

Valuing Volunteering

Volunteering and the Non-profit Institutions Satellite Account

Overview

- Key highlights of Non-profit Institutions Satellite Account
- Why a Satellite Account?
- Volunteering: Why Value it?
- Volunteer Labour: Results
- Data Sources and Methodology
- Future Directions

Non-profit Satellite Account

Key highlights

- **Non-profit institutions contributed 2.6 percent to New Zealand's gross domestic product (GDP) in 2004**
- **When volunteer labour was included, non-profit institutions' contribution to GDP increased from 2.6 percent to 4.9 percent**
- **Over one million (1,011,600) volunteers gave more than 270 million hours of unpaid labour to non-profit institutions in 2004**
- **There were 97,000 non-profit institutions identified as at October 2005**
- **Non-profit institutions had over 105,000 paid employees as at October 2005. Only 10 percent of all non-profit institutions employed paid staff**

Statistics NZ framework for valuation

- The National Accounting Framework

- Comprehensive
- Internationally accepted

- Satellite Accounts

- Important areas not covered by core National Accounts
- Links maintained to standard economic measures



Volunteering: Why value it?

- Substantial economic contribution
- Unpaid work as productive
- Formal recognition

Scope of Measurement

- Formal volunteering only
 - volunteering through an organisation, group or marae.

Valuing Volunteer Labour: What we found for 2004

- 2.3% of Gross Domestic Product
- \$3.31 billion value added
- Over 1 million (1, 011, 600) people volunteered
- 270 million hours worked
- 133, 800 full-time equivalents
- An average of 5.1 hours per volunteer per week

Number of Institutions per Volunteer

Number of Institutions Worked for per Volunteer⁽¹⁾ 1999

Number of institutions	Percentage of volunteers
1	54
2	30
3	10
4 or more	6

(1) Primarily non-profit institutions, although a small number of government institutions are included.

Data Sources

- **Census, 2001 and 2006**
- Formal Voluntary Work
 - Other help or voluntary work for or through any organisation, group or marae

Data Sources

- Time Use Survey: 1998/ 99
 - Personal questionnaire
 - 48 hour diary
 - Most finely tuned instrument for estimate of volunteer labour
- Updating data to reference year 2004

Methodology for valuing volunteer labour

- Opportunity cost vs. replacement cost
- Replacement cost = market rate for service



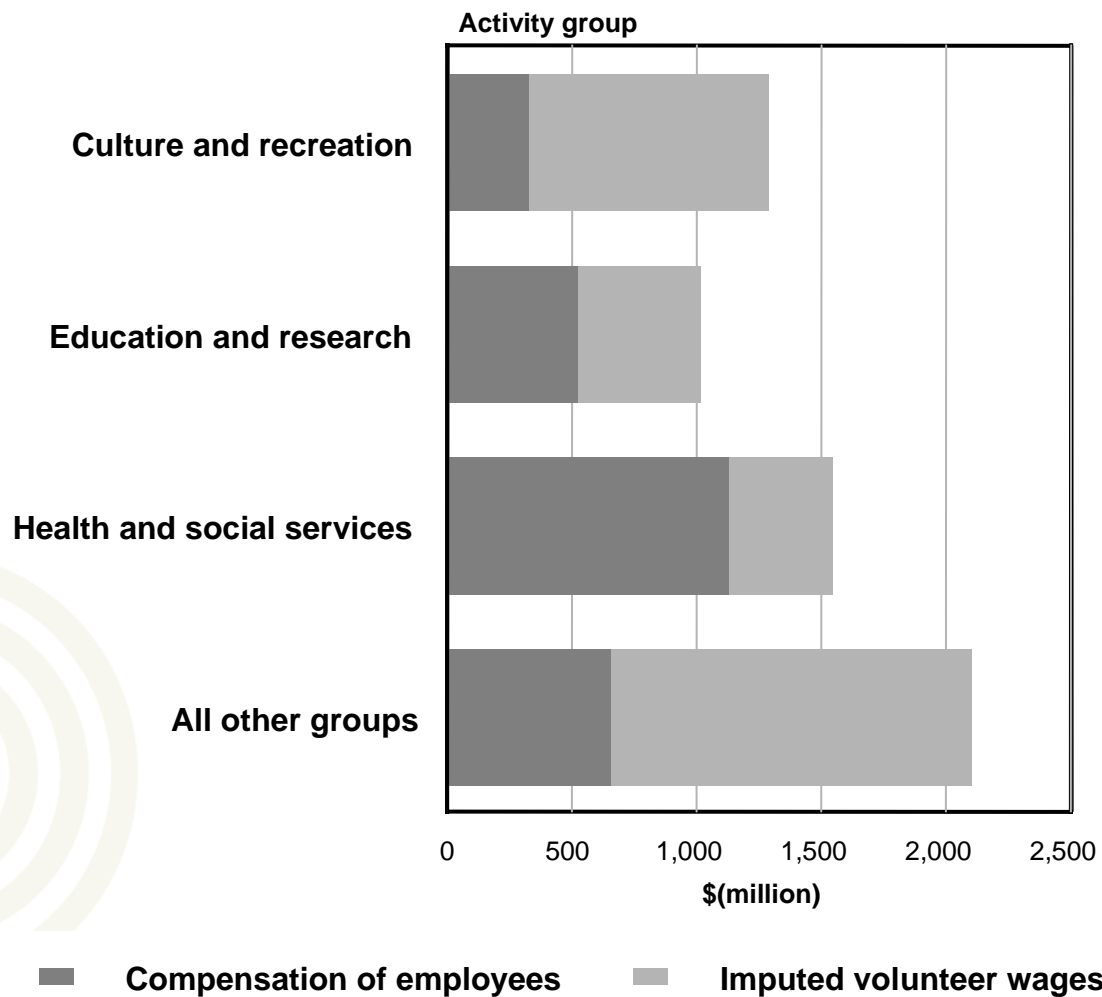
<u>Job description</u>	<u>% of total hours worked</u>	<u>Hourly wage rate</u>
Office Clerks	35.1%	\$13.70
Personal Care Workers	6.7%	\$10.05
.....Total100.0%\$12.15

5.1 hrs per week = \$3, 274 per volunteer in year 2004

Compensation of Employees and Imputed Volunteer Wages

By activity group

2004



Benefits of Monetary Valuation

- Qualitative and social dimensions of volunteering also important
- Economic Valuation
 - Internationally accepted framework
 - Recognised and powerful framework

Future Directions

- Time Use Survey, 2010
- Census, 2011
- Future releases of Non-profit Institutions Satellite Accounts
- Household Satellite Account
- General Social Survey, 2009

Summary

- Formal recognition of economic value generated by volunteers
- Fills a gap in our understanding of the formal voluntary sector
- Provides an official, comprehensive and consistent framework

3.31 billion: Something to Celebrate!

