

# Value the community sector

## Significant initiatives

- **Supporting Community Sector Jobs**  
VCOSS members deliver a wide cross-section of programs commissioned by different Victorian government departments. We have examined the Budget papers and calculated that – in total – the Departments of Families Fairness and Housing, Health, Justice and Community Safety, and Government Services have set aside \$20m in 2023-24 (\$85m/4 yrs) to assist with cost pressures for community sector organisations. VCOSS understands that for DFFH and DH funded services, this equates to a 3.3% increase in baseline community sector funding. It is not immediately clear what the percentage figure is for DJCS and DGS. VCOSS will seek clarification.
- **Fair Jobs Code Transition Fund**  
\$7.5m in 2023-24 (\$15m/2 yrs) to promote secure work arrangements in the community sector by supporting the implementation of the Community Sector Fair Jobs Code and providing transitional support for community service organisations.
- **Community participation and support**  
\$7m in 2023-24 (\$7.5m/2 yrs) to support community and philanthropic organisations, organisations that foster volunteering, and support social infrastructure. VCOSS is seeking more detailed information on the specific allocation (both the amount of funding and the activity it will fund).

## Initial analysis

- VCOSS welcomes the investment of \$20m in 2023-24, and \$85m over 4 years, to help community sector organisations meet rising costs and surging demand for their services. However, \$85 million over 4 years is less than what's required for the community sector to keep up with demand, increased case complexity and the true cost of delivering services. VCOSS will continue to advocate to the Victorian Government for a transparent indexation formula that factors in, for example, the full costs of service delivery such as wages, superannuation, portable long service leave and higher WorkCover premiums.
- We continue to be concerned that community sector employers do not have the necessary funding and associated preconditions to attract, retain and develop a skilled workforce, as funding for many community service programs and projects continues to be short term. This will be critical in the Government developing a Community Services Fair Jobs Code.
- In future Budgets, we are keen to see workforce growth and development strengthened through strategic investment in data capability to model demand and guide workforce planning for the community services sector. If collected, this data would assist Government to better plan and fund the sector. In our submission to the 2023-24 State Budget, VCOSS highlighted the example of the UK's Adult Social Care Workforce Data Set. This provides high quality, anonymous data to their Department of Health and Social Care to act upon, for example, rises in the national living wage, vaccine rollouts, age of employees in the sector and promoting adult social care as a career. Their [State of the adult social care sector and workforce in England 2022](#) report shows that pay, travel to work distances, training and qualifications, and contract type are all factors that affect an employee's propensity to remain in an adult social care job. Looking ahead, a funded overarching community services industry workforce strategy, inclusive of volunteering, would enable all parts of the sector to grow and develop their workforces.

- Another crucial workforce challenge that needs to be addressed is the new worker pipeline and barriers to undertaking or completing placements. Most TAFE and university qualifications relevant to the community sector require students to complete a minimum number of placement hours before they can graduate. But cost-of-living pressures are making it difficult for students to undertake these placements. Many students already juggle study and paid work. Taking on unpaid labour means they lose valuable income from casual or part-time jobs. On top of this, students incur placement-related expenses such as travel, housing (for placements not close to home), uniforms, required equipment and childcare. We note this Budget provides financial and other supports for pre-service teachers undertaking placements in regional, remote and rural areas. VCOSS continues to advocate for the Government to provide targeted funding for paid student placements in our sector.
- The COVID-19 pandemic devastated Victoria's volunteer workforce. While we welcome some funding for organisations supporting volunteering, it is not sufficient. We need comprehensive investment to implement all actions from the Victorian Volunteer Strategy 2022-27. Given recent floods and bushfires, we had also hoped to see funding in this Budget to support the development of a Spontaneous Volunteering Strategy. This is needed to coordinate the urgent volunteering roles involved in disaster recovery and the influx of people wanting to help.
- VCOSS continues to advocate for community sector workers to be identified as key workers in the context of government-backed affordable housing initiatives. The lack of affordable housing has made it difficult for organisations to attract, recruit and retain staff, particularly in regional Victoria.