

**SENATE FOREIGN AFFAIRS, DEFENCE AND TRADE  
REFERENCES COMMITTEE**

**INQUIRY INTO RECRUITMENT & RETENTION  
OF DEFENCE PERSONNEL**

**SUBMISSION**

**Submission No:** 111

**Submittor:** **Regular Defence Force  
Welfare Association Inc  
National Office**

**Contact:** **Cmdr H J P Adams AM  
National President**

**Address:** **PO Box 4166  
KINGSTON ACT 2604**

**Telephone No:** **(02) 6265 9530**

**Fax:** **(02) 9265 9776**

**E-Mail:**

**No. of Pages:** 9

**Attachments:** No

# REGULAR DEFENCE FORCE WELFARE ASSOCIATION INC NATIONAL OFFICE

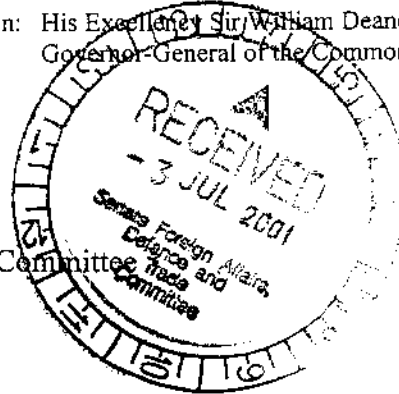


## RDFWA

The Secretary  
The Foreign Affairs, Defence & Trade References Committee  
Parliament House  
CANBERRA ACT 2600

PO Box 4166, KINGSTON ACT 2604  
Tel: 02 6265 9530 Fax: 02 6265 9776

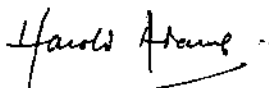
Patron: His Excellency Sir William Deane, AC, KBE  
Governor-General of the Commonwealth of Australia



Ref 65-26  
3 July 2001

### **Inquiry into Recruitment and Retention of ADF Personnel**

- The attached submission is forwarded for consideration by the Committee.
- In addressing the important issues of recruitment and retention the Association has not followed the structure of the Terms of Reference, but has addressed what we consider to be the key areas of recruiting and retention. These are the areas which we consider need to be addressed by Government in order to correct, in the eyes of the Australian community, the slide of the Services towards the periphery of Australian society.
- We have also reviewed the extensive submission made by Defence on these issues and must express disappointment that in the mass of social re-engineering conveyed in their submission there are very few initiatives being considered to turn the present situation around, apart from how TV advertising should be directed.
- In our paper however we have tried to develop ideas and new approaches which reflect modern Australian attitudes and which could be adopted in order to make a breakthrough in the areas of recruitment and retention. Clearly we are not in a position to cost our ideas. However, it becomes a question of cost/benefit since the cost of introducing innovative schemes which we suggest would be largely offset by the obvious savings resulting from improved recruiting and retention. Moreover adopting these innovative schemes could set defence on a path which it has not been able to find for decades.
- Our submission should be seen in that light. Our Association, as the only organisation outside Defence which has as its sole objective the welfare and wellbeing of serving and retired service personnel, their wives, children and widows, considers the findings of your Committee, if accepted by Defence could be a turning point and lead to an imaginative change in this critical area of defence personnel management.
- Finally, our executive is available to meet with Committee members to develop and expand on ideas covered in this submission.

  
H.J.P. Adams AM  
National President

**Regular Defence Force Welfare Association Submission  
to the Foreign Affairs, Defence and Trade References Committee Inquiry  
into Recruitment and Retention of Australian Defence Force Personnel**

1. This Association is pleased to make a submission to the Committee in view of its long involvement with those personnel who volunteer to serve in Australia's Armed Services. Founded in 1959 the RDFWA includes in its charter responsibility for promoting the interests of serving and retired service personnel, particularly in the areas of remuneration, conditions of service and superannuation.
2. This Association therefore welcomes this inquiry in view of the acute shortage of personnel in most areas of the ADF. This near parlous situation can be only overcome by recruiting the right people, at the right rate, training them with the right skills, and retaining them for the right period.

**General**

3. The problems of recruiting and retention are not new and have been, because of the nature of careers, a fluctuating problem for the services for decades. The inability to recruit young people to the services stems mainly from a lack of understanding within the general community as to what the services actually do, and the fact that young people do not regard a career in the services as 'cool'. Defence has failed to turn this perception around and what's more it won't be done overnight! Our comments are therefore largely directed towards initiatives Defence could take to place in it people's minds as being part of mainstream Australian society. Unless some of these ideas are taken up Defence will become a 'fringe dweller' on Australia society: the implications of that happening are too awful to contemplate.
4. The challenge is not only to integrate Defence back into the community but also to emphasise that members of the Armed Services are 'special people'.

Governments of both persuasions have been at pains to say this but so far the concept has not progressed beyond the rhetoric.

5. In the area of retention not enough thought has been given to providing benefits – pay, allowances, housing, recreation, superannuation, etc. – which set service personnel apart from the community so that they are seen to be ‘special people’. Only when people outside the services say, ‘Why does the government look after you so well?’ will this have been achieved. Then and only then will the retention problem have been solved. Employment in the Services will be seen as a vocation, not just a job which is now the case. Also the best recruiters are those who have had self-satisfying careers in the services.

Note: In accordance with the focus of the RDFWA on matters pertaining to the regulars of the ADF, this paper does not deal with the special problems of the Reserves in such areas as retention of civil employment, compensation for employers, etc. on call-out. However, it is suggested that in the more general areas of recruiting and retention our ideas would be relevant.

### **Recruitment**

6. As indicated above, the key to turning around the recruiting problem is to put Defence back into the mainstream of Australian society and make life in the armed services look ‘cool’. \$40 million worth of advertising will not achieve that. Nor will a revamped Defence Public Relations machine where the main aim is political, i.e. showing the Government and Ministers in a favourable light. Defence has to go much further than advertising and public relations. In communicating to the public, stress must be placed at all times on the individual services – Navy, Army, Air Force – since it is the Services that the community identifies with: the uniforms, the hardware, the traditions. ‘Defence’, as such, probably has negative appeal. The Services are national institutions. Defence is a Department of State and there is a world of difference between the two.
7. It is suggested that to improve the image of the Armed Services in the community consideration should be given to wider television coverage since

young people in particular rely almost exclusively on TV and the Net for their view of society and the world. Ideas should therefore be explored in the following areas:

- TV drama – *Patrol Boat* had a very wide impact, but there has never been a follow-up program.
- Reality TV – The scope for reality TV using service backgrounds would seem to be unlimited
- Commercial TV Advertising – Under this scheme a major company would be given the right to use a service background to promote their product, e.g. BP powering ships, aircraft, global hawk.
- TV documentaries – Unlimited scope in all services, e.g. a day in the life of a battalion commander, or a clearance diver, etc.
- TV Interviews – Operational commanders being interviewed on current operations and major training exercises not necessarily peacekeeping.

8. In furthering the projection of the services' image into the community, the services should develop active community relations programs. Under such programs base commanders in particular should be required to develop a community relations program to include, inter alia:

- ⇒ guided tours and presentations for shire councillors, hospital boards, school teachers, community leaders, the arts community, charitable organisations, etc.
- ⇒ school tours, demonstrations and presentations;

⇒ open days and which demonstrate that the Services do not discriminate on gender or ethnicity and showing that the Services are in the 'equality business'.

9. Consideration should be given to the extension of Defence Exhibitions, such as those mounted at the Royal Agricultural Shows which reach millions of people, to regional areas and communities such as Rockhampton, Bathurst, Wollongong Bendigo, etc.
10. Consideration should be given to mounting a permanent defence exhibition, emphasising recruiting, in a travelling railway carriage which could cover the whole country.
11. Also, the concept of a 'cyber café', mounted in caravans, fitted with interactive screens replicating operational command posts and operations rooms, which could visit metropolitan suburbs to demonstrate what goes on inside the services. This could be popular with 'cyber age youth' and dispel many of the myths currently harboured by young people about the services. Any number of firms are available to develop this concept.
12. Finally, too many defence establishments operate behind 'closed doors', e.g. at Bendigo the former ADI factory does not exist in the public eye and yet it is an industrial undertaking of world class quality. Visit Bendigo and you would not know it exists and Defence wonders why it does not enjoy mainstream recognition by the Australian community! But you can go down a disused gold mine!

### **Summary**

13. These are just some of the initiatives which could be considered to improve the presentation of the armed services within the Australian community. They are the sorts of initiatives which Defence could undertake or sponsor without resort to expensive consultancies, and over time would have collectively more impact

on the Australian community than blanket, mindless, TV advertising, as is occurring at the present time.

## **Retention**

### **General**

14. If service personnel are indeed 'special people who volunteer to go in harm's way at short notice' then it is beholden on the Government to ensure that their remuneration and conditions of service, including compensation and retirement benefits, reflect that high regard. The Government has it within its power to provide a remuneration environment which reflects that esteem. Furthermore if service people, at the end of their service, believe they have been well looked after by the Government the impact on recruiting will be significant and the concept of 'the military family' will begin to emerge within the community.

### **DER Programs**

15. It is clear from the Defence Attitude Survey that the DRP and DER had a disastrous effect on service personnel and their attitude towards their service. Two features stand out, namely over 50% said it would take very little to induce them to leave the service, with 45% saying they are actively looking at leaving. This degree of disenchantment is reflected in the fact that 70% said that morale in their unit was not 'good or very good'. Clearly change such as that which flowed from the DER was quite detrimental to morale and retention. The surprising feature was that Defence management did not foresee the impact of the DER on its people. So much for their 'greatest asset'!

## **Developing a modern package**

### **Remuneration**

16. Central to the question of retention is the question of pay and in this regard service personnel rightly expect that their pay and allowances compare favourably with other sectors of society. Important however is the fact that most

service personnel do not have a clear understanding of how their pay is set: the present system is anything but transparent and has a significant deficiency in that the CDF has responsibility for representing his people and also employing them. It is our view, which has been represented to both the Pratt and Nunn Committees, that the position of Defence Force Advocate responsible to the CDF should be re-introduced to develop all cases concerning pay and allowances. Its recommendations, approved by CDF, would be referred to the Secretary who, if unable to approve, would direct them to the DFRT for decision. Separately, the DFA would be required to make a report to Parliament, separate from the Annual Defence Report, setting out decisions made in the past 12 months and foreshadowing future considerations. Observing that service personnel have no industrial arm (union) it is beholden on Government to ensure that pay fixing is transparent and understandable. The current system does not achieve that objective.

### **Pay structure**

17. In this area it is appropriate to point out that the Government places more importance on how it remunerates its public servants employed in Defence than it does the uniformed side. Of some 15,000 civilians working in Defence over 600 are on salaries equivalent to that of Colonel(E). Of some 50,000 uniformed personnel only 190 receive Col(E) pay. To redress this situation Col(E) should be remunerated at SES level, with appropriate pay restructuring.

### **Conditions of service**

18. To improve retention rates, particularly in the 10 to 25 year period, there are a number of measures which should be introduced:
  - ⇒ Free medical and dental services to service personnel who complete 20 years service (DVA Gold Card equivalent). (DVA has issued 285,000 gold cards to date and this number will reduce significantly in the ensuing decades.)
  - ⇒ Availability of \$150,000 home loan after six years service.



- ⇒ Scaled retention bonuses, which could be translated into increased superannuation benefits.
- ⇒ Withdrawing the current regulation which requires a member to live in real estate he/she may have acquired as an investment.
- ⇒ Introduction of a Life Insurance Scheme (government and member funded), and separate from existing and proposed Military Compensation Schemes, whereby if any ADF member who loses his life in any circumstance – active service, training, car accident, suicide – his next of kin or estate will automatically, and within five days, receive a sum of, say, \$100,000 without regard to rank, time in Service, etc. Such a scheme would ease the impact of sudden bereavement and enable outstanding loans to be discharged.
- ⇒ There is also an urgent requirement to review military superannuation schemes, and in this regard this Association has made a number of suggestions to the Nunn Committee, e.g. wage-based indexation, access to some capital prior to preservation age, pay out of employer contributions on separation, more generous reversionary benefits for widows, rescinding the superannuation surcharge.
- ⇒ Case manage Service personnel separating after 15 years service.
- ⇒ Develop engagement policies which induce personnel to re-engage after they have left the Services.

19. Retention is also affected by how well Defence looks after service families, and in this regard this Association would be the first to acknowledge the many improvements made in recent decades to improving the lot of service wives and families. To improve matters further consideration could be given to
- ⇒ introduction of a scheme to cover 'gap' in Defence and Naval Health Benefit schemes when paying refunds of medical and dental bills.

⇒ providing free medical and dental cover at Service facilities for families who are required to live north of the Tropic of Capricorn, recognising the threat from diseases unique to tropical areas, e.g. Ross Rive Fever, Dengue fever, encephalitis, tropical ulcers etc.