

Operational deployment and transition management in the ADF

Introduction

- 4.2 In 2001-02 there were about 51 000 people in the Australian Defence Force (ADF). These people are highly trained, perform a wide range of tasks and operate in often dangerous situations. While the ADF is relatively small, the quality of training, and the skills and professionalism of ADF personnel make it a highly effective and potent force.
- 4.3 Managing people in the ADF is extremely challenging and is one of the most critical elements in ensuring that Australia has an effective defence force. The ADF, therefore, must ensure that it has effective recruitment, training, and retention programs. A fourth element, which is often less understood, is transition management. This focuses on the assistance and advice provided to ADF personnel when they decide to leave the service and move into civilian employment or retirement.
- 4.4 There are different levels of assistance that are provided to serving personnel depending on their years and conditions of service. This chapter examines the adequacy of some of the services and programs that are provided. The quality and effectiveness of transition services can have broader influences than just assisting individual service personnel to re-enter civilian life. For example, an effective transition management program may help to improve retention rates across the ADF. This is based on the view that service personnel who decide to leave after 4 years may be less inclined to leave if they have confidence that the transition

management programs are effective and will help them secure quality employment after 12, 16 or 20 years in the ADF.

- 4.5 The first part of this chapter examines the impact of operational deployment on service personnel. Some of the specific services and programs that are available to ADF personnel and their families are outlined. It is essential to scrutinise the quality and effectiveness of support services provided to ADF personnel on deployment.
- 4.6 The reason for examining aspects of operational deployment is that there is a link with transition management. Different types and levels of operational deployment can result in different types of 'transition' entitlements which personnel can call upon when leaving the ADF.
- 4.7 These issues were raised first at our annual report review on 8 May 2002 and then examined more fully at a round table forum held on 1 July 2002, where representatives of Defence, Defence organisations and private sector human resource management agencies provided evidence on deployment and transition management issues. In addition, a research paper on transition management was prepared for the committee as part of the Australian National Internship Program.¹

Operational deployment

Conditions of service

- 4.8 Since World War II, ADF personnel have been involved in a range of operational deployments. In recent times this has included service in the Middle East, Western and Central Asia, North-East Africa and Diego Garcia in the war against terrorism. In addition, ADF personnel are currently serving in the Solomon Islands, Ethiopia, Eritrea, Sierra Leone, East Timor, Bougainville and the Middle East.
- 4.9 An operational deployment results in 'conditions of service'. ADF conditions of service 'are government rulings which determine the pay and benefits that ADF members, and their families, receive as a result of an operational deployment'.² In addition to ADF conditions of service, there are 'categories of operations' defined in the *Veterans Entitlement's Act 1986* (VEA).

1 George, Andrew, 'A Research Report into Transition Management and the Australian Defence Force', *Australian National Internship Program*, July 2002.

2 *ibid.*, p. 16.

- 4.10 The current method for determining conditions of service is for the Minister for Defence, in consultation with the Prime Minister, to declare the nature of service as 'warlike', 'non-warlike' or 'peacetime'. Each of these has a specific definition. For example, warlike operations 'are those military activities where the application of force is authorised to pursue specific military objectives and there is an expectation of casualties'.³ Some of the military operations that fall under this category include East Timor (INTERFET), the War on Terrorism, and the battalion deployment to Somalia.
- 4.11 Non-warlike operations usually limit the application of force to self-defence. Peacekeeping operations, for example, are non-warlike operations. The ADF deployments to Bougainville, Mozambique and Sierra Leone were peacekeeping operations
- 4.12 In addition to these ADF categories of military service, the Department of Veterans Affairs (DVA) has additional categories which it derives from the VEA. The DVA categories of military service include:
- operational service;
 - qualifying service;
 - eligible war service;
 - defence service (7 December 1972 to 6 April 1994);
 - peacekeeping service; and
 - hazardous service.⁴
- 4.13 A comparison of ADF conditions of service and VEA definitions of military service suggests that there are some anomalies between the two. The array of conditions is complex and potentially confusing. The Injured Service Persons Association, for example, has been established to assist personnel to understand the policies and conditions. Table 4.1 provides a comparison between ADF conditions of service and VEA definitions of military service.

3 *ibid.*, p. 17.

4 *ibid.*, p. 19.

Table 4.1 A comparison between ADF conditions of service and VEA definitions of military service

Item	ADF conditions of Service	VEA definition of military Service
1	warlike service	operational service, eligible war service
2	non-warlike service	peacekeeping service, hazardous service
3	peacetime service – enlisted on or after 7 April 1994	this service is not covered by the VEA
4	peacetime service –enlisted before 22 May 1996 (and has served continuously up to and after 7 April 1994)	defence service (7 December 1972 to 6 April 1994)

Source George, Andrew, 'A Research Report into Transition Management and the Australian Defence Force', *Australian National Internship Program*, July 2002, p. 30.

4.14 A comparison of the application of ADF conditions of service and VEA definitions of military service suggests that there are some anomalies. For example, the VEA lists military service in Somalia between 20 October 1992 and 30 November 1994 as 'operational service'. As shown in Table 4.1, this equates to 'warlike' service under ADF conditions of service.

4.15 However, the ADF classes service in Somalia between 17 October 1992 and 30 April 1993 as 'non-warlike'. For service in Somalia, as part of operation SOLACE, between 10 January 1993 and 21 May 1993, the ADF recognised service as 'warlike'.⁵ Therefore, ADF personnel serving in Somalia between 1992 and 1993 could have served in the same theatre of operations but been under different conditions of service. The different conditions of service result from the ADF classification of the tasks on which the personnel were employed. Some tasks were classified 'warlike' and other were 'non-warlike'.

Conclusions

4.16 Deployment of ADF personnel results in certain conditions of service depending on the nature of the operation. The ADF defines warlike, non-warlike and peacetime operations. Each of these operations will result in a specified level of pay, entitlements and conditions. Similarly, the Department of Veterans Affairs will use the operational status of a deployment as a means of determining benefits and assistance.

4.17 The ADF and DVA seem to have different criteria for determining operational status as shown by the Somalia case study described above. In addition, each operational deployment may have slightly different

5 *ibid.*, p. 32.

conditions, benefits and levels of assistance. For example, retired service personnel may find it difficult to determine what DVA service they are entitled to as a result of being deployed on a certain deployment.

- 4.18 To clarify this complexity, DVA should develop an information package explaining what ADF conditions of service packages equate to under the provisions of the VEA. In addition, DVA should create information fact sheets for all deployments covered by DVA, stating what benefits and assistance are available for having served on a particular deployment. This information should be posted on the DVA website so that it is readily available to serving and retired ADF personnel. This approach will provide valuable assistance to ADF personnel when seeking to determine and obtain their entitlements.

Recommendation 2

- 4.19 **The Department of Veterans Affairs should develop an information package clarifying what Australian Defence Force conditions of service equate to under the provisions of the *Veterans Entitlements Act 1986*.**

Recommendation 3

- 4.20 **The Department of Veterans Affairs (DVA) should develop information fact sheets for all deployments covered by DVA, stating what benefits and assistance are available to Australian Defence Force personnel serving on those deployments. This information should be posted on the DVA website.**

The statistical database

- 4.21 An essential aspect in providing effective support services to ADF personnel is having up to date and accurate data which provides information on the needs of personnel. Scrutiny of Defence revealed that there were often incomplete or non-existent statistical databases on Defence personnel. For example, operational deployments can place stress on families, and through the long period of separation may lead to family breakdown. A statistical database which can provide information on the extent of family breakdown may lead to the development of more effective support programs.

- 4.22 During the round table forum, participants were asked if there was any survey information which provided insight into the impact of operational deployment on family stability. In particular, was there any survey evidence to suggest that deployments resulted in increased levels of family breakdown. In response to this, the Defence Community Organisation (DCO) stated:
- Only anecdotally at this stage. We would have to rely on the ADF census, and I understand we will have a new census next year. Only anecdotally do we have evidence that deployments are affecting relationships in the family and may be precipitating family breakdown. But at this stage, we have no hard data to qualify that.⁶
- 4.23 The ADF Census may, however, lack precision. The DCO commented that while the ADF Census does provide data on 'family separation', it does not record family separation as a result of deployment stress.⁷ The ADF Census is held every four years. Mr Malcolm Jackman advised that the focus of the ADF Census was not on marital status but rather on single status.⁸ For example, a person in a defacto relation is regarded as single.
- 4.24 Scrutiny of the other human resource databases suggested that there were additional deficits in the range and quality of data. DVA provides counselling services which are available to people who have been on operational deployment. The statistics show that 'the number of peacekeepers using the Vietnam Veterans Counselling Service is increasing'.⁹ The database, however, cannot disaggregate the usage of the counselling service by deployment.

Conclusions

- 4.25 The Department of Defence has a significant responsibility in managing possibly the largest and most diverse workforce in Australia. The management task would be performed more effectively if Defence had ready access to an effective statistical data bases which provides indicators about the status of the ADF and information about specific areas to help in identifying possible problem areas. With this information, Defence would be better placed to construct ameliorative programs.

6 Ms Jenny Reich, Defence Community Organisation, *Transcript*, p. 17.

7 Ms Jenny Reich, Defence Community Organisation, *Transcript*, p. 18.

8 Mr Malcolm Jackman, Manpower, *Transcript*, p. 21.

9 Repatriation Commission, Major General Stevens, Repatriation Commissioner, *Transcript*, p. 14.

- 4.26 The ADF Census partly fulfils this objective by providing data on the status of the ADF. However, the ADF Census is only held every four years and there are limitations on the precision that a census can provide. For example, the ADF Census currently classifies a person in a defacto relationship as 'single'. By ignoring defacto relationships the ADF Census is inflating the number of 'single' persons. This may, for example, influence the development of programs and services that are designed for single persons as opposed to persons in defacto or married relationships. Defence needs to obtain more accurate and current data on the impact of operational deployment. Therefore, Defence should develop a compulsory survey questionnaire which should be provided to all ADF personnel three to six months after returning from an operational deployment. The questionnaire should include questions on the positive and negative impact of the deployment on the person and their family. The survey questionnaire must conform to strict survey and questionnaire methodology, and the survey information must be easily compiled and tabulated. Aggregate information should be available for each deployment.
- 4.27 In addition, Defence should ensure that its maximises other sources of data through the provision and analysis of aggregate data where possible. For example, Defence personnel databases record service information for each individual. Where possible, information from this source should be aggregated and analysed. Similar data that should be collated and analysed is the information obtained from exit surveys and compulsory psychological screening for all people returning from deployments.

Recommendation 4

- 4.28 **The Department of Defence should develop a compulsory survey questionnaire which should be provided to all ADF personnel three to six months after returning from an operational deployment. This survey is in addition to the ADF Census which is held every four years.**

Recommendation 5

- 4.29 **The ADF Census should be amended to ensure that a person in a defacto relationship is no longer regarded as 'single'.**

Support services and programs

4.30 During the hearing, one of the focus topics was the adequacy of services provided to ADF personnel, and their families, who are engaged in operational deployments. For ADF personnel, the prospect of being deployed on operations overseas can be rewarding and challenging but, at the same time, extremely demanding on the individual and family members. This section examines some of the services and programs that are provided to ADF personnel and their families to help them deal with the constraints on family life caused by operational deployment. The following support programs and services are briefly described:

- family breakdown support;
- the work of the 'operational safety team';
- psychological screening;
- the use of 'decompression' periods upon return; and
- support services for Reserves.

4.31 At the completion of this discussion, some concluding remarks are made about these support services and programs.

Family breakdown support

4.32 The Defence Community Organisation (DCO) provides a range of relationship counselling services for ADF personnel and spouses. The DCO commented that 'we also have relationships with specialist agencies in the community and, if a spouse came to seek our assistance, we would then refer to specialist counselling agencies in the community, if appropriate'.¹⁰ The DCO stated:

As much as possible, for the people that want to participate, we try to provide a holistic approach—that is, education, prevention and early awareness of issues that may arise. Then there is a community development focus that funds and maintains family support activities to provide support to spouses when members are away on deployment. Then there are strategies and specialist services that we put into place if people do need to seek counselling.¹¹

10 Ms Jenny Reich, Defence Community Organisation, *Transcript*, p. 27.

11 Ms Jenny Reich, Defence Community Organisation, *Transcript*, p. 28.

Operational Safety Team

4.33 An operational deployment, depending on the location and threat, is often dangerous. At the same time, the location may present natural or artificial hazards. For example, industrial toxic wastes should be identified and ADF personnel should be adequately protected. Defence indicated that 'for the first time in Australia's history we deployed an operational safety team to Timor, with the exception of Bougainville'.¹² Defence stated:

We sent up a hazard assessment team to look at the chemical issue at Loloho. We have a comprehensive report on the chemicals at Loloho, and another team will be going back there shortly. General Cosgrove asked for specific safety support in Timor, which you can tend to do when you run the operation. As a consequence of that, that was probably the first time we got that level of assessment. Any assessment done prior to that would largely have been done by the preventative medicine staff, who look at preventative health issues primarily. Timor was the first time we had ever deployed safety professionals with an Australian force.¹³

4.34 One of the focus areas during the hearing was the adequacy of information provided to ADF personnel about the threat that they had been exposed to as a result of a deployment. Defence commented, for example, that it had 'produced a pamphlet on exposure to asbestos in Timor and provided that to both the serving community and the ex-serving community and made people aware of the compensation scheme that we run in Defence, and we have been running since the Enfield report in 1991'.¹⁴

4.35 Defence indicated that there have been smaller isolated reports of industrial waste contamination where it was difficult to record who could have been in the contamination area. In those situations, Defence commented that it records the hazard and the area that it was found in, 'but matching the people to the hazard could not be done'.¹⁵

4.36 If an ADF member subsequently made a claim for compensation, they would need to make that claim to DVA. DVA would then seek to confirm the details with Defence. Defence commented that the 'approach is to use

12 Mr Glen Tye, Department of Defence, *Transcript*, p. 9.

13 Mr Glen Tye, Department of Defence, *Transcript*, p. 9.

14 Mr Glen Tye, Department of Defence, *Transcript*, p. 10.

15 Mr Glen Tye, Department of Defence, *Transcript*, p. 10

a beneficial standard of proof so that the benefit of the doubt is given to the person'.¹⁶

Counselling and psychological screening

- 4.37 ADF personnel returning from an overseas deployment have access to a full range of support services including Defence health, psychology, social work and chaplaincy services. In addition, they also have access to the Vietnam Veterans Counselling Service because of their 'veteran' status.¹⁷ The adequacy and effectiveness of these services was debated. Defence suggested that many personnel might think that some of the services were unnecessary. However, the impact and coping strategies of individuals vary and therefore these services are vital. Defence stated:

There was clearly a need for these services. Not everybody as an individual recognised that there was a need, and a lot of them received the counselling almost under some sufferance; nevertheless, they were all provided with it. If anybody slipped out without getting it then it was because they were particularly nifty. There was a great and concerted effort made to ensure that everybody who left the zone was counselled before they left and then, if necessary, followed up when they got home.¹⁸

- 4.38 Defence indicated that the range of issues that a person may seek counselling over relate to the experiences of the deployment but also the aspect of family and relationships. The Defence Community Organisation (DCO) commented that the 'presiding problems presented are family and relationship issues'.¹⁹ In response to this, the DCO provides 'comprehensive deployment briefings before members go on deployments, both to individual members and to the families'.²⁰ The DCO stated:

In those briefings we flag and discuss some of the issues that commonly occur during deployments, both for the members and for families. We also discuss strategies to assist families to cope while the member is away and discuss strategies with the members as well. We provide family support activities during the deployments.²¹

16 Mr Jason Brown, Department of Defence, *Transcript*, p. 10.

17 *Transcript*, p. 11.

18 Mr Roxley McLennan, Air Commodore, Department of Defence, *Transcript*, p. 12.

19 Ms Jenny Reich, Defence Community Organisation, *Transcript*, p. 13.

20 Ms Jenny Reich, Defence Community Organisation, *Transcript*, p. 13.

21 Ms Jenny Reich, Defence Community Organisation, *Transcript*, p. 13.

- 4.39 All ADF personnel returning from a deployment are psychologically screened before returning home. The purpose of this exercise is to screen people in order to determine if they would benefit from additional services. In addition, ADF personnel are screened between three to six months after returning. Defence indicated that since January 2000 it has 'conducted over 16,000 of those screenings across the ADF'.²²

'Decompression' periods and support for Reservists

- 4.40 ADF personnel on deployment accrue a range of leave entitlements depending on the nature of the deployment. Upon returning from a deployment a person would be entitled to take a significant amount of recreation leave. For example, war service leave (WSL) accrues for service on Warlike operations. WSL accrues at the rate of one and half days leave for each calendar month spent in an operational area. Those personnel who are deployed on non-warlike operations accrue 10 days of additional leave for each year spent in the operational area.²³
- 4.41 The ADF orders that 'WSL should be taken immediately on return to Australia and prior to other forms of leave'.²⁴ However, there is support for the use of 'decompression periods'. 'Decompression' refers to the practise of requiring personnel who are returning from a deployment to return to their unit for about two weeks and undertake normal work duties along with any counselling or post deployment medical tests. This process ensures that returning personnel have time to adjust before spending all of their time on recreation leave. A Defence operational commander stated:

I insisted that those people have a two-week decompression period when they come home, so the soldier does not simply arrive back from his operational deployment and then go on leave immediately without fitting back into his unit to get the support necessary. It also means that he does not arrive home and be a shock for mum and the kids at that point in time when all rules have changed.²⁵

- 4.42 Defence commented that from an Army point a decompression period 'was a standard operating procedure across the combat force in Army'.²⁶

22 Lieutenant Colonel Martin Levey, Department of Defence, *Transcript*, p. 13.

23 George, Andrew, 'A Research Report into Transition Management and the Australian Defence Force', *Australian National Internship Program*, July 2002, p. 39.

24 *ibid.*, p. 39.

25 Brigadier Douglas Tyers, Department of Defence, *Transcript*, p. 25.

26 Colonel Michael Kehoe, Department of Defence, *Transcript*, p. 25.

- 4.43 The study of WSL and decompression periods has so far been limited to full-time army units. There has not been a study of decompression periods in relation to Reserve units. This may be particularly relevant in view of the deployment of an Army Reserve unit to East Timor.²⁷ George states:

Approximately 600 Army Reservists were slotted into regular formations in East Timor. There are no available statistics or studies into how these soldiers transitioned back into their civilian employment or their Army Reserve units. This makes policy evaluation difficult. The Army has not yet made public its plans for decompression period for future Reserve deployments. This issue of decompression periods for Reservists, and the monitoring of the return of the Reservists return to their civilian employment are issues requiring further attention.²⁸

- 4.44 The hearing also considered the return to civilian employment by Reservists from the perspective of employers. Defence suggested that the needs of employers was important and commented that it 'was constantly dealing with employers'.²⁹ In particular, the Defence Reserves Support Council which was established as a peak body to work with employer groups was 'enhanced following a decision by the government in 2000 and includes now representatives from a number of employer groups, including the Australian Industry Group; the Council of Small Business Organisations of Australia, COSBOA; and other groups'.³⁰ Defence stated:

Part of the role of the council and its committees is to undertake a number of activities to maintain and build employer support within the community. One of the key initiatives that has been taken in recent times has been the employer support payments scheme, which was launched just over 12 months ago.³¹

- 4.45 In relation to deployments of Reservists, Defence commented that service chiefs 'must consider in deciding whether or not to make that full-time service protected, in accordance with the Defence Reserve Service (Protection) Act, is the impact on third parties'.³² That is Defence will seek to find out the effects that a deployment will have on employers.

27 George, Andrew, 'A Research Report into Transition Management and the Australian Defence Force', *Australian National Internship Program*, July 2002, p. 41.

28 *ibid.*, p. 41.

29 Colonel Malcolm Stedman, Department of Defence, *Transcript*, p. 47.

30 Colonel Malcolm Stedman, Department of Defence, *Transcript*, p. 47.

31 Colonel Malcolm Stedman, Department of Defence, *Transcript*, p. 47.

32 Colonel Malcolm Stedman, Department of Defence, *Transcript*, p. 47.

Conclusions

- 4.46 Some of the key support services and programs for ADF personnel involved in operational deployments include counselling services, family breakdown support, psychological screening, the use of decompression periods and specific support for reservists. There appears to be improvement in the range and quality of services that are being provided to ADF personnel. For example, operational safety teams have been used in East Timor to identify locations which may be contaminated with hazardous wastes. This information is then used to protect ADF personnel.
- 4.47 Counselling and psychological screening is a routine part of operational deployments. ADF personnel are counselled prior to a deployment and are subject to psychological screening upon return. In addition, family members and spouses are entitled to family breakdown support services. It is encouraging that Defence is delivering these types of services.
- 4.48 The evidence suggests that it is extremely beneficial to have ADF personnel returning from a deployment to return to their unit and 'adjust' for about two weeks before going on recreation leave. This period of 'decompression' provides an opportunity to readjust amongst other ADF personnel and undergo any testing that might be required.
- 4.49 The ADF, however, orders that war service leave should be taken immediately on return to Australia and prior to other forms of leave. In contrast, operational Defence staff at the hearing indicated that they routinely require their officers and soldiers to have decompression periods. This inconsistency needs to be rectified and the use of decompression periods for all returning ADF personnel should be made mandatory.
- 4.50 There is a lack of information on the application of decompression periods for Reservists. There is a further complication as these personnel 'transition' back to civilian employment. Now that Reservists are being sent to East-Timor, Defence must give more attention to the transition requirements, including the use of decompression periods, for Reservists.

Recommendation 6

- 4.51 **The Department of Defence must ensure that the use of decompression periods for all ADF personnel returning from operational deployments is mandatory.**

Transition management

- 4.52 Transition management is 'broadly defined as the monitoring, management and provision of support to ADF members and their families transitioning from military service to civilian life'.³³ In particular, this includes the provision of service to:
- veterans of operational service and their families;
 - military personnel injured on operational, non-operational or training activities; and
 - the provision of support to families of ADF members.
- 4.53 There are three issues to be addressed in seeking to understand transition management. First, is the need to determine the support and services that ADF personnel are entitled to. Second, is determining what government agency is responsible for providing what services to eligible persons. For example, there is the Transition Management Service (TMS) and the Military Compensation and Rehabilitation Service which provide different services. Third, it is important to determine how risks and threats to individuals are verified, recorded and monitored. For example, ADF personnel deployed on 'warlike operations' may be exposed to certain adverse conditions which may influence their transition entitlements.³⁴
- 4.54 The final section of this chapter outlines the range of Defence and DVA transition services. The final part of the chapter examines some key transition services discussed during the hearing.

Defence and DVA support services

- 4.55 Discharging from the ADF is divided into two categories. Discharges can be on medical or non-medical grounds. For those personnel who discharge on non-medical grounds, there is the Career Transition Assistance Scheme (CTAS).
- 4.56 The CTAS is the ADF's primary method of fulfilling its 'obligations to assist members with career transition when they separate after continuous full-time service whether voluntarily or involuntarily'.³⁵

33 George, Andrew, 'A Research Report into Transition Management and the Australian Defence Force', *Australian National Internship Program*, July 2002, p. 7.

34 *ibid*, pp. 7-8.

35 *ibid.*, p. 56.

- 4.57 The major features of the CTAS are explained in the following dot points:
- transition assistance is a condition of service and is available at different levels to eligible members;
 - career transition is available for up to 12 months after separation from the ADF or can be preserved for a specified period, when a member transfers to an active Reserve Force from the Permanent Forces;
 - basic career transition information is provided on-line via the Defence Intranet (DEFWEB) if practicable. CD-ROM and hard copy information is available for members without DEFWEB access; and
 - additional assistance is provided to members who are medically discharged.
- 4.58 CTAS benefits are incremental and based on the length of service an ADF member has served. The three levels are:
- **Level 1** for service of less than 12 years;
 - **Level 2** for service of between 12 years and less than 18 years; and
 - **Level 3** for service of 18 years or more. Level 3 also includes members who reach compulsory retirement age which is 55 for most ADF members, or where a member separates to meet service needs where that member has completed a minimum of 12 years service or where members are discharged on medical grounds provided that the disability was not caused by the member's misconduct or wilful neglect.

4.59 Table 4.2 provides a summary of the benefits provided through the CTAS.

Table 4.2 Benefits of each CTAS level

CTAS Level	Benefits
CTAS Level 1 (service of less than 12 years)	(a) unrestricted access to on-line information on discharge entitlements, financial lifestyle planning, job search strategies, résumé development and links to relevant agencies; (b) up to 5 days' approved absence from duty for career transition activities after 5 years' service; and (c) attendance at Defence resettlement seminars.
CTAS Level 2 (service of between 12 and 18 years)	(a) Level 1 plus: (b) an additional 5 days' approved absence from duty for career transition activities (total 10 days); (c) coaching on the development of a curriculum vitae to a limit of \$215; and (d) access to career transition training within a limit of \$1,000.
CTAS Level 3 (service of 18 years or more)	(a) Level 2 plus: (b) an additional 13 days' approved absence for career transition activities (total 23 days); and (c) career transition training (without the financial limit at Level 2) or career transition management counselling.

Source George, Andrew, 'A Research Report into Transition Management and the Australian Defence Force', *Australian National Internship Program*, July 2002, p. 58.

4.60 For those ADF personnel discharging on medical grounds, the full level of CTAS services are available irrespective of time served.

4.61 DVA administers, on behalf of Defence, the Transition Management Service (TMS). The TMS aims to 'ensure that members make a successful transition from military to civilian life by ensuring they have access to the full range of information and services available'.³⁶ Services offered through the TMS are available to ADF members who discharge from the ADF on medical grounds.

4.62 When an ADF member is discharged on medical grounds, a TMS coordinator develops a Personal Transition Action Plan which examines:

- optimising discharge entitlements;
- possible future employment options;
- post discharge medical matters;
- superannuation;
- housing;

36 *ibid.*, p. 59.

- financial planning;
- insurance; and
- compensation.³⁷

4.63 During the hearing, the Military Compensation and Rehabilitation Service (MCRS) was examined. ADF Pay and Conditions information indicates that 'if a member is being discharged for medical reasons and has an associated accepted compensation claim, the member may become eligible for assistance through the vocational rehabilitation programs available under the *Safety, Rehabilitation and Compensation Act 1988* and administered by the Department of Veteran Affairs.³⁸

4.64 A new Military Compensation Scheme is being developed which is based on the MCRS, 'melded with elements of the Veterans' Entitlements Act'.³⁹ The new scheme has been under development since 1999 and concerns were raised about progress and a possible 'stand off' between Defence and DVA. Defence stated:

Again, we do not disagree about the nature and content of the review; we are just trying avoid additional levels of review to ensure that we do not further complicate already complicated procedures. So while there is pretty strong and robust discussion at the working group, which includes a range of ex-service organisations, the main focus is to get the stuff on the table so we can work through it. The issues between DVA and us are matters at that level as opposed to matters of significant substance, as I see it.⁴⁰

4.65 DVA agreed with that assessment but commented that while there is 'the go-ahead to develop the new Act, that is what is taking time at the moment'.⁴¹ While this level of agreement is reassuring, it is essential that no further time is wasted. Defence and DVA should seek to conclude the development of the new Military Compensation Scheme as quickly as possible.

37 *ibid.*, p. 60.

38 PACMAN Chapter 10-Part 7-40, September 2001.

39 Major General James Stevens, Repatriation Commission, *Transcript*, p. 68.

40 Mr Jason Brown, Director-General, Safety Compensation and People Development, Department of Defence, *Transcript*, p. 68.

41 Major General James Stevens, Repatriation Commission, *Transcript*, p. 68.

Transition management and retention

- 4.66 The average length of stay in the ADF is about nine years. Approximately, 40 per cent of ADF personnel leave after their initial period of service. Defence explained this departure on the grounds that these people had set specific goals for themselves and 'moved on in a way they are comfortable with and have planned for'.⁴²
- 4.67 The retention of ADF personnel is a critical part of human resource management. If, for example, the retention rate was considered too low then Defence would need to expend more resources in recruitment and training. All organisations need to balance these factors in managing their human resources.
- 4.68 During the hearing, the prospect was raised that transition management can positively influence retention. For example, about 40 per cent of ADF people leave after their initial period of service. It was suggested that one of the reasons people leave after 4 or 8 years is that they have greater control over their employment options than if they waited 12 or maybe 18 years. The view was put that if the transition management schemes were effective then people at the 4 to 8 year period may have more confidence in staying on. Mr Jackman stated:
- I am of the belief that one of the issues that drives retention is the fear that some people have as to how they will transition from the ADF further down their career path.
- So the transition of people from the ADF becomes an important part in their whole of life career. If that is not handled well and if people perceive the transition from the ADF is not going to be handled well, then they may seek to exit the ADF early, rather than seeing out the full term of their career. From that point of view, I think that is why it becomes such an important issue in terms of maintaining force capability within the ADF.⁴³
- 4.69 Mr Jackman suggested that if the 'fear' or apprehension of transitioning, at a later age could be removed through having an effective transition program then retention would improve. Mr Jackman posed the hypothetical situation of a person at the four or eight year mark may decide to stay on if they knew that there would be proven transition program that have an 85 per cent success rate of finding people appropriate employment.⁴⁴ Mr Jackman concluded that 'if there were a

42 Mr Roxley McLennan, Air Commodore, Department of Defence, *Transcript*, p. 12.

43 Malcolm Jackman, Manpower, *Transcript*, p. 6.

44 Malcolm Jackman, Manpower, *Transcript*, p. 38.

stronger transition program, they might feel more comfortable about when they actually exit'.⁴⁵

- 4.70 Another feature of transition management programs is that the level of service is related to time served. Table 4.2, for example, shows that people who have completed 18 years of service receive the highest level of CTAS services. Mr Jackman suggested that if you could bring the length of service qualification down then this also could get the retention rate up. Mr Jackman stated:

The current programs basically reward people who have stayed in the organisation—they have their 12- or 18-year break points—but nothing positive is done to encourage people who have done their four years to stay on for eight years. If they joined as an 18- to 20-year-old, that eight-year point is likely to be the period when they are in a stable relationship, they might be looking to buy a house and they might have a young family on the way. That is when transition would be most traumatic for them, so they say: 'I am footloose and fancy-free. I will go at four years'. This is all anecdotal, but there is a lot of substance behind it. There is a very strong cost-benefit model to say to people 'We will give you transition services a lot earlier in your career and take some of the fear out of it'.⁴⁶

- 4.71 Defence, in relation to the discharge resettlement training scheme, did acknowledge the view that more could be done for those personnel who had served less time. The discharge resettlement training scheme is based on people who have served more than 20 years. If a person has completed less time then they would not receive any services. Defence commented that 'the people who administer the scheme are of the view that we should put more funding towards people who have served less time, but that has not been pursued policy wise'.⁴⁷

Conclusions

- 4.72 Transition management is an essential part of Defence's human resource management. The one day hearing on this matter has been productive in providing an opportunity to review and assess the adequacy of some of the key transition management programs.

45 Malcolm Jackman, Manpower, *Transcript*, p. 39.

46 Malcolm Jackman, Manpower, *Transcript*, p. 46.

47 Wing Commander David Lindsay, Department of Defence, *Transcript*, p. 52.

- 4.73 One of the most important findings arising from the review is the suggestion that an effective and well designed transition management program can help in the retention of ADF personnel. This is based on the view that part of the reason that people leave after 4 or 8 years is because they lack confidence in transition management programs. Alternatively, if transition management programs were shown to be effective and the results were widely canvassed, then people may have more confidence and be enticed to stay on longer in the service.
- 4.74 Defence should embrace the view that an effective transition management program can influence retention. Defence, in redeveloping its transition management programs, should ensure that the merits of the programs are widely circulated through the ADF. In addition, transition management programs should be more widely available and less emphasis should be placed on long qualifying periods of service. The majority of programs should be available to people who have served a minimum of 8 years.
- 4.75 In order to assess Defence's performance in the area of transition management, the Auditor-General should consider conducting a performance audit into this area. This will give Defence time to implement changes to its systems. If the Auditor-General conducted this review then the Committee could use the audit report as the basis for a further examination of transition management.

Recommendation 7

- 4.76 **The Auditor-General should consider conducting a performance audit focusing on transition management programs conducted by the Department of Defence.**

Employment needs

- 4.77 A key requirement for most people exiting the ADF is the need to obtain appropriate employment. ADF personnel have a range of skills which are often highly valued in the private sector and most people are highly successful in finding employment.
- 4.78 The adequacy of ADF employment programs was examined during the hearing. The CTAS is a key program which assists ADF personnel with employment needs. The services provided through this program are described in Table 4.2. The programs are focused on improving

presentation and marketability. For example, personnel at CTAS level 2 will be given coaching in developing a curriculum vitae.

- 4.79 The focus of the CTAS is mainly about the provision of information services. This point was noted during the hearing and, consequently, the need for outplacement services was debated. Mr Jackman stated:

...if you look at outplacement in the private sector, it is completely different from transition management in the Defence Force. The resettlement that defence forces around the world have been offering for probably the last 50 or 60 years is really an information based activity to try and prepare a member for when they actually exit the Defence Force in one form or another, whether it is upon retirement for age, whether it is because they want to seek early separation or whatever. It is not actually an outplacement service. It is not a job placement service. It is really just to educate the individual.⁴⁸

- 4.80 The use of job placement programs is used by the British Army as part of its military resettlement program. Level three of the British program provides career counselling, workshops, training, work attachments and assistance with job-placement.⁴⁹ The service is provided through the Career Transition Partnership and is available indefinitely to eligible soldiers.

- 4.81 Mr Jackman described a similar service provided by Telstra to its staff. During the past five years, 'about 8,000 people successfully out of Telstra, with more than 90 per cent of them actually getting a job, having exited from Telstra'.⁵⁰ In relation to the ADF, Mr Jackman concluded that 'providing some outplacement service has real merit'.⁵¹

- 4.82 The provision of outplacement services for the immediate family members of ADF personnel is not currently provided. However, there could be merit in providing this service because it may offset some of the reasons why ADF personnel decide to leave the ADF. Spouses of ADF personnel may, because of posting requirements, have disrupted and unfulfilled employment opportunities. Previous studies have shown that the employment opportunities of spouses of ADF personnel is a consideration in retention. Mr George notes, in his paper, that:

48 Mr Malcolm Jackman, Manpower, *Transcript*, p. 37.

49 George, Andrew, 'A Research Report into Transition Management and the Australian Defence Force', *Australian National Internship Program*, July 2002, p. 61.

50 Malcolm Jackman, Manpower, *Transcript*, p. 37.

51 Malcolm Jackman, Manpower, *Transcript*, p. 38.

These spouses are overwhelmingly female, many with a family to help support. If the ADF were to develop a job-placement program to support these women then separation rates for family reasons are highly likely to decrease. Through the money saved in recruitment (approximately \$45 000 per person successfully recruited), and in training (approximately \$300 000 per student at the Australian Defence Force Academy), this system may also save the ADF considerable amounts of money. Retention rates would be managed and transition, where applicable, would be assisted with the employment of personnel and their families.⁵²

- 4.83 During the hearing, Defence discussed the use of exit surveys. All ADF members leaving the ADF are required to complete an exit survey.⁵³ The survey questionnaire asks the reason why the person is leaving. The top ten reasons are aggregated. Defence confirmed that the major reason for leaving was employment. Defence commented that 'other reasons are probably of no surprise to those working in the retention business in the ADF: geographic stability, *spouse employment*, [emphasis added] children's education and those sorts of things'.⁵⁴

Conclusions

- 4.84 The Career Transition Assistance Scheme (CTAS) assists ADF personnel with employment needs when they are transitioning from the ADF. The program provides a range of information services. However, there is no active assistance in the form of an outplacement service. The British Army use outplacement services and there is growing use of these programs in the private sector.
- 4.85 The ADF could enhance the CTAS by offering an outplacement service on a demand basis. It is expected that not all ADF personnel will need the services of an outplacement program. However, for those that do, Defence should provide this service. Private sector contractors may be best positioned to provide this service.
- 4.86 In addition, there is persuasive evidence for providing an 'employment service' to the spouses of ADF personnel. These people will often have to make sacrifices to their employment because of the requirement of ADF postings. Studies have shown that this pressure may lead to premature

52 George, Andrew, 'A Research Report into Transition Management and the Australian Defence Force', *Australian National Internship Program*, July 2002, p. 63.

53 Commander Suzanne Smith, Department of Defence, *Transcript*, p. 58.

54 Colonel Ross Boyd, Department of Defence, *Transcript*, p. 60.

transition of ADF personnel. This service should be provided on a demand basis.

- 4.87 It is acknowledged that spouses in search of employment would have access to employment services through the existing Job Network. However, these people may, depending on their location and needs, requires specialised services that may not be readily available through the Job Network system. This is where Defence should seek to meet this unmet need by providing support for spouses to specialised employment services.
- 4.88 The acceptance of these recommendations would make a positive statement that Defence values the service of its personnel and is prepared to implement programs which help in improving retention.

Recommendation 8

- 4.89 **The Department of Defence should provide access to outplacement services for all ADF personnel as part of the Career Transition Assistance Scheme.**

Recommendation 9

- 4.90 **The Department of Defence should provide access to specialised employment services for the spouses of ADF personnel.**

Senator Alan Ferguson
Chairman
28 August 2002

