

Submission to the Social Services and Community Committee for the Social Security Amendment Bill

Contact details

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This submission has been prepared by Volunteering New Zealand

Please note we would like the opportunity to speak to our submission.

About us

Volunteering New Zealand is an association of volunteer centres, and national and regional organisations with a commitment to volunteering in Aotearoa New Zealand. VNZ has 100 national members, which represent 10,000 organisations. Volunteering New Zealand is the peak body organisation for the community and voluntary sector, influencing policy, producing sector-relevant research, and supporting best practice within the sector.

Volunteering New Zealand represents all volunteers who participate in volunteering activities within Aotearoa. We promote volunteering and its value to New Zealand society.

Our submission

Volunteering New Zealand appreciates the opportunity to make this submission about the Social Security Amendment Bill.

This Bill, and the proposed sanction of community work experience, would have an impact on volunteer-involving organisations, non-profit organisations, and charities. The overwhelming majority of community organisations (89.2%) do not have any paid employees (i.e., they are staffed only by volunteers). Of those organisations that have paid staff, 7.3% have fewer than 5 employees (measured in total headcount, not FTE). Only 3.5% of community organisations have more than 5 employees¹. This puts considerable onus on volunteers and the small number of employees.

We submit regarding the proposed amendment to the Social Security Bill on community work experience. The relevant clauses are Sections 236B (4) and 236C of the Social Security Act and 163B of the Social Security Regulations.

We have concerns about:

- The use of 'community work experience' as a sanction.
- The capacity strain for community organisations
- Lack of sector consultation

1. Community work experience as a benefit 'sanction'

Volunteering is an act of giving your time and skills of your own free will. Many people legitimately use volunteering as a way to learn new skills to increase their employability. However, we are concerned that if job seekers are *required* to undertake this work experience, they will not have the same motivation as genuine volunteers.

The barriers to volunteer participation (or unpaid work experience) are the same as those experienced by job seekers, such as access to transport, lack of suitable opportunities, and/or challenges in meeting the requirements of a role.

2. The capacity strain for community organisations.

The Bill proposes a prescribed period for finding a position with a suitable community or voluntary sector organisation within **two weeks** of the sanction. This is an unrealistic timeframe for a community organisation to undertake police vetting or

¹ Statistics New Zealand (2018). Non-Profit Institutions Satellite Account report 2018

other checks, to onboard someone. Nor does this allow for training, induction, and compliance with health and safety and employment law.

The sanction would apply for a minimum of **five hours** per week and **four weeks** of work. It will be difficult for community organisations to manage this. Some may have insufficient opportunities for these roles, and would not gain much value from someone working for only a month.

As noted above, community organisations are primarily volunteer-run, and increasingly stretched for resources. 'Community work experience' also imposes an extra burden on Volunteer Centres to help with arranging placements.

- Sector consultation:** Volunteering New Zealand was consulted by the Ministry of Social Development in August 2024, prior to the drafting of this bill. We expressed our concerns about 'community work experience'. However, we did not have time to consult our members or the broader community sector. We are concerned about the lack of broader public consultation and limited opportunity for feedback; and that the proposed policy interventions were largely pre-determined by the government's coalition agreements.

As noted in the RIS²:

"The RIS notes that due to time constraints there has been no public consultation on the proposals. While the proposals were contained in pre-election and coalition agreements there was no ability for consultation on the specific proposals. The lack of consultation specifically impacts the ability to understand the extent of some of the problems identified and implementation of the Community Work Experience proposal."

In conclusion, we are concerned that 'community work experience' as outlined in this Bill is being interpreted as 'volunteering for a job seeker benefit'. This is not volunteering as it is widely understood. If enacted, this section of the bill be difficult for the job seeker to fulfil and will create a burden on community organisations that most will be unable to meet.

We support the submissions to this Bill by Socialink and the Volunteer Centre Network Aotearoa.

² <https://www.msd.govt.nz/documents/about-msd-and-our-work/publications-resources/regulatory-impact-statements/regulatory-impact-statement-changes-to-welfare-settings-to-support-people-into-employment-and-off-benefit.pdf>