

**DEFENCE**

**SECTION FIVE**

**PEOPLE MATTER**

**OVERVIEW**

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## OVERVIEW

The 'People Matter' perspective relates to Defence's attracting and retaining people, and maximising their skills and knowledge to deliver Defence outputs. Defence's 'results through people' approach is underpinned by competitive remuneration, a challenging, diverse workplace, flexible working arrangements and high-quality occupational health and safety procedures and practices.

### **The Defence People Plan**

The plan is to provide vision and strategic guidance for people policies that will promote Defence's operational effectiveness.

The Plan will draw upon research into the employment environment in which Defence must compete, both now and in the future.

The People Plan will identify specific initiatives to address the highest priority challenges, including those detailed in the White Paper. The plan is due for release in early 2002.

Despite improved recruiting in 2001, Defence is still experiencing difficulties in attracting and recruiting sufficient, suitable personnel to sustain required levels of capability. The ADF is also experiencing higher than long-term average separation rates. The Defence People Plan will include a set of initiatives designed to address identified deficiencies across the full spectrum of people issues.

### **People Matter Priorities in 2001-02:**

Priorities remain the same as reported in the *Portfolio Budget Statements 2001-02* except for the following amendments:

- *Implementing the recommendations of the Zimmer review* into military postgraduate education and education services provided at the Australian Defence Force Academy.
- Establishing a *Defence Family Financial Emergency Fund* to provide immediate welfare relief and support to families while ADF members are on deployment, or absent from their normal place of residence, for extended periods.

A new priority is:

- developing a *Welcome to the ADF Family – Partners in Defence* program to provide new recruits and their spouses and partners with the tools and knowledge to better understand and deal with military life and culture.

All initiatives are expected to be completed in 2001-02 except for:

- *ongoing evaluation* of a Victorian trial of private sector provision of recruitment services.

## WORKFORCE SUMMARY

The revised estimated permanent ADF average funded strength for 2001-02 is 50,911, an increase of 130 from the 2001-02 budget estimate of 50,781. This variation is largely due to an increase of 250 in Army numbers through improved recruitment and lower separation rates. The increase is to support ongoing operations in East Timor and for continuing growth towards White Paper personnel targets. This increase is offset by a reduction of 120 in the Navy due to ongoing difficulty with recruiting early in 2001-02, together with higher than expected separation rates.

**Table 5.1: ADF Permanent Staffing**

Permanent Forces <sup>(1)</sup>	2001-02	2001-02	Variation	
	Budget Estimate	Revised Estimate	(2001-02 Revised Estimate less Budget Estimate)	
	Personnel Numbers			%
	(Average Strength)			
Navy	12,690	12,570	-120	-0.95
Army	24,902	25,152	250	1.00
Air Force	13,189	13,189	0	0.00
<b>Total Permanent Forces</b>	<b>50,781</b>	<b>50,911</b>	<b>130</b>	<b>0.26</b>

**Note**

- Permanent Forces numbers are based on average strengths for the financial year and include General Reservists undertaking full-time service.

The revised estimate of Reserves in 2001-02 is 20,348, an increase of 226 from the budget estimate of 20,122. This is the net result of an increase in Army numbers due to expected higher levels of participation, offset by a reduction in Navy Reserves due to lower than anticipated participation.

**Table 5.2: ADF Reserve Staffing**

Reserve Forces <sup>(1)(2)</sup>	2001-02	2001-02	Variation	
	Budget Estimate	Revised Estimate	(2001-02 Revised Estimate less Budget Estimate)	
	Personnel Numbers			%
Navy	2,173	2,100	-73	-3.36
Army	15,929	16,228	299	1.88
Air Force	2,020	2,020	0	0.00
<b>Total Reserve Forces</b>	<b>20,122</b>	<b>20,348</b>	<b>226</b>	<b>1.12</b>

**Notes**

- Reserve figures represent numbers of General or Active Reserves who will undertake paid service during the financial year.
- Reserve figures do not include Reservists undertaking full-time service.

The revised estimated civilian average strength for 2001-02 is planned to increase by 1,114 from the budget estimate of 15,901 to 17,015. The increase is due largely to continuing civilianisation of military positions, and additional staffing for new project commencements and for the provision of through-life materiel support.

**Table 5.3: Civilian Staffing**

<b>Civilian<sup>(1)</sup></b>	<b>2001-02 Budget Estimate</b>	<b>2001-02 Revised Estimate</b>	<b>Variation (2001-02 Revised Estimate less Budget Estimate)</b>	
	<b>Personnel Numbers (Average Strength)</b>		<b>%</b>	
<b>Total Civilian</b>	<b>15,901</b>	<b>17,015</b>	<b>1,114</b>	<b>7.01</b>

**Note**

- Staffing numbers for civilians are based on average funded strengths.

**Table 5.4: Breakdown of Personnel Numbers by Service and Rank**

	<b>2001-02 Budget Estimate</b>	<b>2001-02 Revised Estimate</b>
<b>Navy<sup>(1)</sup></b>		
1 Star Officers and above	33	34
Senior Officers <sup>(2)</sup>	338	394
Officers	2,567	2,342
Other Ranks	9,752	9,800
Reserves <sup>(3)</sup>	2,173	2,100
<b>Total Navy</b>	<b>14,863</b>	<b>14,670</b>
<b>Army<sup>(1)</sup></b>		
1 Star Officers and above	45	50
Senior Officers <sup>(2)</sup>	558	548
Officers	4,543	4,425
Other Ranks	19,756	20,129
Reserves <sup>(3)</sup>	15,929	16,228
<b>Total Army</b>	<b>40,831</b>	<b>41,380</b>
<b>Air Force<sup>(1)</sup></b>		
1 Star Officers and above	36	36
Senior Officers <sup>(2)</sup>	471	453
Officers	3,662	3,322
Other Ranks	9,020	9,378
Reserves <sup>(3)</sup>	2,020	2,020
<b>Total Air Force</b>	<b>15,209</b>	<b>15,209</b>
<b>Civilians<sup>(1)</sup></b>		
Senior Executives	106	113
Senior Officers <sup>(2)</sup>	3,261	3,382
Others	12,534	13,520
<b>Total Civilians</b>	<b>15,901</b>	<b>17,015</b>

**Notes**

- Permanent Forces and civilian numbers are forecasts of the average strength for the financial year. Reserve figures represent forecast numbers of General or Active Reserves who render service during the financial year.
- Senior Officers are of Colonel or Lieutenant Colonel rank equivalent and Civilian Executive Level 1 and 2.
- Reservists on full-time service are reported in the Permanent Forces.