

**Half a million dollars a year: voluntarism within  
New Zealand Universities of the Third Age**

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### **Abstract**

Voluntary work is an important but largely unquantified component of New Zealand productivity figures. The success of the University of the Third Age (U3A) in New Zealand is attributable almost entirely to the work of volunteer course leaders and administrators who, collectively, commit tens of thousands of hours of unpaid expertise to the organisation each year. U3A administrators were asked to complete a detailed survey into time use activities within their organisations. After ascribing an opportunity cost of \$10 per volunteer hour the national figure for U3A voluntarism is conservatively valued at more than \$500,000 a year.

## Introduction

New Zealand has recently joined a growing number of countries that regularly collect time use statistics on how the population spends its time during a 24-hour day. The rationale for collecting time use data is underpinned by a growing recognition that national productivity cannot be measured solely in terms of paid work. Rather, it is now generally accepted in many countries that unpaid work in the home and community represents a significant but largely invisible component of the economy.

In a lengthy paper commissioned by Statistics New Zealand, Fleming and Spellerberg (1999) discuss the history, traditional uses and importance of time use data and focus their arguments on the value of regularly collecting this kind of information to help inform policy development in a range of areas. They also note the unmet need in New Zealand for specific information on volunteers of all kinds and suggest that time use data would be widely valued by many organisations that work directly or indirectly with unpaid workers.

The need to quantify the nature and extent of voluntarism has recently become a focus for a number of international organisations. The wide-spread nature of voluntarism by retired people and its value to society was highlighted in the 1996 United Nations Nongovernmental Organizations symposium entitled *Living Longer Living Better*. One of the recommendations arising from the symposium was that voluntarism should be:

...developed as a worldwide concept, thereby providing a structure for older persons to contribute acquired lifelong experience to others. The value of volunteer work should be measured and included as part of the national economy (*Living longer...living better* 1997: 5).

The idea of placing a monetary value on voluntarism is a particularly appealing one. Sheppard, Myles and Polivka (1996) have attacked proponents of what they call apocalyptic gerontology and their tendency to blame the ageing for shortfalls in social services budgets. However, without firm data with which to rebut socially damaging generalisations, the ageing population will continue to serve as a convenient scapegoat for those seeking superficial explanations for complex social problems. In today's cost-benefit focused times a strategy that would cause many second agers to take note of the significant contributions that retired people make to society would be to calculate and publicise the monetary value of their contributions. Instead of modestly letting the record of voluntarism speak for itself (which, patently it is not doing) an actual dollar figure should be ascribed to the work done by Third Age volunteers. This figure should become part of national productivity calculations.

The Third Age is a term that has been comparatively recently coined to describe a new stage in the life span of people in developed countries (Laslett, 1989). Until the first few decades of the twentieth century, adults spent almost all their lives in the Second Age, working and caring for family. There was no Third Age. They then entered the Fourth Age, a period of dependency and decrepitude before death. In the 1950s, a fundamental change in this centuries-old pattern began to emerge. For the first time in history, a combination of compulsory retirement, pensions and increased longevity resulted in the great majority of people in industrialised countries spending many healthy, active and potentially self-fulfilling years in the Third Age.

Many successful adult education ventures are underpinned substantially or entirely by voluntary support. The self-help University of the Third Age (U3A) model, as adopted by New Zealand's U3As, is a notable example that is based exclusively on voluntarism. The self-help U3A ideal is based on the knowledge that experts of every kind retire, consequently there should be no need for older learners to have to rely on paid or Second Age teachers. In New Zealand U3As all the teaching and administration is carried out by retired volunteers who, collectively, contribute many tens of thousands of hours annually to improving the well being of members (Swindell, 1999). Because self-help U3As are independent of the vagaries of government or direct external financial support they are not subject to the same financial strictures that bedevil many other excellent adult education ideas. Thus, they are unaffected by downturns in national economies that can result in an abrupt withdrawal of funding, leading to a program's demise.

Some indication of the significance of voluntarism within the U3A movement can be understood by recalling the economic conditions that prevailed in New Zealand shortly after U3A first began in Remuera in 1989. (The introduction of U3A to Remuera in 1989, its philosophical underpinnings, and its special characteristics have been well documented by Heppner (1994, 1994)). During the early 1990s New Zealand, like many other developed countries, experienced a severe economic downturn. Despite this, by 1994, several groups had started in the Wellington area and different suburbs of Auckland, as well as in Gisborne, Havelock North and Taradale. This growth took place without centralised coordination, sponsorship or support from professional educators. In other words, it was driven by a grassroots need for adult education in retirement. Because U3A is reliant almost entirely upon its own resources the movement grew substantially during a period when many other adult education organisations would have been feeling the economic pinch.

This paper outlines a study that quantifies the extent of voluntary service within New Zealand U3As and proposes a dollar value for this service. The study was part of a large survey that examined three different aspects of U3A life in Australia and New Zealand, namely voluntarism, management and future visions. Findings from the management and future visions components of the study, and their implications for the future of New Zealand U3As, have been previously considered (Swindell, 1999).

## **Method**

A draft three-part questionnaire addressing voluntarism, teaching and administration, and visions for U3A's future was pilot tested by 14 U3A administrators and adult educators from NZ, Australia, the UK and the USA. The final version of the questionnaire incorporated a number of suggestions from the pilot group and allowed for a variety of structured and semi-structured responses. Estimated completion time was 50-60 minutes. A copy of the questionnaire, covering letter and reply-paid envelope was sent to administrators of each of the 20 New Zealand U3A groups listed in the 1997 Directory of Australia and New Zealand U3As.

To quantify the extent of teaching by U3A volunteers, administrators were asked to complete a form that detailed the duration of their U3A group's teaching year and the number of hours of teaching during an average week. During analysis these numbers were multiplied to give an annual teaching hours total for each responding group, then added to give a grand total for teaching.

A similar process was followed for administration tasks. Respondents were asked to fill in a separate form for each committee activity, giving details of the number of meetings per year, number of committee members, and average duration of meetings. The three numbers were multiplied to give the total person hours per group for formal administration tasks.

In most New Zealand U3A groups, individuals rather than committees carry out the majority of tasks. In order to quantify these tasks respondents were asked to provide a brief description of every administration task essential to the operations of their respective groups. In addition, all respondents were asked to estimate the number of person hours per week, and weeks per year devoted to the task.

## Findings

Fourteen New Zealand groups (70%) replied. This response rate was sufficiently high that no follow-up mailing was required.

Table 1 outlines the steps involved in the calculation of the monetary value for the main voluntary activities that underpin the operations of U3As in New Zealand.

**Table 1: Sequence of steps involved in the calculation of a monetary value for U3A voluntarism**

Sequence of steps	NZ
1. Total teaching hours from survey <sup>a</sup>	20,158
2. Total administration hours from survey	6,626
3. Total volunteer hours for 14 U3A groups (step 1 hours plus step 2 hours)	26,784
4. Membership of groups responding to the survey <sup>b</sup>	2002
5. Hours volunteered per represented member (step 3 hours divided by step 4 membership)	13.4
6. Total membership in year 2000 of all 39 NZ U3As	4,243
7. Volunteer hours extrapolated to total membership (step 6 membership multiplied by 13 hours per member)	55,159
8. Dollar value of U3A voluntarism @ \$10/h (step 7 hours rounded down to 55,000 multiplied by \$10/hour)	\$550,000

<sup>a</sup> Includes an estimated one hour preparation time per contact teaching hour

<sup>b</sup> General members were not surveyed. Membership figures are required for the Step 5 calculation

- Step 1. Person hours devoted to U3A teaching for a year have been totaled for the 14 responding groups from New Zealand. The total includes an estimate of one hour of preparation for every hour of face-to-face teaching.
- Step 2. Person hours devoted to all U3A administration tasks for a year have been totaled for the 14 responding groups from New Zealand.
- Step 3. Steps 1 and 2 were added to give total volunteer hours.
- Step 4. The total membership of the 14 U3A groups that responded to the survey is shown. Membership numbers, as reported annually by each U3A, were obtained from the 1997 Directory of Australia and New Zealand U3As. Individual members were not surveyed.
- Step 5. Hours volunteered per represented member were calculated by dividing the hours reported in step 3 by membership shown in step 4. On average every U3A member in the responding groups is supported by more than 13 hours of voluntary expertise.
- Step 6. Total membership numbers for year 2000 were obtained from data recorded in the Directory of Australia and New Zealand U3As on the U3A Online home page (<http://u3aonline.edna.edu.au>). Reported U3A groups have grown from 20 in 1997 to 39 in 2000.
- Step 7. Volunteer hours extrapolated to total membership were calculated by multiplying the total membership figures for year 2000, shown in step 6, by step 5 hours (rounded down to 13 hours per member).
- Step 8. The total dollar value estimate of U3A voluntarism was obtained by multiplying step 7 hours by a notional value of \$10 per hour.

## **Discussion**

U3A voluntarism is calculated to be worth more than \$550,000 to the New Zealand community annually.

The unique characteristic of the self-help U3A movement is its reliance on volunteer member course leaders who carry out all course preparation and delivery. Of the many voluntary activities undertaken within any U3A group the calculation of actual teaching hours is likely to be the easiest and the most accurate to determine. Each U3A regularly advertises courses to members, usually by newsletter, and this written record allows a relatively straightforward calculation of annual teaching hours to be made. However, teaching is not merely a matter of delivering the advertised content. Generally, the course leaders prepare their own courses and tailor these to the specific interests of their groups. In addition, each session requires considerable preparation time; in fact, some course leaders report spending 4 or more hours of preparation for every hour of face-to-face teaching. In recognition of this "hidden" but essential component of teaching productivity Step 1 total teaching hours include a conservative estimate of one hour preparation for every hour of actual teaching. Thus, the Step 1 teaching hours, as actually reported, are half the listed total in Table 1, namely 10,079 for 14 New Zealand U3A groups.

The counting of total administration hours shown in Step 2 is open to greater subjectivity and uncertainty than that of the teaching hours listed in Step 1. Administration tasks are many and varied and may be carried out on a sporadic basis. Unless administrators were to keep a diary of times devoted to specific tasks the best that can be hoped for is an estimate. For this study participants were guided in their calculations of estimates by filling in a number of forms provided in the questionnaire, each form devoted to a specific management or other administration task. As an example taken for the counting of management committee hours, each responding U3A entered details in the management committee form, of the number of meetings per year; the average hourly duration of meetings; and the number of committee members. These numbers were multiplied during analysis, and then added to similar calculations for each group, to provide an estimate of total person hours devoted specifically to management committee meetings. Similar forms were provided for a number of other administration tasks known to be common to most U3As. In addition to filling out these forms participants were asked to identify other administration tasks that had not already been counted. They were also asked to provide a brief description of every task identified and to estimate person hours per week devoted to each task, as well as estimating the number of weeks per year involved. During analysis the descriptions of the tasks acted as a check against the possibility of multiple counting of hours.

The provision of forms to guide respondents to think systematically about every administration task resulted in a lengthy questionnaire which, in parts, was quite onerous to complete. Although estimates of volunteer hours calculated in this way still contain an element of "guesstimate", the quality of data was considerably higher than would have been the case if less detail had been asked for. Most U3A groups provided a comprehensive breakdown of hours allocated to each administration task and, clearly, had devoted considerable thought and effort into compiling their estimates.

Time use data analysts use several different methods for calculating the monetary worth of unpaid work and each produces different results. Some use the wage of a worker who might do a whole range of different tasks; others use the wages of specialists; and others use wages the volunteer worker might have earned had s/he been in the paid workforce. In order to maintain a conservative approach to the calculations, the first method has been used. In other words, there is no hierarchy of voluntary tasks - each task is assumed to be equally important to the viability of the U3A group.

The notional value of \$10 per hour, assigned in Step 8 to arrive at a value for U3A voluntarism of more than half a million dollars annually, is also very conservative given the high qualifications and/or life experience of U3A course leaders and administrators. For comparison, the year 2000 wage for a young unskilled worker at a New Zealand McDonald's restaurant was \$8 an hour.

Most U3A course leaders and administrators come from professional and other highly skilled Second Age backgrounds. However, regardless of qualifications, all bring an extensive range of life experiences to their U3A groups. In 1997, 91% of New Zealand U3A office bearers had worked in the professions before taking up administrative roles within U3A (Swindell 1999). Thus, any argument about what

might be a reasonable dollar value to assign to U3A voluntarism is likely to centre on how much greater than \$10 would be a reasonable notional value.

It is important to emphasise that the calculation of U3A “worth” is intended mainly to highlight the generally unrecognised contributions made by a specific group of older people to society. There is no suggestion that U3A volunteers should be paid for their expertise. Indeed, such a move would undermine the self-help nature of the movement, which is its greatest strength.

Specific U3A groups might also be able to put the above calculations to effective use. On average each New Zealand U3A member is supported by 13 hours of expertise. Thus, using the conservative \$10 per hour opportunity cost figure, a group with 100 members is supported by voluntary expertise calculated to be worth \$13,000 per annum. Because most U3As rely on in-kind assistance in the form of free or highly subsidised services, as well as teaching or office space, similar calculations could be helpful, for example, in persuading local government to provide additional support that could help a local U3A to better meet its objectives. At a more basic level these figures might also be used to support any mooted increase in the annual membership fee. In 1997, the average annual membership fee for New Zealand U3As was \$15 (range \$5 - \$30).

One of the most important quality of life issues for older people is the quality (as opposed to quantity) of their social networks. The relationship between older persons' social networks and well being has been well documented during the past two decades (Bowling, 1994). Indeed social isolation has been reported by some researchers to be as great a risk to health as smoking (House et al., 1989). Apart from direct health related constraints however, there are other age-related factors that jeopardise social networks. For example, many older people give up driving and become isolated from activities because public transport is not readily available, or is difficult to use. Others, particularly women, may be thrust into the role of caregivers for ailing spouses or friends, or for grandchildren whose parents must work. Death of a close friend also becomes an increasingly likely event.

Throughout New Zealand there are many clubs and societies for older people run by unpaid older members. Regardless of the nature of the activities offered by these organisations all have the potential to enrich members' lives, particularly through increasing social networks. Thus, by providing the opportunity for older men and women to maintain or increase their social networks, older volunteers in clubs and societies are indirectly contributing to the nation's health and wealth. Every dollar saved through minimising demands made by the members of clubs and societies on medical and other subsidised social services, is a dollar available to more needy sectors of society. When examined in this light, voluntary work in clubs and societies should be included in calculations of a nation's productivity.

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