

## Personnel

- 4.1 In the *Defence Annual Report 2008-09*, Defence highlighted that the permanent Australian Defence Force (ADF) strength increased by 1,925, noting that:
- Defence had 70,311 permanent employees comprised of 55,068 permanent ADF members and 15,243 APS staff;<sup>1</sup>
  - the Reserve component of the ADF, both Continuous Full Time Service and Active Reserves, increased by 617 to 25,493; and
  - the total ADF workforce was 81,106 which comprised of 17,918 Navy members<sup>2</sup>, 45,166 Army members and 18,022 Air Force members.<sup>3</sup>
- 4.2 There continue to be considerable disparities between the proportion of men and women in the ADF. In 2008-09, of the total<sup>4</sup> ADF personnel, 80.1 per cent were men and 19.9 per cent were women.<sup>5</sup>

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1 This number includes all APS staff recorded as active employees and included full-time, part-time, ongoing and non-ongoing, and paid and unpaid employees.

2 Members are comprised of permanent, gap year and reserve members.

3 Department of Defence, *Defence Annual Report 2008-09 Volume One*, p. 195.

4 Grand total only includes ADF Permanent and APS.

5 Department of Defence, *Defence Annual Report 2008-09 Volume One*, p. 199.

4.3 Table 4.1 below provides a greater illustration of the gender gap:

Table 4.1 Defence workforce by gender as at 30 June 2009

	Trained Force Officers (%)		Reserves (%)		Two Star Ranked Officers		One Star Ranked Officers	
	Men	Women	Men	Women	Men	Women	Men	Women
Navy	13.5	3.1	13.5	3.1	9	0	32	2
Army	15.2	2.4	15.2	2.4	16	1	50	2
Air Force	22	4.8	22	4.8	9	0	37	2

Source *Defence Annual Report 2008-09 Volume One, Appendix 7 People, pp. 195-231.*

## Recruitment and retention

### Background

- 4.4 In the *Defence Annual Report 2008-09*, Defence pointed out that the ADF enlisted 6,968 permanent members: 6,020 men and 948 women. This was 108 less than in the previous 2008-07 reporting period.<sup>6</sup>
- 4.5 Of those enlisted, '1,517 entrants had prior military service in either the Reserves, another Service, another nation, previous permanent force or transferred from the Gap Year initiative.'<sup>7</sup>
- 4.6 In addition, 2,370 reservists were enlisted: 99 Navy, 2,056 Army, and 215 Air Force.<sup>8</sup>
- 4.7 The separation rate decreased slightly from 9.8 per cent in 2007-08<sup>9</sup> to 9.4 per cent in 2008-09 which comprised of: Navy 10.8 per cent; Army 10.3 per cent; and Air Force 6.4 per cent.<sup>10</sup>
- 4.8 In December 2009, the Chief of the Defence Force (CDF) and Secretary for Defence launched *People in Defence – Generating the Capability for the Future Force* – a blueprint designed to ensure Defence attracts and retains the people needed to deliver the capabilities set out in the 2009 *Defence White Paper*.<sup>11</sup>

6 Department of Defence, *Defence Annual Report 2008-09 Volume One*, p. 203.

7 Department of Defence, *Defence Annual Report 2008-09 Volume One*, p. 203.

8 Department of Defence, *Defence Annual Report 2008-09 Volume One*, p. 207.

9 Department of Defence, *Defence Annual Report 2008-09 Volume One*, Key Defence Statistics.

10 Department of Defence, *Defence Annual Report 2008-09 Volume One*, p. 209.

11 Department of Defence, *People in Defence – Generating the Capability for the Future Force*, p. 1.

## Current status

- 4.9 At the public hearing, Defence was of the view that recruitment was going very well, stating:

Currently, we have 57,212 people in the Australian Defence Force. Our long-term target, as you know, is 57,800 and, to a large extent, we are overachieving in terms of authorised funded strength. Our recruitment has been very successful. Year-to-date recruitment is running, essentially, at 96 per cent. Our target, as at 1 February, was 4,288. We achieved 4,113, by 1 February, which is 96 per cent of the target. Just to give you a feel for how that is compared to the past, it was 86 per cent at the same time last year. So that is a substantial improvement in recruiting performance.<sup>12</sup>

- 4.10 Defence was also of the view that it had recorded its lowest separation rate in years at 7.5 per cent noting that:

It is very pleasing indeed that Air Force is running at an all-time record of 5.1 per cent separation rate. That compares to 6.9 per cent this time last year. Army is running at 8.1 per cent, compared to 10.6 per cent this time last year and Navy has had a dramatic turnaround, at 8.6 per cent, as compared to 11 per cent last year.<sup>13</sup>

- 4.11 More specifically, Defence noted that the separation rate for both men and women in the ADF had decreased:

The rate for women separating from the ADF in the most up-to-date data set has come down to 7.9 per cent compared with a rate of 9.2 per cent at the end of the last financial year. For men it has come down to 7.4 per cent from 9.4 per cent at the end of the financial year.<sup>14</sup>

- 4.12 Defence was of the view that its success in retention and recruitment had been spread across skill base, gender and ethnicity noting that its ethnicity and gender ratios remain the same with:

- a slight increase in the number of women serving in the ADF; and
- numbers in the general workforce and those in critical skills areas improving.<sup>15</sup>

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12 Air Chief Marshal Houston, Department of Defence, *Transcript*, 30 March 2010, p. 74.

13 Air Chief Marshal Houston, Department of Defence, *Transcript*, 30 March 2010, p. 74.

14 Air Chief Marshal Houston, Department of Defence, *Transcript*, 30 March 2010, p. 86.

15 Department of Defence, *Submission no. 2*, p. 7.

4.13 Defence highlighted that its principal requirement was to grow the size of the Army and recruit 'people who are capable of transitioning into the highly skilled areas where we have some shortages.'<sup>16</sup>

4.14 The committee asked Defence to provide a status report on the recruitment and staffing levels for submarines.

4.15 Defence advised that, since July 2009, it had increased its submarine force by 25 people. Defence added that it had three fully manned submarines and that it hoped to establish a fourth submarine crew by the end of 2011, stating:

Our target this year is to increase from the current 468 people in the submarine force to 500 by the end of the year. Essentially, if we make that target and then we qualify 100 people a year, we will be well on the way to restoring the submarine force to where it needs to be. That will enable us to establish a fourth crew by the end of next year.<sup>17</sup>

4.16 Defence considered that it was crucial that the separation rate with the submarine force remain below 10 per cent noting that another period of strong economic growth would make both recruitment and retention challenging.<sup>18</sup>

4.17 The committee asked when Defence would have six qualified crew to man six submarines.

4.18 Defence pointed out that no other country maintains a full crew for each submarine they possess, stating:

Nobody in the world maintains six for six or 50 for 50 or whatever. Submarines just are not like that. Submarines are the most complex weapons system that defence forces operate, and what you should anticipate is that, of those submarines, at least 50 per cent will be in some form of maintenance servicing at any one time. We have benchmarked against all of our friends and allies, and I can assure you that the way we run our submarines is consistent with the way all of our allies run their submarines. Nobody has one crew for each submarine they possess. What they have is sufficient submarine crews to sustain the capability that is defined by the government that owns that capability. In our case, we could not employ six submarine crews.

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16 Air Chief Marshal Houston, Department of Defence, *Transcript*, 30 March 2010, p. 86.

17 Air Chief Marshal Houston, Department of Defence, *Transcript*, 30 March 2010, p. 74.

18 Air Chief Marshal Houston, Department of Defence, *Transcript*, 30 March 2010, p. 75.

- 4.19 Defence was of the view that the recruitment and retention of submarine crew was looking good and noted that Defence was 'seeing a lot of interest from junior recruits in the business of being a submariner.'<sup>19</sup>

## Pay issues

### Background

- 4.20 In October 2009 the Senate Standing Committee on Foreign Affairs, Defence and Trade highlighted that a number of enlisted personnel were overpaid by Defence while serving in Afghanistan.<sup>20</sup>
- 4.21 On 31 March 2009, the Government commissioned KPMG to undertake an independent audit of the implementation of the Defence Force Remuneration Tribunal determinations for special forces pay. KPMG's report found that a number of factors contributed to the pay problem including:
- a complex and detailed Determination process;
  - a complex pay and allowance structure;
  - ageing systems;<sup>21</sup> and
  - a change management and accountability environment which is complex and at times lacking in end to end control.<sup>22</sup>
- 4.22 On 22 January 2010, the Government announced that Defence had identified another error in the payment of international campaign allowance to over 60 personnel.<sup>23</sup>
- 4.23 On 2 February 2010, the Government announced that it would establish a Payroll Task Force to 'drive the ongoing reform of the ADF pay and personnel processes, and report to Ministers on a monthly basis.'<sup>24</sup>

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19 Air Chief Marshal Houston, Department of Defence, *Transcript*, 30 March 2010, p. 75.

20 Senate Standing Committee on Foreign Affairs, Defence and Trade, *Estimates (Supplementary Budget Estimates)*, Wednesday, 22 October 2008, pp. 14-15.

21 KPMG, *Department of Defence: Independent Audit: Re: The implementation of the DFRT Determinations for Special Forces Pay*, 31 March 2009, p.28.

22 KPMG, *Department of Defence: Independent Audit: Re: The implementation of the DFRT Determinations for Special Forces Pay*, 31 March 2009, cover letter.

23 Senator the Hon John Faulkner, Minister for Defence, 'International Campaign Allowance Overpayment', Media Release, 22 January 2010.

## Current status

4.24 The committee identified that during the 2008-09 reporting period there were a number of issues concerning payments to Special Air Service (SAS) and Air Force personnel and asked Defence whether they had been resolved and whether there were any outstanding pay issues.

4.25 Defence advised that, to the best of its knowledge, both the SAS and Air Force payment issues had been resolved but that it was currently looking at a whole range of payroll system issues stating:

...we have an ongoing program that is part of our Strategic Reform Program to look at how we position ourselves to improve payroll right across the system. Part of that will be implementing a technical refresh which improves the software over the next couple of years.<sup>25</sup>

4.26 Defence also advised that it was upgrading the payroll system, as it was currently using a very outdated CENRES pay system, stating:

At the same time we will also be looking at our business practices in the payroll space and then moving to a complete upgrade with what we refer to as JP 2080 2.1 and over a five-year period that should bring us up to a modern payroll system which will support the men and women of the ADF and the whole organisation.<sup>26</sup>

4.27 Defence acknowledged that, while it was using an old IT system, human error substantially contributed to the current payroll system issues, stating:

The problem with payroll is about a system. It is about a system from the time that an action occurs to the time a payment is made, receipted and checked by the individual. It is not predominantly about an IT system, which people often think. While we have an old and antiquated IT system, the problems we have had with payroll have not been because of that IT system. It is a system which has human intervention all the way through the line, and that is where we have the difficulties.<sup>27</sup>

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24 The Hon Greg Combet MP, Minister for Defence Personnel, Materiel and Science, 'ADF Payroll and Pay System Reform', Media Release, 2 February 2010.

25 Mr Gleeson, Department of Defence, *Transcript*, 30 March 2010, p. 79.

26 Mr Gleeson, Department of Defence, *Transcript*, 30 March 2010, p. 79.

27 Dr Watt, Department of Defence, *Transcript*, 30 March 2010, p. 81.

4.28 Defence elaborated:

The important thing to remember is that the pay problems are not because the IT system spits out the wrong results. People often blame IT systems for the output of the system. The IT system does not give you incorrect answers. It is cumbersome, it is slow, it is old, it is not as easily interrogated as a modern system – all that is true – but if you change just the IT system and do not change the way we operate, professionalise and deliver information into the pay system and the way we follow it up then you will not get a fix. You will have a system that is more agile, that is a bit less cumbersome and that is easier to interrogate, but you will not have a system that serves you a whole lot better.<sup>28</sup>

4.29 Defence advised that it would be implementing comprehensive training strategies for its personnel throughout 2010, while upgrading the Human Resources and Payroll system, to ‘ensure that system operators are appropriately trained in the use of the new technology.’<sup>29</sup>

4.30 Defence also pointed out that the complex allowance structure would also continue to cause payroll issues, stating:

We pay an enormously complex number of allowances, many of which are structured in the most difficult way possible for them to be paid accurately, because they are on-occurrence allowances – not time allowances, not competency allowances but on-occurrence allowances. So you go on them and you go off them. There will always be an issue or two in the defence payroll system.<sup>30</sup>

4.31 The committee questioned Defence about whether the complex allowance structure was currently being reviewed.

4.32 Defence noted that there were over 200 pay points available, depending on the way entitlements are earned, and that:

In the longer term I think what we would be seeking to do is to look at a remuneration strategy that sees the base pay as a fairly common and consistent payment for members of the ADF, and then looks at some standard allowances, if you like, that reflect what we typically require of ADF members and, in the process,

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28 Dr Watt, Department of Defence, *Transcript*, 30 March 2010, pp. 82-83.

29 Department of Defence, *Submission no. 2*, p. 6.

30 Dr Watt, Department of Defence, *Transcript*, 30 March 2010, p. 81.

minimises the number of on-occurrence and, particularly, triggered allowances.<sup>31</sup>

- 4.33 Defence was of the opinion that it would be possible to develop a remuneration strategy within the five years it will take to upgrade the payroll system.<sup>32</sup>
- 4.34 The committee also asked whether Defence had any plans to link recruitment and retention strategies with skill bases and competencies and pay structures.
- 4.35 Defence highlighted that the current ADF pay model has a strong competency link but that competency data and ADF pay are held in two different systems causing communication problems. Defence indicated that it hoped to generate a single pay and human resources system to contain all the data.
- 4.36 Defence acknowledged that there would continue to be pay issues noting the challenge would be to promptly address those issues, stating:
- ...we pay in excess of 100,000 people on a fortnightly basis and I think that compared to industry at large we have less than a one per cent operational error rate. But I do not think that I could ever say that there are no unresolved pay issues. Similar to any other large organisation, there will be issues that crop up from time to time. Our challenge is making sure that we address those quickly and we put system processes in place that will do the best to mitigate that so it does not reoccur.<sup>33</sup>
- 4.37 Defence also noted that the Government had released a blueprint in March 2010 for Reform of Australian Government Administration which:
- ...identifies that the vision for the future is an Australian Public Service unified by an enterprise agreement bargaining arrangement that embeds greater consistency in wages, terms and conditions.<sup>34</sup>

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31 Mr Minns, Department of Defence, *Transcript*, 30 March 2010, pp. 81-82.

32 Mr Minns, Department of Defence, *Transcript*, 30 March 2010, p. 82

33 Mr Gleeson, Department of Defence, *Transcript*, 30 March 2010, p. 79.

34 Department of Defence, *Submission no. 2*, p. 6.

## Rebalancing the Army

### Background

- 4.38 In May 2009, as part of the 2009 Defence *White Paper*, the Government announced its intention to develop a plan to rebalance the Army in an effort to 'deliver the right balance, in terms of the number, types and mix of land force capabilities and units.'<sup>35</sup>
- 4.39 In September 2009, Defence announced that it would 'develop a plan by end 2009 to rebalance Army and decrease its number of endstate establishment positions by approximately 1,700 positions by 2014.'<sup>36</sup>

### Current status

- 4.40 Defence advised that the project to rebalance the Army was a long and involved process involving both the permanent side of the Army and the Army reserves.<sup>37</sup>
- 4.41 Defence noted that the Army were implementing a number of projects, including hardening and networking the Army and enhancing the land force, that would increase the number of positions:

It is quite a complex relationship between a number of projects running concurrently – that is, hardening and networking the Army, enhancing the land force and then the rebalancing of the Army. In addition, the vice chief is running another project under the Strategic Reform Program which relates entirely to reserves, not just to reserves in the Army but to reserves across the board.<sup>38</sup>

- 4.42 Defence pointed out that the size of the Army had increased dramatically over the last few years stating:

The permanent Army at the moment is just under 30,000 – in fact, 29,017. If you go back just three or four years, we were down around 25,000. So it is quite a dynamic process and it is quite hard to excise out each particular element of it.<sup>39</sup>

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35 The Hon Joel Fitzgibbon MP, Minister for Defence, 'A Balanced and Flexible Army', Media Release, 2 May 2009.

36 Army, Royal Australian Corps of Transport, 'Adaptive Army', Presentations From the RACT CORPS Conference 2009, 18 September 2009.

37 Air Chief Marshal Houston, Department of Defence, *Transcript*, 30 March 2010, p. 76.

38 Air Chief Marshal Houston, Department of Defence, *Transcript*, 30 March 2010, p. 76.

39 Air Chief Marshal Houston, Department of Defence, *Transcript*, 30 March 2010, p. 76.

- 4.43 The committee questioned how Defence intends to rebalance the Army.
- 4.44 Defence indicated that it would try and find the best way to deliver the required capability rather than a need to find 1,700 positions, stating:
- What is driving the Chief of Army is to find the best way to deliver the capability that he has to deliver to government through me [the CDF]. He is seized with the need of basically coming up with the best configuration, in terms of both permanent positions and reserves, to deliver the capability effect required by government.<sup>40</sup>
- 4.45 In response to the committee's question on whether the project to rebalance the Army would impact on the reserves, Defence advised that work was currently being undertaken but that the objective is to 'enhance the capability of the Reserve and the contribution it makes to the Defence Force.'<sup>41</sup>
- 4.46 Defence advised that it had just about completed its review on the project to rebalance the Army and that the findings would be presented to Government shortly.<sup>42</sup>

## Australian Defence Force Reserves

### Background

- 4.47 Reservists join the Navy, Army or Air Force as part-time members of the ADF. At 30 June 2009, there were 25,493 continuous full time Service and active reservists representing just over 45% of the ADF's total permanent Force. The total Reserve Force is comprised of:
- Navy - 4,771 reservists;
  - Army - 17,064 reservists; and
  - Air Force - 3,658 reservists.<sup>43</sup>
- 4.48 Annual service commitments for reservists vary depending on the role undertaken by the reservist, their time availability, and the needs of the

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40 Air Chief Marshal Houston, Department of Defence, *Transcript*, 30 March 2010, p. 76.

41 Lt Gen. Hurley, Department of Defence, *Transcript*, 30 March 2010, p. 77.

42 Lt Gen. Hurley, Department of Defence, *Transcript*, 30 March 2010, p. 75.

43 Department of Defence, *Defence Annual Report 2008-09 Volume One*, p. 201.

Service. Higher readiness roles generally require a greater annual commitment.<sup>44</sup>

- 4.49 A 20-day minimum service period in each financial year establishes a reservist's eligibility for Long Service Awards, Health Support Allowance and subsidies under the Defence Home Ownership Assistance Scheme.<sup>45</sup>

## Current status

- 4.50 The committee sought Defence's view on reports that training days available to the reserve will be reduced by 20 per cent and that there will be a range of other cutbacks.

- 4.51 While Defence acknowledged that there had been some reductions in the training days available to the Reserve, and particularly the Army, it was of the view that the reductions were not tremendous, noting that:

...we have had to reorganise how we distribute the days to make it more effective, because the buying power of a Reserve day has changed. So what the Chief of Army has done in particular is to put his resources where he gets the best bang for his buck.<sup>46</sup>

- 4.52 The committee also questioned whether the reduced training days would inhibit reservists from obtaining Defence Home Loan subsidies.<sup>47</sup>

- 4.53 Defence stated that it would provide a waiver for people to access the scheme, providing that a reservist could not get 20 days of reserve service within a financial year for legitimate reasons under the regulations.<sup>48</sup>

- 4.54 In response to the committee's question on the status of the High Readiness Reserve,<sup>49</sup> Defence was of the view that it had not met its overall goal in force numbers but that the High Readiness Reserve was quite effective.<sup>50</sup>

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44 Department of Defence, 'Training Requirements', viewed on 12 May 2010, <[http://www.defencereserves.com/asp/training\\_requirements.aspx](http://www.defencereserves.com/asp/training_requirements.aspx)>

45 Department of Defence, 'Training Requirements', viewed on 12 May 2010, <[http://www.defencereserves.com/asp/training\\_requirements.aspx](http://www.defencereserves.com/asp/training_requirements.aspx)>

46 Lt Gen. Hurley, Department of Defence, *Transcript*, 30 March 2010, pp. 77-78.

47 In order to be eligible to apply for the Defence Home Ownership Assistance Scheme, reservists must complete eight consecutive years of effective service ("Effective service" involves completing at least 20 days of Reserve service within a financial year).

48 Lt Gen. Hurley, Department of Defence, *Transcript*, 30 March 2010, p. 78.

49 The High Readiness Reserve provides a short notice response force to complement the full-time ADF in the event of a declared Defence emergency.

50 Lt Gen. Hurley, Department of Defence, *Transcript*, 30 March 2010, p. 78.

- 4.55 Defence was of the view that the High Readiness Reserve Combat Teams will continue to grow, stating:

As at 27 March 2010, the six High Readiness Reserve Combat Teams are currently manned at an average of 80 per cent, with the highest at 96 per cent and the lowest at 57 per cent. The levels of manning achieved within the High Readiness Reserve Combat Teams are considered a significant achievement. The numbers of personnel within the High Readiness Reserve Combat Teams will continue to grow as more members achieve the additional competencies required for service in this category.<sup>51</sup>

- 4.56 The Review of the Army Reserve Approved Future Force is currently with the Secretary of Defence and the Chief of the Defence Force for consideration and, once approved, will be presented to the Government.

## Gap year program

### Background

- 4.57 On 9 August 2007 the Government launched the ADF Gap Year program<sup>52</sup> which enables young Australians, who have finished Year 12 or its equivalent within the previous two years, to undertake a work experience program in the ADF for a year without further obligation to stay in the service.<sup>53</sup>
- 4.58 At 30 June 2009 the ADF had 545 participants in the Gap Year program, 342 men and 203 women,<sup>54</sup> a slight drop in the participation rate from the previous reporting period.<sup>55</sup> The 545 participants comprised of 170 from the Navy, 274 from the Army and 101 from the Air Force.<sup>56</sup>

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51 Department of Defence, *Submission no. 2*, p. 5.

52 The Hon Dr Brendan Nelson MP, Minister for Defence, 'Launch of ADF Gap Year program', Media Release, 9 August 2007.

53 Department of Defence, 'ADF Gap Year', viewed on 12 May 2010, <<http://www.defencejobs.gov.au/education/gapyear/>>

54 Department of Defence, *Defence Annual Report 2008-09 Volume One*, p. 198.

55 Department of Defence, *Defence Annual Report 2008-09 Volume One*, p. 197.

56 Department of Defence, *Defence Annual Report 2008-09 Volume One*, p. 197.

## Current status

- 4.59 The committee asked Defence to provide the most up to date statistics on the Gap Year program.
- 4.60 Defence advised that its enlistment target for 2009-10 is 700: comprised of 267 in the Navy, 317 in the Army, 116 in the Air Force. Defence highlighted that while the Navy and Army each spread their intake over several months, the Air Force program commences in January and runs through to December each year.<sup>57</sup>
- 4.61 Defence added that, at 1 April 2010, 574 participants had commenced their gap year program comprised of 154 in the Navy, 304 in the Army and 116 in the Air Force.<sup>58</sup>
- 4.62 Defence also pointed out that, at 1 April 2010:
- 50 Navy and 5 Army participants from the previous year's program were still serving in their Gap Year; and
  - the remaining 126 Gap Year participants (113 from the Navy and 13 from the Army) will commence the program by the end of June 2010.<sup>59</sup>
- 4.63 Defence was of the opinion that the Gap Year program was oversubscribed and noted that this placed an additional stress on the budget, stating:
- We have so many people that we have overachievement in terms of authorised, funded strength, particularly in the Army and the Air Force; the Navy is about where it needs to be. In those circumstances, having a large number of people on the Gap Year puts a huge strain on the budgets of the services that are affected.<sup>60</sup>
- 4.64 When responding to the committee's question on whether Defence had any intentions to close down the Gap Year program, Defence commented that, while there was no intention to close the program, it could be more flexible in order to respond to labour market conditions, community demand and the budget allocations available to each service.<sup>61</sup>

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57 Department of Defence, *Submission no. 2*, p. 6.

58 Department of Defence, *Submission no. 2*, p. 6.

59 Department of Defence, *Submission no. 2*, p. 6.

60 Air Chief Marshal Houston, Department of Defence, *Transcript*, 30 March 2010, p. 86.

61 Air Chief Marshal Houston, Department of Defence, *Transcript*, 30 March 2010, pp. 85-86.

## Defence Reconciliation Action Plan

### Background

4.65 This first Defence Reconciliation Action Plan was released in 2007 in response to a whole-of-government drive for a national approach to reconciliation.<sup>62</sup>

### Current status

4.66 The committee questioned whether Defence had met the following objectives set out in the first Defence Reconciliation Action Plan:

- to establish new cadet units in remote northern communities; and
- to encourage Defence Aboriginal and Torres Strait Islanders in Defence to identify on PMKeyS<sup>63</sup> to inform policy development and implementation.

4.67 Defence advised that the Review of the Australian Defence Force Cadets Scheme, released in November 2008, concluded that 'smaller communities have a limited capacity to support a number of youth organisations.'<sup>64</sup>

4.68 Defence also advised that the review 'recommended close consultation with the Directorate of Indigenous Affairs to ensure cultural protocols and customs are considered in future youth initiatives.'<sup>65</sup>

4.69 Defence added:

Once the review is accepted, the Directorate will provide opportunities for indigenous youth in remote communities through the Indigenous Youth Connections Program.

4.70 Defence pointed out that it has 'ongoing programmes to actively encourage Aboriginal and Torres Strait Islanders to identify on PMKeyS' noting that there is no requirement, in accordance with Commonwealth privacy legislation.<sup>66</sup>

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62 Department of Defence, *Defence Annual Report 2006-07 Volume One*, p. 139.

63 Defence's human resources information system: Personnel Management Key Solution.

64 Department of Defence, *Submission no. 2*, p. 9.

65 Department of Defence, *Submission no. 2*, p. 9.

66 Department of Defence, *Submission no. 2*, p. 9.

- 4.71 Defence noted that the Defence's 2007-2009 Reconciliation Action Plan was released on 19 April 2010 and is available from the Reconciliation Australia website<sup>67</sup> and the Defence Fairness and Resolution website.<sup>68</sup>

## Other Issues

- 4.72 Defence, in the Defence Annual Report 2008-09, stated that the employment of Ms Jane Wolfe, a senior executive within the DMO, ended in March 2009.<sup>69</sup>
- 4.73 The committee noted that a Federal Court of Australia ruling of 8 April 2010 led to the reinstatement of Ms Jane Wolfe to her previous role within the DMO.<sup>70</sup>
- 4.74 In view of this, the committee subsequently asked Defence whether the annual report would be amended to reflect Ms Wolfe's reinstatement and status of tenure. Furthermore, noting the circumstances of Ms Wolfe's initial dismissal and subsequent reinstatement, the committee asked what, if any, follow-up action is being undertaken by Defence under the Australian Public Service Code of Conduct.
- 4.75 Defence is yet to respond to the committee's question in regard to these matters.

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67 Reconciliation Australia website: [www.reconciliation.org.au](http://www.reconciliation.org.au)

68 Department of Defence, *Submission no. 2*, p. 9. Defence Fairness and Resolution website: [www.defence.gov.au/fr](http://www.defence.gov.au/fr)

69 Department of Defence, *Defence Annual Report 2006-07 Volume Two*, p. 7.

70 Federal Court of Australia case *Jane Alice Margaret Wolfe v Dr Stephen Gumley & Anor*, [2009] (P)ACD16/2009 (8 April 2010).

