



**Submission to the
Department of Mines, Industry Regulation and Safety**

**on the
*Associations Incorporation Act review 2022***

13 April 2022

OVERVIEW

This submission responds to the “*Associations Incorporation Act 2015 – Statutory Review Discussion Paper*” (Discussion Paper)¹.

Volunteering WA welcomes the opportunity to provide a submission for consideration and thanks the Department of Mines, Industry Regulation and Safety (DMIRS) and the Consumer Protection Division (Consumer Protection) for their ongoing coordination in this area.

This submission provides a brief background on Volunteering WA including our role in the voluntary sector and the current state of volunteering in Western Australia. It addresses some of the questions posed as part of the consultation, drawing on our experience as the peak body for the voluntary sector in WA².

In summary Volunteering WA:

- acknowledges the streamlining, simplification and improvement to the management of incorporated associations in WA, most of which are entirely volunteer-run, as a result of the introduction of the *Associations Incorporation Act 2015*;
- requests that consideration be given to increased adoption of Model Rules, or more substantial conformance with them, prior to approval of new associations or changes to existing rules;
- supports the proposal to permit the electronic attendance meetings as the default position;
- does not support the proposal for electronic voting at meetings as the default position, preferring proxy voting as an alternative;
- supports the alignment of thresholds under the Act and for ACNC reporting; and
- supports the extension of the use of State Administrative Tribunal processes dispute resolution for up to six months after leaving an association, for any reason.

1 About Volunteering WA

Established in 1988, Volunteering WA (VWA) is the peak body for volunteering in Western Australia. With a membership of over 750 volunteer-involving organisations we work in partnership with community, corporate, educational and government organisations to provide leadership, advancement and promotion of volunteering to achieve the greatest impact for Western Australia.

VWA has a 34-year proven track record of providing and sharing effective, efficient and innovative volunteer support services to meet the ever-increasing demand in our state for general and emergency volunteering. Our purpose is to empower people and communities to enrich WA, and our vision is for a society in which everyone is inspired to make a difference.

¹ <https://www.commerce.wa.gov.au/sites/default/files/atoms/files/associations-incorporation-act-2015-statutory-review-discussion-paper.pdf>

² Please note that this submission is not made from the perspective of Volunteering WA as an incorporated entity.

Volunteering WA:

- represents volunteering across the State, including all volunteer involving organisations and their 523,000 volunteers;
- supports over 750 member organisations to attract and manage volunteers and increase their capability and capacity;
- works closely with the Minister for Volunteering and the State Government to collaborate on the implementation of the State Volunteering Strategy 2018; and
- leads and hosts several events that celebrate and recognise the contributions of our volunteers, including the annual WA Volunteer of the Year Awards.

2 Current state of volunteering in Western Australia

Volunteering helps to build strong and resilient communities, encourages economic participation, promotes psychological wellbeing, and increases social inclusion and cohesion.

In 2020, 523,600 or 26% of all Western Australians volunteered through an organisation or group. There has been a significant reduction in formal volunteer participation in WA over the past six years, with over 151,000 fewer volunteers - a 22% reduction. This continues the trend first observed in 2019 (pre-COVID) and is consistent with national experience.

The loss of volunteer capacity is due to a number of reasons, including people become more time poor, fatigue due to the intense and prolonged nature of many emergencies (such as bushfires and COVID-19) and increasing requirements for training, administration and compliance. For example, almost half of the national aged care volunteer workforce was lost in the year to August 2021.

One of the key strategies of the WA Volunteering Strategy³ released by the Minister for Volunteering in 2018 is to: “*Minimise the financial and administrative barriers to volunteering*”.

We believe that this is critical to recover the loss of volunteers in WA and to continue to grow the sector and it’s essential contribution to Western Australia.

3 Volunteering WA and services to incorporated, voluntary organisations

As outlined, Volunteering WA has over 750 members, most of whom are incorporated associations in Western Australia. We provide extensive training and development to the sector and operate a service known as VIOHelp which provides free advice to voluntary organisations.

Questions to VIOHelp can pertain to any volunteer management issue and common queries such as volunteer recruitment, reimbursement, performance management, arrangements and policies within voluntary organisations and more recently, compliance with State Government mandates pertaining to the management of the pandemic. This service, which provides information of a general nature, responded to about 200 enquiries in the 2020-21 financial year.

³ <https://www.wa.gov.au/system/files/2021-06/WA-Volunteering-Strategy.PDF>

4 Feedback on Associations Incorporation Act 2015

Overall, the introduction of the *Associations Incorporation Act 2015* has been an important step to modernise provisions in Western Australia. In particular, matters pertaining to financial and reporting compliance have been streamlined and simplified. These changes are welcomed by the volunteering sector.

It is however noted that there is still a very wide range of Rules of Association approved under the new Act.

For example, while the Model rules (Associations) 2016⁴ (including explanatory guidance) are 34 pages long, we are aware of some organisations, approved under *Associations Incorporations Act 2015*, having Rules of Association as short as four pages. This can lead to a lack of definition concerning procedural matters in particular (such as disputes, new members, conduct of meetings etc.) which create operational issues for organisations and can promote disputes.

We encourage Consumer Protection to consider options to promote increased uptake of Model Rules, or substantial conformance with them, prior to approval or approval of variations. Alternatively, a mechanism to request a review of the adequacy of an Incorporated Associations' Rules of Association would be helpful.

5 Feedback on other specific issues raised

The section responds to specific questions including in the Discussion Paper, based on our engagement with the voluntary sector.

| Question | Response | Evidence available |
|--|--|--------------------------------|
| 3. Should the Act permit electronic attendance and voting at meetings as the default position, with members able to make provision in their rules if they do not want to permit electronic attendance? | <p>We support the permission of electronic attendance at meetings as the default position.</p> <p>This aligns with an increase in virtual (or online) volunteering from 9.5% of volunteers to 17.3% of volunteers from 2019 to 2020.</p> <p>This trend is only expected to accelerate due to ongoing COVID-19 response, to facilitate inclusion, rising fuel and transport costs and broader societal trends.</p> <p>However, we caution the use of electronic voting at meetings. In most instances, these meetings are held in hybrid situations (i.e. a mixture of face to face and electronic attendance). It can be very difficult to identify attendees participating on line for voting purposes.</p> <p>The universal adoption of proxy voting as an alternative is preferred.</p> | ABS General Social Survey 2020 |

⁴ <https://www.commerce.wa.gov.au/publications/model-rules-associations-2016>

| Question | Response | Evidence available |
|---|---|--|
| <p>12. Do you believe that it is important for reporting thresholds for associations to be the same as those applying to charities registered with the ACNC?</p> | <p>Yes.</p> <p>The alignment of reporting thresholds across these bodies assists in compliance and reducing the burden on Committee members, who are volunteers in the case of the not-for-profit sector.</p> | |
| <p>16. Are you aware of any occasions where your association has used the dispute resolution process in its rules to resolve an internal dispute? Was the process successful?</p> | <p>Dispute resolution within Incorporated Associations is one of our most frequent and challenging areas of enquiry.</p> <p>We are aware of instances where members were no longer able to avail themselves of dispute resolution processes, both in the organisation and in the State Administrative Tribunal, due to their resignation or expulsion.</p> <p>Bullying and harassment are commonly cited as issues in these instances, which may lead to a member resigning as a means of self-protection.</p> <p>We suggest that any amendment to the current provisions consider an extension of current provisions for six months after leaving an organisation, for any reason.</p> | <p>Individual cases are strictly confidential.</p> |

In closing

Volunteering WA very much appreciates the opportunity to provide this submission for consideration.



Tina Williams

**Chief Executive Officer
Volunteering WA**