

DEFENCE

CHAPTER FIVE

PEOPLE MATTER

OVERVIEW

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OVERVIEW

The 'People Matter' perspective relates to Defence's ability to attract and retain people and to maximise their skills and capacity 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 health and safety procedures and practices.

Defence's approach to its people will focus on five strategic people themes:

Attracting - to make Defence an employer of choice;

Recruiting - to recruit the right people;

Developing - to develop our people to meet Defence and individual needs;

Retaining - to create a climate where the people with the skills we need will want to stay in Defence; and

Transitioning - to ensure that our people are supported when they leave Defence and that they are welcome back, including for part-time work.

The Defence People Committee ensures that a more strategy focused and holistic approach is taken to people issues within Defence. The committee is responsible for the production of a Defence People Plan, which will provide strategic guidance on the future direction for people issues. A number of actions will flow from the plan to address the practical implementation of Defence's policies in regard to people.

The Defence People Plan

The plan will provide vision and strategic guidance for people policies to underpin Defence's operational effectiveness and forms the basis for Defence personnel strategic planning and budgeting. The plan will draw upon research into the employment environment in which Defence must compete, both now and in the future. The plan is due for release in mid-2002.

Defence Workforce Planning

The Strategic Workforce Planning Review has been established to examine the role of workforce planning in delivering the capability outlined in the White Paper and beyond. The review is investigating the likelihood of workforce demand-supply gaps over the medium and long term, and recommending strategies to deal with those gaps. The concept of a total Defence workforce, comprising permanent and Reserve uniformed personnel, civilians and industry, will inform the review. The review is due to report by the end of June 2002.

Review of Australian Defence Force Remuneration 2001

In 2001, an external review of the ADF's remuneration policies, practices and arrangements was undertaken. The review resulted in a report, *Review of Australian Defence Force Remuneration 2001*, for consideration by the Ministers

for Defence and Finance and Administration. The focus of the review was to provide options that improve the attractiveness, flexibility, simplicity, efficiency and transparency of employment conditions offered to ADF personnel. The Ministers released the report for comment, and directed the Chief of the Defence Force and the Service Chiefs to consult with current and former ADF members on the report's recommendations and to report back to the Government. The report will be provided by the end of May 2002.

People Matter Priorities in 2002-03:

- Implement the *Defence Employees Certified Agreement 2002-2003* initiatives.
- Develop a replacement enterprise productivity arrangement for the ADF.
- Develop a range of family friendly personnel policies to promote work-life balance.
- Develop and implement a coordinated approach to 360-degree-feedback reporting across Defence.
- Develop a new Defence workplace equity and diversity plan.
- Develop and implement a strategy for better business management education and training in Defence.
- Develop and implement a Defence-focused package for overseas conditions of service.
- Conduct the 2003 ADF Census.
- Conduct an analysis of social and demographic environments to assess the quality of infrastructure and social services available to ADF members.
- Develop legislation for the new military compensation scheme.
- Develop a more effective selection process for officer entry into the ADF.
- Implement recommendations from the review of military postgraduate education provided at the Australian Defence Force Academy.
- Establish a centre for military and veterans' health to provide postgraduate training for ADF health professionals.
- Introduce a revitalised spouse employment assistance program following an intensive needs analysis and review.
- Implement recommendations from research relating to the impact of mobility on children's education outcomes.
- Implement Phase 1 of HealthKeyS to allow the capture of injury statistics and assist in the development of injury prevention strategies.
- Implement the ADF mental health strategy to improve the mental health and wellbeing of ADF members, including a suicide prevention strategy.
- Establish a comprehensive ADF alcohol management program.
- Develop a training program to reinforce behaviours conducive to eliminating harassment.
- Further enhance the Australian Defence Force Cadets through programs aimed at improving access to uniforms and equipment, administrative support including computerisation, the management and operation of

cadet activities, and the quality of experience for cadets in a military-like environment.

Priorities continuing from 2001-02:

- Developing a Defence workforce plan, which is aimed at linking total workforce requirements across Defence to capability.
- Continue evaluation of a southern region trial of private sector provision of ADF recruitment services.
- Complete and implement the renegotiation of the Australian Defence Force Academy agreement between Defence and the University of New South Wales for the provision of academic services.
- Continue implementation of the new public service training package designed to support workplace learning and development in the public sector. The package has been developed to address the requirements of people employed in Commonwealth, State and Territory governments.
- Implement the Defence e-learning strategy.
- Development of an injury prevention program aimed at making people more effective by reducing injury rates in Defence.
- Establish more child-care centres in areas of high Defence need within Australia to enhance the current Defence employer-sponsored child care program.

All initiatives are expected to be completed in 2002-03.

WORKFORCE SUMMARY

The budget estimate for permanent ADF average funded strength for 2002-03 is 51,323, an increase of 455 from the 2001-02 estimated actual of 50,868. This variation is due primarily to increases in the Navy and the Army resulting from increased recruiting and lower separation rates, with a slight decrease for the Air Force. This overall increase is consistent with continuing growth towards White Paper personnel targets.

Table 5.1: ADF Permanent Staffing

Permanent Forces ⁽¹⁾	2001-02 Estimated Actual	2002-03 Budget Estimate	Variation (2002-03 Budget Estimate less 2001-02 Estimated Actual)	
	Personnel Numbers (Average Strength)			%
Navy	12,570	12,838	268	2.13
Army	25,007	25,289	282	1.13
Air Force	13,291	13,196	-95	-0.71
Total Permanent Forces	50,868	51,323	455	0.89

Note

- Staffing numbers for Permanent Forces are based on average funded strengths and include General Reservists undertaking full-time service.

The Reserve Force staffing figures represent General or Active Reserves who will undertake paid service during the financial year. The budget estimate for Reserve staffing for 2002-03 is 20,018, a decrease of 132 from the 2001-02 estimated actual of 20,150. This reduction is the result primarily of difficulties being experienced by the Army in recruiting reserve personnel. This reduction is offset by an anticipated increase in participation by Navy and Air Force reserve members.

Table 5.2: ADF Reserve Staffing

Reserve Forces ⁽¹⁾⁽²⁾	2001-02 Estimated Actual	2002-03 Budget Estimate	Variation (2002-03 Budget Estimate less 2001-02 Estimated Actual)	
	Personnel Numbers (Average Strength)			%
Navy	2,100	2,142	42	2.00
Army	16,600	16,300	-300	-1.81
Air Force	1,450	1,576	126	8.69
Total Reserve Forces	20,150	20,018	-132	-0.66

Notes

- Reserve figures represent numbers of General or Active Reserves who will undertake paid service during the financial year and do not represent the average strength as in the ADF Permanent and Civilian Staffing Tables.
- Reserve figures do not include Reservists undertaking full-time service.

The budget estimate for civilian average funded strength for 2002-03 is 17,328, an increase of 317 from the 2001-02 estimated actual of 17,011. The increase is due primarily to continuing civilianisation of military positions, increased personnel and facilities security, and increased scientific research tasks. In addition, the full-year impact of recruitment and additional staffing for new projects and through-life materiel support has increased the 2002-03 staffing levels.

Table 5.3: Civilian Staffing

Civilian ⁽¹⁾	2001-02 Estimated Actual	2002-03 Budget Estimate	Variation (2002-03 Budget Estimate less 2001-02 Estimated Actual)	
	Personnel Numbers (Average Strength)			%
Total Civilian	17,011	17,328	317	1.83

Note

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

Table 5.4: Breakdown of Personnel Numbers by Service and Rank

	2001-02 Estimated Actual	2002-03 Budget Estimate
Navy⁽¹⁾		
1 Star Officers and above	34	35
Senior Officers ⁽²⁾	400	404
Officers	2,337	2,394
Other Ranks	9,799	10,005
Reserves ⁽³⁾	2,100	2,142
Total Navy	14,670	14,980
Army⁽¹⁾		
1 Star Officers and above	50	50
Senior Officers ⁽²⁾	548	545
Officers	3,765	3,756
Other Ranks	20,644	20,938
Reserves ⁽³⁾	16,600	16,300
Total Army	41,607	41,589
Air Force⁽¹⁾		
1 Star Officers and above	37	33
Senior Officers ⁽²⁾	501	417
Officers	3,341	3,364
Other Ranks	9,412	9,382
Reserves ⁽³⁾	1,450	1,576
Total Air Force	14,741	14,772
Civilians⁽¹⁾		
Senior Executives	115	117
Senior Officers ⁽²⁾	3,163	3,278
Others	13,733	13,933
Total Civilians	17,011	17,328

Notes

- Permanent Forces and civilian numbers are forecasts of the average strength for the financial year. Reserve figures represent actual 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 Levels 2 and 1.
- Reservists on full-time service are reported in the Permanent Forces.

