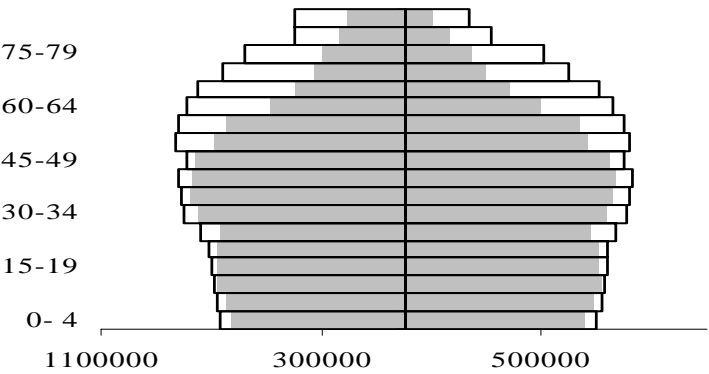


The Future Australian Personnel Environment 2005 - 2025

Table 61 The Future Australian Personnel Environment 2005 - 2025.

Issue	Strategic Personnel Issues	Defence Personnel Implications
<p>Australian Demography</p>	<p>Ageing of Australia's population. The proportion of the population aged 65 and over, in 2006 is about 13%, projected to rise to 18.7% by 2021 and 26.9% by 2051.</p> <p>Younger people as a group will make up a 'reducing percentage' of the total population.</p> <p>Model 1 – Current Demography Australia's population profile 2006 (shaded) - 2026 (Females on the left, Males on the right)</p> 	<p>A number of professions are particularly vulnerable to ageing. These include scientists, engineers, laboratory technicians, doctors and nurses. The situation is further exacerbated by the fact that <i>demand for these skill sets is increasing.</i></p> <p>Defence potentially faces a significant decrease in recruitment at a time of increased workforce exits.</p> <p>The following <i>management policies</i> will be necessary to help address the situation:</p> <ol style="list-style-type: none"> 1. <i>Enhance the attraction/recruitment</i> of personnel to the ADF, particularly <i>younger Australians</i> (aged 16 – 28). 2. <i>Develop all personnel</i> so they have the <i>skill sets and experience</i> to be more effective and later <i>able to transition to new careers and new ways of working within the total Defence workforce.</i> 3. <i>Increase the labour force participation</i> among the <i>over 55's, women with children,</i> and <i>people with disabilities.</i> 4. <i>Increase participation and sustainment of the workforce</i> by <i>improved work/lifestyle balances, flexible work practices</i> and <i>improved ways of achieving working.</i> 5. <i>Enhance the use of technology</i> to <i>replace or reduce</i> the <i>requirement</i> for <i>personnel.</i>

Issue	Strategic Personnel Issues	Defence Personnel Implications
Workforce	<p>Full time work is currently the norm in the Australian labour market but part time work is likely to play an increasing role in an ageing labour market.</p> <p>Understanding and providing for the needs of employees of different generations and also at various ‘ages and stages’ of their careers/lives will become increasingly important for the recruitment, development, sustainment, retention and transition of the workforce.</p>	<p><i>Strategic use of part time workers</i> could be an option to address staff shortages in many support areas.</p> <p><i>Reserve service may come under threat</i> as civilian employers respond to the decrease in the number of employees in the market place. This may impact on the ability of employers to release employees for Reserve service. However, employers are expected over time to change their working practices to be more supportive and accepting of part time work arrangements. This could result in increased willingness to both serve in the Reserve and to enhance Reservist availability. Transfer of permanent force members to the Active Reserve may be enhanced over time due to businesses becoming more ‘part time friendly’.</p> <p>Workforce skill demands by industry sectors needs to be understood by Defence to <i>estimate the likely demand for currently serving/separating Defence staff across the entire range of Defence trades and professions</i>.</p> <p><i>Training and development of ADF personnel</i> to fulfil their military tasks whilst <i>gaining skills, qualifications and experience</i> to be able to <i>transition successfully to the civilian workforce</i> could form part of a <i>potent attraction and retention strategy</i>. The approach would need to <i>reflect national workforce and industry opportunities</i>.</p>

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<p>Australian Society</p>	<p>By 2026, <i>a 19 per cent increase in the number of children living in lone person households is projected. The number of lone parents is projected to grow by 45% for men and 42% for women</i></p> <p><i>The timing of births and marriage has shifted to older ages.</i></p> <p>There have been <i>further shifts to the ethnic composition of Australia's population.</i></p> <p>Many <i>regional areas are experiencing population ageing earlier and at a faster rate</i> than is the case at the national level or in capital cities. <i>Labour supply issues</i> will therefore become a <i>concern</i> for rural areas, particularly in the medical, nursing and mental health professions.</p> <p><i>To sustain tomorrow's national workforce, economic performance and the social culture, strategies which consider individual lifestyles, community and social responsibilities</i> need to be developed.</p>	<p>Defence recruitment and retention strategies will need to consider <i>the importance of childcare arrangements, and the impact of postings and overseas deployments on single parents and their dependants.</i></p> <p><i>Family factors</i> will increasingly become issues for older and more experienced/qualified ADF/APS personnel.</p> <p>Some members will also have <i>increased requirements to care for ageing parents</i> and <i>stability for care support/accommodation</i> will be necessary.</p> <p><i>Targeted recruitment and retention strategies</i> will be required that <i>consider the values important to people</i> from a <i>variety of cultural backgrounds.</i></p>

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<p>Economy</p>	<p>Australian <i>GDP per capita</i> as a measure of economic activity is <i>projected to continue growing</i>. At the global level, <i>world GDP growth is also expected to remain strong</i>.</p> <p>In the <i>short term</i>, potential risks to growth include <i>falling domestic consumption, rising oil prices</i> and a decline <i>in housing demand</i>.</p> <p>In the longer term, without appropriate policy instruments, <i>population ageing will place downward pressure on economic growth and productivity</i>, necessitating reforms to <i>boost labour market productivity and participation</i>.</p>	<p>Growth of youth employment into aged ‘care’ service areas is expected.</p> <p>Defence may find it <i>more difficult to acquire goods and services as industry seeks to meet the new ‘aged’ demands</i>.</p> <p>As the proportion of younger workers in the Australian workforce declines this will <i>increase opportunities for younger workers and potentially reduce the numbers of young people considering the ADF as a career</i>.</p> <p>High levels of competition for young talent can be expected across all industries.</p> <p><i>Retaining older specialised and experienced Defence APS staff will become a priority alongside the attraction, career development, mentoring and remuneration of relatively very junior APS staff</i>.</p> <p>Total <i>Defence workforce personnel costs</i> will need to be managed carefully with remuneration, recruitment, educational, career/job management and professional development <i>budgets under pressure to meet strategies likely to stabilise a highly competitive workforce situation</i>.</p> <p>The <i>cost of procuring and using new technologies to counter reduced workforce availability and enhance per worker productivity</i> will also need to be considered.</p>

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Education	<p>Significant risk exists to the nation's economy and security if there is no <i>substantial increase in the number of students completing science, engineering and IT degrees</i> over the coming decade.</p> <p>About <i>a quarter of 18 and 19 year olds are not fully engaged in employment or study</i>, and this proportion has remained relatively constant for the past six years. There appear to be <i>substantial differences</i> in full engagement of young people <i>between the states</i>.</p> <p>There is a <i>strong movement away from having no post school training</i>, towards having a <i>minimum of a bachelor degree or other post school training, particularly amongst young women</i>.</p> <p>School leavers who complete year 12 are also more likely to be fully engaged in studies or employment, than those students who do not complete year 12.</p> <p>Recent changes to the Australian <i>education system seek</i> to ensure a <i>greater level of participation both in the general workforce</i> but also to increase the number of young people choosing to undertake <i>trades in areas of current and future skill shortages</i>.</p> <p>The Commonwealth Government is establishing <i>24 Australian Technical Colleges for Year 11 and 12 students</i> in 2006 - 2008 <i>catering</i> for some <i>8,000 apprentices with a particular focus on those trades with skills shortages</i>.</p> <p>The <i>ageing</i> of the Australian <i>workforce means the up-skilling and retraining of mature aged workers</i> in the workforce has become an urgent economic and social policy issue.</p>	<p><i>Flexible Learning</i> is an approach which offers Defence greater flexibility and <i>cost effectiveness in re-skilling and up-skilling</i> its total workforce as required.</p> <p><i>Education, training, development and accreditation opportunities are significant incentives which can be used to attract and retain personnel</i>.</p> <p><i>Relationship development between DEST, DEWR and Defence</i> should be <i>enhanced</i> to ensure Defence is aware of emerging educational and workforce initiatives.</p> <p>ADF <i>Recruitment opportunities exist</i> for the large pool of 18-19 year olds not fully engaged in studies or employment, particularly for <i>'under achieving' male youths</i>.</p> <p>Defence will require a <i>strong relationship with the national VET sector</i> to ensure a <i>seamless transition</i> between Defence's VET system and the national VET system.</p> <p><i>Linking a Defence job</i> to the <i>opportunity for further education and development</i> will become increasingly important.</p>

Issue	Strategic Personnel Issues	Defence Personnel Implications
<p>Health</p>	<p>The <i>ageing</i> of the population is <i>shifting the dynamics of health problems</i> to be managed and the range of services being offered. Greater budgetary allocations to public health will be necessary.</p> <p><i>By 2025, chronic illnesses will account for over 60% of the total cost of national health services.</i></p> <p>The <i>health system in 2025 will be technologically, organisationally, and structurally very different</i> to that of 2005 mainly to <i>cope with the challenges of supporting an ageing population.</i></p> <p><i>16% of males and 25% of females aged 18-24 are classified as overweight or obese.</i></p> <p>Mental health and Diabetes are increasingly becoming a significant health concern.</p> <p><i>Anti-biotic resistant bacteria, as well as SARS and ‘bird flu’ are emerging health risks</i></p>	<p>With the burden of increased budgetary expenditure on public health, Defence may come under <i>additional financial pressure at a time when global issues may require more and more from the Defence organisation.</i></p> <p><i>Strategies to recruit and retain health professionals into the ADF will be essential.</i></p> <p><i>Linkages to State and National Health Departments, medical schools and hospitals are an essential part of being better placed to both support and be supported by the 2025 health system concept.</i></p> <p><i>Access to national health information systems will be essential.</i></p> <p>The <i>pool of potential ADF candidates</i> will be <i>limited by</i> the rising <i>incidence of obesity, diabetes and mental health problems</i> amongst young people.</p> <p>The <i>provision of medical, dental and pharmaceutical services</i> as part of the ADF member’s conditions of service will be of <i>considerable incentive value</i> to ADF applicants and is also an incentive for retention.</p> <p><i>Educating</i> service personnel about illicit drugs, alcohol, smoking, stress management and elements for a <i>healthy lifestyle</i> should continue to be <i>given high priority</i>. Such educational packages could be <i>readily extended to ADF families and Defence APS.</i></p> <p><i>Preventive approaches for maintaining physical and mental health</i> will offer cost effective outcomes for promoting resilience and enhancing retention of ADF/APS personnel and contribute to total workforce sustainment.</p>

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Climate	<p>Collective research has indicated the following trends:</p> <ul style="list-style-type: none"> • Concentrations of ‘greenhouse’ gases and aerosols are effecting atmospheric changes, notably global warming. • Even if carbon emissions were to cease, human influence will continue to change atmospheric composition (in particular carbon dioxide) throughout the 21st century. • Global temperatures (and sea levels) are projected to rise by 1.4 - 5.8 degrees Celcius between 1990 -2100. <p>Emission reduction has to be achieved against a back drop of the following issues:</p> <ul style="list-style-type: none"> • Meeting the needs of the 2 billion people who currently do not have access to the benefits of adequate energy resources, and a projected additional 2 billion people by 2050. • Maintaining economic growth. • Amortising the existing energy systems infrastructure investment. 	<p>Defence will potentially have a greater role in:</p> <p>Protecting the nation from a number of physical or warlike threats brought about as a consequence of climate change.</p> <p>Supporting other nations dealing with the myriad of climate triggered situations: natural disasters, environment refugees and the spread of diseases and pandemics.</p> <p>Ensuring the most efficient and effective use of natural resources.</p> <p>Developing and training a large workforce to contribute to establishing new technologies and associated infrastructure that help address emerging national energy and water needs.</p>

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Energy	<p>Between 2000 and 2020 global <i>energy demand</i> will <i>increase by a further 60%</i>. The contribution of <i>fossil fuels to meeting this energy demand</i> is projected to increase fossil fuel consumption from the current 85% to 87% in 2020. Thus the <i>problems caused by global warming can be expected to be accelerated even further</i>.</p> <p>Approximately <i>half of the estimated ultimately recoverable reserves of crude oil have now been exhausted</i>. There is a strong likelihood that global crude oil production will slow down before 2020. Demand for this energy source is projected to further increase. The supply demand situation will <i>deepen the global energy crisis</i>. <i>Crude oil</i> is the <i>major source of transport energy</i> in Australia.</p> <p>A <i>move to new energy technologies</i> will be required. An <i>Inquiry in to Australia's future oil supply and alternative transport fuels</i>, is being undertaken with a report due in late 2006.</p>	<p>Oil scarcity and costs <i>could restrict operational training, deployments and thus overall Defence capability outcomes</i>.</p> <p><i>Energy efficient use of transport fuels</i> is a very high priority for Defence whilst the development of <i>alternative transport fuels and propulsion systems</i> is of <i>crucial medium and longer term</i> concern.</p> <p>New <i>energy technology equipment</i> and the <i>personnel trained to operate and maintain</i> it will be <i>required in greater numbers</i>. This will then become a <i>much in demand niche skill set in the near future</i> and global industry will be seeking out personnel with these skills.</p>

Issue	Strategic Personnel Issues	Defence Personnel Implications
Water	<p>The use of <i>water resources</i> in many parts of Australia is <i>approaching the limits of sustainability</i>.</p> <p><i>Pressure on the availability of Australian freshwater resources</i> is increasing principally <i>due to emerging climate change and population growth</i>.</p> <p><i>World freshwater demand has been doubling every 20 years</i>.</p>	<p>The need to access clean and reliable sources of water is essential to sustaining operations either in Australia or offshore. The <i>development of skills to operate, maintain and repair water supplies including recycling and purification systems will be essential for many Defence operations</i>.</p> <p><i>Location of bases</i> and associated <i>access to reliable water resources</i> may be effected by changing climate and population issues.</p> <p>Specific <i>water technology equipment</i> and the <i>personnel trained to operate and maintain</i> them will be <i>required in greater numbers</i>.</p> <p>This will become a <i>much in demand niche skill set in the near future</i> and global water utilities will be seeking out personnel with these skills.</p>

