wills (although they are significantly less likely to have a will).

Table C.32 Reasons for giving and not giving^a

12 months to January 2005

	<i>% of respondents</i>
Reasons for giving	
It's a good cause/charity	31.5
I respect the work it does	22.9
Sympathy for those it helps	14.3
I/someone I know has/had an illness or condition it tries to cure	13.1
I/someone I know has directly benefited from its services	13.0
To help strengthen the community	7.8
I/someone I know may need its help in the future	6.0
I trust it to use the money correctly	5.0
A sense of religious obligation	4.8
I/someone I know is/used to be a member	4.3
I felt obliged to the person who asked	3.8
To help make the world a better place	3.8
Gives me a feeling of goodwill/makes me feel good about myself	2.7
I volunteer my time for the organisation	1.4
My employer encourages staff to give	0.3
Other	6.9
Can't say	2.5
Reasons for not giving	
I can't afford to give	58.2
Too much in every dollar is used in administration	47.0
I don't know where the money will be used	44.3
I don't believe the money will reach those in need	39.8
I feel the government should be providing the support needed through our taxes	35.9
I get annoyed at the number of times I am approached to donate	31.2
I don't like the way I am approached to give money	30.8
I am usually asked when I don't have spare change on me	30.5
I prefer to volunteer my time instead of giving money	29.3
I think that the people they say they help should be able to help themselves	12.2
I haven't been approached to give	10.6
Other	2.3
I donate through my business	1.0
Can't say	1.8

^a Based on a survey of 6 200 adult Australians conducted between February and March 2005. Respondents may give multiple reasons so percentages will not sum to 100.

Source: Lyons and Passey (2005).

Table C.33 Characteristics of bequests to NFPs, 2004

	<i>% of givers having a will</i>	<i>% of those with a will that includes a bequest to a NFP</i>
<i>Gender</i>		
Male	56.5	7.4
Female	59.5	7.5
<i>Age cohort</i>		
18-24	8.8	25.1
25-34	32.2	7.1
35-44	53.6	6.0
45-54	73.0	7.0
55-64	83.0	7.4
65 & over	90.9	7.9

Source: FaHCSIA (2005).

In addition to being a source of sector income, community members are also the users of NFP services. In general, NFPs are regarded as more accessible service providers (table C.34).

Table C.34 Accessing service providers, 2006

	<i>% of all respondents</i>
<i>Type of service found hard to access</i>	
Government	14.2
Private	13.7
Non-profit organisation	1.3
<i>Service found hard to communicate with</i>	
Government	16.9
Private	13.7
Non-profit organisation	2.3

Source: ABS (*General Social Survey: Summary Results, 2006*, Cat. no. 4159.0).

In the area of community services, NFPs provide services to some of the most vulnerable in the community. Just under 40 per cent of these were provided with ‘information, advice or referral’ services (ACOSS 2009, p. 11). In many cases, demand for services exceeds the capacity of the sector (tables C.35 and C. 36). ACOSS also notes that the number receiving services from community sector organisations increased by 19 per cent over 2006-07 levels. Over the same period, the number turned away increased by 17 per cent.

Table C.35 ACOSS survey results (number of people assisted and turned away)^a, 2007-08

	<i>Number of people who received a service</i>	<i>Number of eligible people turned away</i>	<i>People turned away as a % of total people assisted</i>
			%
Child care	29 288	1 575	5
Child welfare	11 279	5 570	49
Disability	51 076	1 046	2
Employment and training	50 071	10 903	22
Family relationship	86 695	4 996	6
Financial and material support	145 658	32 118	22
Health	59 432	1 165	2
Home and community care	78 916	10 724	14
Housing and homelessness	64 641	19 202	30
Individual advocacy	30 405	1 577	5
Information advice and referral	1 231 375	33 680	3
Legal	28 792	4 716	16
Other	875 374	95 920	11
Residential aged care	67 222	2 490	4
Sexual assault and violence	151 796	4 068	3
Youth	161 970	48 357	30
Total	3 123 990	278 107	9

^a Based on 556 responses from NFP community and welfare service providers.

Source: ACOSS (2009).

Table C.36 ACOSS survey results (characteristics of service users)^a, 2007-08

Proportion of total service users with specified characteristic

	<i>Proportion of service users</i>	<i>Proportion of general community</i>
	%	%
People with a disability	30	20
Indigenous	15	2
Jobless	65	37
Culturally and linguistically diverse	24	21
Women	65	50
People under 14	14	20
People between 15–24	22	14
People between 25–64	46	53
People over the age of 65	18	13

^a Based on 556 responses from NFP community and welfare service providers.

Source: ACOSS (2009).

C.8 Activities in which NFPs are prominent

In many cases, NFPs provide services alongside organisations from other sectors (business or government). For example, as noted in chapter 4 around half of the organisations providing performing arts are not for profit. Similarly, around 40 per cent of organisations in sports and physical recreation are NFPs. These services are provided to a significant proportion of the population (table C.37).

Table C.37 General population attendance at cultural and leisure events^a

Proportion of respondents who reported that they attended selected events in the last 12 months

	2002			2006		
	<i>male</i>	<i>female</i>	<i>persons</i>	<i>male</i>	<i>female</i>	<i>persons</i>
	per cent	per cent	per cent	per cent	per cent	per cent
Has attended at least one cultural & leisure venue or event	86.5	89.9	88.2	87.1	90.1	88.6
Types of venues or events attended						
Art galleries	22.0	27.7	24.9	24.3	32.5	28.4
Libraries	34.5	49.6	42.1	38.9	52.0	45.6
Classical music concerts	7.7	10.2	9.0	10.7	14.0	12.4
Popular music concerts	26.6	26.2	26.4	33.0	31.9	32.4
Theatre performances	15.3	20.6	18.0	18.3	25.4	21.9
Dance performances	8.4	13.4	10.9	12.0	19.5	15.8
Musicals & operas	15.1	22.1	18.7	19.2	27.1	23.2
Other performing arts	19.2	21.5	20.4	20.1	24.1	22.1
Museums	24.6	25.4	25.0	25.3	29.9	27.6
Cinemas	68.2	71.6	69.9	66.7	70.4	68.6
Zoological parks & aquariums	38.3	41.8	40.0	39.8	42.2	41.0
Botanic gardens	40.0	43.2	41.6	38.2	42.3	40.3
Participation in sporting activities						
Has attended at least one sporting event	56.0	40.7	48.2	59.8	44.6	52.1
Has participated in sport or recreational physical activity	67.0	61.1	64.0	63.6	60.9	62.2
Number of people surveyed ('000)	7177	7327	14503	7553	7754	15307

^a This may include for-profit cultural and leisure events

Sources: ABS (*General social survey: Summary results, Australia, 2002*, Cat. no. 4159.0); ABS (*General social survey: Summary results, Australia, 2006*, Cat. no. 4159.0).

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