The Value of Volunteering

OCTOBER 18, 2018
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With the support of IG WEALTH MANAGEMENT
About the Presenters

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About the Conference Board of Canada

• Dedicated to building a better future for Canadians by making our economy and society more dynamic and competitive.

• Independent, evidence-based, not-for-profit applied research organization

• Focus on economic trends, organizational performance, industry strategy and public policy
Value of Volunteering – An Economic Perspective

• The contribution of volunteering to Canada’s economy generally goes unmeasured.

• However, volunteering provides tangible benefits and services to many Canadians and so, it is quite appropriate to measure and compare the value of these services.
## Volunteer Rate and Volunteer Hours, 2017
(population aged 15 and over)

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2007</th>
<th>2010</th>
<th>2013</th>
<th>2017*</th>
<th>Average growth, per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total population 15 and over (000s)</td>
<td>26,021</td>
<td>27,000</td>
<td>28,206</td>
<td>29,188</td>
<td>30,537</td>
<td>1.2</td>
</tr>
<tr>
<td>Number of volunteers (000s)</td>
<td>11,773</td>
<td>12,444</td>
<td>13,249</td>
<td>12,716</td>
<td>13,304</td>
<td>0.9</td>
</tr>
<tr>
<td>Volunteer rate (per cent)</td>
<td>45.2</td>
<td>46.1</td>
<td>47.0</td>
<td>43.6</td>
<td>43.6</td>
<td></td>
</tr>
<tr>
<td>Total annual volunteer hours (millions)</td>
<td>1,978</td>
<td>2,062</td>
<td>2,063</td>
<td>1,957</td>
<td>2,072</td>
<td>0.4</td>
</tr>
<tr>
<td>Average annual volunteer hours (hours)</td>
<td>168.0</td>
<td>165.7</td>
<td>155.7</td>
<td>153.9</td>
<td>155.7</td>
<td>-0.6</td>
</tr>
<tr>
<td>Total number of jobs equivalent (000s)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Full- and part-time employment</td>
<td>1,122</td>
<td>1,166</td>
<td>1,195</td>
<td>1,127</td>
<td>1,204</td>
<td>0.5</td>
</tr>
<tr>
<td>Full-time employment</td>
<td>1,009</td>
<td>1,049</td>
<td>1,064</td>
<td>1,009</td>
<td>1,077</td>
<td>0.5</td>
</tr>
</tbody>
</table>

* Conference Board estimates

Sources: Statistics Canada, GSS GVP and CANSIM tables 282-0028, 051-0001, and 383-0033; The Conference Board of Canada.
In 2017, it is estimated that 13.3 million Canadians volunteered (44% of the population ages 15 and over), each contributing an average of nearly 156 hours.

This is equivalent to 1.1 million people working full time, or if using a mix of full and part time jobs, 1.2 million people employed.

That is roughly 6.5 per cent of employment—for comparison, about the equivalent of everyone employed in education.

If we add the volunteer work effort with employment in the non-profit sector driven by donations we end up with 1.8 million jobs—larger than Canada’s manufacturing employment.
Employment by Industry
(000s, North American Industrial Classification)

2017

- Manufacturing
- Construction
- Educational services
- Volunteer work—full- and part-time employment equivalent
- Public administration
- Transportation and warehousing
- Non-profit institutions serving households
- Agriculture, forestry, fishing, mining, quarrying, oil and gas

Sources: Statistics Canada, CANSIM tables 282-0012 and 383-0033; The Conference Board of Canada.
Valuing those hours in dollars and cents

• We calculated the value of those volunteer hours in dollars at the average wage in the volunteer sector which is $27 (much lower than the $35.5 per hour economy wide).

• Our conservative estimate is that volunteering adds essentially $56 billion to economic activity in Canada.

• On their own, donation-driven non-profits contribute another $30.6 billion to the Canadian GDP.

• When combined with volunteering, that’s a total value of $86.6 billion!
### Value of Volunteer Time and Non-Profit Sector

#### (current $)

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2007</th>
<th>2010</th>
<th>2013</th>
<th>2017*</th>
<th>Average growth, per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total value volunteer time ($ billions)</strong></td>
<td>36.2</td>
<td>42.8</td>
<td>47.7</td>
<td>48.7</td>
<td>55.9</td>
<td>3.4</td>
</tr>
<tr>
<td><strong>Share of total GDP (per cent)</strong></td>
<td>2.7</td>
<td>2.7</td>
<td>2.9</td>
<td>2.6</td>
<td>2.6</td>
<td></td>
</tr>
<tr>
<td><strong>Average wage in non-profit sector ($/hr)</strong></td>
<td>18.3</td>
<td>20.7</td>
<td>23.1</td>
<td>24.9</td>
<td>27.0</td>
<td>3.0</td>
</tr>
<tr>
<td><strong>GDP in non-profit sector ($billions)</strong></td>
<td>17.9</td>
<td>21.4</td>
<td>22.9</td>
<td>26.4</td>
<td>30.6</td>
<td>4.2</td>
</tr>
<tr>
<td><strong>Non-profit sector with volunteering ($ billions)</strong></td>
<td>54.1</td>
<td>64.2</td>
<td>70.6</td>
<td>75.1</td>
<td>86.6</td>
<td>3.7</td>
</tr>
<tr>
<td><strong>Share of total GDP (per cent)</strong></td>
<td>4.1</td>
<td>4.1</td>
<td>4.2</td>
<td>4.0</td>
<td>4.0</td>
<td></td>
</tr>
<tr>
<td><strong>Total GDP ($ billions)</strong></td>
<td>1,331</td>
<td>1,574</td>
<td>1,662</td>
<td>1,898</td>
<td>2,144</td>
<td>3.7</td>
</tr>
</tbody>
</table>

Sources: Statistics Canada, GSS GVP and CANSIM tables 282-0028 and 383-0033; The Conference Board of Canada.
Key points

• Even if volunteers are unpaid, their contribution adds to economic activity through the value of services provided.

• We estimate that volunteers added over two billion hours to Canada’s work effort in 2017.

• This volunteer contribution is valued at $55.9 billion in 2017—equivalent to 2.6 per cent of GDP.

• If volunteering were an industry, it would employ nearly as many people as those currently working in education.
About Volunteer Canada

Our Vision

Involved Canadians build strong and connected communities to create a vibrant Canada.

Our Mission

To provide national leadership and expertise on volunteerism to increase the participation, quality and diversity of volunteer experiences.
Expanding Definition of Volunteering

- In 2011 there was a call to expand the definition of volunteering at the Governor General’s Round Table on the Future of Volunteering.

- As the trust economy emerges and creates disruptions in the business community, so does the increase in informal volunteering and organic movements create disruptions within the non-profit/charitable sector. This was reflected in the Spectrum of Engagement in the Canadian Code for Volunteer Involvement (2012).

- A range of ways to express our social values as discussed in Beyond Giving and Volunteering (2013).

- Recognizing Volunteering in 2017 explored the concept of Individual Social Responsibility and the myriad of ways Canadians put their values into action.
Expanding Definition of Volunteering

• While 12.7 million Canadians volunteer through organizations, we know that this does not reflect the whole picture of the generosity of Canadians.

• Individuals are mounting public awareness and social advocacy campaigns, raising funds through digital channels, organizing events, and mobilizing people around issues that matter to them.

• Others are crowd sourcing funds to pay for funerals, attend school, start a new business, produce something they have invented, participate in a peace mission, or retrofit a van to make it accessible.

• Canadians are making informed decisions about their consumption habits based on a company’s corporate social responsibility practices and are making lifestyle changes to reflect their social and environmental concerns.
Expanding the Definition - ISR

• **Corporate Social Responsibility (CSR)** has been an integral part of businesses today encompassing a broad range of considerations including environmental footprint, purchasing (ethical supply chain management), hiring (diversity and opportunity), charitable donations, employee-volunteering, and community relations.

• **Individual Social Responsibility (ISR)** is an integral part of peoples’ daily life encompassing a broad range of considerations including their environmental footprint (recycling, composting, transportation), purchasing, where to work (based on the CSR of the employer), charitable donations, vacation choices, etc.

• ISR was defined as “the continuing commitment to behave ethically and contribute to people’s development while improving the quality of life of other individuals, groups, teams as well as society at large.
Does this resonate with you?

What has been your experience?
The Value of Volunteering

• Volunteering reflects our values – what we care about, our vision for our community, our notion of justice, and our sense of responsibility for the planet and all those with whom we share it.

• Volunteering also generates value for organizations, neighbourhoods, businesses, society, and for those volunteering.
The Value of Volunteering

Models for Calculating the Economic Value:

- **Wage Replacement** formula, multiplying the number of volunteer hours by an hourly wage (using minimum wage or industry pay rate scales)

- **Market value** for the service provided (a tutoring session, a meal delivered, a strategic planning session facilitated)

- **Return on Investment** estimates the savings to society for the support that is not longer required as a results of the volunteer’s intervention/service
Value of Volunteering to Organizations

Volunteers provide value to organizations through:

• Leadership and governance, setting strategic direction
• Raising needed funds, forging alliances, executing fiscal oversight
• Raise the profile of the organization, open doors
• Bring perspectives from members and stakeholders

The value of a board’s role goes well beyond the number of hours spent preparing for and attending meetings.
Value of Volunteering to Neighbourhoods

Neighbourhoods with high levels of volunteering tend to:

• Feel Safer
• Be more resilient
• Have higher social capital (the value of people forming bonds with one another and bridging to the community at large)
• Leverage their assets more (space, resources, peoples’ commitments and talents...)

Volunteering has high value and it is well beyond the hours spent cleaning the park, the number of burgers flipped at the BBQ, or the shifts covered in the homework club.
Value of Volunteering to Businesses

- One third of the 12.7 million Canadian volunteers indicate that they received support from their employers.

- Employee volunteering programs, in addition to contributing to the community, help businesses:
  - Recruit top talent
  - Enhance employee engagement
  - Improve work place morale
  - Augment their profile and credibility.

The value to businesses goes beyond the cost of the hours that employees volunteer.
Value of Volunteering to Society

Volunteers lead important public policy campaigns that have had significant impact on our society in areas including:

- Impaired driving
- End-of-life support
- The use of pesticide in public spaces

The impact of these legislative changes impacts peoples’ health, wellbeing, and saves lives. The value of volunteers goes well beyond the hours they spend meeting with politicians, organizing rallies, and writing to policy makers.

Volunteer Canada

The Conference Board of Canada

Volunteer Bénévoles Canada
Value of Volunteering to Volunteers

• While volunteers give their time to contribute to the community, many report on benefits such as:
  • Learning new skills
  • Gaining experience
  • Feeling connected to their community
  • Improved self-esteem
  • Success in their education and careers
  • Improved brain health and prevents social isolation in older adults

The value of volunteering for volunteers goes beyond value of the hours volunteers give to communities.
Discussion Questions

- Is it important to calculate the value of volunteering?
- How can we demonstrate the impact of volunteering?