Good Afternoon and welcome to the ADF Total Workforce Model presentation.

The TWM is a workforce model that offers different ways of managing the contribution to Defence capability.

The Services began the process to implement the Total Workforce Model on 1 July 2016.

For some more background about the origins of the model and the future opportunities it brings to Defence and ADF members, here is a short video.

This is a diagram of The Model.

At the top there is Defence Capability Needs, and at the bottom there is Member life stage needs. The TWM has been designed to enable a better balance between these two requirements. The core of the TWM is the Service Spectrum made up of seven Service Categories (SERCATs). There are also 3 Service Options (SERVOPs) which can be applied as necessary in addition to a member’s SERCAT.

Surrounding the Service Spectrum is ForceNet. ForceNet is a key component of the TWM. It is a secure e-portal that connects Defence members with their Service, the Department and each other. ForceNet has been endorsed by the Service Chiefs and is a little like Facebook, LinkedIn and Seek all rolled into one. Members can upload their own profile, join professional or community based groups and also use the portal to search for and view military work opportunities and indicate their availability to undertake Reserve service.

So what is a SERCAT?

A SERCAT groups members together, according to their approved service arrangement, conditions of service and obligation to serve. SERCAT 1 is for Defence APS employees only when they are force assigned to an operation.
The other SERCATs, 2-7 are the ADF categories. SERCATs 2-5 are Reserve categories, 6 and 7 are Permanent force categories. In general terms, as you move up the Spectrum, there is an increasing level of service obligation and certainty and stability of tenure and for Defence there is an increased assurance of Defence capability.

I'll speak in a little more detail about the SERCATs in a moment.

SERVOPs are used in conjunction with the member’s SERCAT.

SERVOP C is full-time service on a continuous basis by a member of the Reserves. So Reserve members from SERCAT 3, 4 or 5 who have been offered a CFTS arrangement will have SERVOP C applied for the duration of that arrangement.

SERVOP G is Gap Year.

I'll talk about the other SERVOP, SERVOP D later

Slide 4 – SERCAT 6

Now let’s look at some of the SERCATs, starting with SERCAT 6 (Interim) which was implemented by the services 24 Aug 17. SERCAT 6 (Mature) will be implemented later this year.

SERCAT 6 (Interim) enables permanent personnel to work less-than-fulltime ie: on a days-per-fortnight or weeks-per-month pattern. When SERCAT 6 Mature is implemented months-per-year, or any combinations of the three patterns, will also be available.

SERCAT 6 is not a flexible work or leave arrangement but a flexible service arrangement. It reflects the Service Chief’s decision that an individual member of the permanent force can work on an other than full-time basis.

The arrangement is approved under a flexible service determination. In general terms, pay & conditions of service are pro-rated under SERCAT 6, so if you serve at 50% then in general terms, you can expect your benefits to also be at approximately 50%.
Slide 5 – Reserve SERCATs 2 and 3

SERCAT 2

Reserve members in SERCAT 2 do not render service and have no service obligation.

They are liable to call out if that is ever required.

Members in SERCAT 2 who wish to undertake Reserve service would need to request a transfer to SERCAT 3, 4 or 5 to serve.

SERCAT 3

SERCAT 3 comprises Reserve members who are either:

a. rendering service to meet a specified task and usually on a relatively short term basis. Or
b. have indicated a willingness to render service and have been identified by their career management agency (CMA) as members who have skills and experience that could be needed from time to time;

Members in SERCAT 3 are liable for call out.

Members in SERCAT 3 retain their Defence credentials to facilitate timely commencement of tasking.

Slide 6 – Reserve SERCATs 4 and 5

SERCAT 4

At this point in time, SERCAT 4 is being implemented by Air Force & Army, for a limited number of roles.

These Reserve personnel serve at a higher readiness notice under additional remuneration arrangements and accordingly may be called for.

SERCAT 5

Members in SERCAT 5 have a higher level of reserve service certainty and stability.

The pattern of service agreed to is generally across financial years.
It is important to note the differences between SERCATs 3 & 5, being that SERCAT 3 is the contingent force whose personnel are approved to conduct discrete tasks with a financial year, and SERCAT 5 is the enduring force whose attendance is across financial years.

**Slide 7 – SERVOP**

Service Option D, or dual employment, it’s a new and innovative service option, which can be used by the Services to attract or retain members with skills and experience that are in high demand.

Permanent members in SERCAT 6 or Reserve members in SERCAT 5 can be offered service in SERVOP D.

SERVOP D is a brand new way of doing business; rather than competing directly for scarce human resources, the ADF and industry partners can work together to share those resources, and to build greater capacity and capability.

SERVOP D is a three-way arrangement, with an MOU between Industry and the Service, and an agreement between the SERVOP D Member and his or her Service.

There is one more slide to conclude, but before I go there, I will take some questions?

**Slide 8 – SERCAT 2**

1. Can I transfer to another SERCAT if I’m being medically separated? **The Model doesn’t alter the MEC process, so if you’re below MEC to serve then the normal MEC Review Board process is applied.**

2. Can I transfer from one SERCAT to any other SERCAT? **You may apply to transfer from SERCAT 7 to any SERCAT or SERVOP with the exception of SERVOP G which is the Gap Year program. It is also unlikely that SERCAT 7 personnel will transfer to SERCAT 1 (APS force assigned for operations). Approval is subject to Service requirement.**

3. How is Super treated under SERCAT 6 (Interim)? **There is no change to the way super is treated under SERCAT 6 (Interim) to how it is applied under the old PTLWOP arrangement.**
4. How is super treated under SERCAT 6 (Mature)? **Super is treated differently in SERCAT 6 (Mature)** under the three Super systems. It’s intended that there will be no change to DFRDB due to the small and reducing number of members left in that scheme. Likewise there is no change to ADF Super; as it is based on a members actual salary under SERCAT 6 (Mature) contributions will be based on a member’s reduced salary so is in effect contributions are pro-rated. It has been proposed that to maintain a degree of equity with members of the other schemes, in particular ADF Super, and with members of MSBS serving in SERCAT 7, it is proposed that MSBS contributions will be pro-rated, based on the member’s reduced salary. **IMPORTANTLY** there is no impact on the member’s FINAL AVERAGE SALARY (FAS), which is used to calculate the member’s final benefit i.e. FAS is not pro-rated. In sum, you should contact the ADF Financial Services Support Centre to understand the detail of the potential impacts on superannuation of service in SERCAT 6 once the mature arrangements are in place.

5. How can a Unit manage the residual workload when personnel transfer from SERCAT 7 to SERCAT 6? **One of the best ways to address any personnel shortage, including vacancies created by SERCAT 6 approval, is to backfill using personnel from Reserve SERCATs who can be sourced by a unit by advertising on FORCENET. SERCAT 3 personnel in particular, as a contingent workforce, are available to fill temporary vacancies.**

6. Does my Unit approve my SERCAT 6 application? **No. From the applicant, transfer from SERCAT 7 to SERCAT 6 is recommended by the unit then is forwarded their Career Management Agency for approval.**

7. How will my new work pattern under SERCAT 6 be detailed? **The result of the AE427 application process, if supported, produces a Flexible Service Determination, or FSD. FSD is then forwarded to the delegate for approval. The FSD tells the applicant, their unit, their pay administrators, and any other relevant stakeholders, what the SERCAT 6 pattern of service will be, when it commences and when it ends.**

8. How can I find out how my benefits will be effected if I transfer to SERCAT 6? **The online programme ‘Compare Your Package’ will soon be available to personnel to assist them to calculate the effect different patterns of service in SERCAT 6 will have of their benefit.**

**Slide 9 – QUESTIONS?**

That’s a quick overview of the ADF Total Workforce Model.
I encourage you to learn about the ADF TWM by visiting the website on the intranet, internet, ForceNet or email any questions you may have to your Service inbox shown at the bottom of this slide.

Thanks again for your time and attention!