

Human Services Data Assets Project: An Initial Review of the 2018 ACNC Dataset & Other Data Sources

The 2018 dataset held by the ACNC was released on 9 June 2020. This initial review has been conducted in order to support the post COVID-19 recovery plan discussions. It is intended to give some insights into the economic and labour market size and value of the charitable Human Services sector in WA as at the 31 December 2018. The information should be read with caution as the data is still being cleaned and may contain erroneous datapoints. Additionally, it is apparent from the collection of this information that there is a need for more robust and fit-for-purpose data collection and definition from the sector which would be of far greater value in understanding the position, trajectory and strategic priorities of the sector in order to ensure ongoing resilience and mission-sustainability.

What is the Charitable Human Services Sector?

Charitable organisations meet the requirements of the Charities Act 2013 and are established to pursue a given charitable purpose. They are required to be sustainable in their funding models and differ from for-profit organisations in that any surplus is retained within the organisation for application to its purpose rather than distributed to shareholders. Charities are a subset of the Not-for-profit sector and represent about 9% of that sector Australia-wide.

For the purposes of this document, Human Services are broadly defined as any services provided to empower members of the community in overcoming adversity and achieving greater autonomy. Examples of such services include aged and disability care.

How large is the Not-for-profit Human Services Sector?

The ABS does not delineate between the broader Not-for-profit sector and charities as a such set. However, it is likely that organisations involved in the provision of human services and that are Not-for-profit are also charities though this is not certain. A crude measure of the size of the sector can be achieved by using ABS data to compare total WA workforce data by industries. Whilst *Healthcare and Social Assistance* also include government and for-profit provision of human services, it is apparent that this industry sector is the largest in the state:¹

| | Total Employed, 000's | Full time 000]s | Part Time 000's |
|----------------|--------------------------|--------------------|--------------------|
| WA All Sectors | 1376.8 | 930.7 | 446.1 |

¹ ABS 6291.0.55.003 Labour Force, Australia, Detailed, Quarterly.

<https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6291.0.55.003Feb%202020?OpenDocument>

[Accessed 9 June 2020]

Not-for-profits UWA



| | | | |
|---|----------------|----------------|---------------|
| <i>Healthcare and Social Assistance</i> | 170.3 (12.37%) | 87.6 (9.41%) | 82.7 (18.54%) |
| <i>Mining</i> | 114.9 (8.35%) | 110.5 (11.87%) | 4.3 (0.96%) |
| <i>Education and Training</i> | 110.9 (8.05%) | 66.9 (7.19%) | 44 (9.86%) |

Table 1: Selected Quarterly ABS Employment Data for WA Feb 2020 (Percentage of total in parenthesis)

The aggregate data on charities from the 2018 ACNC annual reporting dataset also gives some indication of the sector size. It is also worth remembering that these numbers do not include non-ACNC registered Not-for-profits and, therefore, may well underestimate the true size of the sector by a significant margin.²

The most current ACNC Data (2018)³ of all registered charities operating in WA suggests they are a significant portion of the state's economy:

| <i>WA Charities in 2018</i> | Urban and Inner Regional | Outer Regional/ Remote/Very remote | Other (Groups etc.) | Total |
|-----------------------------|--------------------------|------------------------------------|---------------------|----------|
| <i>Registered Charities</i> | 2778 | 783 | 479 | 4040 |
| <i>Total Revenue</i> | \$11.88b | \$597.6m | \$1.091b | \$13.57b |
| <i>Total Employees</i> | 103,367 | 6,318 | 9,982 | 119,667 |
| <i>Est. volunteers</i> | 178,854 | 19,761 | 31,273 | 229,888 |

Table 2: ACNC 2018 Data Cube numbers for WA

From a preliminary review of the ACNC 2018 dataset⁴ some more specific information is detailed below. It is important to note that there are some reporting inconsistencies in the data and these figures will likely change after the data is properly cleaned and analysed.

| | All ACNC registered charities with their head office in WA | Human Service specific charities with head office in WA⁵ |
|---|---|--|
| <i>Staff - full time</i> | 44,758 | 23,707 |
| <i>Staff - part time</i> | 47,653 | 33,715 |
| <i>Staff - casual</i> | 27,919 | 15,634 |
| Total Fulltime Equivalent Staff | 91,163 | 46,974 |
| <i>Volunteers</i> | 238,238 | 97,024 |
| <i>Revenue from Government</i> | \$6,497,068,261 | \$3,314,610,242 |
| <i>Donations and Bequests</i> | \$458,445,455 | \$163,551,753 |
| <i>Total Gross Income</i> | \$13,718,021,585 | \$7,673,590,882 |
| <i>Percentage of Gross Income from Government</i> | 47.36% | 43.2% |

² For example, 2013 ABS Non-profit Institutions data (most recent available) estimated at least 1,000 additional economically significant NFP organisations in WA, turning over an additional \$1.9bn.

³ ACNC 2018 Data Cube <https://www.acnc.gov.au/node/5806828> [Accessed 9 June 2020]

⁴ ACNC 2018 Raw Data <https://data.gov.au/dataset/ds-dga-cfc1a18e-f4e0-4ed8-9a19-36b59b7a3d5b/details?q=acnc> [Accessed 9 June 2020]

⁵ Data does not include charities defining their main purpose as: Animal protection, Culture and arts, Primary and secondary education, Higher education, Environmental protection, Research, Grants, Other Philanthropic, nor Religious activities.

| | All ACNC registered charities with their head office in WA | Human Service specific charities with head office in WA⁵ |
|--|---|--|
| <i>Percentage of Gross Income from Donations</i> | 3.34% | 2.13% |
| <i>Percentage of Gross Income from Other Sources</i> | 49.30% | 54.67% |
| <i>Total Expenses</i> | \$13,209,279,972 | \$7,410,040,696 |
| <i>Employee and Interest Expenses</i> | \$7,667,950,368 | \$4,143,897,626 |

Table 3: Select ACNC 2018 AIS Data, NFPs UWA

The ACNC registered charities that cite religious activities as their main purpose have been removed from this representation of the dataset. However, many of these organisations also provide human services as part of their charitable work, so the data provided above may well be an underestimate of the true situation. The data also doesn't include organisations that provide human services in WA but have their head office in other states, therefore, further risk of under-valuation exists.

Economic Risks

A useful distinction that can be made to assess the direct vulnerability of the community to a downturn in this sector is to look at the critical provisions of human services. For example, Aged Care and Disability Services make up the largest portion of the sector and the livelihoods of individuals often depend on the adequate and timely provision of these services. Other critical services include those providing frontline and emergency care related to domestic violence, homelessness, mental health and so on. These are likely to be the most visibly affected in the direct aftermath of a significant drop in resources and capacity in the sector.

Preliminary data from the ABS 2018 Disability, Ageing and Carers Summary⁶ suggests there were about 68,400 primary carers in WA, with 23,500 spending more than 40 hours/week providing care. This care is largely provided at an informal level (unpaid), by family members and friends, and is therefore at increased risk as the economy slows and unemployment increases. Decreased informal care increases the incidence of emergency care and there is a significant cost escalation of replacing this care with paid carers. For example, a 2016 report into the replacement cost of informal mental health care alone (roughly 10% of all informal care) estimated costs at \$13.2b annually.⁷

⁶ ABS Dataset 4430.0.005_2018 Disability, Ageing and Carers, Australia: Western Australia, 2018 <https://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/4430.0Main+Features152018> [Accessed 9 June 2020]

⁷ Diminic S, Hielscher E, Lee YY, Harris M, Schess J, Kealton J & Whiteford H. The economic value of informal mental health caring in Australia: technical report. Brisbane: The University of Queensland; 2016.