

Senate Standing Committee on Education and Employment

QUESTIONS ON NOTICE Budget Estimates 2017 - 2018

Outcome 1 - Employment

Department of Employment Question No. EMSQ17-004072

Senator Cameron asked on 29 May 2017 on proof Hansard page 23

Question

Calculation of changes to intensive compliance phase

Senator CAMERON: Some behavioural changes based on this. Can how that has been done be provided?

Ms Leon: Yes, I think so. I am not sure if we have it here, but if we do not have it here we can try to get it during the day.

Answer

Estimates of behavioural changes were built into statistical modelling of the impacts of the new framework. Evidence used to model behavioural change included:

- Improvements in attendance rates resulting from the introduction of a 'suspend-until - attend' approach for failing to attend provider appointments. Introduced on 1 January 2015 as part of the 'Strengthening the Job Seeker Compliance Framework' measure, this change saw attendance rates at reconnection appointments increase from 65 per cent in 2013–14 to 87 per cent in 2015–16. This represents a 63 per cent reduction in the number of job seekers failing to attend their requirements, which is a significant change in their behavior.
- International evidence of the impact of sanctions. Following the introduction of sanctions in the UK in 1996, the number of people who stopped claiming income support increased from 21 per cent to 28 per cent. This equates to a 33 per cent change in behaviour.
- Current outcomes of Comprehensive Compliance Assessments (which investigate whether or not repeated failures to meet mutual obligation requirements were due to underlying capability issues).