



Australian Government
Department of Employment

Restart Programme

Evaluation Strategy

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The document must be attributed as the Restart Programme Evaluation Strategy.

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Introduction

The Government's policy to Create Jobs by Boosting Productivity was announced in September 2013. A key component of the policy to increase employment participation is an incentive payment to encourage employers to hire mature age job seekers. The Restart Programme was announced in the 2014-15 Budget and allocated \$524.8 million over four years. Restart aims to help mature age unemployed people to find work and remain sustainably off welfare.

- A business will be eligible for the payment if they hire a mature age job seeker who is 50 years of age or older and has been unemployed and on income support for six months or more.
- An employer will receive up to \$10,000 (GST inclusive) in assistance for a full-time employee over two years.
- Mature age job seekers employed for at least 30 hours per week will attract the full rate of the Restart wage subsidy.
- Restart will be paid in four instalments: \$3000 after 6 and 12 months of employment and then \$2000 after 18 and 24 months of employment.
- Pro-rata amounts will be paid for workers who work 15-29 hours, commensurate with hours worked. Job seekers must work a minimum of 15 hours per week for employers to be eligible for Restart.
- Restart may be used concurrently with the Tasmanian Jobs Programme but not with any other wage subsidy.

Restart is an ongoing, demand driven programme that commenced on 1 July 2014.

Evaluation

As at 1 July 2014 Restart operates in Job Services Australia (JSA), Disability Employment Services (DES) and the Remote Jobs and Communities Programme (RJCP). Programme evaluation will provide an understanding of the usage and impact of Restart in these programmes and programmes which replace them.

Specifically, the evaluation will assess:

- awareness and take-up of Restart by employment service providers
- awareness and take-up of Restart by employers
- whether jobs obtained with Restart lead to reduced reliance on income support among mature age job seekers, in the short and longer term
- the performance of Restart relative to other wage subsidies available for mature age job seekers.

Evaluation questions

Question 1: Is Restart associated with improved employment opportunities for mature age job seekers?

Key indicators

- Job placement rates of mature age job seekers, including Restart applicants and non-applicants, starting from one year before policy commencement (time series). [Employment administrative data]
- Demographics of Restart applicants, including age, gender, income support type, unemployment history (i.e. short, long and very long term unemployed), geographical location, disadvantage, previous history with employment services. [Employment and DHS administrative data]
- Type of work (full-time, part-time, casual) and hours worked by Restart and other mature age employees in employment services. [Employment administrative data]

Question 2: Do job placements with Restart result in more sustainable employment than would be the case without Restart? This will be measured by the proportion of employees who are in continuous employment and off income support or with reduced income support for 12 months (and 18/24 months, if measureable) post-placement?

Key indicators

- Percentage of Restart Agreements that produce a Restart claim at 6, 12 and 18 months of continuous employment. [Employment administrative data]
- Reductions in income support associated with employment at 6 months, 12 months and 18 months post placement for Restart employees and a comparison group. [Employment and DHS administrative data]

Question 3: What effect does wage subsidy duration and amount have on employment outcomes of mature age workers? Restart offers an opportunity to evaluate the return on investment of longer duration wage subsidies.

This question will be addressed by a survival (in employment) analysis of Restart participants and other subsidised mature-age workers. [Employment and DHS administrative data]

Question 4: How does Restart compare with other existing employer incentives in terms of cost effectiveness?

Key indicators

- Percentage of allocated Restart budget expended each financial year. [Restart programme data]
- Relative cost effectiveness of Restart compared with other wage subsidies recorded for mature age employees. [Employment and DHS administrative data]

Question 5: What factors influence employment service providers' use of Restart over other wage subsidies for negotiating job placements with employers?

Key indicators

- Level of awareness of Restart among employment service providers. [Survey of Employment Service Providers]
- Service provider views on employer acceptance of Restart and other employer incentive payments. [Survey of Employment Service Providers]

Methods and data sources

The evaluation will draw on existing data sources including administrative data in the Employment Services System and Department of Human Services income support system plus results from routine monitoring by the Department of Employment. It will use data from surveys of Employment Service Providers in 2014-15 and 2015-16.

If sufficient data are available, the Post Programme Monitoring Survey will be used to report on the labour force status of job seekers employed with Restart (funding is not available for a special purpose survey of Restart employees).

Job placements with Restart Agreements are expected to commence from 1 July 2014, with the first six-month Restart claims to be made around January 2015 and the first two-year claims potentially in July 2016.

The evaluation data set will include Restart Agreements entered into between 1 July 2014 and 31 December 2016 and cover claims for six, 12, 18 and 24 month employment outcomes up to 30 June 2017 (Table 1). Claims data are expected to take up to eight weeks to settle, allowing analysis of Restart outcomes to begin in September 2017.¹

Table 1. Scope of evaluation data set for Restart outcomes to 30 June 2017

Outcome milestone	Restart Agreements
6 months	1 July 2014–31 December 2016
12 months	1 July 2014–30 June 2016
18 months	1 July 2014–31 December 2015
24 months	1 July 2014–30 June 2015

Restart Agreements entered into after 31 December 2016 and any associated claims will be excluded from the outcomes analysis because these jobs cannot be followed for the minimum period required.

¹ Claims may be submitted up to 56 days after the end of an eligible employment period, e.g. the six month claim can be submitted at six months plus 56 days. An outcome on 30 June 2017 could be claimed (entered into the system) up to the end of August 2017.

The groups to be compared with Restart participants are:

- Historical target population, for example, job seekers who as at 1 July 2012 would have met Restart eligibility criteria had Restart been available.
- Mature-age job seekers without Restart agreements, i.e. job seekers who are eligible for Restart and are placed in employment without a Restart agreement. This group consists of two sub-groups:
 - Mature-age job seekers who attract other employer incentives
 - Mature-age job seekers who do not receive employer incentives.
- ‘Just out of scope’ job seekers. Employment outcomes for job seekers aged 45 or older on 1 July 2014 and not older than 49 years on 31 December 2016 will be compared with outcomes for ‘just in scope’ job seekers (aged between 50 and 52 on 1 July 2014) in a regression discontinuity analysis. Date ranges may need to be adjusted if the volume of data is small.

Statistical regression analysis will be used to compare the cost effectiveness of Restart with other employer incentives used for mature-age workers.

Limitations

1. The ability to evaluate the programme will depend on the ability to identify Restart in administrative data, and therefore on the timing of the IT system changes to support the programme. IT system changes are expected to be in place from 1 January 2015. The department will manually record applications received outside the system.
2. The ability to assess whether Restart increases employment opportunities for mature-age job seekers is premised on the availability in the system of a valid (signed) Restart Agreement.
 - a. For the purpose of counting job placements negotiated with Restart the evaluation will count placements with a Restart Agreement dated within 28 days of the date of placement.
 - b. A Restart claim will be counted as an outcome only if the claim can be linked to a valid Restart Agreement.
3. Employment outcomes for Restart employees will be measured by Restart claims. Comparative analysis will be possible only where a measure of employment outcome can be validly compared with Restart claims.
4. Impact evaluation depends on take-up and the volume of claims. Full impact evaluation may not be possible in the event of too little data. This is more of a risk for Restart operating in DES and RJCP.
5. Exit from income support is an imperfect indicator of sustained employment because there are plausible alternative explanations for leaving income support, including returning to study or leaving the labour force, with the latter a relatively more common event among mature-age people. The evaluation will count reduced income support and off income support as positive outcomes where these outcomes can be linked to evidence of employment.

6. In the past, data on job placements (e.g. hours, wages) has been unreliable. Data quality may improve under the new Employment Services 2015 model. If not, detailed descriptive analysis of Restart jobs may not be possible.
7. It will be difficult to separate the impact of Restart from any impacts caused by external factors, such as other policy changes, including strengthened participation requirements for mature-age job seekers and changes in the wider economy and labour market. In particular, any change to the recording of job placements in administrative data under the employment services model from 1 July 2015 may limit or prevent the use of time series for comparative analysis of employment take-up.
8. This strategy assumes that the Department of Employment will continue to have timely access to income support data managed by the Department of Human Services.
9. Any adjustment to Restart parameters within the evaluation reference period may require adjustment to the evaluation strategy. An extended evaluation to allow for analysis of two-year outcomes increases the risk of changes to the programme, with possible consequences for evaluation.
10. Measuring substitution² and deadweight³ in the Restart programme using existing administrative data is not possible. Where possible, surveys will be used to estimate dead weight and substitution effects, noting that survey estimates of these effects are often not precise.
11. Funding is not available for a special purpose survey to canvass employers' views on Restart. The evaluation will report on employer awareness and acceptance of the Restart as perceived by employment service providers via the Survey of Employment Service Providers and through any generic employer surveys that may be funded from time to time.
12. Different wage subsidy programmes are not directly comparable. Comparisons with existing wage subsidies will be qualified.

Governance

Job Seeker Assessment and Mature Age Programmes Branch, Job Services Australia Group, is responsible for the implementation, management and monitoring of the Restart programme. Evaluation will be undertaken by the Evaluation, Industry Adjustment and Workforce Development Branch in Labour Market Strategy Group. The evaluation will report formally to the Employment Steering Committee.

Reporting

The evaluation of Restart will be completed with a final report to the department's Employment Steering Committee in December 2017. Subject to Ministerial approval, the final report could be released in March 2018.

² Substitution would occur if a job seeker with a Restart Agreement gets a job instead of another person (either an existing employee of the business or another job applicant) outside the Restart target group.

³ Deadweight would occur if Restart wage subsidy is paid for workers who would have got their jobs anyway, without Restart.