

An Coimisiún um Pá  
na Seirbhíse Poiblí

PUBLIC SERVICE  
PAY COMMISSION



# Report of the Public Service Pay Commission

Recruitment and Retention in the  
Permanent Defence Force

May 2019

## Contents

Chairman's Foreword

Executive Summary

Terms of Reference

Chapter 1 Introduction and Methodology

Chapter 2 Economic Environment and Remuneration

Chapter 3 Recruitment, Retention, Context and Causal Factors

Chapter 4 Survey and Interview Results

Chapter 5 Permanent Defence Force, Army, Naval Service and Air Corps

Chapter 6 Defence Force Pensions

Chapter 7 Concluding Comments

Appendix A Commission Membership and List of Meetings

Appendix B List of Submissions Received

Appendix C Methodology

Appendix D Allowances and Technical Pay

Appendix E The Totality of the Current Remuneration Package

Appendix F PDF Pension Schemes and Additional Superannuation Contributions

Appendix G Ranks in the Permanent Defence Force

Appendix H Acronyms

Appendix I Bibliography

# Chairman's Foreword

**In this third Report of the Public Service Pay Commission we address issues relating to recruitment and retention of personnel in the Permanent Defence Force (PDF). The Commission's Terms of Reference, as determined by the Minister for Finance & Public Expenditure and Reform (and set out later in this Report), require it to establish whether and to what extent a difficulty exists in recruitment and retention within each of the services that comprise the PDF. Where difficulties are identified, the Commission is required to examine the full range of factors contributing to those difficulties. Following a comprehensive evaluation of recruitment and retention issues in the PDF, the Commission's Report evaluates and responds to contextual issues in the Army, Naval Service and Air Corps and sets out the Commission's findings.**

As with previous studies, the Commission has undertaken extensive research and analysis of various factors that combine to influence the effectiveness of the recruitment process by which men and women are attracted to serve in the PDF and the factors that contribute to voluntary exit by serving personnel. The results of that research and analysis are contained in the body of this Report.

A career in the PDF is not comparable with that of any civilian occupation. It is well established that there are special disadvantages associated with military life. They include unsocial hours of duty, prolonged periods of separation from family, exposure to danger, and restrictions associated with military discipline. It is clear from the research undertaken in the preparation of this Report that those who join the PDF do so for a variety of reasons, but most are motivated by a desire to serve their country, which they do with pride and dedication.

The Commission has identified significant retention difficulties across the services that make up the PDF. The PDF comprises highly trained, skilled and well-motivated individuals who inevitably will be sought after and attracted to civilian employment, especially in a buoyant labour market. However, the loss of key personnel places additional pressure on, and limits the capacity of the PDF in undertaking the crucial role

that it performs in service to the State. Accordingly, the Commission has made recommendations which, together with the proposed unwinding of reductions in pay imposed by the Financial Emergency Measures in the Public Interest (FEMPI) legislation, are directed at enhancing the attractiveness of military service as a means of promoting retention within each of the services that make up the PDF. These recommendations are directed to the parties to the Public Service Stability Agreement for consideration in discussions pursuant to Clause 3 of that Agreement.

The Commission has also identified difficulties with the current recruitment arrangements for enlisted personnel and has made proposals directed at ameliorating those difficulties.

On the issue of pay generally, the Commission is prevented by its Terms of Reference from undertaking a general pay review on behalf of any group. This principle was accepted by all parties that engaged in this phase of its work. However, in its Module 1 Report, published in August 2018, the Commission recommended that the Parties to the Public Service Stability Agreement should consider putting arrangements in place, at an appropriate time, and without compromising the stability of the public service pay bill, to allow for the adequacy of current pay arrangements more generally to be fully examined. The Commission believes that the pay structures in the PDF should be examined as part of any such review.

The conclusions reached are based on our assessment of the very considerable body of evidence with which we were presented. The analysis and evaluation of that evidence proved to be both time consuming and challenging. In undertaking that task and in formulating appropriate recommendations, the collective skill and broad experience of the Members of the Commission was invaluable.

As with the earlier examinations undertaken, the Commission was assisted greatly in fulfilling its task by the quality of submissions received from interested parties. We are grateful to those parties for the time and effort that they gave in preparing those submissions and in attending before the Commission to present and elaborate upon them. They included very helpful and comprehensive submissions made by the Representative Bodies for military personnel (PDFORRA and RACO), and by Military Management, the Department of Public Expenditure and Reform and the Department of Defence, acting on behalf of the employer.

Responsibility for providing the Commission with research and other material, implementing decisions

and drafting this Report rested with our Secretariat. It comprised an excellent and dedicated team of Civil Servants led by the Secretary to the Commission, Joan Curry. Joan brought to this role an accumulated wealth of experience in public administration, combined with wisdom and courtesy, which was an invaluable resource upon which I and the other members of the Commission depended. I also wish to place on record our appreciation of the work performed on our behalf by the other members of the Secretariat: Linda Beasley, Liam Gleeson, James Maher, Cian McCarthy, Susan McKiernan, Karen Murphy, Frank Newman, Ben Sweeney and Dean Watt.

The Commission was required to work to a very tight timeframe. In order to produce and present this Report the members of the Secretariat were required to work long hours in drafting and redrafting the text as directed by the Commission. They did so willingly and without complaint. On my own behalf and that of my colleagues, I wish to place on record our particular appreciation of their work in that regard.

Finally, I wish to record my appreciation of the dedicated work of my colleagues in producing this Report. They each made a very substantial and generous commitment in terms of their time and in prioritising the work of the Commission over their many other commitments. For me, it continued as a singular pleasure to work, as chairman, with such dedicated and knowledgeable individuals.



**Kevin Duffy**

Chairman, Public Service Pay Commission

Dated: 20 May 2019

# Executive Summary

**The Public Service Pay Commission (the Commission) was established in late 2016 to advise Government on public service remuneration policy. The Commission's initial mandate was to report on how the unwinding of the Financial Emergency Measures in the Public Interest (FEMPI) legislation 2009 to 2015 should proceed. This was covered in the Commission's first Report, published in May 2017.**

In reaching its findings in relation to the unwinding of the financial emergency legislation, the Commission was obliged to have regard to recruitment and retention within the public service. Chapter 6 of the Commission's 2017 Report indicated that although there did not appear to be a general problem with regard to recruitment in the public service, there were some issues identified in the case of specific groups across the public service, including the Permanent Defence Force (PDF).

Following on from this, the Minister for Finance & Public Expenditure and Reform issued additional Terms of Reference to the Commission requiring it to consider these matters in further detail. The Commission's second Report, published in August 2018, examined recruitment and retention issues for Nurses and Midwives, Non-Consultant Hospital Doctors and Hospital Consultants. Trends in numbers, turnover, and vacancy rates were analysed along with the causal factors impacting on recruitment and retention patterns.

## Context

The Terms of Reference for this Report are set out in the next section. The Commission was initially asked to examine the specialist grades identified in the conclusions of Chapter 6 of its May 2017 Report. However, following a meeting with the Minister for Finance & Public Expenditure and Reform on the 29th of November 2018, the scope was extended to "a broad based" assessment of the PDF. The Commission was invited to make recommendations, in accordance with its mandate, where the evidence suggested there were significant recruitment and retention problems.

It should be noted that the consideration and substance of the Commission's recommendations have had full regard to the demands on the public finances, the Commission's Terms of Reference and the Public

Service Stability Agreement 2018-2020. This report sets out a number of recommendations that are directed to the parties to the Public Service Stability Agreement for consideration in discussions pursuant to Clause 3 of that Agreement.

## Methodology and Data Analysis

The Commission is obliged, in its Terms of Reference, to base its findings and conclusions on cogent and reliable evidence. To assist its deliberations, the Commission invited submissions from, and met with, stakeholders relevant to the PDF. It also sourced key data sets relating to recruitment and retention in the PDF.

While comprehensive information was made available to the Commission, some data was redacted by the Department of Defence for security reasons, and this data has accordingly been excluded from the Report. The Commission considered all pertinent information, including the redacted information and all of this information was used to draw conclusions for the report.

A redacted version of the submissions for this module is available on the Commission's website at <https://paycommission.gov.ie/>.

## PDF Overview

The Defence Forces consist of a Permanent Defence Force (PDF) which comprises the Army, Naval Service and the Air Corps, and a Reserve Defence Force. The Defence Forces provide a central foundation for national security. The Defence Forces have a number of missions assigned by Government: to defend the state; to aid the civil power; to participate in multilateral peacekeeping and humanitarian missions; to provide maritime security and fishery protection; and to participate in ceremonial duties.

The 2000 *White Paper on Defence*, the 2009 *Report of the Special Group on Public Sector Numbers and Expenditure Programmes* and the 2015 *White Paper on Defence* set the Establishment of the PDF at 10,500, 10,000 and 9,500 personnel respectively. The Establishment is currently 9,500. The actual end year Strength in 2012 was 9,359. This has fallen every year since, with the exception of a slight upsurge in 2014. The end year Strength in 2018 was 8,957. At the end of 2018, there were 7,243 serving in the Army, 989 in the Naval Service and 725 in the Air Corps.

The Commission recognises that the PDF is experiencing retention challenges. Turnover in the PDF has increased significantly. In 2018 the overall

turnover rate for the PDF was 8.1%, up from 5.1% in 2013. Further analysis confirmed to the Commission that in excess of 75% of all leavers from the PDF do so voluntarily and these tend to occur over a wider range of service points/ages than generally occur in the public service making workforce planning difficult. The Commission also notes that circa 35% of annual attrition relates to personnel in their first five years of service, with the majority of departures in the first year.

The evidence provided to the Commission confirmed that the PDF are devoting significant resources towards increasing recruitment activity levels to maintain personnel numbers at, or near the approved Establishment levels. A range of initiatives has been rolled out over recent years to enhance recruitment outcomes, including improved communications with applicants, bi-annual competitions, streamlining security procedures to reduce waiting time and measures to increase female participation.

However, it is also clear to the Commission, that current recruitment processes should be reviewed as the continued acceleration in recruitment activity, in the absence of equivalent retention measures/initiatives, may ultimately be yielding sub optimal results.

The PDFORRA and RACO submissions and presentations to the Commission emphasised the key issues directly impacting on recruitment and retention in the PDF as pay, allowances, recent reforms to the pension system, and the duration of contracts. Such concerns have been reflected in the Commission's survey and interview research, which document a series of difficulties with the generality of military life; these are detailed in Chapter 4 of this Report.

## Recommendations

In its Report on certain health professionals published in August 2018, the Commission recommended that the Parties to the Public Service Stability Agreement should consider putting arrangements in place, at an appropriate time, and without compromising the stability of the public service pay bill, to allow for the adequacy of current pay arrangements more generally to be fully examined. The Commission recommends that the pay structures in the PDF are examined as part of any such review.

It is the Commission's view, given the significant issues being experienced with regard to retention, that certain military allowances, including the Military Service Allowance (MSA), the Security Duty Allowance (SDA) and equivalent allowances, should be augmented. The proposals in this regard are set out in the Commission's concluding remarks.

The Commission also noted that there are a number of allowances which were reduced in the Haddington Road Agreement in addition to adjustments made under the financial emergency legislation, which are set out in Appendix D, and recommend that these allowances be restored to pre-Haddington Road levels with immediate effect. This will include a return to weekend premium rates.

The ongoing loss of technical and specialist expertise is also a concern and specialities highlighted in its first Report, published in 2017, are still experiencing retention difficulties. The Commission recommends that the review of technical pay arrangements grade 2-6 proposed under the Public Service Stability Agreement be completed, as a retention measure, without compromising the Public Service Stability Agreement.

All parties have advised the Commission that there is a critical retention challenge unique to Flying Officers (pilots) and the Commission notes that this cohort is operating significantly below its Establishment. The Commission recommends the restoration of the Service Commitment Scheme for Flying Officers, which was discontinued in 2010.

The Commission notes that ranks including Captain and certain Non-Commissioned Officers (NCOs), particularly those with specialist skills, are undergoing a significant loss of experience. The Commission recommends that incentivised long service arrangements should be considered as a priority retention measure in the context of future pay negotiations for these ranks.

The staff representative bodies' submissions and the studies carried out on behalf of the Commission with serving personnel illustrate that there is a broadly held discontent with the Single Pension Scheme and other changes to PDF pension arrangements, which they posit has reduced the appeal of the PDF from a recruitment and retention perspective. The Commission is also aware that it was agreed in the context of a preceding interdepartmental *Review of Barriers to Extended Participation in Public Service Workforce*, 2017, that the option of extended participation for 'uniformed fast accrual' groups would be more appropriate for consideration by the relevant Employer/Government Department in the context of the operational needs and capacity of each group. The Commission recommends that the Department of Defence expedite a review of this nature.

The Commission also recommends multi-annual workforce planning for the PDF (fully integrated with training and development planning to follow through on the White Paper); a review of recruitment methods for the PDF; and an examination of non-pay measures as possible retention measures.

# Terms of Reference

## The Public Service Pay Commission (PSPC) was established to advise Government on Public Service remuneration policy.

### Purpose

The findings of the Commission will contribute to and inform Government’s considerations in relation to public service remuneration and assist the Department of Public Expenditure and Reform in discharging its negotiation function on behalf of Government.

The PSPC will consider such other remuneration matters as it may be asked to consider by the Minister for Public Expenditure and Reform from time to time, including:

1. Providing objective analysis on the appropriate pay levels for identifiable groups within the public sector;
2. Comparing appropriate rates for identifiable groups with prevailing private sector/market rates. This should have regard to evidence on recruitment and retention trends in respect of each group;
3. Comparing appropriate rates for identifiable groups within the public service with their equivalents in other jurisdictions, particularly where internationally traded skillsets are required, having due regard to differences in living costs; and
4. Providing objective analysis on the appropriate pay levels for officeholders’ pay and pensions.

When reaching its findings the Commission shall have regard to:

- The superannuation and other benefits applying in the public service;
- Security of tenure, where it applies to public servants;
- Pay comparisons taking account of relevant characteristics;
- The public service reform agenda;
- Evidence on recruitment and retention within the public service;
- Any other relevant matters including impact on national competitiveness and sustainable national finances and equity considerations; and
- Any other issues as they are determined by Government.

### Procedures

In progressing its work, the PSPC should utilise and analyse existing datasets and reports, as prepared and published by existing state and other agencies as appropriate. The PSPC may also undertake or commission additional research or data gathering where further information is required to comprehensively progress its Terms of Reference. The PSPC may invite relevant stakeholders to make submissions to the Commission to further assist its considerations.

The PSPC must publish its findings and the evidence on which these are based.

The PSPC will not take the place of direct negotiations between Government and employee representatives.

## Phase 2

In accordance with Section 3 of the Public Service Stability Agreement 2018-2020 and consistent with its overall Terms of Reference, the Commission should:

1. Seek to establish in the first instance whether, and to what extent, a difficulty exists in terms of recruitment and retention for specific groups/grades/sectors of the public service;
2. Where a difficulty is identified, examine the full range of causal factors, having regard as the Commission considers relevant to:
  - The totality of the current remuneration package available;
  - The planned future pay adjustments and alleviations from current rates of the Pension Related Deduction (PRD) provided for in the Public Service Stability Agreement 2018-2020;
  - Remaining Financial Emergency Measures in the Public Interest (FEMPI) pay unwinding post-2020, where applicable;
  - Supply constraints, for example, of newly qualified graduates of relevant post-Leaving Cert or third level programmes;
  - Work environment/organisational issues;
  - Career structures;
  - Learning and development provision;
  - Communications/engagement;
  - Other relevant HR practice or organisational issues; and
  - Any other factor considered relevant by the Commission.
3. Develop appropriate methodological and analytical criteria to ensure a robust evidence-based approach to this exercise;
4. Have regard to arrangements and best practice in other jurisdictions and, where appropriate, the domestic private sector in Ireland in relation to such issues, particularly in respect of those areas where a global labour market exists as well as the responses being adopted in other jurisdictions where similar recruitment and retention problems pertain;
5. Commission such external expertise as the Commission deems necessary to inform its deliberations in the context of the methodologies developed;
6. Provide the Parties to the Public Service Stability Agreement 2018-2020 with the opportunity to make submissions to the Commission;
7. Generate a range of costed options for resolving the specific issues identified having full regard to the fiscal constraints and requirements on Government to manage the Exchequer pay bill in a sustainable way over the medium and long-term;
8. Produce a final report to the Minister by end-2018 and/or at such interim stages as the Commission may decide.





# Chapter 1:

## Introduction and Methodology

## 1.1 Establishment and Operation of the Commission

The Public Service Pay Commission (the Commission) was established on a non-statutory basis in October 2016. The role of the Commission is advisory in nature, and is not intended to duplicate the dispute resolution and adjudicative functions of the industrial relations institutions of the State, or offset the process of collective bargaining as the primary mode of pay determination in the public service.

The Members of the Commission are:

- Kevin Duffy (Chairman)
- Marian Corcoran
- Ultan Courtney
- Ruth Curran
- Noel Dowling
- Michael Kelly
- Seán Lyons (to 31 March 2019)
- Peter McLoone

In May 2017, the Commission published its first Report, which provided input on how the unwinding of the Financial Emergency Measures in the Public Interest legislation (FEMPI) should proceed. This was used as a basis for negotiations on the extension of the Public Service Stability Agreement 2018-2020. Section 3.1.1 of the Agreement noted a finding from the Commission's Report, which stated that *"consideration could be given to commissioning a more comprehensive examination of underlying difficulties in recruitment and retention in those sectors and employment streams where difficulties are clearly evident"*<sup>1</sup>.

The Public Service Stability Agreement went on to provide for such an examination and that:

- The Parties to this Agreement will have the opportunity to make submissions to the Commission on this matter.
- The Commission will conduct a comprehensive examination and analysis of the particular issues in question, commissioning external expertise as required, and taking into account the full range of causal factors in each case. The Commission will be asked to generate options for resolving the issues identified. In this regard, the Commission will develop specific methodological and analytical criteria to support it in carrying out this exercise.
- The Commission will be asked to complete this exercise by end-2018.

- The Commission will advise the relevant Parties on the outcome of its assessment, which will then be the subject of discussion between the relevant Parties. It is accepted by the Parties that the output from this exercise will not give rise to any cross-sectoral relativity claims.
- The implementation of any proposals that may arise on foot of the Commission's Report will fall to be considered by the Parties.

The Commission is supported in its work by a small secretariat seconded from the Civil Service.

## 1.2 Work Programme

In October 2017, the Minister for Finance & Public Expenditure and Reform agreed the Terms of Reference (available in the previous section) for the second phase of the Commission's work and the formal commencement of the second module.

The Commission decided that a modular approach should be adopted to its work programme, whereby:

**Module 1** considered issues relating to Nurses and Midwives, Non Consultant Hospital Doctors and Hospital Consultants – which formed the basis of the Commission's August 2018 Report<sup>2</sup>.

**Module 2**, the current module, would report on issues of recruitment and retention in the Permanent Defence Force and consider those residual grades/specialities where evidence of recruitment and/or retention difficulties were found to exist in Chapter 6 of the Commission's first Report.

The Commission's Statement of Approach to its work is available on the Commission's website at <https://paycommission.gov.ie/work-of-the-commission/phase-2/pspc-statement-of-approach/>.

## 1.3 Approach to Module 2

The Commission requested and received detailed written, evidence-based submissions from the Joint Employer and the PDF staff representative bodies. In addition, meetings were held with the relevant parties to explore points raised in their submissions. The Commission has analysed the data provided by the employer and by the staff representative bodies in order to fully investigate the claims of recruitment and/or retention difficulties.

It should be noted that while detailed information was received from stakeholders and has formed part of the Commission's analysis, certain data sets and commentary are excluded from the Report for security reasons.

1 Public Service Pay Commission, 2017

2 Public Service Pay Commission, 2018

The Commission also engaged an external expert to undertake an attitudinal survey and a number of structured interviews with personnel, in order to provide further insight into the recruitment and retention issues that are likely to impact on the PDF.

Submissions received by the Commission are published on the Commission's website (<https://paycommission.gov.ie/submissions/>).

## 1.4 Structure of Report

A broad-based assessment was carried out by the Commission, which considered all aspects of recruitment and retention in the PDF as follows:

**Chapter 2** provides an update on the economic environment and a detailed analysis of remuneration in the PDF.

**Chapter 3** examines the international context and the causal factors which impact on recruitment and retention in defence forces internationally.

**Chapter 4** summarises the principal findings of the surveys and interviews with members of the PDF.

**Chapter 5** provides a detailed analysis of the PDF and the recruitment and retention issues for cohorts in the Army, Naval Service and Air Corps respectively.

**Chapter 6** considers certain aspects of superannuation provision for the PDF which were submitted as an influencing factor on recruitment and/or retention outcomes.

**Chapter 7** sets out the recommendations and conclusions of the Commission.

Further support information is provided in the appendices to the Report.

## 1.5 Methodology

Many different forms of data can assist in analysing the incidence and causes of recruitment and retention difficulties. Information on recruitment transactions and details of employment turnover over time are considered the most directly relevant sources for assessing if, and to what extent, difficulties arise.

The Commission has, in this Report, analysed extensive data sets across a number of years to provide evidence on the factors that affect recruitment and retention in the PDF with a focus primarily on recent trends, and using data to provide a longer term reference point. The Commission would, in this regard, acknowledge its appreciation of the quality of data provided by the parties.

In seeking to establish if there are difficulties the Commission has analysed data in respect of recruitment, retention and attrition rates in the PDF, along with the recruitment process, the significant number of expressions of interest, the numbers who engaged in psychometric testing and interviewed and the drop-out rate during both the recruitment process and training. It has also reviewed and reported on inward and outward movement, pay and allowances for PDF ranks.

Turning to retention, the rate of departures over time by grade and the reason for leaving are important indicators. Such information on the flows in to and out of employment make it possible to identify the times and places where difficulties were most acute, and the patterns and the possible causes of such difficulties.

As already noted, independent attitudinal research was commissioned to provide greater insight into recruitment and retention in the PDF. This involved a detailed survey of all ranks and a series of structured interviews. The indicative findings from this process are summarised in Chapter 4 of the Report.



# Chapter 2:

Economic  
Environment and  
Remuneration

## 2.1 Introduction

The Public Service Pay Commission's Terms of Reference provide that where a recruitment or retention difficulty is identified and where the Commission considers it relevant, it should have regard to:

- The fiscal constraints and requirements on Government to manage the Exchequer pay bill in a sustainable way over the medium and long-term;
- The totality of the current remuneration package available;
- The planned future pay adjustments and alleviations from current rates of the Pension Related Deduction (PRD) provided for in the Public Service Stability Agreement 2018-2020; and
- Remaining Financial Emergency Measures in the Public Interest (FEMPI) pay unwinding post 2020, where applicable.

This first section of this chapter provides an update of the main economic and fiscal indicators presented in Chapter 3 of the Commission's first Report in May 2017. The second section outlines the recent and forecasted developments in public service pay, as well as the impacts of various pay and allowances adjustments for members of the Permanent Defence Force.

## 2.2 Fiscal and Economic Environment

As set out in the *Stability Update Programme, April 2019*<sup>3</sup>, the Government's key fiscal policy objective is the pursuit of prudent budgetary policy in good economic times, in order to build up fiscal buffers that can be relied on in the event of a downturn. In addition, reducing the elevated burden of public debt remains a key policy objective.

The Irish economic environment has continued to improve since the end of the recession, with positive output and employment growth expected for the foreseeable future. The Department of Finance estimates that Gross Domestic Product grew by 6.7% in 2018 with modified (final) domestic demand (MDD)<sup>4</sup> – a better measure of underlying economic activity in Ireland – increasing by 4.5%. The Department forecasts continued growth at a lower rate through to 2023. Personal consumption is also forecast to grow at a steady rate from 2019-2023, with the unemployment rate forecast to remain stable at 5% over that period, a significantly lower level than the high of 16% recorded in 2012. The low level of unemployment is expected to put upward pressure on wages, with wage inflation forecast at 3% in 2019.

However, there is a considerable risk to the Irish economy with the United Kingdom, one of Ireland's most important trading partners, due to leave the European Union by 31 October 2019. While the nature of this exit is not yet clear, even a relatively benign scenario will impose significant costs on the Irish economy. Although, the likelihood of a no-deal scenario has decreased in the short term, a 'disorderly' Brexit remains a possibility. A 'disorderly' exit, where the UK leaves the EU without a trading agreement or transition period, would have severe implications for output, employment and living standards in Ireland.

**Table 2.1: Actual and Forecast Key Economic Indicators, 2018-2023**

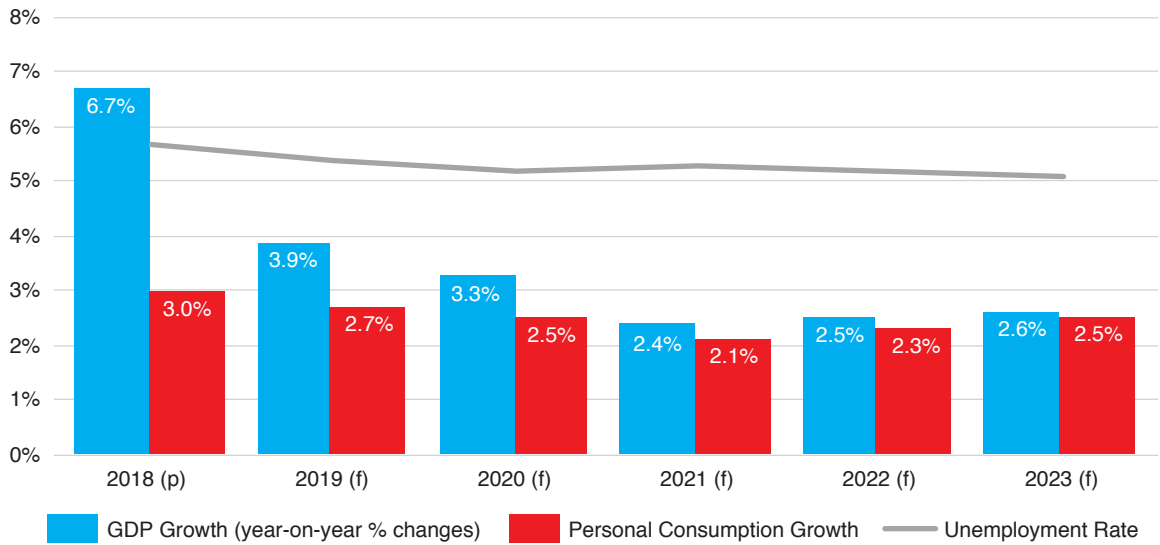
	2018	2019 (forecast)	2020 (f)	2021 (f)	2022 (f)	2023 (f)
GDP Growth (year-on-year % changes)	6.7%	3.9%	3.3%	2.4%	2.5%	2.6%
Modified Domestic Demand	4.5%	4.0%	3.3%	2.7%	2.8%	3.0%
Personal Consumption Growth	3.0%	2.7%	2.5%	2.1%	2.3%	2.5%
Unemployment Rate	5.7%	5.4%	5.2%	5.3%	5.2%	5.1%

Source: Department of Finance, 2019

<sup>3</sup> (Department of Finance, 2019)

<sup>4</sup> This measure is domestic demand excluding investment in foreign-owned intellectual property and leased aircraft.

**Figure 2.1: Forecast Irish Economic Outlook, 2018-2023**

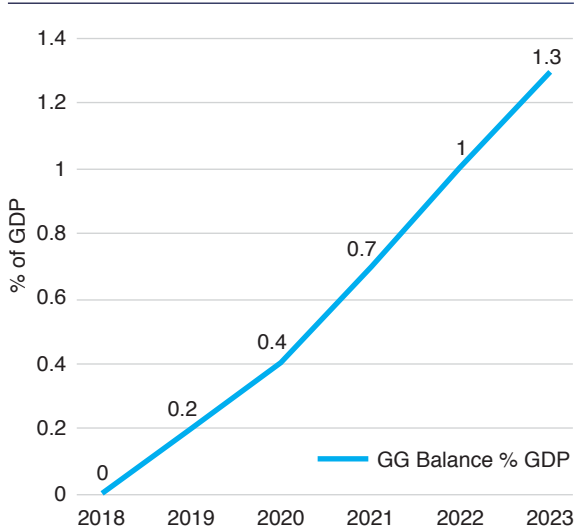


Source: Department of Finance

In 2018, the General Government Deficit – the gap between overall government revenue and expenditure – was eliminated for the first time since 2007. From 2019 it is projected that there will be a General Government Surplus, which is forecast to grow to 1.3% of GDP by 2023.

Total Exchequer tax receipts are forecast to increase from €58.4 billion in 2019 to €61.2 billion in 2020, an increase of 4.8%. The expected total Exchequer tax revenue in 2023 is just over €70 billion.

**Figure 2.2: General Government Balance, 2018 - 2023**



Source: Department of Finance

General Government debt is forecast to fall below 60% of GDP in 2020, and continue to fall to a level of 51.6% of GDP by 2023. Public debt in Ireland peaked in 2012 at 120% of GDP, and fell to 64.8% of GDP in 2018. This reduction is in line with the European Union’s Stability

and Growth Pact, which sets sustainable limits for government debt and expenditure levels for all EU Member States. Since 2016, Ireland’s fiscal framework has been operating within the Preventative Arm of the SGP, which requires EU Member States to run budget deficits of 3% or less and reduce their debt by 5% on average per year, until such a time as the debt is below 60% of GDP. Ireland is not fully subject to the debt rule until after 2019.

Although Ireland’s debt to GDP ratio is due to fall below 60% in 2020, and hence move into compliance with the EU’s debt rules, the debt to GNI\* ratio is projected to be significantly higher.<sup>5</sup> In 2019, gross debt is projected at 101.7% of GNI\*, falling to only 86.7% of GNI\* by 2023. This suggests that irrespective of the Stability and Growth Pact rules, Ireland has more to do to significantly reduce its debt burden. In order to achieve this, Government aims to prevent the build-up of additional debt by ensuring fiscal discipline; reduce the burden of existing debt by enhancing credibility, and hence reduce refinancing costs and the spread between Irish and core euro area borrowing costs; and implement structural reforms to improve the economy’s potential to grow further.<sup>6</sup>

<sup>5</sup> The high proportion of Foreign Direct Investment (FDI) in Ireland relative to other countries, as well as international statistical classifications such as the classification of aircraft leasing within national accounts, means that the GDP level is artificially inflated for Ireland. To account for this, the Central Statistics Office has developed a new measure of national income, ‘Modified Gross National Income’ or ‘GNI\*’. By adjusting for the factors that artificially inflate Ireland’s GDP level, GNI\* provides a better indicator of debt repayment capacity in Ireland.

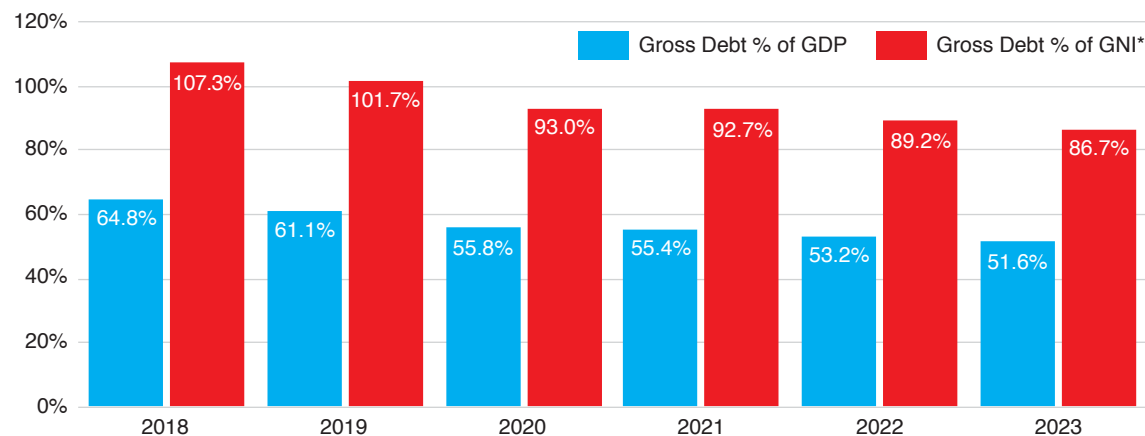
<sup>6</sup> (Department of Finance, 2018)



**Table 2.2: General Government Debt, 2018 – 2023**

	2018	2019	2020	2021	2022	2023
Billions (unless otherwise stated)						
Gross Debt	€206.2	€205.1	€196.7	€203.6	€203.5	€206.0
Gross Debt % of GDP	64.8%	61.1%	55.8%	55.4%	53.2%	51.6%
Gross Debt % of GNI*	107.3%	101.7%	93.0%	92.7%	89.2%	86.7%

Source: Department of Finance

**Figure 2.3: General Government Debt as % of GDP and GNI\*, 2018-2023**

Source: Department of Finance

**Risk Prospects**

One of the most significant risks to the Irish economy is the UK's impending withdrawal from the European Union. Although at the time of publication of this Report the nature of the deal, or lack thereof, between the European Union and United Kingdom is not clear, Brexit is likely to have a substantial negative impact on the Irish economy. A paper by the Economic and Social Research Institute (ESRI) and the Department of Finance from March 2019 models the impact of various Brexit scenarios on the Irish economy in the short, medium and long term. In the best case scenario, with an agreed deal, Brexit will reduce Ireland's GDP by 0.6% in the short term, and 2.6% after ten years, all other things being constant. Under the worst case scenario, a 'disorderly' Brexit, the impact on Irish GDP will be -2.4% after two years and -5.0% after 10 years. Under a disorderly Brexit, the ESRI forecasts that

employment will be reduced by 3.4% from baseline level after 10 years, and real personal disposable income will fall by 4.1%.

It is likely, therefore, that Brexit will impact Government finances, though the extent of that impact will depend on the nature of the withdrawal. The reduced economic activity will lead to lower tax receipts, and an increase in unemployment would induce higher government spending on social welfare payments. The combined effect of these changes is likely to lead to a reduction in the General Government Balance by between 0.3% and 0.5% in the next five years. Although it is probable that some of the negative effects will be offset by increased FDI flows that have been diverted from the UK economy, the net effect will be negative. In addition, any offsetting benefits may disproportionately affect a subset of sectors or geographical areas, with other areas being particularly hard hit.

**Table 2.3: Potential Economic Impacts of Various Brexit Scenarios, % deviation from baseline level – Short Run, Medium Run and Long Run**

	Deal			No-Deal			Disorderly		
	Short	Medium	Long	Short	Medium	Long	Short	Medium	Long
GDP	-0.6	-1.9	-2.6	-1.2	-2.7	-4.8	-2.4	-3.3	-5
Consumption	-0.1	-0.9	-2	-0.2	-1.5	-3.5	-0.9	-2.1	-3.7
Real personal disposable income	-0.3	-1.2	-2.2	-0.6	-2	-3.9	-1.3	-2.5	-4.1
Employment	-0.1	-0.9	-1.8	-0.2	-1.4	-3.2	-0.8	-2	-3.4
Average wages, real	-0.1	-0.5	-0.7	-0.3	-0.7	-1.3	-0.5	-0.9	-1.4
General government balance, % GDP	0	-0.3	-0.5	-0.1	-0.4	-0.9	-0.3	-0.5	-0.9

Source: ESRI/Department of Finance, 2019

As a small and open economy, Ireland is particularly exposed to external shocks, which can significantly affect economic output and the public finances. The Department of Finance, in the *Stability Programme April 2019 Update*, examined the potential impact of four exogenous shocks to the Irish economy: a reduction in global demand levels; a reduction in competitiveness (an increase in wages); an increase in the European Central Bank's interest rate; and a depreciation in sterling, relative to the euro. Each of these possible occurrences is forecast to have negative effects on Ireland's GDP, unemployment and the General Government Balance.

As the Irish economy approaches full employment there is also a risk that the economy will overheat in the medium term, leading to a potentially

painful readjustment process which can increase unemployment and hurt the public finances. To mitigate this risk, the Government has committed to pursuing counter-cyclical fiscal policies that aim to prevent excess demand and reduce the positive output gap that has been predicted.

## 2.3 Public Service Pay and Pensions

The public service continued to grow in 2018, and exchequer-funded employment reached a level that is 4% higher than in 2007. As shown in Table 2.4, in 2018 there were 330,576 Whole-Time Equivalents (WTEs) employed across the Civil Service, the defence sector, the education sector, the health sector, Non-Commercial State Agencies and Local Authorities.

**Table 2.4: Public Service Employment in Whole-Time Equivalents, 2007-2008, 2013-2018**

	2007	2008	2013	2014	2015	2016	2017	2018	Change 2007-18
Exchequer Funded	283,008	290,110	264,295	266,559	274,958	282,889	293,309	302,233	6.8%
Local Authorities	34,987	35,008	27,544	26,786	26,630	26,862	27,449	28,342	-19.0%
Total Public Service	317,995	325,117	291,838	293,346	301,589	309,751	320,758	330,576	4.0%

Source: DPER

This growth in public service numbers has been accompanied by an increase in the public service pay bill; in 2019, the gross exchequer pay bill is estimated to cost approximately €18.7 billion, which is almost 6% higher than the 2018 figure and 13% higher than the 2007 pay bill. It accounts for approximately one-third of the gross voted current expenditure, as shown in Table 2.5.

**Table 2.5: Gross Exchequer Pay and Pensions Bill, 2007, 2013-2019, Billions (unless otherwise stated)**

	2007	2013	2014	2015	2016	2017	2018	2019 (e)
Gross Voted Current Expenditure	€48.6	€51.0	€50.5	€50.9	€51.8	€54.0	€57.1	€59.3
Gross Exchequer Pay	€16.6	€15.1	€14.7	€15.1	€15.6	€16.5	€17.8	€18.7
Gross Exchequer Pay net of PRD/ASC*	NA	€14.1	€13.8	€14.3	€14.9	€15.8	€17.1	€18.1
Gross Exchequer Pensions	€1.5	€2.8	€3.0	€2.9	€3.0	€3.1	€3.3	€3.2
Gross Exchequer Pay and Pensions as % of Current Expenditure	37.2%	35.0%	35.0%	35.4%	35.9%	36.3%	37.0%	37.0%

\*The Public Service Pay and Pensions Act 2017 provided for the introduction of a permanent Additional Superannuation Contribution (ASC) for public servants from January 2019. This contribution is in addition to existing pension contributions made by public servants. It will provide a further €550 million towards the cost of public service pensions when fully implemented from 2020, placing public service pensions on a more sustainable long-term footing.

Source: DPER

### Pay Bill for the Permanent Defence Force

The estimated pay bill for members of the Permanent Defence Force (PDF) in 2019 is €480 million, which accounts for just over 2.5% of the total public service pay bill.

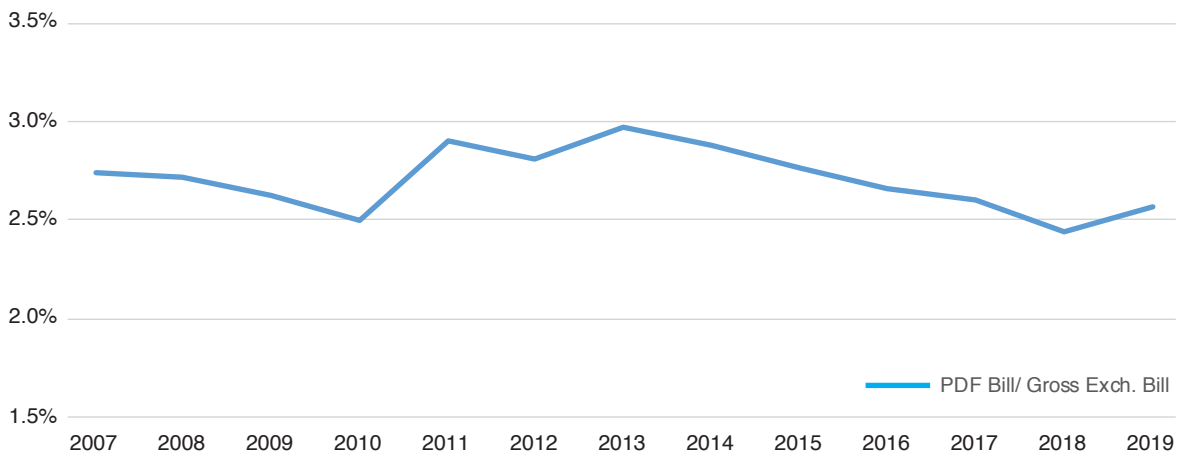
In 2018, total allowances for the PDF were approximately €80 million – or 19% of the total PDF pay bill.<sup>7</sup> The percentage of allowances to the overall pay bill has remained consistently around 20% for the previous 10 years.

In 2008, the PDF pay bill reached €525 million, 2.7% of the gross exchequer pay bill. Following a number of pay adjustments, including those provided for under the FEMPI legislation, and a reduction in staff numbers, this bill was reduced to €414 million by 2016.

Throughout this period, the pay bill for the PDF has marginally decreased as a proportion of the gross exchequer pay bill, from a high of 3% in 2013, to 2.5% in 2018. A small increase, to 2.6% of the total gross exchequer pay bill, has been forecast for 2019.

<sup>7</sup> This includes the Military Service Allowance.

**Figure 2.4: Permanent Defence Force Pay Bill as a % of Gross Exchequer Bill, 2007-2019**



Source: DPER

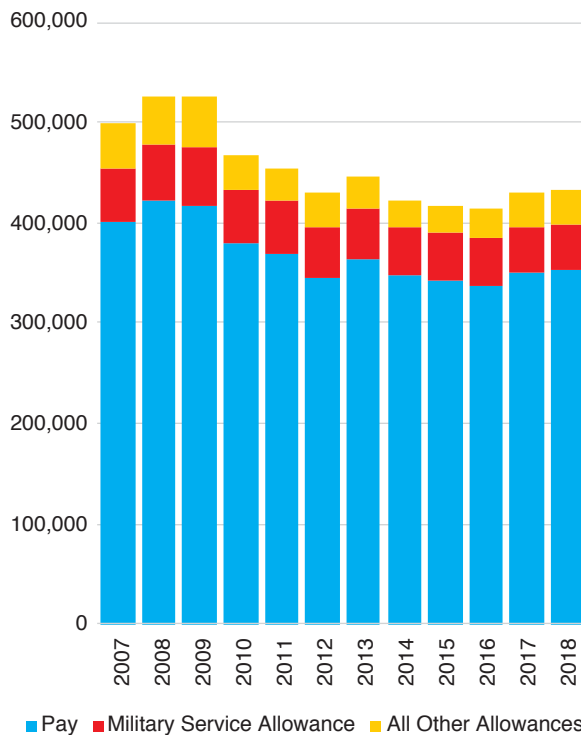
### Allowances

There are a number of allowances that are payable to personnel in the PDF in addition to basic pay. These military allowances fall into three main categories:

- A. Payments in the nature of pay, including payments for duties and deployments (including overseas deployments);
- B. Payments in respect of skills required in the PDF, i.e. specialist posts; and
- C. Payments in respect of reimbursement type expenditure, e.g. travel, overseas financial support packages, etc.

In 2018, the most significant allowance was that of the Military Service Allowance, which at an estimated cost of €46.5 million accounted for 58.3% of the total allowances bill. The Overseas Allowance was the next most significant cost, at €18.5 million, or 23% of the total allowances bill. The Security Duty Allowance bill was €8 million in 2018 (10% of the total allowances bill), and both the Patrol Duty and Border Duty allowances each cost just over €2 million, or 2.5% of the total allowances bill.

**Figure 2.5 Permanent Defence Force Pay Bill, 2007-2018 - €000's**



Source: DPER

## 2.4 Public Service Pay – FEMPI Legislation and Public Service Pay Agreements

The Commission’s previous reports set out the measures provided for under the FEMPI legislation and Public Service Pay Agreements. Details can be accessed on the Commission’s website at <https://paycommission.gov.ie/publications/>

## 2.5 Impacts of Various Pay Adjustments from 2008 to 2020

The following sections set out the pay reductions under the FEMPI legislations, pay adjustments provided for in the PSSA from 2013-2018 and other pay adjustments agreed since 2009.

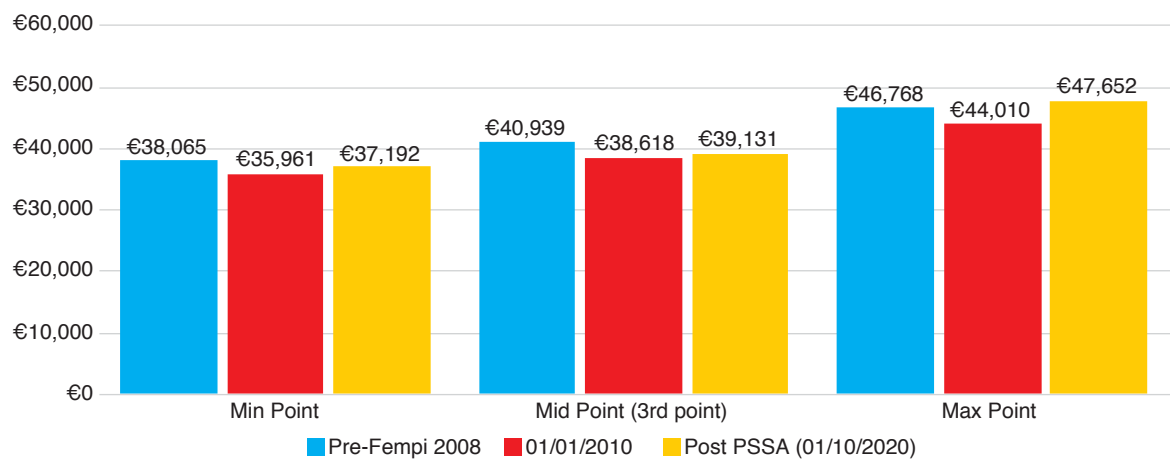
The following analysis illustrates the impact of these pay adjustments on a range of PDF officer and enlisted personnel grades.<sup>8</sup>

### Defence Force Officers

#### Lieutenant

Figure 2.6 sets out the impact of the pay adjustments on the Lieutenant pay scales. The reduction in point 1 of the pay scale arises from reduced rates applied to new entrants to the public service. An agreement on new entrant salaries was reached in September 2018, and provided for 'new entrants' to bypass points 4 and 8 on the pay scale, reducing the time spent on the scale for progression to the maximum point. Following planned pay adjustments, the maximum point of the scale, which was €46,768 in 2008, will increase to €47,652 by 2020.

Figure 2.6: Impact of Pay Measures – PDF Lieutenants (PPC), 2008-2020

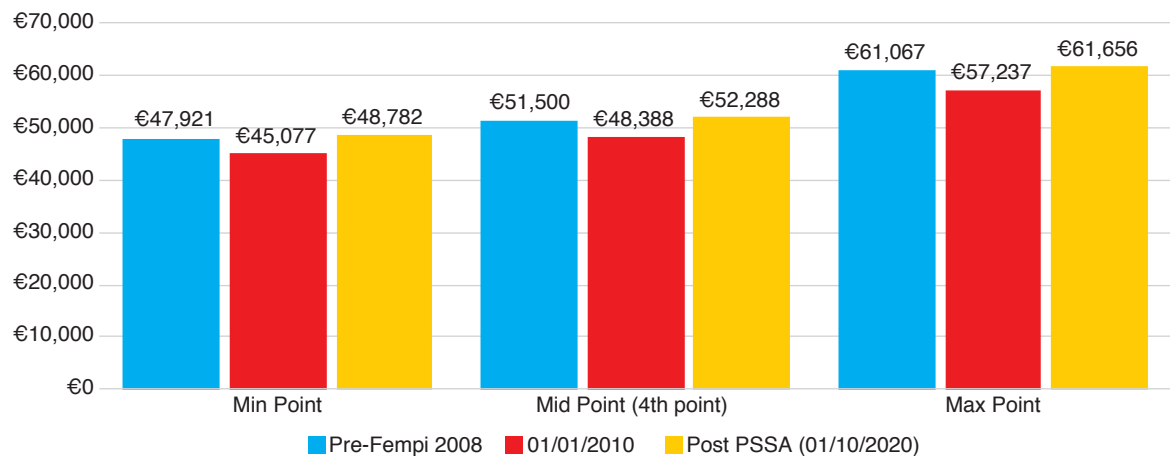


Source: Department of Defence

#### Captain

Figure 2.7 sets out the impact of the pay adjustments for the rank of Captain. In 2018, there was a Strength (WTE) of 346 Captains, accounting for 31.6% of PDF officers. Captains have a 7 point scale, with two additional long service increments. In 2008, this started at €47,921 and reached a maximum point of €61,067. This will have increased in 2020 to a minimum point of €48,782 and a maximum point of €61,656.

Figure 2.7: Impact of Pay Measures – PDF Captains (PPC), 2008-2020



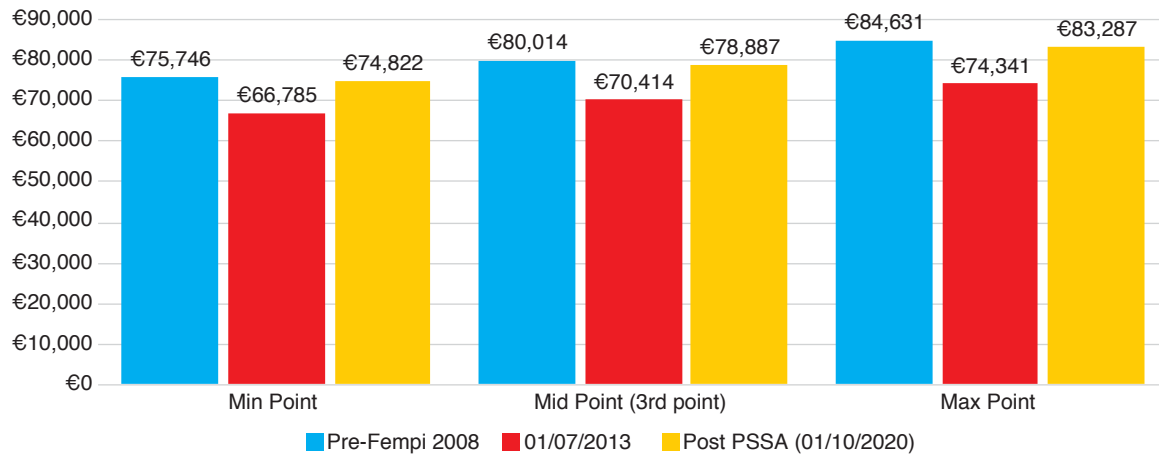
Source: Department of Defence

<sup>8</sup> A full list of ranks within the Permanent Defence Force can be found in Appendix G of this Report.

### Lieutenant Colonel

Figure 2.8 sets out the impact of the pay adjustments on the rank of Lieutenant Colonel. In 2018, there were 128 Lieutenant Colonels, making up 11.7% of the PDF officers. Lieutenants Colonels have a four point pay scale with two additional long service increments. In 2008, this started at €75,746 and reached a maximum point of €84,631. As of July 2013, this had decreased to a minimum point of €66,785 and a maximum point of €74,341. By 2020, pay will have been restored to a minimum point of €74,822 (99% of pre-cut rate) and a maximum point of €83,287 (98.5% of pre-cut rate).

**Figure 2.8: Impact of Pay Measures – PDF Lieutenant Colonels (PPC), 2008-2020**

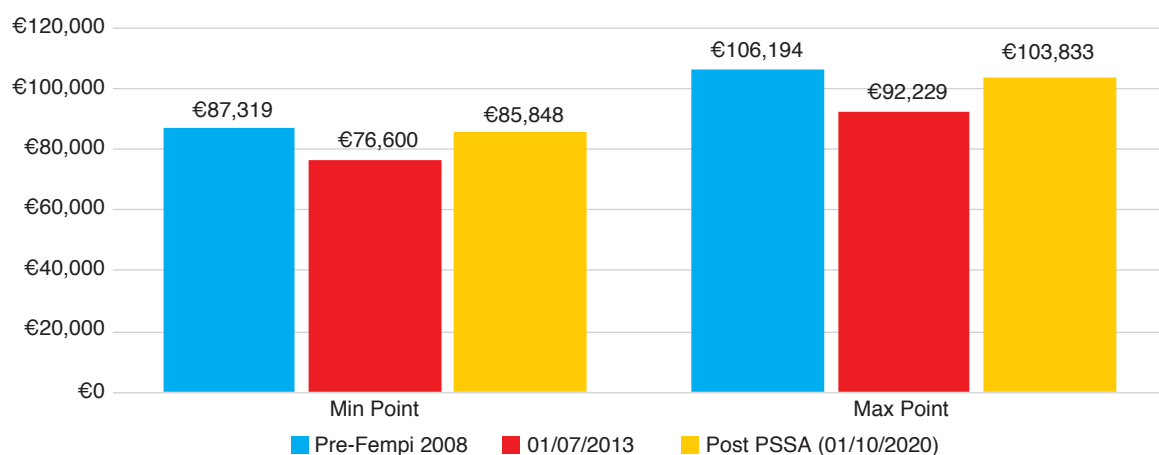


Source: Department of Defence

### Colonel

Figure 2.9 sets out the impact of the pay adjustments on the rank of Colonel. In 2018, there were 38 Colonels, accounting for 3.5% of all PDF officers. Colonels have a four point pay scale. In 2008, this started at €87,319 and reached a maximum point of €106,194. By July 2013, this had decreased to a minimum point of €76,600 and a maximum point of €92,229. By 2020, pay will have been restored to a minimum point of €85,848 (98% of pre-cut rate) and a maximum point of €103,833 (98% of pre-cut rate).

**Figure 2.9: Impact of Pay Measures – PDF Colonels (PPC), 2008-2020**



Source: Department of Defence

### Enlisted Personnel

There were an estimated 7,661 enlisted personnel in the PDF in 2018. The analysis below examines the adjustments from 2008 to 2020 in the salary scales for pre-2013 entrants in the three most populated ranks:

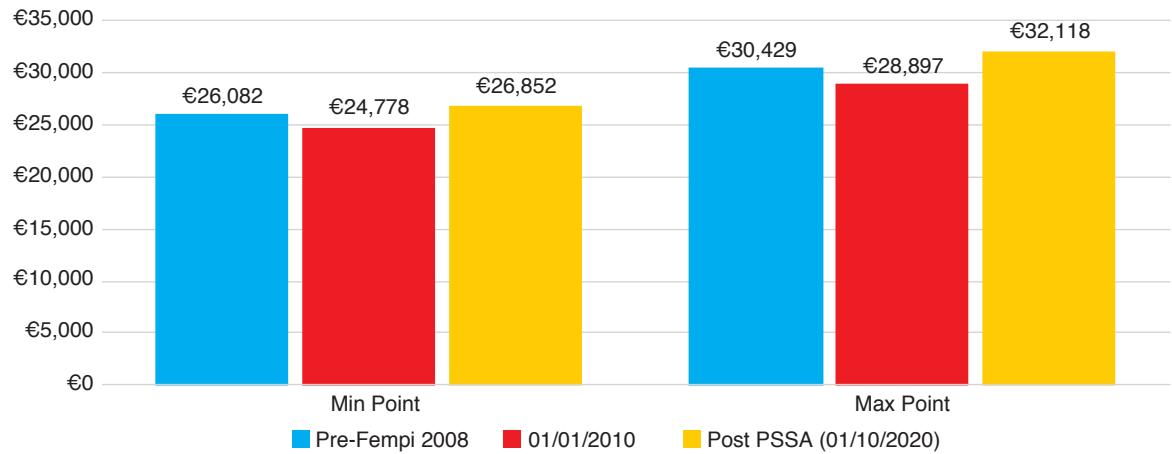
- Private, 3 Star/Seaman, First Class;
- Corporal/Leading Seaman; and
- Sergeant/Petty Officer.

These ranks account for 92% of enlisted personnel.

### Private, 3 Star/ Seaman, First Class

Figure 2.10 sets out the impact of the pay adjustments on enlisted personnel who hold the rank of Private, 3 Star/ Seaman, First Class. This rank is the most common rank, with 4,398 Privates making up 57% of enlisted personnel. It has a 7 point scale, including the two added to incremental scales for ‘new entrants’. In 2008, salaries on this scale started at €26,082, rising to €30,429. At the end of the PSSA in 2020, this will have increased to a minimum point of €26,852 (3% increase) and a maximum point of €32,118 (5.5% increase).

**Figure 2.10: Impact of Pay Measures – Private, 3 Star/Seaman, First Class, 2008-2020**

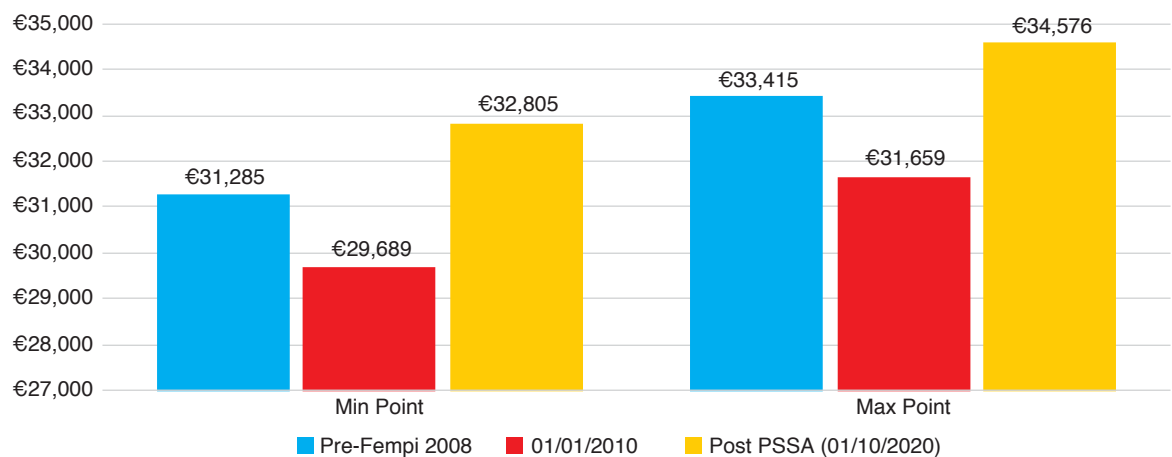


Source: Department of Defence

### Corporal/Leading Seaman

Figure 2.11 sets out the impact of pay adjustments on enlisted personnel who hold the rank of Corporal/Leading Seaman. In 2018, there were 1,586 Corporals/Leading Seamen, making up 21% of the enlisted personnel. Corporals/Leading Seamen have a four point scale, which in 2008, started at €31,285 and reached a maximum point of €33,415. As a result of the PSSA, underpinned by the Public Service Pay and Pensions Act 2017, this will increase to a minimum point of €32,805 and a maximum point of €34,576.

**Figure 2.11: Impact of Pay Measures – Corporal/Leading Seaman, 2008-2020**

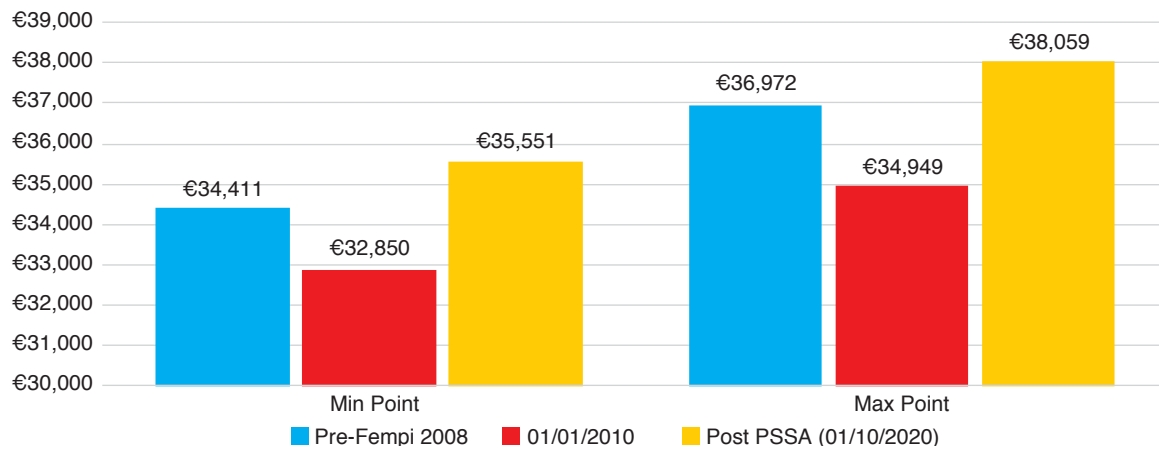


Source: Department of Defence

### Sergeant/Petty Officer

Figure 2.12 sets out the impact of the pay adjustments on enlisted personnel who hold the rank of Sergeant/Petty Officer. In 2018, there were 1,159 Sergeants/Petty Officers, accounting for 15% of enlisted personnel. They have a four point scale, which in 2008, had a minimum point of €34,411 and a maximum point of €36,972. By 2020, pay will have been restored to a minimum point of €35,551 (a 3.3% increase) and a maximum point of €38,059 (a 2.9% increase).

**Figure 2.12: Impact of Pay Measures – Sergeant/ Petty Officer, 2008-2020**



Source: Department of Defence

## 2.6 Technical Personnel

### Line and Technician Streams

The majority of personnel in the PDF are “Line” Personnel. Line personnel perform most of the operational day-to-day tasks within the PDF and are supported, as necessary, with assistance from “Technical” stream colleagues.

Technical Personnel can be in the ranks of Officer or enlisted personnel in the Technical Corps of the Army, Naval Service or Air Corps. For example, Army Officers in this category include Communication and Information Services Officers, Military Engineers, Ordnance and other specialist officers. Enlisted personnel include fitters and armourers. In the Naval Service, the terminology is different and these streams are referred to as Engineers and Operations, instead of Technical and Line.

### Technical Pay

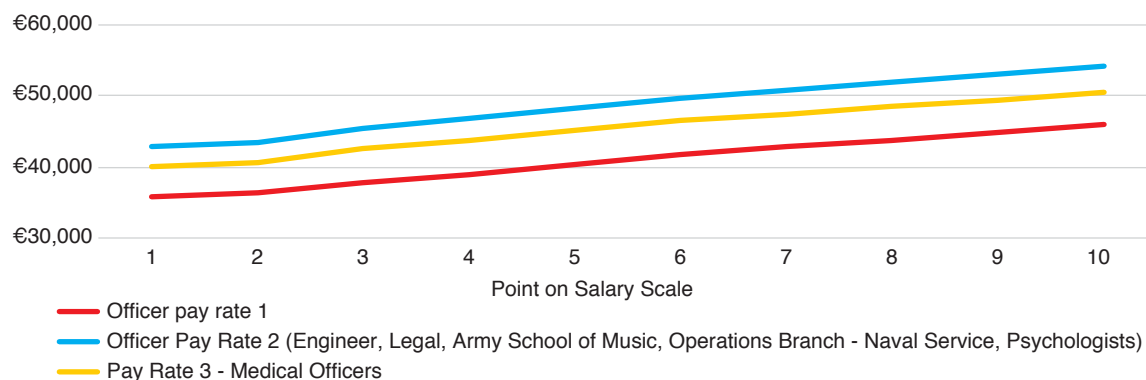
Technical staff receive a higher rate of pay (officers) or a specific technical allowance (enlisted personnel), associated with their skillset.

### PDF Officers

Defence Force Regulations set out the Establishment for officers who may receive a rate of pay that is in excess of the regimental rate. Typically these pay rates are in respect of the specialist grades in medical, legal and engineering areas.

Figure 2.13 illustrates the different pay rates for officers in the Lieutenant/Sub Lieutenant rank in technical and non-technical positions. While a line Lieutenant has a starting salary of €35,836 rising on a ten point scale to €45,915, a Lieutenant in a technical grade has a starting salary of €42,936 rising to €54,297. This indicates a 20% differential in salary at the bottom of the scale for technical officers and an 18% differential at the maximum of the scale. Medical Officers in the rank of Lieutenant begin on a starting salary of €40,211, which rises to €50,570 at the maximum of the scale. These differences in salary scale are repeated across the recruitment and promotion ranks for PDF officers.

**Figure 2.13: Lieutenant/Sub Lieutenant Salary Scale for Officer Pay Rate 1, 2 and 3**



Source: Department of Defence

## Enlisted Personnel

Enlisted personnel in technical streams receive the same basic pay as their line rank counterparts in addition to Technical Pay (Tech Pay). This is graded from Group 1 to Group 6 based on the technical qualifications required to fill the particular appointment. Higher rates are paid for higher technical skills. Examples of posts that fall within each Tech Pay Group can be found in Appendix D. Tech pay at lower levels is paid to those outside of the Technical Corps e.g. Tech Pay 1 for barbers and flight attendants, and Tech Pay 2 for cooks. The rates of Tech pay increases for posts which require higher technical qualifications, e.g. armourers receive Tech Pay 3 and certain Air Traffic Controllers or Laboratory Technicians (Medical) receive Tech Pay 6.

Enlisted personnel are appointed based on their trade or specialist occupation in a wide variety of trade, technical and specialist appointments. Some have been recruited by special direct entry/open competition and others have been trained in their particular skills whilst in the PDF, through attendance at various courses conducted by educational institutions. Some highly skilled personnel have received specialist training at State expense outside of Ireland.

Technical pay is job and not rank related, so Privates, Corporals and Sergeants may be paid the same amount of Technical pay, if the technical skills required are the same. For example, Tech Pay 3 rate may be paid to Privates, Corporals and Sergeants, each of whom is a qualified fitter and working in an assigned technical post.

There are 3,554 appointments in the Establishment for enlisted ranks that attract Technical pay. Over 65% of these appointments are in the Tech Pay 1 and 2 categories, with payment ranging from €8.08 to €26.90 per week.

Table 2.6 sets out the 3,618 enlisted personnel that are in receipt of Technical pay at a total estimated cost of €6.3 million. Table 2.7 provides a breakdown of the distribution of Tech Pay Establishment numbers across the Army, Air Corps and Naval Service. Although the highest number of recipients of Tech pay are in the Army, there are proportionately (relative to respective Strengths) more recipients in Air Corps and Naval Service, where more technical skills are required.

**Table 2.6: Current Weekly Rates, Number in Receipt and Estimated Annual Cost of Technical Pay for Enlisted Personnel**

	Weekly Tech Pay	Annual Tech Pay	Number in receipt	Estimated Annual Cost (€ million)
Tech Pay 1	€8.08	€421.61	1,406	€0.6
Tech Pay 2	€26.90	€1,403.64	933	€1.3
Tech Pay 3	€40.42	€2,109.12	594	€1.25
Tech Pay 4	€53.93	€2,814.07	252	€0.7
Tech Pay 5	€80.75	€4,213.54	226	€0.95
Tech Pay 6	€134.69	€7,028.12	207	€1.45
			3,618	€6.25

Source: Department of Defence

**Table 2.7: Distribution of Tech Pay Establishment for Enlisted Ranks**

Group	Army	Air Corps	Naval Service
Tech Pay 1	876	48	24
Tech Pay 2	748	106	302
Tech Pay 3	582	57	15
Tech Pay 4	9	226	-
Tech Pay 5	208	75	192
Tech Pay 6	7	79	-
Total	2,430	591	533

Source: Department of Defence

## Review of Technical Pay

PDFORRA informed the Commission that arising from discussions as part of the Haddington Road Agreement 2013-2016, a review was undertaken by the military authorities of the technical pay structure. They submitted that the outcome of the review was accepted by military management and passed to the Department of Defence for consideration.

PDFORRA stated that although they have not been presented with a copy of the Report for consideration they believe that: “the report commissioned by the military authorities represents a relatively fair basis for discussions between this Association and the Department of Defence”; and that “the absence of implementation of the most basic findings of the report is having an effect on the ability of the Defence Forces to retain qualified technicians”.

The Department of Defence have said that the Review is still under consideration and that a Civil and Military Group is to be set up to evaluate it.



## 2.7 Allowances

Personnel in the PDF have a number of different types of allowances that are paid in addition to basic salary. A full list of allowances payable in the PDF is set out in Appendix D.

### Reductions to Allowances

Allowances in the public service were subject to a number of reductions and adjustments in the last decade, the details of which have been outlined in Appendix D.

#### Haddington Road Agreement (Defence Forces)

In 2013 the Haddington Road Agreement (HRA), under the Defence Sector Collective Agreement, imposed additional reductions to certain allowances in the PDF. Table 2.8 shows the allowances that were reduced by an additional 10% (HRA). This reduction continues to apply under the Public Service Stability Agreement (PSSA).

**Table 2.8: Allowances reduced by 10% by HRA**

Allowances cut by Haddington Road Agreement
A4.3 Border Duty Allowance
A4.4 Security Duty Allowance
A4.5 Patrol Duty Allowance
A4.6 Overseas Allowance
A4.7 Children's Allowance
A4.7 Army Ranger Wing Allowance
A4.7 Instructors Allowance
A4.7 Naval Service In-Charge Allowance
A4.7 Outpost Allowance
A4.7 Foreign Language Proficiency Allowance
A4.7 Irish Language Allowance
A4.7 Health & Safety Allowance
A4.7 Personnel Support Services Allowance
A4.7 Election Payment
A4.7 Mast/Erector Allowance

Source: Department of Defence

In addition to the 10% reduction, a number of other adjustments to allowances were made under the HRA:

- Saturday and Sunday rates for Security Duty Allowance, Aid to Civil Authority Allowance, Maintenance of Essential Services Allowance and on-call Allowance Portlaoise Hospital Guard were flat rated to rates which applied on week days. Where personnel perform 24 hour duty on a Sunday only, a day in lieu will be provided;
- Payment of Special Instructors Allowance to Officers ceased;

- Payment of Border Duty Allowance to Officers ceased; and
- Tech Pay 1 for driver and Clerk/Clerical duties was eliminated and incorporated into the standard duties for all members of the PDF.

### Impact of Reductions on Main Allowances Payable in the Defence Forces

#### Military Service Allowance (MSA)

MSA was introduced from 1st May, 1979, to compensate PDF Personnel for the unique conditions and special disadvantages of military life, including: liability for duty 24 hours a day, 7 days a week; requirement to serve for a fixed term of engagement; restrictions on personal liberty as a result of the code of military discipline which have no counterpart in civilian employment; risk of personal danger/loss of life; bad and uncomfortable conditions; and personal responsibility for use of lethal weapons.

MSA is paid to all members of the PDF, up to and including the rank of Colonel, with the exception of training grades (Cadets, recruits and apprentices). All Private Grades with less than three years' service do not receive the full rate of MSA in that period. Air Corps Apprentices do not receive any MSA allowance until they complete their fourth year of training. On promotion to Private they are placed on the reduced rate of MSA for a further three years in line with general service recruits. The allowance is in the nature of pay but it is not based on a percentage of pay (nor has it ever been).

In 2018 expenditure on MSA is estimated at €47.5 million, with some €42 million paid to enlisted personnel and the remaining €5.5 million to officers. MSA was subject to a 5% FEMPI reduction. Tables 2.9 to 2.11 set out the pre-FEMPI and current rates of MSA by rank. The rate for enlisted members of the public service single pension scheme was increased by 5.26% to make the allowance pensionable. Rates of MSA vary according to rank with a higher rate applying to more senior enlisted ranks. For example, the current MSA rate for a Senior NCO is almost 3 times the rate which applies for a private with less than 3 years' service. The rate of MSA also varies for relevant officers. A higher rate of MSA applies for Commandants, relative to the rate which applies for 2nd Lt. to Captain. The rate which applies for Lt Colonel and Colonel is less than that of Commandant but still higher than the current rate for 2nd Lt. to Captain.

**Table 2.9: MSA Officer Rates Pre-FEMPI and Current, Class A**

Officers	Pre-FEMPI (Class A)	Current Rate (Class A)
2nd Lt. to Captain	€4,978	€4,730
Commandant	€5,284	€5,020
Lt. Colonel and higher	€5,191	€4,931

Source: Department of Defence

**Table 2.10: MSA Rates for Enlisted Ranks Pre-FEMPI and Current, Pre-2013 Recruits**

Enlisted Ranks	Pre-FEMPI (Pre-2013)	Current Rate (Pre-2013)
Less than 3 years' service	€2,283	€2,169
Private, Corporal and Sergeant	€6,340	€6,023
Senior NCO	€6,749	€6,411

Source: Department of Defence

**Table 2.11: Current MSA Rates for Enlisted Ranks, Post-2013 Recruits**

Enlisted Ranks	Current Rate (Post-2013)*
Private Less than 3 years' service	€2,283
Private, Corporal and Sergeant	€6,340
Senior NCO	€6,748

\*Increased by 5.26% to give a pensionable rate for post 2013 members of the Single Pension Scheme

Source: Department of Defence

### Security Duty Allowance (SDA)

SDAs are paid in respect of a range of security duties which personnel are detailed to perform. It is payable to enlisted personnel and officers up to and including the rank of Captain. It is not paid to members of the Army Ranger Wing. SDAs are fixed period allowances in the nature of pay but are not linked to pay. SDA is primarily paid to enlisted personnel with 6,724 enlisted personnel and 823 officers receiving payments over the course of 2018. In 2018 payments to personnel ranged from a single payment of €23.81 for one duty, to payments of €10,000 or more to 11 Personnel for multiple duties completed over the year – this would indicate that there is a wide spread of SDA payments among personnel. In 2018 the estimated expenditure on SDAs was over €8 million. Tables 2.12 and 2.13 set out the impact of reductions imposed on the main SDAs. As mentioned earlier, SDAs were subject to FEMPI reductions and additional cuts under the HRA (10% reduction plus flat rate for Saturday and Sunday). As a compensatory measure for the flat rating of the allowance, a member of the PDF performing a 24 hour duty on a Sunday only receives a day in lieu for the Sunday (in addition to the rest day off which they receive for performing a 24 hour duty).

**Table 2.12: SDA Rates for Enlisted Ranks**

Enlisted Ranks	Pre-FEMPI	FEMPI	Current Rates Pre-2013 Recruits (Incl. HRA Reductions)	Current Rates Post-2013 Recruits	% Reduction Pre-2013 Recruits
Mon-Sat less than 24 hrs	€27.85	€26.45	€23.81	€25.06	15%
Mon-Sat 24 hrs	€55.66	€52.88	€47.59	€50.09	15%
Sundays and DF Holidays less than 24 hrs	€55.66	€52.88	€23.81	€25.06	57%
Sunday and DF Holidays (24 hrs)	€111.36	€105.79	€47.59	€50.09	57%
Saturday 24 hrs (no working day as rest day)	€83.53	€79.35	€47.59	€50.09	43%

**Table 2.13: SDA Rates for Officers**

Officer Ranks	Pre-FEMPI	FEMPI	Current Rates (Incl. HRA Reductions)	% Reduction
Mon-Sat less than 24 hrs	€28.33	€26.92	€24.23	15%
Mon-Sat 24 hrs	€56.60	€53.77	€48.39	15%
Sundays and DF Holidays less than 24 hrs	€56.60	€53.77	€24.23	57%
Sunday and DF Holidays (24 hrs)	€113.32	€107.65	€48.39	57%
Saturday 24 hrs (no working day as rest day)	€85.00	€80.75	€48.39	43%

## 2.8 Summary

The Public Service Pay Commission's Terms of Reference provide that where a recruitment and/or retention difficulty is identified and where the Commission considers it relevant, it should have regard to:

- The fiscal constraints and requirements on Government to manage the Exchequer pay bill in a sustainable way over the medium and long-term;
- The totality of the current remuneration package available;
- The planned future pay adjustments and alleviations from current rates of the Pension Related Deduction (PRD) provided for in the Public Service Stability Agreement 2018-2020; and
- Remaining Financial Emergency Measures in the Public Interest (FEMPI) pay unwinding post 2020, where applicable.

The Irish economic and fiscal situation has continued to improve since the end of the recession, with GDP, domestic demand and exchequer revenue forecast to increase through to 2023, and unemployment, gross debt as a % of GNI\* and the General Government Deficit set to decrease. Nevertheless, significant risks to the Irish economy remain, most notably the impending withdrawal of the United Kingdom from the European Union, due to occur by 31 October 2019.

Depending on the final outcome of negotiations, between the United Kingdom and the European Union, the medium-term impact of Brexit could range from a reduction of Ireland's GDP of between 1.9% and 3.3%. This reduced economic activity could diminish the Exchequer tax revenues, which, when combined with a potential increase in social welfare payments that could arise from growing unemployment, could seriously affect the General Government Balance.

Although Ireland's debt to GDP ratio is forecast to fall below 60% in 2020, the ratio of debt to GNI\*, (often considered to be a more accurate reflection of the country's debt repayment capacity) will remain elevated in the medium term, due to only fall to 87% in 2023. In order to continually reduce the debt burden, and avoid the risk of an overheating economy, the Government has committed to pursuing prudent fiscal policies by maintaining a level of public spending that does not exceed Government revenue.

Since 2007, there has been a 6.8% increase in the number of public servants employed in Ireland, with 302,233 WTEs in 2018. This growth in public service numbers has been accompanied by an increase in the public service pay bill; in 2019, the gross exchequer pay bill is estimated to cost approximately €18.7 billion, which is almost 6% higher than the 2018 figure

and 13% higher than the 2007 pay bill. It accounts for approximately one-third of gross voted current expenditure.

The estimated pay bill for members of the Permanent Defence Force in 2019 is €480 million, which accounts for just over 2.5% of the total public service pay bill. In 2018, total allowances for the PDF cost approximately €86 million (20% of the PDF pay bill).

In 2018, the most significant allowance was that of the Military Service Allowance, which at a cost of €47.5 million accounted for 59% of the total allowances bill. The Overseas Allowance was the next most significant cost, at €18.5 million, or 23% of the total allowances bill. The Security Duty Allowance bill was €8 million in 2018 (10% of the total allowances bill), and both the Patrol Duty and Border Duty allowances each cost just over €2 million, or 2.5% of the total allowances bill.

Allowances available to members of the PDF were subject to a number of reductions and adjustments in the last decade.

The FEMPI (No. 2) Act, 2009 reduced certain fixed allowances by 5% for public servants in receipt of annualised basic salary not exceeding €125,000. This included a number of allowances for members of the PDF, including the Military Service Allowance, Security Duty Allowance and Patrol Duty Allowance, among others. The Public Service Pay and Pensions Act 2017 already provides for the restoration of these allowances on 1 October 2020.

Following the 2012 review of public service allowances, a number were abolished for new beneficiaries. A full list of these allowances is set out in Appendix D.

In 2013 the Haddington Road Agreement, under the Defence Sector Collective Agreement, imposed additional reductions to certain allowances in the PDF. 15 allowances paid to members of the PDF, including the Overseas Allowance, the Security Duty Allowance and the Patrol Duty Allowance, were reduced by an additional 10%. Furthermore, Saturday and Sunday rates for the Security Duty Allowance, the Aid to Civil Authority Allowance, and the Maintenance of Essential Services Allowance were flat rated to the equivalent weekday rate.

This chapter sets out the fiscal and economic situation, developments in public service pay and the impact of various adjustments on pay and allowances for the PDF. The Commission's findings and recommendations regarding allowances and related matters are set out in Chapter 7.

# Chapter 3:

Recruitment,  
Retention, Context  
and Causal Factors

### 3.1 Introduction

The Commission's first Report in May 2017 considered, among other matters, the issue of recruitment and retention in the public service, and concluded that there were certain difficulties in that regard in the Permanent Defence Force (PDF). The Commission's Terms of Reference for this module of its work require it to further consider such difficulties, and the causal factors that contribute to recruitment and retention.

This chapter discusses some of the international evidence on trends experienced and initiatives implemented that affect recruitment and retention in a defence force context. The Commission conducted an extensive literature review to identify causal factors impacting on recruitment and retention for its second Report. It is not the Commission's intention to repeat that in this chapter, but rather to highlight and expand on certain points and to present themes with particular relevance to the PDF.

In addition the Commission has conducted an attitudinal survey and structured interviews with PDF personnel in relation to recruitment and retention. Details on the methodology are provided in Appendix C, with the full Report available on the Commission's website at <https://paycommission.gov.ie/>.

### 3.2 Service Overview

The retention of military personnel is a perennial issue, more severely felt when the economy is thriving and most acute when it comes to trained specialists such as pilots, engineers and ICT professionals. During the period 2010 to 2017, more than 4,977 personnel exited the PDF<sup>9</sup>. Recent figures continue to reflect this trend with some 742 personnel leaving the force in 2017, and 731 in 2018.

The manpower requirements of the PDF are monitored on an ongoing basis in accordance with the operational requirements of the Army, Naval Service and Air Corps, with personnel posted on the basis of exigencies across the organisation, both at home and overseas.<sup>10</sup> As a general rule and subject to the need to manage and retain key skill requirements, continuous turnover of military personnel is essential in maintaining the lower age profile of the PDF. The 2015 White Paper on Defence advises that the Government will, as resources permit, maintain its existing policy of regular, ongoing recruitment within approved Strength levels. This will attract the required 'new blood' that a dynamic, modern, professional military force needs if it is to meet its obligations and maintain the age profile of personnel as close as possible to the appropriate level.

The loss of skilled professionals is an enduring problem for both the PDF and in armed forces internationally. It is

driven by a range of factors including, economic growth, increased employment and the availability of attractive job opportunities with enhanced remuneration. For example, the domestic and international demand for commercial pilots continues to expand exponentially, presenting an attractive option for Flying Officers in the PDF and other international air forces. In the past, regional markets that relied heavily on recruiting pilots from outside their home locations were increasingly seeking to recruit, train and develop locally sourced pilots. Worldwide demand for additional pilots is buoyant and estimated by the Boeing Company at 790,000, including 118,000 in Europe, over the next 20 years<sup>11</sup>; while CAE Incorporated, a world leader in airline pilot training, predict a demand for 255,000 new airline pilots in the next decade<sup>12</sup>.

### 3.3 Causal Factors

#### Labour Market Influencers

Labour markets balance the preferences of employees for better remuneration and conditions with the employer's objective to economise on labour costs.

If the attractiveness of different types of employment or employer varies, the remuneration and/or other conditions of employment required to attract and retain staff may reflect this. Chapter 5 of the Commission's 2018 Report discussed the impact that labour market conditions have on the choices made by employees and the appropriate policy responses to be considered. These employer's responses are dependent on the relative importance of market conditions and the specific difficulties that may exist in respect of recruitment and retention for a given cohort of employees. Experience suggests that policy responses are best rooted in the multi-disciplinary engagement of key stakeholders, underpinned by managerial collaboration and strong executive support.

Improved pay and conditions reinforce one another in enhancing the relative appeal of an employment; making the overall employment proposition more attractive may be more effective than pay increases alone. The possibilities include: agreed improvements in non-pay features; the re-structuring of roles to allow for greater autonomy; engagement in more collaborative team working; constructive feedback on performance; and future career development.

#### Turnover

The work environment impacts on an employee's intention to leave, particularly with regard to the approach of management and the support of colleagues. Relevant factors include: workplace stress which can lead to staff burnout; strong organisational

<sup>9</sup> (Joint Employer Submission, 2018)

<sup>10</sup> (Department of Defence & Defence Forces, 2017)

<sup>11</sup> (Boeing, 2018)

<sup>12</sup> (CAE, 2017)

communication and engagement strategies; high levels of embeddedness; and personal factors such as age, gender, marital status, education, geographic location and tenure.

Internationally, there is a naturally higher level of turnover among military personnel, relative to other groups in public services. The Commission's 2018 Report found that high levels of turnover can adversely affect efficiency, productivity and the effectiveness of an organisation, and can disrupt teams, increase costs, and result in the loss of knowledge.<sup>13</sup> It also notes that there are some benefits to organisations in having a healthy level of turnover, in so far as poor performing employees will be motivated to leave and those that replace them will bring new energy, creativity and new ideas.

Defining the reasons for turnover is an important step that organisations need to take before making decisions on turnover management. These generally divide into four categories:

- Outside factors unrelated to work;
- Functional turnover due to poor performance or lack of conformity with organisational culture;
- Internal push factors reflecting a dissatisfaction with the job or the organisation; and
- External pull factors such as better compensation and better living standards available from alternative employers.

## Recruitment

Effective recruitment is an important management function critical to the development of a positive workforce. In seeking to employ the best candidate/s the employer should be constantly examining external and internal recruitment factors, methodologies and policies. The Commission's 2018 Report noted that organisations that constantly monitor such factors are likely to secure better employees, ultimately provide better services to their customers and are more likely to retain their employees. In this regard an employer should forecast resource requirements, develop recruitment policies, apply and evaluate the selection criteria, and support the on-boarding process. Furthermore, the employer should collect and analyse data on supply and demand for candidates with the required skill sets and actively manage the organisation's image to promote it as the 'employer of choice'.<sup>14</sup>

<sup>13</sup> (Campbell & Campbell, 2001)

<sup>14</sup> (Badeshi & Mukulesh, 2013)

## Retention

The retention of highly-skilled personnel is an enduring challenge for military management, as many specialists including pilots, engineers, ICT personnel, aircraft technicians and air traffic controllers are not easily replaced.

Effective employee retention requires a systematic effort to create and foster an environment that encourages employees to remain employed by having in place the policies, procedures and practices that address their diverse needs.<sup>15</sup>

The involvement and participation of employees in decision making motivates them to remain with an organisation and increases loyalty to their organisation.<sup>16</sup> Research emphasises that a manager should be "a good boss" in order to impact retention positively<sup>17</sup> and that the overarching goal of retention strategies should be to maximise factors pulling employees into an organisation while limiting the factors pushing employees out.<sup>18</sup>

## Training and Development

The principal factors supporting retention are the opportunities for professional development offered by the PDF through accredited training and the unique features of the military environment. The corollary is that the level of professional training extended to PDF personnel also makes them more attractive to private sector employment.

### 3.4 International Overview

Despite the implementation of attractive retention strategies many armed forces are experiencing staff turnover levels that are threatening optimal operational sustainability. Data analysis in Chapter 5 demonstrates that retention is one of the most significant challenges facing the PDF. This is consistent with the experience of other international armed forces.

This section summarises experiences and responses to these challenges in NATO countries such as the United Kingdom and the United States, in addition to New Zealand.

<sup>15</sup> (Kumar, 2005)

<sup>16</sup> (Christeen, 2015); (Noah, 2008)

<sup>17</sup> (Kaye & Jordan-Evans, 2002)

<sup>18</sup> (Orrick, 2008)

## NATO Response to Recruitment and Retention

A 2007 NATO report on recruitment and retention sets out a range of measures that have been developed and streamlined by the military and implemented across a number of North Atlantic Treaty Organisation (NATO) countries.<sup>19</sup> Such measures include:

- Increased compensation packages including pay and benefits other than salary, e.g. health insurance, retirement, leave, schedules, equipment;
- Guaranteed training programs which benefit career development;
- Family care and quality of life initiatives;
- Improved selection and classification metrics to ensure better person-organisation and person-job match;
- Targeted advertising;
- Lowering of entry standards;
- Educational incentives;
- Retention bonuses;
- Varying contract length; and
- Return to service options.

The Report also acknowledges that difficulty in maintaining sufficient numbers is aggravated by the fact that many military personnel leave voluntarily and notes that it is not unusual for 30% or more of enlisted recruits not to complete their first term. The manual also states that many military personnel choose to return to civilian life later in their career, attracted by more appealing opportunities. This happens more frequently in specific specialist occupations which are generally difficult to recruit and expensive to train.<sup>20</sup>

## The United Kingdom

### General

The UK Government has been reducing the target size of its armed forces for a number of years. In April 2018 military numbers totalled 154,628, with 87,253 personnel in the Army, 33,239 in the Navy, 34,136 in the Air Force.<sup>21</sup> Over half of all regular personnel are under the age of 30. The British Armed Forces' full time service personnel or 'Regulars' consists of 29,202 (19%) officers and 125,516 (81%) other ranks. In 2016, 45,000 personnel were deployed overseas on a variety of commitments in more than 60 countries. The RAF noted that 2016 was their busiest year in 25 years with some 3,000 service personnel deployed across 25 countries.<sup>22</sup>

### Recruitment

Commands have missed their recruitment targets for the three years from 2016 to 2018. In the 2016-2017 period, 4,200 Regulars were recruited taking an average of nine months to complete the recruitment process, resulting in personnel dropping out and delays in getting new recruits into the Armed Forces. A target of three months to complete recruitment was recently set by the UK Secretary of State.<sup>23</sup>

The 2018 UK National Audit Office Report identified a shortfall of 8,200 in the number of military personnel (full-time trained Regulars), which is 5.7% below the required number. 102 trades were also identified as having insufficient numbers of skilled personnel to maintain defence tasks without placing additional demands on Regulars. The overall headcount figures mask much larger shortfalls in critical trades, including pilots, engineers and intelligence analysts. The report also states that for 94% of these trades, the Ministry of Defence does not expect to resolve shortfalls in personnel in the next five years. The aggregate rate of Regulars who left voluntarily in 2017 was 5.6%, although there were much higher rates in some trades. There was a 24% shortfall in the number of Regulars recruited in the 2016-2017 period when compared with Command's annual targets. Reasons for leaving included the impact on family and personal life, job dissatisfaction and external job opportunities; the most common reasons for staying were job security and the provision of medical services.

The Report also provides an overview of issues affecting certain occupations and outlines the main causes of shortfalls include increased demands and capacity to train sufficient personnel. In the 12 months to September 2017, the Army was 31% below its recruitment target, the Navy was 16% below target and RAF was 8% below target. The Navy and Army also face shortages of pilots as a result of difficulties in training a sufficient number of personnel, as well as the demands to supply front-line pilots as training instructors.<sup>24</sup> Some 145 pilots applied to leave the RAF in the three years from 2015 to 2017.<sup>25</sup>

<sup>19</sup> (NATO, 2007)

<sup>20</sup> Ibid.

<sup>21</sup> (House of Commons Briefing Paper, 2018)

<sup>22</sup> (UK Armed Forces Pay Review, 2018)

<sup>23</sup> (House of Commons, 2019)

<sup>24</sup> (National Audit Office, 2018)

<sup>25</sup> (House of Commons, 2018)

## Retention

The UK National Audit Office also reported on mitigating actions taken following a case study of three crucial but highly marketable skill areas - engineers, pilots and intelligence analysts - where significant deficits were identified. The national demand for engineers was 107,000, but the number of engineers in the UK was only 66,000. The RAF was required to train 180 pilots but was unable to train more than 132, and the armed forces were at 74% of required Strength in intelligence analyst grades. Mitigating actions included:

- The appointment of a skills champion to tackle shortages;
- The establishment of specialist recruitment teams;
- “Golden hello” payments in certain niche areas;
- Widening of the training opportunities, including making use of commercial training opportunities or training alongside the aircrew of partner nations;
- Attracting re-joiners; and
- The introduction of a range of retention payments for engineering trades, aircrew and intelligence roles.

The UK Armed Forces Pay Review Body have reported on Recruitment and Retention Payments (RRPs), which are approved for specific military groups where there are long standing recruitment and retention issues. There were eighteen different categories of RRP in the 2016-17 period, costing circa £108m per year, and 14,882 payments in April 2017 in respect of three categories of payment made on a Continuous Career Basis, a Non-Continuous Career Basis and on the Completion of Task Basis.

A report on retention was commissioned by the UK Government in February 2019 after 7,500 personnel (5.6%) exited the military in 2017; this compares to 3.8% in 2010.

The armed forces in the UK have also adopted wide ranging non-financial measures to address the shortfalls. They have developed a manpower recovery plan and implemented initiatives to improve recruitment and training, including:

- Specialist recruitment teams that target candidates in hard to recruit trades. These teams provide advice on marketing campaigns, engagement with schools and universities and support candidates throughout the recruitment process;
- Changes in the application process to increase the conversion rate from applicant to joiner;
- Initiatives to streamline training and to reduce the time it takes to develop skills;

- Initiatives to attract back Regulars who had left the armed forces (re-joiners); and
- Direct recruitment into more senior roles (lateral entry).

UK Commands have in addition implemented tactical measures to address shortfalls and the recovery levels of personnel, with the most common responses being to revise entry criteria, including aptitude and education levels, and to review training requirements including streamlining the training pipeline. It is noted that these initiatives are at an early stage.<sup>26</sup>

The National Audit Office report also suggests more innovative approaches to alleviate shortfalls in certain pinch-point trades including a widening of direct recruitment into more senior roles, increasing flexibility to move personnel between commands, re-designating certain military posts as civilian or reserve posts and working more closely with other government departments and national security organisations.

## The United States

### General

The overall Strength of the US armed forces is circa 1.2 million, along with approximately 800,000 in seven reserve components. Army Strength in 2017 was at 476,000, with the Air Force at 314,000, the Navy at 230,000 and the Marine Corps at 184,000. The Navy is under particular pressure to retain current numbers and recruit an additional 11,400 seamen by 2019. It will also be necessary for the Navy to increase numbers further in order to crew a proposed 355 ship fleet by 2050 and recruit for specific specialities including cyber warfare, intelligence surveillance, and nuclear expertise.

### Recruitment

For the first time since 2005, the US Army missed its recruitment goal in 2018, falling short by almost 6,500 soldiers, despite making an extra \$200m available for bonuses and approving additional waivers for behaviour and health issues. Army leaders have advised that 70,000 new active duty recruits were enlisted in the year to September 2018 with the Navy, Air Force and Marine Corps having met their recruitment goals. The Army shortfall is fuelled by a strong American economy with increased competition from private sector employers.<sup>27</sup> Given the shortfall, the Army has invested in more military recruiters, increased advertising, bonuses and other benefits for prospective soldiers.<sup>28</sup>

<sup>26</sup> (National Audit Office, 2018)

<sup>27</sup> (Maj. General Joe Calloway, 2018)

<sup>28</sup> (Mattock, et al., 2016)



## Retention

The U.S. Army has identified the retention of qualified personnel as a key component of its personnel management strategy, and has established a research program on strategies to enhance retention. The ‘STAY’ program has sought to improve both enlisted and officer retention, with the Army Intelligence Research Unit focused specifically on improving the retention of the Army’s junior company-grade officers beyond their first active duty service obligation. They have developed and evaluated interventions for use in a comprehensive and integrated Army programme for managing personnel continuance, conducted a feasibility assessment of potential interventions to improve retention and evaluated primary interventions based on the reflection of former army officers who left prior to retirement.

There is a cyclical pattern of Air Force pilot overages and shortages with no fewer than six serious pilot shortages experienced since the foundation of the Air Force in 1947. It is noted that in almost every instance dating back to 1950 Air Force aviator shortfalls have coincided with aggressive hiring by airlines. A 2017 study by the US Government Accountability Office has anticipated a shortfall of pilots through to 2023.<sup>29</sup> In the two years to February 2018, Air Force pilot retention has fallen to 35% with 1,363 pilots leaving. In its efforts to stop the departure of experienced fighter pilots a 13-year aviator retention bonus payment of \$35,000 per annum has been rolled out.

The Air Force acknowledges that while financial incentives are important in addressing the pilot crises, concerns about quality of service and work life balance are also necessary to retaining aviators. A number of new policies have been rolled out including reduced administrative duties, higher pay and bonuses and more flexible assignments. Retired pilots have also been asked to take on administrative roles in order to release pilots for active service.

## New Zealand

### General

New Zealand’s population and the Strength of its armed forces is comparable with Ireland’s. The New Zealand Defence Force (NZDF) comprised 15,182 personnel, in April 2019, including 9,539 enlisted personnel (4,760 Army, 2,542 Air Force and 2,237 Navy), along with 2,715 reservists and 2,928 civilian employees.<sup>30</sup>

New Zealand is a positive example of utilising a strategic, structured and integrated approach to recruitment and retention. Recently introduced management practices include the increased accountability of senior leaders for human resource capability with improved human resource data analytics assisting the management and development of a “total defence workforce” that optimises regulars, reserve forces and civilian staff.<sup>31</sup>

Unlike their civilian counterparts, military personnel do not have an employment contract and serve on a “period of engagement” with no recourse to union representation. Commanders have responsibility for all aspects of personnel administration within individual commands, including career management, equal opportunity employment, remuneration, leave and all other HR practices.<sup>32</sup>

### Recruitment

Recruitment and retention was highlighted as the most critical personnel challenge for the NZDF in their 2014-2018 four year plan. Regular numbers have been erratic in recent years moving from a high of 9,673 in 2011 to 9,072 in 2016, rising to the current figure of 9,539. Over this period attrition rates have gone from 8% in 2010, up to 21.3% in 2011, and back to 8% in 2015.<sup>33</sup>

In 2017 attrition rates were near historically low levels. Fewer recruits were required and morale in the force had bounced back following major restructuring of the military in 2011. Attrition rates in 2017 were 8.9% in the Army and Navy and 6.8% in the Air Force.<sup>34</sup> However, they also advised that attrition can fluctuate quickly. Unsustainable levels occur when the armed forces cannot bring in new recruits, and train and build experience levels, as quickly as people choose to leave. Currently, a number of other western militaries have signalled increases in investment in major platforms and they may look to New Zealand to help fill their personnel shortages as they expand and introduce new capabilities.

### Responses to Retention

The NZDF is continually looking to improve its people management practices to ensure it can attract and retain both the skills and the values that underpin military service. In 2017 the Career and Talent Management (CTM) System, which aims to deliver the right person into the right role at the right time, was remodelled. The new system will ensure that the NZDF have the right level of skills and experience to safely and effectively deliver on its mandate.

<sup>29</sup> (US Government Accountability Office, 2018)

<sup>30</sup> (New Zealand Defence Force, 2019)

<sup>31</sup> (New Zealand Defence Force, 2017)

<sup>32</sup> (New Zealand Defence Force, 2013)

<sup>33</sup> (New Zealand Defence Force, 2018)

<sup>34</sup> (New Zealand Defence Force, 2017)

The adjustments to the CTM focus on improving the transparency of the process and aim to improve both stakeholder and service personnel satisfaction. This is considered critical given that career management is one of the key frustrations expressed by uniformed personnel in their exit surveys in New Zealand. Improved management and the remodelling of systems such as the CTM is noteworthy and is likely to assist in the resolution of an issue that is common to many armed forces.

Another initiative targeted at improving the retention of key personnel is military accommodation policy. The NZDF has a three-stream accommodation policy. The first is barracks which is the traditional boarding style accommodation of Camps and Bases. The second stream is defence housing, which is standard housing which is available to rent. The number of houses owned by NZDF is due to reduce significantly over the coming years as many are included within settlement offers to address Treaty of Waitangi claims. The third, which was introduced in 2017/18, is the Operational Enabling Allowance Posting Readiness (OEAPR), which is an allowance paid to regular force personnel in some regions who are critical to output delivery and are not entitled to NZDF accommodation. The allowance contributes to meeting the cost of privately provided accommodation. As at 31 January 2018,<sup>35</sup> 3,196 service personnel were entitled to an OEAPR allowance.

A further initiative by the NZDF was to develop and implement strategies to attract and retain more female personnel. This foreshadowed the establishment of a women's development forum and a programme of work which was intended to result in a tangible improvement in the environment, policy and culture for women in the military. In its 2018 Annual Report, the NZDF state that it has made substantial progress towards gender equity over the past decade, particularly in its family friendly policies and in opening up all trades to women. It also noted that the NZDF has a higher female representation in the armed forces than the USA, Australia, Canada and the UK. Female enlistments have risen steadily in the last five years and made up 23% of overall enlistments in 2017 and 18% of all regulars in April 2019.<sup>36</sup>

### 3.5 Conclusions

In this chapter, the Commission has considered the causal factors which contribute to, and impact on recruitment and retention in an international armed force context.

The Commission concludes as follows:

- Recruitment and retention are critical issues for the PDF. The Commission recognises that effective recruitment is crucial to the development of a positive workforce; conversely, poor recruitment and selection processes will affect every part of an organisation.
- Organisations that continually monitor relevant internal and external recruitment factors and develop their processes accordingly are more likely to secure better employees, ultimately provide better services to stakeholders and retain their employees.
- Improved recruitment and retention processes should be rooted in the multi-disciplinary engagement of institutional stakeholders, managerial collaboration and strong executive support, and focused on the fundamental needs, individual skill sets and capacity requirements of the PDF.
- The Commission notes that the issue of recruitment will, in the current economic context, continue to be challenging; that it effects most if not all defence forces and it requires innovative responses. It is also noted that measures already proposed or undertaken internationally may be applicable to and adaptable by the PDF.
- The Commission considers that many of the recruitment and retention practices outlined in the Commission's previous reports may be of practical assistance and support in terms of augmenting and refining recruitment and retention strategies in the PDF.
- Given that Ireland is approaching a level of full employment, the attraction of highly trained military personnel to private sector employment and their attractiveness to prospective employers is of significant concern and it requires both a strategic and tactical response.
- Job design is important because it ensures that an employee has a variety of challenging and significant tasks which can be meaningfully progressed, with autonomy, support and feedback. Linked to this is the interpersonal compatibility between the individual and the organisation, the group, and the role which impact job satisfaction and intention to leave.

<sup>35</sup> (New Zealand Defence Force, 2018)

<sup>36</sup> (Office of the Auditor General, 2017)

- It is also apparent to the Commission that best management and people practices focus on staff integration, development and growth and that a holistic, empathic management style will produce a more content, positive workforce and reduce staff turnover.
- A number of constructive non-pay, family friendly measures identified in the Commission's research and worthy of consideration include: preferential health care facilities for military personnel and their families; reduced service charges particularly for new recruits; the provision of child-care facilities; and family access to sports facilities.
- Other more targeted suggestions include: reduced administrative duties in areas experiencing high levels of attrition; more flexible assignments; opportunities to stay in a particular geographic area; and the engagement of retired personnel for administration and training duties.

The Commission notes that the following non-pay support measures used by international defence forces may also be relevant to the PDF. These include:

- The implementation of family care and quality of life initiatives along with guaranteed training programmes which benefit career development (NATO);
- The appointment in the UK of a skills champion to tackle staff shortages and the establishment of specialist recruitment teams along with retention payments in certain niche areas and the payment of RRP's to avert skill shortages;
- The introduction of the *STAY Program* by the US military to improve both enlisted and officer retention along with the application of retention practices developed by the commercial sector; and
- The use of a *Career and Talent Management System*, along with the proactive recruitment of female personnel into the New Zealand Defence Force.

The Commission concludes by reiterating the importance of talent management. A renewed emphasis and prioritisation of talent management within all workforce planning frameworks is required, along with specific, targeted responses, including a focus on further developing retention policies in the PDF.

# Chapter 4:

## Survey and Interview Results

## 4.1 Introduction

In Chapter 3, the Commission set out its findings from the literature review of causal factors impacting recruitment and retention in an armed force context. In order to build on the evidence base for the analysis of recruitment and retention in the PDF, the Commission procured independent research to survey and interview serving members of the PDF.

The objective of the research, consisting of surveys and interviews, was to understand what employees perceive as their motivation in applying for and remaining in their current employment. The research also sought to establish the drivers, if any, for intention to leave the PDF. The hypothesis behind the study was that individual and employment characteristics lead to variations in perceptions of job, organisation and wider employment context. These can drive impact measures, which in turn predict intention to leave. This research has informed the Commission's conclusions on recruitment and retention.

This chapter presents the results of the research captured through two studies that followed the same approach, but examined different cohorts. The first study examined 'specialists' in the PDF and the second analysed 'generalists'. 'Specialists' include Doctors, Pilots, Air Traffic Controllers, Engineers, Technicians, Communications and Information System staff, and Ordnance staff in the PDF. 'Generalists' is used in the Report to cover all other serving personnel in the PDF.

Details on the methodology of the study are provided in Appendix C and the full study is available on the Commission's website at [www.paycommission.gov.ie](http://www.paycommission.gov.ie). A similar approach was followed in the Commission's Module 1 Report on Nurses and Midwives, Non-Consultant Hospital Doctors and Consultants.

## 4.2 'Generalists' in the Permanent Defence Force

This section presents a summary of the findings from the Commission's survey in relation to recruitment and retention of 'generalists'. There was a 26.6% response rate for this group, with 1,986 responses out of a population of 7,458 'generalists'<sup>37</sup>. Structured interviews were also carried out with 139 personnel from across the three areas of service (Army, Naval Service and Air Corps) and ranks (privates, NCOs and officers).

<sup>37</sup> Based on data from the Defence Forces in December 2018. This number excludes the population of specialists in the PDF who were surveyed separately.

## Recruitment

### Survey Results on Recruitment

Two out of five respondents (38.9%) had been in their current job for two years or less. In answer to questions seeking to assess their views on the efficiency and fairness of the recruitment process, these respondents indicated a low to moderate level of satisfaction with the process. While no variation was recorded in scores across the areas of service (Army, Naval Service or Air Corps), from a rank perspective NCOs and privates had significantly lower scores than officers.

For those appointed to their roles in the last two years, the survey asked if the reality of the job matched their expectations. Overall, there was a low level of agreement with the reality of the job compared to expectations. However, officers were more likely to report that the job matched their expectations compared to privates and NCOs.

### Results from the Interviews on Recruitment

Structured interviews were conducted with serving personnel weighted by rank and area of service (Army, Naval Service and Air Corps). Four main recruitment related issues were highlighted:

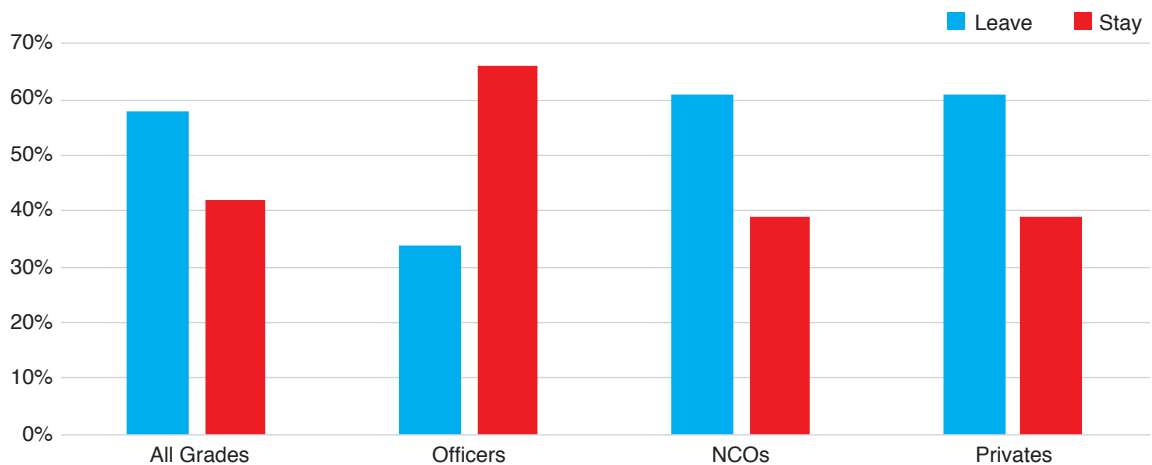
- Interviewees commented on the substantial attrition rate at each stage of the process and on how some potential recruits didn't seem to know what was involved in the process;
- There were also comments on the level of resources being spent and issues around retaining new recruits;
- Both NCOs and officers discussed the quality and standard of recruits. One NCO suggested that the recruitment process had been made less onerous, whilst others raised concerns about literacy levels, motivation and interest in the PDF; and
- Many comments were made about the length of time it takes for recruits and cadets to be productive within the system and a number of NCOs noted that the PDF needed people with experience and training.

## 4.3 Retention

### Survey Results on Retention

The results from the survey indicate that just under three in five respondents (57.8%) intend to leave the PDF in two years or less, while 42.2% intend to stay. However, this varied significantly between the ranks with only 34% of officers expressing an intention to leave as opposed to 61% of NCOs and 61% of privates.

**Figure 4.1: Responses to the question ‘In the next two years, do you intend to leave the Defence Force, or do you intend to stay?’ (Generalists)**



Source: Research Matters, PSPC workings

The most commonly cited reasons for those who expressed an intention to remain in the PDF were personal or family reasons (36.7%), pension eligibility (34.6%), and suitable working hours (30.9%).

The most frequently cited factors for intention to leave were pay (84.5%), problematic staffing levels (73.6%), and better job opportunities elsewhere (59.9%). It is of note that the fourth most common reasons relates to job opportunities being too limited by their pension date (47.2%).

Regarding the intention to leave among ‘generalists’, 80% indicated they were likely to search for a job in a different organisation, 70% indicated they frequently thought about leaving the PDF, 50% indicated they had actual job offers in hand, 43% indicated it was likely they would leave the PDF in the next year, and 58% indicated they would probably or definitely leave the PDF in the next two years.

Overall, there was a high perception among personnel around the level of availability of alternative employment. Almost four in every five respondents indicated they could easily find another job and the same proportion indicated they knew of several job alternatives they could apply for. The job alternatives scores vary significantly by area of service. Almost 77% of personnel in the Air Corps have a significantly higher job alternatives score compared with 73% of those in the Naval Service, and 70% in the Army. The

‘job alternatives’ scores vary significantly by rank; just under 66% of officers have a lower ‘job alternatives’ score compared privates, at 72% and NCOs, at 70%.

Table 4.1 illustrates a statistical analysis of the individual and job characteristics, or drivers, which predict the likelihood of leaving the PDF. The strongest driver of intention to leave was a perception of there being more job opportunities outside the PDF. This was common to all ranks. While the availability of jobs outside the PDF is outside the control of the employer, for the remaining ‘drivers’ an internal policy response could be implemented to good effect. These ‘drivers’ include commuting pressure (common to all ranks), lower satisfaction with pay and allowances (officers and privates), fewer training and promotion opportunities (NCOs and privates), lower levels of responsibility (NCOs), perceptions around the impact of their work being low (privates), and the higher levels of demands of their jobs (privates). An implication of this is that efforts to address these drivers may positively impact on retention in the PDF.

The impact or experience of these drivers is also reflected in Table 4.1. Impacts common to all ranks were lower global job satisfaction, higher effort-reward ratios, lower organisational commitment and lower work life planning.

**Table 4.1: Drivers and Impacts of Intention to leave among ‘Generalists’ in the PDF**

Drivers		
Officers	NCOs	Privates
More job alternatives	More job alternatives	More job alternatives
More commuting pressure	More commuting pressure	Fewer training and promotion opportunities
Lower perceptions of manager	Fewer training and promotion opportunities	More commuting pressure
Lower satisfaction with pay and allowances	Lower levels of job responsibility	Lower satisfaction with pay and allowances
		Lower perceptions of manager
		Lower perceived impact
		Higher levels of demands



Impacts		
Officers	NCOs	Privates
Lower global job satisfaction	Lower global job satisfaction	Lower global job satisfaction
Higher effort-reward ratio	Higher effort-reward ratio	Higher effort-reward ratio
Lower organisational commitment	Lower organisational commitment	Lower organisational commitment
Lower work-life planning	Lower work-life planning	Lower work-life planning
	Higher burnout	Higher burnout
	Lower global job satisfaction (specific)*	



**Outcome: Intention to Leave the PDF**

\* This relates to the equipment and facilities required to carry out work.

Source: Research Matters, PSPC workings

**Results from the Interviews on Retention**

The results from the interviews had many parallels with the survey. Personnel from all ranks reported positively on the camaraderie and peer support they receive from each other, the variability and the excitement of the work they do, the pride with which they serve their country and the opportunity to serve overseas. However, negative perceptions were a more common theme reported in the interviews.

There is widespread dissatisfaction with pay, allowances and pension arrangements across all ranks. Officers and more senior NCOs expressed greater concern about pay and conditions for more junior ranks than for their own. Broad agreement was expressed that the overall remuneration for the responsibility and level of work undertaken is insufficient, and there is a sense of grievance that pay restoration following the cuts in 2008 has not taken place. Payment for duty allowances was singled out for particular mention in this regard, and personnel suggested the amount paid for a 24-hour duty was far too low.

Some respondents from the NCO ranks noted personnel enlisted into the PDF prior to the 2004 pension service reforms could be eligible for a pension after 21 years (for officers commissioned prior to April 2004 this is 12 years). These NCO respondents posited that this entitlement to a pension was an effective retention tool to keep people until the applicable time period ended, then they could leave and start another career. However, interviewees from across various ranks argued that the removal of the entitlement to a pension after 21 years’ service (or 12 in the case of officers) and the introduction of the Single Pension Scheme in 2013 had a negative impact on the retention of new entrants. This was because they would be forced to leave the PDF in their 50s due to mandatory retirement ages, at which stage it is almost impossible to start a new career. Moreover, some participants remarked that the Single Pension Scheme took away the entitlement to a supplementary pension.

Many of those interviewed commented on the negative impact on work-life balance. For officers interviewed, the impact of the workload and staff shortages on

work-life balance was the strongest theme to emerge. This was further explained as arising from a lack of choice surrounding working long hours (particularly where there are excessive workloads or shortages of staff), having to undertake 24-hour duties and having to be available to the PDF 24/7. These are factors which create uncertainties when planning life outside work. Barracks closures were referenced as impacting work-life balance also, as for some personnel this has resulted in long commutes.

#### 4.4 ‘Specialists’ in the Permanent Defence Force

This section presents a summary of the findings of the Commission’s survey and structured interviews of ‘specialists’ in the PDF in relation to recruitment and retention. There was a 39.7% response rate to the survey for this group, with 560 responses out of a population of 1,409<sup>38</sup> ‘specialists’. Structured interviews were also carried out with 49 personnel from across the three areas of service (Army, Naval Service and Air Corps) and ranks (privates, NCO and officers).

##### Recruitment

###### Survey Results on Recruitment

Two in five respondents, or 40.2% of the sample, had been recruited or changed jobs in the last two years and responded to the survey on their impressions of recruitment issues.

The findings from the analysis indicate that ‘specialists’ have a low to moderate level of satisfaction with the recruitment process. Overall 30% were satisfied with the interview process but 28% were dissatisfied. The

aspect that received the most negative feedback concerned the length of the recruitment process, with which 50% expressed dissatisfaction, and only 16% were satisfied. No significant variations were found between specialisms or areas of service (Army, Naval Service or the Air Corps). NCOs and privates had lower levels of satisfaction with recruitment than officers, who had a moderate to high level of satisfaction with the process.

Overall, ‘specialists’ have a moderate to high level of satisfaction with the reality of the job compared to expectation.

###### Results from Interviews on Recruitment

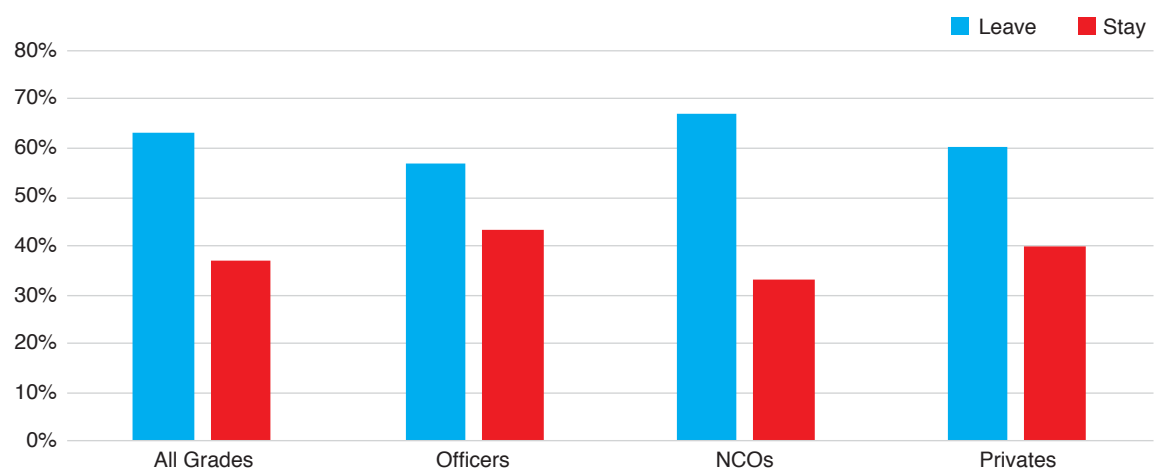
In the interviews, personnel who had been recently recruited into the PDF reflected on their experience with the recruitment process. However, there was very limited commentary about the recruitment process. The observations from those who mentioned recruitment mainly focused on the attractiveness of the PDF as a profession rather than the process involved.

##### Retention

###### Survey Results on Retention

The survey results indicate that just over three in five respondents (63.2%) intended to leave the PDF in two years or less, while 36.8% intended to stay. The most frequently highlighted factors identified by those who indicated an intention to leave were staffing levels (77%) and better work opportunities elsewhere (70%). The intention to leave scores do not vary significantly by specialism or area of service (Army, Naval Service or Air Corps). However, NCOs had significantly ‘higher intention to leave scores’ (67%) compared to officers (57%), or privates (60%).

Figure 4.2: Responses to the Question ‘In the next two years, do you intend to leave the PDF, or do you intend to stay?’ (Specialists)



Source: Research Matters, PSPC workings

38 Specialist population in June 2018. These ‘specialists’ include Doctors, Pilots, Air Traffic Controllers, Engineers, Technicians, Communications and Information System staff and Ordnance staff in the PDF.



The most frequently cited factors that contribute to ‘specialists’ intending to stay in their jobs were suitable working hours/days/rota (34%), personal or family reasons (29%) and colleagues (22%).

The survey shows that there was a strong perception among participants about the availability of alternative employment with 80% stating that they could easily find a better job than the one they had. The perceptions around the availability of job alternatives do not vary between ranks, specialism, or area of service.

In terms of the levels of intent expressed by respondents to leave the PDF, 81% indicated that they thought about leaving the PDF all of the time, 41% stated that it was likely that they would leave the PDF in the next year, 86% said that it was likely that they would search for a job in another organisation, 52% had actual job offers in hand, and 63% indicated that they would probably or definitely leave their current job in the next two years.

Similar to the ‘generalist’ cohort, the regression analysis summarised in Table 4.2 revealed that the main driver leading ‘specialists’ to consider leaving the PDF was a perception of more job opportunities outside the PDF. This was common to all ranks. Other drivers leading ‘specialists’ to consider leaving the PDF were a perceived lack of training and promotion opportunities (officers and NCOs), dissatisfaction with accommodation (NCOs and privates), and dissatisfaction with pay and allowances (privates).

Additionally, burnout was a significant predictor of an intention to depart for all ranks. Job satisfaction and engagement (officers and privates), organisational commitment (officers), specific job satisfaction (officers), effort-reward ratio and work life planning (NCOs), were also linked with the intention for personnel to leave the PDF.

There were some counterintuitive results that in spite of their positive appearance appear to have increased the intention to leave. Having more autonomy

**Table 4.2: Drivers and Impacts of Intention to Leave among ‘Specialists’ in the PDF**

Drivers		
Officers	NCOs	Privates
More job alternatives	More job alternatives	More job alternatives
Fewer training and promotion opportunities	Fewer training and promotion opportunities	Lower satisfaction with pay and allowances
Higher satisfaction with pension	Lower satisfaction with accommodation	Higher level of autonomy
		More positive perceptions of manager
		Lower satisfaction with accommodation
		Higher satisfaction with pension



Impacts		
Officers	NCOs	Privates
Higher burnout	Higher burnout	Lower global job satisfaction
Lower global job satisfaction	Higher effort-reward ratio	Higher burnout
Higher engagement	Lower work-life planning	Higher engagement
Lower organisational commitment		
Lower specific job satisfaction		



**Outcome: Intention to Leave the PDF**

Source: Research Matters, PSPC workings

(privates), positive perceptions of a manager<sup>39</sup> (privates), and higher satisfaction with their pension<sup>40</sup> (officers and privates) were significant predictors of intention to leave.

### Results from Interviews on Retention

The results in the survey were largely replicated in the qualitative interviews and the findings largely correspond to those reported in respect of the 'generalist' cohort.

In the interviews all ranks reported positive aspects of the work, including camaraderie and peer support. The diversity of the job and technical nature of the work was also commented upon in a positive manner.

As with the 'generalists', 'specialists' across all ranks expressed dissatisfaction with pay, allowances and pension arrangements. Two main issues emerged that directly affect the decisions of 'specialists' about whether to stay in or leave the PDF. First, the expertise and experience personnel have in a specific technical area means there are currently many job opportunities available to them outside the PDF. Second, these alternatives are viewed as being better remunerated and consequently are very attractive to PDF personnel.

The impact of pay on work-life balance was commented upon by all ranks, but the issue appears to be particularly acute for privates. In the commentary, privates suggested that the sacrifices made in terms of duties undertaken far outweigh the level of remuneration. Personnel (particularly privates) may also have significant costs relating to commuting and/or house rental associated with the distance between their home and their workplace. These costs may make it unviable for personnel to continue in the PDF. For example, comments were made about privates taking leave to do work outside the PDF to make ends meet.

The same concerns were recorded in the interviews with 'specialists' as those expressed in the interviews with 'generalists' around allowances, in particular those who work long duties. Some gave examples that purported to demonstrate how the allowances provided for work outside normal working time in the PDF compared very poorly to overtime in the private sector.

Similarly to the interviews with the 'generalists', specialist privates, NCOs and officers all commented on changes to the pension scheme in recent years. The remarks mainly focused on how these changes have

delayed access to pensions, which has created the impetus for personnel to leave the PDF early.

Working in the PDF has a negative impact on work-life balance. This arises from a lack of choice surrounding working long hours (particularly where there are disproportionate workloads), having to undertake 24-hour duties and having to be available to the PDF 24/7. These factors create uncertainties relating to work-life planning. It was suggested that shortages of technical staff mean that those who remain in the PDF may be required to provide cover more often than general ranks, and this is particularly the case for overseas duties.

Eligibility for promotion and promotional opportunities also have challenging aspects for technical personnel. In this regard, it was suggested that they are disadvantaged relative to non-technical personnel because of the 'points system' and the number of posts available. It was suggested that while a technical officer doing a technical role becomes very experienced and competent, they are sometimes not considered sufficiently rounded for promotion and, consequently, are disadvantaged.

## 4.5 Conclusions

The studies of 'generalists' and 'specialists' have a number of key findings that are informative for the Commission's deliberations on recruitment and retention.

The Commission notes that positive aspects of working in the PDF were highlighted by all ranks across both 'generalists' and 'specialists'. These include having good colleagues and the variability and excitement of their work. Despite these positive elements, both the surveys and interviews found that while many serving members want to remain in the PDF, the challenges increasingly outweigh the positive features for a significant proportion of them.

It is apparent to the Commission from the survey that a significant number of personnel in both 'specialist' and 'generalist' posts indicated an intention to leave the PDF in the next two years. The larger proportion of those indicating an intention to leave the PDF were in the 'specialist' area (63%), albeit a majority (58%) of 'generalists' also indicated an intention to leave. In both 'specialist' and 'generalist' areas, in excess of 60% of NCOs and privates indicated an intention to leave within the next two years. By contrast, officers in both cohorts were more likely to stay than other ranks. While a majority of officers intended to leave among 'specialists' (57%), only 34% of officers in the 'generalist' areas intended to leave.

<sup>39</sup> It is unclear why among privates that there is a correlation between a positive perception of a manager and between the level of autonomy and intention to leave. Additional analysis is required to explore this issue.

<sup>40</sup> Further analysis is required to explore this result. It is possible that this relates to the individuals' year of joining the PDF. Furthermore, it is noted that the two most common reasons for staying in the PDF were that individuals were waiting until they became eligible for their pensions (about 28%) and being unable to afford the financial penalty for breaking their contract (about 13%).

The survey results demonstrate that members of the PDF perceive that there is a wide array of job opportunities available to them outside the PDF. The analysis of the results indicate that this was a strong factor driving personnel to consider leaving. The perception of available job alternatives was common across all ranks and across both 'specialists' and 'generalists', which is reflective of the buoyant labour market.

The Commission acknowledges that one of the strongest themes to emerge from the research was the widespread dissatisfaction with pay and allowances. In the survey responses, dissatisfaction with pay was cited by nearly 85% of those intending to leave across all ranks among 'generalists', and low satisfaction with pay and allowances was a key driver of the intention to leave for privates in the specialist stream. During the interviews, it was notable that officers and senior NCOs reported their concern at the levels of pay for their junior colleagues, in particular privates, and examples were provided of hardships being endured by some. Similarly, personnel from across all ranks posited that the allowances for out-of-hours duties, in particular, were inadequate.

Survey and interview participants also identified pensions as a key factor impacting on retention particularly for 'generalists'. Commentary collected during the interviews recorded that personnel felt reforms to pensions in recent years have removed the incentive to remain in the PDF until the PDF's mandatory retirement age.

The Commission's analysis of the surveys demonstrated that work-life balance was also a significant issue driving the intention to leave, particularly among 'generalists' and NCOs in the 'specialists'. The interviews illustrate that a number of factors impact this, including staff shortages, heavy workloads, the nature of military life with 24/7 cover and longer commutes as a result of barracks closures.

# Chapter 5:

Permanent Defence  
Force, Army, Naval  
Service and Air Corps

## 5.1 The Permanent Defence Force

The Defence Forces consist of a Permanent Defence Force (PDF) and a Reserve Defence Force (RDF). The PDF is comprised of the Army, Air Corps and Naval Service. This chapter has been set out in four sections, which discuss trends and difficulties in the PDF as a whole, before addressing the Army, Naval Service and Air Corps individually.

This first section examines recruitment and retention trends in the PDF. It begins with a summary of the main issues raised in submissions to the Commission, and then provides a brief background on the composition of the PDF. An examination of employment trends follows, before focussing on general recruitment in the context of available recruitment campaign data. Retention within the PDF as a whole is considered next, encompassing analysis of turnover and exit trends. Finally, the latter sections of the chapter look at recruitment and retention outcomes within the individual areas of service.

### Background

The White Paper on Defence published in 2000 set the ceiling, or Establishment, of the PDF at 10,500 personnel. In July 2009, the Report of the Special Group on Public Sector Numbers and Expenditure Programmes recommended the Establishment for the PDF be reduced by 500 to a level of 10,000 personnel. In 2012 a further reduction of 500 was applied, reducing the Establishment to 9,500 personnel. The most recent White Paper on Defence, in 2015, confirmed the Government's commitment to retaining PDF Strength of at least 9,500 personnel and the Establishment remains at that level.

The actual end year Strength in 2012 was 9,359. This has fallen every year since, with the exception of a slight upsurge in 2014. The end year Strength in 2018 was 8,957.

### Line and Technician Streams

Most of the personnel in the PDF are "Line" personnel who perform the majority of the operational day-to-day tasks of the PDF. Line personnel are supported with technical assistance, as necessary by "Technical" stream personnel.

Appointments to the Technical Corps of the Army, Naval Service or Air Corps can be made from the officer ranks or from enlisted personnel. Technical personnel receive a higher rate of pay (officers) or a specific technical allowance (enlisted personnel) commensurate with their skillset. Army officers in this category include Communication and Information Services, Military Engineer, Ordnance and other specialist officers. Enlisted personnel in this category include fitters and armourers. In the Naval Service, the terminology is

different and Technical and Line streams are referred to as Engineers and Operations respectively. Technical Pay for enlisted personnel ranges from Groups 1 to 6 based on the technical qualifications required to fill the particular appointment, with increased skill levels attracting higher rates. Chapter 2 reports on Technical Pay in greater detail.

### Submissions to the Commission

The Commission received a number of submissions and met with the relevant parties to listen to their views and to get a better understanding of the issues they were raising in relation to recruitment and retention in the PDF. The Commission noted that there was agreement between the parties on some issues. The key factors impacting on recruitment and retention are as follows:

#### Recruitment versus Retention

The submissions received acknowledged that accelerated levels of recruitment are being carried out across the PDF, but in the absence of robust retention policies, it was evident that the PDF has been finding it difficult to match the pace of recruitment to the level of those departing.

#### Pay and Allowances

The RACO and PDFORRA submissions expressed strong dissatisfaction with pay levels within the PDF. The submissions also highlighted the various reductions imposed on allowances in the PDF in recent years.

#### Pensions

It was argued that recent reforms of the pension system introduced in 2013 have diminished the appeal of the PDF as an employment proposition and are having a negative impact on the retention of new entrants.

#### Other Issues Raised

Other issues raised by RACO and PDFORRA include the duration of contracts, security of tenure and the European Working Time Directive.

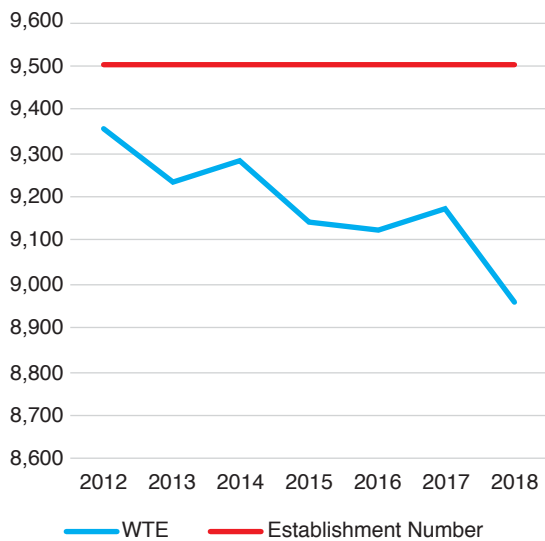
The submissions received by the commission are published on the Commission's website at <https://paycommission.gov.ie/submissions/>.

### Permanent Defence Force Employment Trends

The Establishment of the PDF was set at 9,500 personnel in 2012: comprising 7,519 Army personnel; 887 Air Corps personnel; and 1,094 Naval Service personnel. The Establishment is further broken down by rank within the relevant force. Since the 2012 revision of the Establishment, the numbers serving (WTEs) have remained below 9,500. Figure 5.1 shows both serving WTEs/Strength and Establishment since

2012. At the end of 2018, the PDF was 543 WTEs (5.7%) below the Establishment of 9,500. During this period overall Officer<sup>41</sup> and Non-Commissioned Officer (NCO<sup>42</sup>) Strength remained below their respective Establishments, although there is variation across the individual ranks and years. The Joint Employer submission to the Commission indicated that in 2017, and 2018, the overall number of privates fell below Establishment.

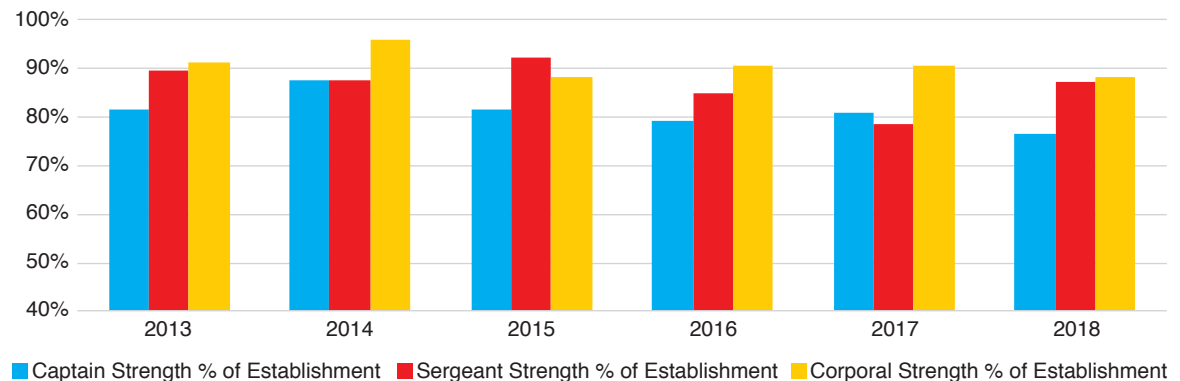
**Figure 5.1: Strength (WTE) and Establishment Numbers, 2012-2018**



Source: Department of Defence

As shown in Figure 5.2 the rank of Captain has been consistently below Establishment. In 2014, overall Captain Strength was at 88% of the Establishment and at the end of 2018 this had fallen to 77%. Of the NCO ranks, the ranks of Corporal and Sergeant have also been consistently below Establishment and in 2018 were 88% and 87% of Establishment respectively.

**Figure 5.2: Captain, Sergeant and Corporal Strength as % of Establishment, 2013-2018**



Source: PSpC workings based on Department of Defence data

## Recruitment

The *White Paper on Defence*<sup>43</sup> of 2015 set out the Government’s policy for the Defence Forces for the next decade as follows:

*“Continuous recruitment is the lifeblood of the Defence Forces providing young, motivated and enthusiastic personnel to replenish military formations for operational deployments”.*

In order to achieve this goal the White Paper states that the Defence Forces will review and develop rolling medium-term manpower planning requirements, to deliver an effective and efficient workforce mix in terms of age profile, skills, competencies and experience. The Paper also commits to developing and implementing personnel policies to support this objective and concludes that appropriate supports will be required to aid the strategic HR policies.

The PDF recruits the vast majority of its members at entry level ranks – enlisted apprentices, enlisted recruits and officer cadets. Filling vacancies for non-entry ranks is largely done by way of internal promotion competitions. The PDF differs from other public and private organisations in that the majority of its personnel are trained, developed and educated within the organisation, and not recruited directly from the open market. The majority of personnel are male, and the recruitment of female personnel into the PDF has proven challenging, although a number of strategies are currently being employed to increase the number of female recruits.

41 Officer includes the ranks of Lt. General, Major General, Brig. General, Colonel, Lt. Colonel, Comdt., Captain, Lieutenant.

42 NCO includes the ranks of SM, BQMS, CS CQMS, Sergeant, and Corporal.

43 (Department of Defence, 2015)

Specialist recruitment is carried out for the following cadres:

- Naval Service Engineer Officers;
- Army Engineer Officers;
- Medical Doctors;
- Dentists;
- Instrumentalists; and
- Army Grooms.

### Recruitment process

The recruitment process consists of a number of stages including an initial application (comparable to an expression of interest in applying for a career in the PDF), psychometric testing, fitness testing and interview. General Service application numbers are high and demonstrate that there is a continued interest in joining the PDF. However, the first direct engagement with an applicant, beyond provision of preliminary details, is Psychometric Testing. Table 5.1 sets out the number of initial applicants for 2007, and from 2013 to 2018. In 2007, the application process moved to an online system which has made it easier for potential candidates to express an interest in joining the PDF. In 2017 and 2018, two general service recruitment campaigns were carried out, as opposed to one annual campaign. More recently, in March 2019, the PDF announced the introduction of an ongoing application process whereby an expression of interest can be submitted at any time of the year. This is intended to facilitate potential candidates who might not be eligible on age grounds at a particular closing date(s) or those who make career decisions at different times of the year. In practice, this could result in a series of ongoing monthly competitions as Defence Force Regulations require that relevant age requirements are met by a specified closing date.

Although the number of initial expressions of interest to join the PDF has remained high, the level of attrition during the recruitment process is also high. For example, only 35.8% of applicants in 2017 attempted Psychometric Testing and of those that attempted testing, 63% were successful.

It is also estimated that 13% of total applications are dual applicants, i.e. applying for both the Army and the Naval Service, and a further 13% are duplicate applicants (applicants submit a second email address to increase their chances of success in passing online test). This indicates high levels of attrition before and after Psychometric Testing.

To further consider attrition during the recruitment process, Table 5.2 categorises attrition and applicant resilience during general service recruitment competitions in 2016 and 2017. In 2017, over 68% of those who initially made an application were not successful at any stage of the competition, did not engage, or were removed from the competition. The survey research carried out by Research Matters Limited on behalf of the Commission reported that the most negative feedback in relation to recruitment from respondents concerned the length of the recruitment process, where 50% of specialists and 47% of generalists expressed dissatisfaction.

**Table 5.1: Number of Applications to Join the PDF, 2007, 2013-2018**

Year	General Service Recruits	Cadets	Air Corps Apprentices	Medical Officer	Military Medicine Scheme	Naval Service Direct Entry Officers	Naval Service Engine Room Artificers	Defence Forces School of Music (DFSM)	Total By Year
2018	5,558	2,152	930	24	18	65	0	56	8,803
2017	8,164	3,447	333	13	n/a	132	-	-	12,089
2016	4,589	4,807	344	-	n/a	-	-	-	9,740
2015	5,387	1,714	398	-	n/a	-	72	69	7,640
2014	7,332	1,826	249	-	n/a	-	-	-	9,407
2013	no comp	2,607	378	-	n/a	-	67	-	3,052
2007	2,221	1,231	96	46	n/a	-	-	-	3,594

Source: Department of Defence

**Table 5.2: General Service Competitions, Appointments and Applicant Resilience in 2016 & 2017**

General Service Recruitment		
	2016	2017
Number of Applications	4,589	8,164
Number Eligible for First Stage	4,357	6,560
Did Not Meet Requirements*	1,858	564
Disengaged/ Failed**	1,960	5,598
Withdrew	224	132
Commenced training	590	615
Dropped out During training	128	171

\*Did not meet requirements- applicants who did not meet the minimum entry requirements- i.e. on age grounds, nationality, duplicate applicants.

\*\*Disengaged/ Failed - includes applicants who were not successful at any stage of the competition (psychometric testing, fitness, interview, medical, security) plus those that that did not engage with the competition and were removed from the competition.

Source: PSPC workings based on Department of Defence data

### Recruitment Outcomes (Appointments)

Table 5.3 sets out the numbers of appointments for the period 2007, and from 2013 to 2018. The number of general service recruits appointed peaked in 2017, which may reflect new recruitment initiatives coming on stream in recent years. Biannual competitions have applied since 2017. The number of Cadets appointed from 2016 onwards almost doubled. However, notwithstanding increased recruitment activity levels, a decrease is observed in 2018 in both General Service Recruit and Cadet appointments.

**Table 5.3: Number of Appointments, 2007-2018**

	2007	2013	2014	2015	2016	2017	2018
General Service Recruitment	546	394	444	307	590	615	492
Cadets	48	34	43	49	100	101	74
Air Corps Apprentices	-	7	17	24	-	22	20
Aircraft Mechanic	30	-	-	-	-	-	-
Medical Officer	5	1	4	-	-	2	2
Military Medicine Scheme	0	0	0	0	0	0	2
Naval Service Engineers	-	-	-	-	-	11	2
Naval Service Engine Room Artificers	-	9	0	5	-	-	-
DFSM Instrumentalists	4	-	-	19	-	-	19
DFSM Conductor	-	-	-	1	-	-	-
Total	633	445	508	405	690	751	611

Source: Department of Defence

### Training and Capacity

The PDF trains, develops and educates its personnel within the organisation. This has an impact on financial resources as well as personnel. The overheads for an organisation that conducts the vast majority of its education and training internally are much higher than for an organisation that recruits qualified candidates from the labour market. In addition, personnel assigned to train new recruits/cadets are not available for other duties, particularly in the context where training activity levels have increased in recent years. RACO's submission argued that Strength is not an accurate reflection of operational capacity in the PDF, as it does not currently take account of absences due to training across the Forces. While undertaking training, personnel may be unavailable for other duties for periods of up to 9 months, e.g. Junior Command and Senior Command Staff Courses.

The Joint Employer submitted that each platoon of 48 recruits requires 17 dedicated full-time staff to train them to the rank of Three Star Private over a 26-week period. Applying this ratio to the 492 recruits in 2018 suggests that 174 trained personnel were assigned to training these recruits for 6 months that year.

A staff of 30 personnel is posted to the Cadet School, to educate cadets to the stage of military commission. This staff can train two classes of cadets, and at maximum capacity this is 200 cadets each year. The Joint Employer submission confirmed that the increase in the training requirement is placing an additional strain on personnel within units as operations continue to be delivered with reduced staffing resources.



## Recruitment Initiatives

A number of measures have been introduced, primarily since 2017, to enhance recruitment outcomes and address difficulties. These include:

- Biannual competitions to reduce candidate wait times and improve application resilience;
- Reopening the window for online psychometric testing in 2017 for applicants who had missed the deadline;
- Development of better communications with applicants to maintain candidate interest (text alert and social media updates, to complement existing email correspondence);
- Streamlining of security clearance (Referee check, Military Security Vetting and Garda Vetting);
- Provision of guidance and training programme to applicants to prepare for fitness tests;
- Targeted initiatives to increase level of female participation – outreach to schools, female fitness, awareness and information evening, female targeted advertising campaign and targeting key influencers (Parents and Guidance Counsellors); and
- The introduction of an ongoing application process in March 2019, whereby an application can be made at any time of the year (this is intended to facilitate candidates who might not be eligible at a particular closing date(s) or those who make career decisions at different times of the year).

There is not yet sufficient evidence to assess how successful these recruitment initiatives have proven. The percentage Strength of total female personnel was 6.4% in January 2018, and this needs to be kept under review to assess the impact of the targeted initiatives to increase the level of female participation. Streamlining the security clearance process has reduced wait times between application and induction significantly. This should impact on the level of dissatisfaction that was reported in the Survey research, where the length of the recruitment process was the aspect of the recruitment process which recorded the highest level of dissatisfaction amongst respondents. These recruitment initiatives are ongoing.

## Retention

### General Turnover Rates

As discussed in Chapter 3, there is a higher level of turnover among military personnel internationally, relative to other groups in the public service. In fact, turnover is an accepted feature due to the requirement to maintain a lower age profile within the Defence Forces than in the public service generally. The 2015 *White Paper on Defence* states that “continuous turnover of personnel is essential to maintain the required lower age

of profile across the PDF”. In addition, the Joint Employer submission noted that a higher level of turnover in the PDF compared to the rest of the public service is normal due to the “unique and demanding nature of military life”. While some turnover is typical of Defence Forces generally and may have beneficial impacts, it is also necessary to retain sufficient experienced personnel to meet the operational and support requirements of the PDF. Table 5.4 shows that in 2018, the overall turnover rate for the PDF was 8.16%, an increase of 3% on the 2013 rate, and since 2015 turnover has been increasing steadily.

**Table 5.4: PDF Service Exits and Turnover 2013-2018**

	2013	2014	2015	2016	2017	2018
PDF WTE	9,236	9,280	9,140	9,126	9,173	8,957
Exits	473	481	571	679	742	731
Total Exits as % Strength	5.12%	5.18%	6.25%	7.44%	8.09%	8.16%

Source: Department of Defence

### Numbers Leaving in Years 1 to 5

Since 2013 nearly 35% of total turnover relates to those leaving in the first five years, with the majority of exits occurring during training. The evidence submitted to the Commission shows that the percentage of those leaving in the first five years has increased from 26.4% in 2013 to 42.6% in 2017. The vast majority of the departures occur during training. Approximately 21% of new general service recruits drop out during the first year without completing training; in 2018 23% of general service recruits were discharged during induction training.

### Voluntary and Involuntary Departures

Exits can be broken down into voluntary and involuntary departures and Table 5.5 illustrates these departures for 2018. Voluntary departures (excluding those in training) accounted for 89.9% of all departures in 2018. If this trend continues unchecked, the PDF will find it very difficult to match the pace of recruitment to the level of those departing. The large numbers of personnel leaving the PDF voluntarily, particularly before normal retirement age, will make workforce planning problematic. It appears difficult, at present, to predict with any certainty the number of intended departures from the PDF.

**Table 5.5: Voluntary and Involuntary Departures in 2018**

<b>Total Departures</b>	<b>731</b>
Involuntary Total	68
Voluntary Total	663
Involuntary % Total	9.3%
Voluntary % Total	90.7%
<b>In-Training Departures</b>	<b>139</b>
Involuntary (in training)	8
Voluntary (in training)	131
Involuntary % (in training)	5.8%
Voluntary % (in training)	94.2%
<b>Departures (Excluding In Training)</b>	<b>592</b>
Involuntary Departures (Excluding in training)	60
Voluntary Departures (Excluding in training)	532
Involuntary % (Excluding in training)	10.1%
Voluntary % (Excluding in training)	89.9%

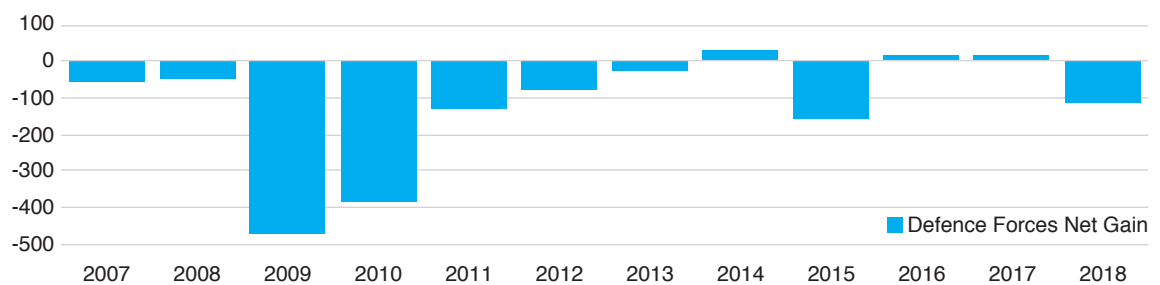
Source: PSPC Workings based on Department of Defence data

### Net Gain/Loss in PDF Personnel

Although 611 personnel were inducted into the PDF in 2018, there were 731 exits, meaning that there was a net loss of 120 in that year. RACO submitted that the average annual number of officer exits from the PDF over the period 2007-2017 was 74, while (induction/recruitment) commissioning figures for the same period averaged 44. During the period 2013 to 2018, there was a net loss of 367 personnel in the PDF.

Figure 5.3 charts the net gains and losses in personnel from 2013 to 2018. During this time only three years, 2017 (9), 2016 (11) and 2014 (27) saw net gains in serving numbers. The largest net losses were in 2009 and 2010 and would appear to have coincided with the introduction of the moratorium on recruitment and promotion in the public service and the introduction of the FEMPI legislation. 2012 saw the largest number of discharges but this could be attributed to the “Grace Period”, which allowed public servants to retire at that time with their pension entitlements determined by reference to pre-FEMPI pay rates.

**Figure 5.3. Net Gain/Loss in PDF Personnel, 2007-2018**



Source: Department of Defence

### Conclusions

- The 2000 White Paper on Defence, the 2009 Report of the Special Group on Public Sector Numbers and Expenditure Programmes and the 2015 White Paper on Defence have reduced the Establishment of the PDF to 10,500, 10,000 and 9,500 personnel respectively. The Establishment is currently 9,500.
- The actual end year Strength of the PDF in 2002 was 10,559 and at end 2009, the equivalent figure was recorded at 9,933. The end year Strength has fallen every year since, with the exception of a slight upsurge in 2014, and in 2018 stood at 8,957. Initial expressions of interest to join the PDF remain high but fall-off during the initial stages of the actual recruitment process is very high. The Commission has concluded that this probably reflects the ease of submitting the online application.
- The PDF recruits the vast majority of its members at entry level ranks. Filling vacancies for non-entry ranks is largely done by way of internal promotion competitions. The PDF differs from other public and private organisations in that the majority of its personnel are trained, developed and educated within the organisation itself post recruitment, which has a resource implication, both in terms of financial investment and personnel capacity.
- The PDF training model is military first, specialist later. The attention to developing the best recruit possible requires significant manpower resources to be deployed in training new recruits. As a consequence these resources are not available for other duties.
- The evidence provided to the Commission confirmed that the PDF is devoting significant resources towards increasing recruitment activity levels to maintain personnel numbers at or near the approved Establishment levels. However, it is also clear to the Commission that current recruitment processes should be reviewed, as the continued acceleration in recruitment activity, in the absence of equivalent retention measures/initiatives, may ultimately be yielding sub optimal results.

- Analysis by the Commission of turnover trends indicates a marked increase in recent years. In 2018, the turnover rate for total PDF was 8.1%, compared to 5.1% in 2013.
- Further analysis conducted by the Commission confirms that almost 35% of total turnover relates to personnel in their first five years of service.
- Approximately 21% of new general service recruits drop out during the first year without completing training.
- Evidence available to the Commission indicates that of the officer ranks, Captain has been consistently below its Establishment. In 2014, overall Captain Strength was at 88% of the Establishment and by the end of 2018 this had fallen to 77%. Given the limited opportunities for promotion and the range of second-career options available to this highly skilled and relatively young cohort a significant level of departure is to be expected. However, the recruitment and retention framework in place should be structured so as to retain a sufficient Strength of personnel at this level to meet current service demands and future leadership requirements. Of the NCO ranks, the ranks of Corporal and Sergeant have also been consistently below Establishment and in 2018 were 88% and 87% of Establishment respectively. The Commission’s conclusions in relation to retention measures for this cohort are set out in Chapter 7.
- RACO argue that this trend of declining officer numbers will continue “until retention policies are developed and larger Cadet Classes are commissioned.” They further contend that unless high impact interventions are made immediately, the shortage of officers at Lieutenant, Captain and Commandant will not be resolvable until at least 2024.
- Workforce planning, which was a key topic in the 2015 *White Paper*, is affected by the high numbers leaving the PDF voluntarily. Voluntary exits form in excess of 75% of total turnover, and tend to occur over a wider range of service points/ages than generally occur in the public service. The Commission notes that if this trend continues unchecked, the PDF will continue to find it very difficult to match the pace of recruitment to the level of those departing.

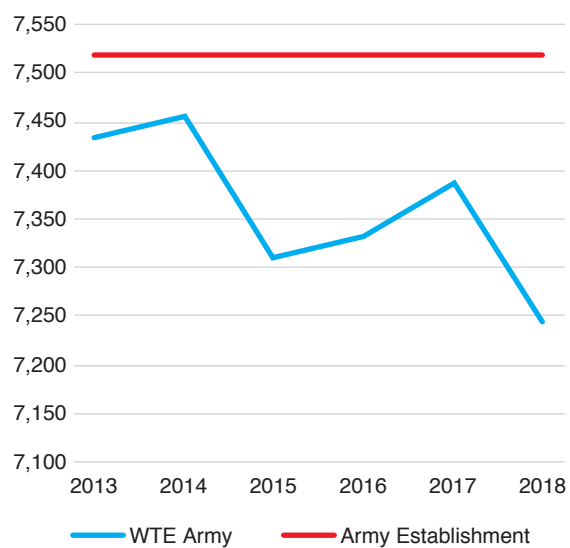
## 5.2 Army

The Army is the largest component of the PDF and is divided into two territorial Brigade areas. The 1st Brigade has its Headquarters (HQ) in Collins Barracks, Cork and 2nd Brigade has its HQ in Cathal Brugha Barracks, Dublin. The Army is comprised of the following nine Corps: Infantry, Artillery, Cavalry, Engineer, Communications and Information Services (CIS), Transport, Military Police, Ordnance, and Central Medical Unit (CMU). The Army also includes the Defence Forces Training Centre (DFTC).

### Trends in Numbers

The Army had an Establishment of 7,591 and a WTE Strength of 7,243 at the end of 2018. As seen in Figure 2.1, the variance between the Army Strength and Establishment has fluctuated year on year since 2013, with an overall shortfall of 85 in 2013 rising to 276 in 2018. In percentage terms the variance grew from 1.1% in 2013 to 3.7% in 2018. This compares to a variance of 5.7% for the PDF generally at the end of 2018, implying that the Army is experiencing a proportionally lower level of vacancies than applies elsewhere in the PDF. There is, however, variation across the different Corps, different ranks and across different years. During these years, NCO Strength remained consistently below Establishment, while officers fell below Establishment from 2015 onwards. The evidence presented in the Joint Employer submission confirms that although privates were above Establishment for much of the period, in 2018 the overall number of privates in the Army also fell below the Establishment.

**Figure 5.4: Army serving Strength versus Establishment, 2013-2018**



Source: Department of Defence

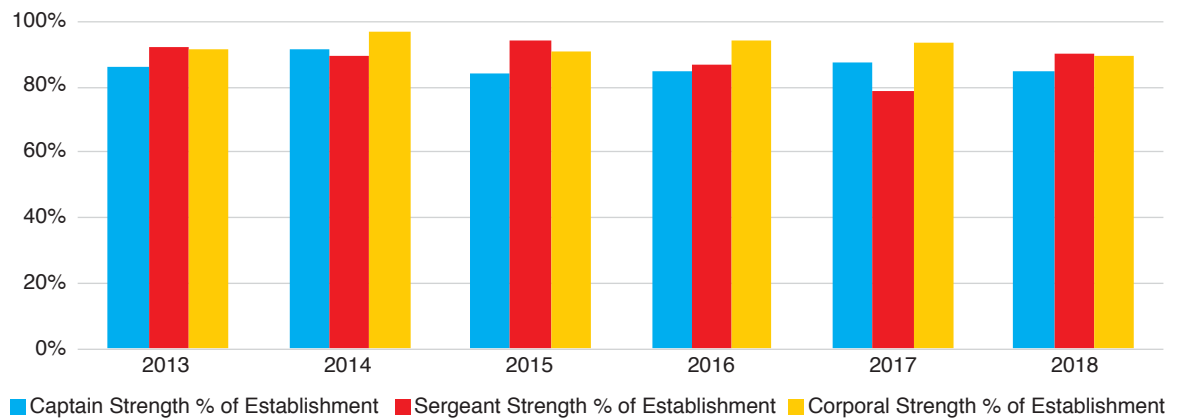
Evidence presented to the Commission, and reflected in Figure 5.5, indicates that the rank of Captain and the NCO ranks of Sergeant and Corporal have been consistently below Establishment across the PDF generally. At the end of 2018, overall Captain Strength was at 77%, Sergeant was at 87% and Corporal was at 88% of the Establishment for these ranks in the PDF. The corresponding percentage Strength in 2018 in the Army for these ranks was 85%, 90% and 89% respectively. This indicates that the Army is experiencing a lower proportion of vacancy at the ranks of Captain, Sergeant and Corporal than the PDF generally. However, the vacancy level across ranks, Corps and specialities within the Army varies considerably, and shortages at these ranks may give rise to a loss of leadership in certain areas. Where experienced personnel are lost, it takes a long time for a newly appointed replacement to build up equivalent leadership experience.

**Specialist Recruitment**

Specialist recruitment is carried out in respect of only a small number of Army streams: Army Engineer Officers and Army Grooms. An Army Engineer Cadet Scheme was introduced in 2017, where candidates were inducted as qualified engineers to complete a cadetship and then commissioned as specialist Corps of Engineer Officers. In 2018, this scheme was extended to the Ordnance Corps.

The staff side submitted that since the closure of the Army Apprentice School, the PDF have relied, with some exceptions, on the upskilling of existing personnel to fill technical positions within the army. This gives rise to knock-on vacancies which require backfilling elsewhere in the PDF.

**Figure 5.5: Captain, Sergeant and Corporal Strength as % of Establishment, 2013-2018**



Source: PSpC Workings based on Department of Defence data

**Recruitment**

As stated earlier, the PDF recruits the vast majority of its members at entry level ranks. Table 5.6 shows the number of inductions into the Cadet program by specialist area in 2018. The majority of inductions are new enlistments, with 15 out of 89 coming from the existing ranks.

**Table 5.6: Cadetship Competition 2018**

	New Enlistments	Serving Soldiers	Total Cadets
Army Line	60	10	70
Equitation	2	0	2
Ordnance	1	1	2
Naval Service (Operations, Marine, Electrical)	5	3	8
Air Corps	6	1	7
TOTAL	74	15	89

Source: Department of Defence

**Specific Shortages**

Certain Army Specialist Officers (Engineers, CIS and Ordnance) were highlighted in the Commission’s first Report (May 2017) as experiencing particular shortages. The Commission is satisfied, on the basis of the evidence made available that there has been no improvement in Strength levels in these areas. However, it is acknowledged that while a targeted Army Engineer Cadet Scheme, and an equivalent Ordnance Cadet Scheme were rolled out very recently, it will take more time for the benefits to be realised.

**Retention**

**Army Turnover**

At the end of 2018 Army Strength was 7,243 WTEs. Table 5.7 illustrates departures/exits (WTE and %) from the Army for the years 2013 to 2018, showing a consistent increase and reaching a peak of 588 (7.96%) in 2017. The increase in Army turnover rates from 4.92% in 2013 to 7.25% in 2018, while being slightly lower than total PDF turnover rates, tracks the overall upward trend.

**Table 5.7: Army Service Exits and Turnover 2013-2018**

	2013	2014	2015	2016	2017	2018
Army WTEs/Strength	7,434	7,457	7,309	7,332	7,386	7,243
Exits	366	379	438	525	588	525
Total Exits as % Strength	4.92%	5.08%	5.99%	7.16%	7.96%	7.25%

Note: Total Strength includes Cadets

Source: Department of Defence

The upward trend and pattern of officer turnover exceeding Enlisted personnel turnover has continued. Table 5.8 confirms that for 2013-2017 officer turnover exceeded that of enlisted personnel.

**Table 5.8: Army Officer and Enlisted Exits and Turnover 2013-2017**

	2013	2014	2015	2016	2017
Strength Officers	921	888	846	799	769
Exits	41	55	57	62	57
Officers Exits as % Officer Strength	4.45%	6.19%	6.74%	7.76%	7.41%
Strength Enlisted	6472	6530	6415	6426	6467
Exits	237	219	319	326	362
Enlisted Exits as % Enlisted Strength	3.66%	3.35%	4.97%	5.07%	5.60%

Note: Strength Enlisted includes Private 2\*, Apprentices and Recruits.

Source: PSPC workings based on Department of Defence data

### Captain Departures

The RACO submission to the Commission highlighted an increase in the numbers of Captain, Commandant and Lieutenant Colonels retiring from the PDF. It further submitted that, in particular, the number of Captains retiring had trebled between 2010 and 2015. Table 5.9 illustrates an upward trend (WTE & %) in Captain Departures from 2013 to 2017. At the end of 2018, Captain Strength in the Army was 260, and the Establishment was 306.

**Table 5.9: Army Captain Departures 2013-2017 as % of Establishment Number, 2013-2017**

	Line	Eng.	Ord.	Other	Total	% of Estab.
2013	8	1	0	1	10	3%
2014	8	2	0	1	11	4%
2015	9	3	4	1	17	6%
2016	10	1	4	0	15	5%
2017	14	1	2	0	17	6%

Source: Department of Defence

### Retention Challenges

Although turnover rates during the training period are high within the PDF generally, they have remained reasonably consistent, with an average rate of 20% since 2002. This is also true of turnover rates of personnel in training in the Army. There are a number of specialist areas in the Army that have continued to

experience difficulty in retaining personnel since the Commission's first Report. These difficulties occur in the Corps of Engineers, the Ordnance Corps and the CIS Corps. This is compounded by the longer training time required to appoint specialists in these areas, where four years of training is typically required for specialists, in addition to required military service training. The Military Authorities submitted that the removal of the fixed-period promotion scheme in 2015 is a factor that affected retention rates for all specialist officers including Engineer Corps, Ordnance and CIS.<sup>44</sup> The Commission notes that revised pay-scales for these Special Service Officer appointments after 8 September 2015 were introduced as a compensatory measure for the removal of the fixed-period promotion schemes.

### Retention Initiatives

Evidence available to the Commission indicates an increased focus on introducing recruitment initiatives in recent years; some retention initiatives have also been introduced, as follows:

- Project under the ambit of the 2015 *White Paper on Defence to look at contractual terms and conditions for enlisted personnel*;
- 'Harmony' measures such as hot-desking for those who have been posted away from their home address;

44 Joint Employer Submission, December 2018

- Family friendly overseas appointments – where the normal 6 month tour of duty is shared with another member of the PDF; and
- Increased focus on members whose spouse/partner is also in the PDF, to provide assistance when spouse/partner is deployed away from home, e.g. no 24 hour duties.

### Conclusions

- The 2015 *White Paper on Defence* confirmed the Establishment of the Army at 7,591 personnel. The Strength of the Army at end 2018 was 7,243, a shortfall of 348 (4.5%).
- Certain Army Specialist Officers (Ordnance Corps, Corps of Engineers and CIS Corps) were identified in the Commission’s Report in May 2017 as experiencing particular shortages and the Commission is satisfied that, on the basis of the evidence made available to it for this further examination, this remains the case. The Commission has noted that a targeted Army Engineer Cadet Scheme and an Army Ordnance Cadet Scheme have been introduced in 2017 and 2018 respectively, and that these have the potential to increase the supply of these specialists to fill critical shortages.
- Where existing enlisted personnel are upskilled to fill technical vacancies elsewhere in the Army, this creates general consequential vacancies in other areas which must be backfilled.
- Based on its analysis the Commission acknowledges the consistent increase in departures/exits from the Army for the years 2013 to 2018, reaching a peak of 588 (7.96%) in 2017. The increase in Army turnover rates from 4.92% in 2013 to 7.25% in 2018, while being slightly lower than total PDF turnover rates, tracks the overall upward trend.
- Evidence presented to the Commission indicates that the rank of Captain, Sergeant and Corporal have been consistently below Establishment across the PDF generally with a Strength of 77%, 87% and 88% at the end of 2018. The corresponding percentage Strength for Captain, Sergeant and Corporal in the Army were 85%, 90%, 89% at the end of 2018. This indicates that the Army is experiencing a lower proportion of vacancies at these ranks than the PDF generally. However, the vacancy level across ranks, Corps and speciality within the Army varies considerably.

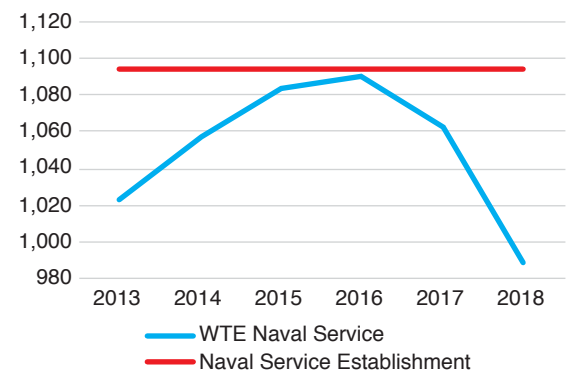
### 5.3 Naval Service

The Naval Service is based in Haulbowline, Co Cork and its fleet comprises nine ships. The service has its own Maritime College, CIS Unit, and Maintenance Unit, and it receives support from Army Engineer, Transport and CMU Units. The primary role of the Naval Service is to deter incidents of aggression against the State. Its operational functions include fishery protection duties, search and rescue, diving operations and pollution control. The Naval Service is also involved in the prevention of importation of illegal drugs into Ireland in conjunction with An Garda Síochána and the Revenue Commissioners. Naval Service ships deploy overseas to support Irish foreign policy and diplomacy, trade interests overseas and to assist other parts of the PDF engaged in peace support operations.

#### Trends in numbers

The Naval Service Establishment, set in 2012, is 1,094 and end 2018 WTE Strength was 989. As charted in Figure 5.6, WTE numbers or Strength increased from 2013 to 2016. However, from 2016 to 2018 numbers declined, with an overall reduction Strength from 1,023 in 2013 to 989 in 2018. The end 2018 shortfall between Naval Service Strength and its Establishment was 9.6%. This compares to a deficit of 5.7% between serving Strength and Establishment for the PDF generally at the end of 2018.

**Figure 5.6: Naval Service Strength versus Establishment, 2013-2018**

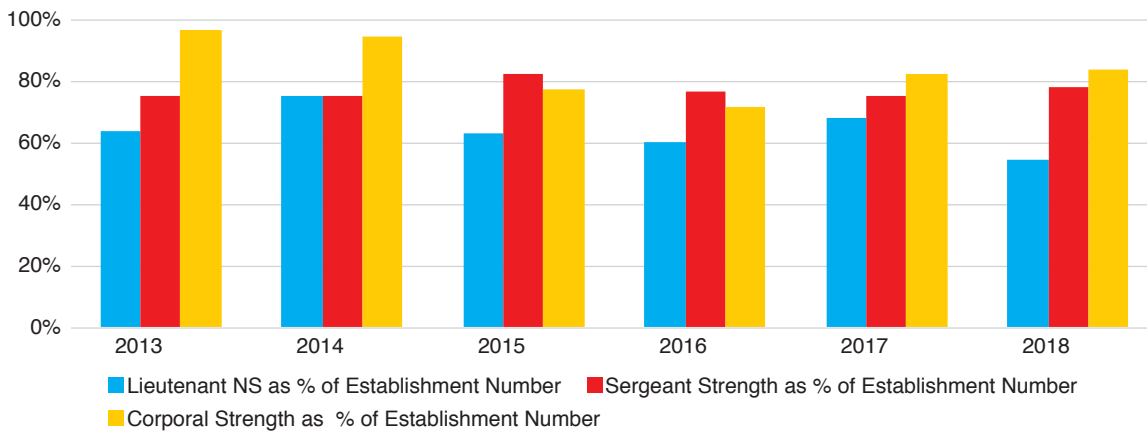


Source: Department of Defence

In its examination of the evidence presented, the Commission noted that officers and certain NCOs in the Naval Service have been consistently below Establishment since 2013, and while Privates/ Ordinary Seaman were above Establishment from 2013 to 2017 that rank fell below Establishment during 2018. As described earlier in section 1 of this chapter, the ranks of Captain, Sergeant and Corporal have also been operating below Establishment across the PDF generally over this time period. This is true of

the equivalent ranks<sup>45</sup> in the Naval Service from 2013 to 2018, as charted in Figure 5.7.

**Figure 5.7: Naval Service Lieutenant, Sergeant and Corporal Strength as % of Establishment, 2013-2018**



Source: PSPC Workings based on Department of Defence data

### Recruitment

As outlined earlier, vacancies for entry level posts are filled by recruitment of General Service Recruits or Apprentices to fill enlisted personnel vacancies, and through recruitment of Cadets to fill vacancies in the officer ranks. Vacancies for non-entry level ranks are filled through internal promotion and this is the approach in the Naval Service also. There were 89 Cadets inducted into the PDF in 2018. Of these, 8 were inducted as Naval Service Cadets (Operations, Marine, and Electrical), with 5 new enlistments and 3 promoted from within existing ranks.

The RACO submission stated that there is a recruitment issue with Direct Entry Naval Service Officers and both PDFORRA and RACO also submitted that applicants for the Naval Service may also be applying for the Army.

#### Specialist Recruitment

Direct entry recruitment is used in the Naval Service to fill a limited number of specialist positions, such as Naval Service Engineers and Naval Service Engine Room Artificers.

#### Naval Service Direct Entry Officers (Engineers)

Earlier in this chapter, Table 5.1 documents the number of applications to join (expressions of interest) the PDF from 2007 to 2018. Specific to the Naval Service, it highlights the 132 and 65 Naval Service Direct Entry Officer applications for 2017 and 2018 respectively. Table 5.3 records appointments to the PDF 2007-2018, and shows 11 Naval Service Direct Entry Officer (Engineer) appointments for 2017, and just two in 2018.

The Commission’s examination of the process revealed that expressions of interest do not transition to training due to a variety of factors including eligibility, minimum entry requirements (age, nationality) psychometric, fitness, interview, and medical and security clearance failure, as well as candidates who were removed from the competition due to lack of engagement. Table 5.10 shows attrition levels for the Direct Entry NS Engineer recruitment competition in 2017. That year the process identified 11 candidates (8.3% of applicants) who commenced training, with no drop outs during training recorded for Naval Service Engineers in that year. The Commission is of the view that this selection process should be kept under constant review to determine what further improvements could be made to improve recruitment outcomes.

<sup>45</sup> Lieutenant rank in the Naval Service is the equivalent of the rank of Captain in the Army and Air Corps. The rank of Captain in the Naval Service is equivalent to Colonel in Army and the Air Corps.

**Table 5.10: Direct Entry NS Engineer, Appointments and Applicant Resilience in 2017**

Category	No. of Applications	No. Eligible at First Stage	Did Not Meet requirements*	Disengaged or Failed**	Withdrew	Start training	Drop Out During training
Direct Entry NS Engineer	132	120	7	106	5	11	-

\*Did not meet minimum requirements (age grounds, nationality, duplicate applicant)

\*\*Disengaged/Failed – includes applicants who were not successful at any stage (psychometric, fitness, interview, medical, security) plus those that did not engage and were removed.

Source: PSPC workings based on Department of Defence data

### Naval Service Engine Room Artificers

Examination of Tables 5.1 and 5.3 in respect of Naval Service Engine Room Artificers indicates periodic, rather than annual, recruitment. Evidence provided by the Joint Employer indicates that while 47, 67 and 72 applications for this direct entry competition were received in 2012, 2013 and 2015, respectively, there were only 7, 9 and 5 appointments made in the respective years. Table 5.11 shows applicant attrition in 2015: from the initial 72 applicants, 54 were deemed not to have met minimum requirements. Five applicants ultimately started training with no apparent dropouts, as Table 5.3 data shows five Naval Service Engine Room Artificer appointments in 2015.

### Recruitment Initiatives

The General Service Recruitment initiatives implemented by the PDF have been reviewed earlier in the chapter. There appear to be no specific Naval Service initiatives to enhance recruitment. The Joint Employer submitted that European Union Humanitarian missions in the Mediterranean are the most successful recruitment and retention enablers available to the Naval Service at present, as Naval Service internal HR analysis has indicated that these award-winning<sup>46</sup> operations resulted in increased job satisfaction. Footage from one of these missions (Operation PONTUS) featured in the Naval Service's 2017 recruitment campaign.

**Table 5.11: Naval Service Engine Room Artificer, Appointments and Applicant Resilience in 2015**

Category	No. of Applications	Did not meet requirements*	Disengaged or Failed**	Withdrew	Start training	Drop out during training
DE Enlisted NS ERA	72	54	9	4	5	-

\* Did not meet minimum requirements (age grounds, nationality, duplicate applicant)

\*\* Disengaged/Failed – includes applicants who were not successful at any stage (psychometric, fitness, interview, medical, security) plus those that did not engage and were removed.

Source: PSPC workings based on Department of Defence data

### Naval Service Electrical Engineers

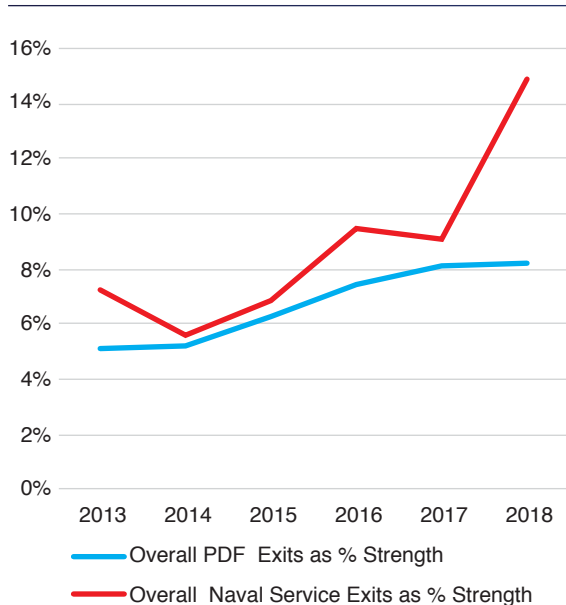
A cadetship competition for Naval Service Electrical Engineers has been held each year since 2012, and the Joint Employer confirmed that no candidate has qualified or been successful. The Commission recommends that a more effective recruitment method be explored for any speciality where such repeated recruitment difficulties are experienced. There are currently nine officers in service in this particular speciality, a shortfall of two on the Establishment. The Joint Employer submission highlighted the fact that when these officers retire there is no replacement in the pipeline as there are no junior officers (Lieutenant or Ensign) serving.

### Retention

Naval Service turnover from 2013 to 2018 has tracked higher than the total PDF rate. During this period total turnover for the PDF grew from 5.12% to 8.16%. Figure 5.8 shows corresponding figures for the Naval Service were 7.23% and 14.86%, with a low of 5.6% in 2014.

<sup>46</sup> In December 2015, the Irish Defence Forces was recognised with an Irish People of the Year Award for immense courage and resilience in saving thousands of lives during humanitarian missions in the Mediterranean. The following year, the Irish Defence Forces also received the European Movement Ireland European of the Year award for its contribution to international peacekeeping and humanitarian work. [https://ec.europa.eu/ireland/sites/ireland/files/pages\\_42.pdf](https://ec.europa.eu/ireland/sites/ireland/files/pages_42.pdf)



**Figure 5.8: Naval Service v PDF Turnover Rates, 2013-2018**


Source: PSPC Workings based on Department of Defence data

At the end of 2018, the Naval Service had a Strength of 989 WTEs. Table 5.12 illustrates departures from the Naval Service for the years 2013 to 2018. Departures for that period have fluctuated somewhat with an overall upward trend to 147 exits in 2018 (14.86% of the total Naval Service Strength).

#### Technical Personnel in the Naval Service

The Naval Service Establishment reflects the requirement for highly skilled personnel, with approximately 65% comprised of technical streams. Officers (Engineers (Marine/Electrical/Electronic/Civil), Medical Officer, Legal Officer, Dental Officer and Watch-keepers etc.) make up 25% of the technical Strength. Appendix D sets out the specialities by Technical Pay Grade 1 to 6. Chapter 2 discussed Technical personnel and relevant technical pay data in greater detail. Table 5.14 sets out the numbers of leavers amongst Naval Service personnel in receipt of Technical pay for 2007 and 2013 to 2017.

The data shows that there has been an increase in the number of personnel in receipt of technical pay 6 (highest grade of technical pay) leaving the Naval Service. These include Radar Technicians and Engine Room Artificers.

**Table 5.12: Naval Service Exits and Turnover 2013-2018**

	2013	2014	2015	2016	2017	2018
Naval Service WTE	1,023	1,057	1,083	1,090	1,063	989
Exits	74	59	74	103	96	147
Total Exits as % Strength	7.23%	5.58%	6.83%	9.45%	9.03%	14.86%

Note: Total Strength includes Cadets

Source: Department of Defence

A significant level of variation has been observed between the turnover rates for Naval Service officers and enlisted personnel. Table 5.13 shows the breakdown of exits and turnover rates from 2013 to 2017.

**Table 5.13: Naval Service Officer and Enlisted Exits and Turnover 2013-2017**

	2013	2014	2015	2016	2017
Strength Officers	159	154	150	150	175
Exits	8	14	9	5	9
Officers Exits as % Officer Strength	5.03%	9.09%	6.00%	3.33%	5.14%
Strength Enlisted	849	891	918	913	864
Exits	48	26	47	68	53
Enlisted Exits as % Enlisted Strength	5.65%	2.92%	5.12%	7.45%	6.13%

Note: Total Strength Enlisted includes Private 2\*, Apprentices and Recruits.

Source: PSPC workings based on Department of Defence data

**Table 5.14: Numbers of Leavers amongst Naval Service Personnel in Receipt of Technical Pay, 2007, 2013-2017**

Year	2007	2013	2014	2015	2016	2017
Technical Pay 1	11	4	2	6	7	4
Technical Pay 2	15	15	12	14	20	14
Technical Pay 3	-	2	4	3	7	3
Technical Pay 4	-	-	2	-	4	-
Technical Pay 5	11	3	1	3	5	7
Technical Pay 6	2	12	2	10	10	6
TOTAL	39	36	23	36	53	34

Source: Department of Defence

### Retention Challenges

The highest number of Naval Service departures tends to come from those enlisted personnel in lower ranks, or in training. This is confirmed in the Joint Employer submission to the Commission, which states that: *"There is a significant difficulty in retaining personnel at two critical junctions; post passing out from recruit training (before being posted to sea) and on completion of their first sea rotation."* The submission stated that the main pressure point in a retention context was Able Seaman/Seaman First class (equivalent of Private 3\*). However, it also confirmed that retention issues are impacting across all ranks in the Naval Service, including Operations and Support Branches. Until 2018 Private 3\* Strength in the Naval Service was in excess of its Establishment of 402. Although, as described earlier in the chapter, numbers reduced significantly in 2018.

The PDFORRA submission also highlighted a significant retention problem for Engine Room Artificers (ERAs), with the number of staff in training not being sufficient to replace the high number of departures in recent years. PDFORRA also stated that the difficulties of recruitment and retention, particularly in specialist areas, have severely impacted the Naval Service's ability to adhere to appropriate sea/shore rotation times, causing further retention difficulties.

Evidence presented to the Commission shows that from 2013 to 2017, there has been an increase in the numbers of Sub-Lieutenants and Lieutenants leaving the service. Fifteen Lieutenants exited the Naval Service during that period; the equivalent number for the preceding five years was five. Ten Sub-Lieutenants exited from 2013 to 2017, up from three over the preceding five years. An increased level of departure in the Engineering Branch is also evident, with a peak of seven departures in 2014.

The Joint Employer submission confirmed that this has had a knock-on effect for other personnel, as it has reduced the pool of available qualified junior officers to rotate to seagoing appointments, which has in turn increased the workload for those who remain. More frequent seagoing rotations for remaining personnel

negatively impacts on their work life balance. The RACO submission argued that the high level of departures of Naval Service officers in recent years put extra strain on other officers, decreased morale, and encouraged more personnel to leave the Naval Service.

The Joint Employer submission also states that while experienced personnel can be replaced by recruits, the cumulative experience, built up over years, is lost. The departing sailor may be replaced by a recruit, but it will be another 5 to 12 years before the replacement has the same level of experience or competence. This was echoed in the research conducted on behalf of the Commission where many of those interviewed commented on the loss of experience from the system and the length of time it takes for recruits and cadets to become productive in the system.

### Specific Shortages

The Annual Patrol Plan alternates periods at sea with periods of maintenance for Naval Service personnel. Days at sea for each ship amount to no more than 200 annually, consisting of four week patrols. The Joint Employer submitted that, in addition to a proportion of the Naval Service personnel being at sea, another cohort is always participating in essential training in the Maritime College. This number was 234 in April 2018. Personnel in training are considered part of the operational Strength of the service but they are not available for sea going duties, and those delivering training are also not available for such duties.

The Joint Employer submission stated that the Naval Service has attempted to minimise the impact of personnel shortages to services and has maintained ships' patrol rosters. However, it identified certain reductions in operational capacity, as follows:

- Reduction of a ship's Watch-keeper Strength to two, to facilitate leave periods for training courses; and

- Restricting a ship's Communications Office operating hours to 0800-2000hrs rather than normal listening watch of 0800-2359hrs, as only two Communications operatives are on duty.

RACO submitted that the current Establishment isn't sufficient as it is based on the Naval Service having a seven ship fleet. RACO further argue that the extra demand on officers due to departures has led to the risk of: a vessel not being sufficiently manned to embark on a sailing order; a vessel not being able to execute its full operational capability while at sea; and increased health and safety issues for personnel on board, which in turn has exacerbated the retention problem by encouraging more officers to exit for different career paths. PDFORRA also submitted that the inadequate operational Strength of the Naval Service has seen an increase in the incidence of duty for Divers and increased diving commitments.

## Conclusions

- The 2015 *White Paper on Defence* confirmed the Establishment of the Naval Service at 1,094. Current Establishment remains at 1,094 and at the end of 2018 Strength was 989, which is a shortfall of 105 (9.6%).
- Naval Service Strength has operated at below Establishment since 2016, with a shortfall of 9.6% in 2018, compared with 5.7% in PDF generally.
- RACO submitted that the current Establishment is not sufficient as it is predicated on a seven ship fleet, while the fleet currently comprises nine ships.
- The Joint Employer submission stated that the Naval Service has attempted to minimise the impact of personnel shortages to services and has maintained ships' patrol rosters. However, it identified certain reductions in operational capacity
- The Commission concludes that there are recruitment difficulties in respect of certain Direct Entry Specialties. In 2017 of the 132 applications for Direct Entry Naval Service Officers, 106 (80%) applicants did not engage with or were not successful at any stage of the process.
- A cadetship competition for Naval Service Electrical Engineers has been held each year since 2012, and the Joint Employer submission confirmed that a successful candidate has never been identified/selected. The Commission recommends that a more effective recruitment method be explored for any speciality where such repeated recruitment difficulties are experienced
- Applicants for the Naval Service may also be applying for the Army, which dilutes the numbers of actual applicants. Panel resilience is low, with high numbers of applications/expressions of interest not translating into successful appointments.
- The Naval Service Strength reflects the highly skilled complement required to operate and deliver a complex mandate in a very technical environment. Approximately 65% of the officers and enlisted personnel Establishment are in the Technical stream and require continual ongoing training in a variety of technical skills. This requirement adds an extra dimension to the planning, building and maintaining of such a skilled group.
- Evidence presented to the Commission shows that turnover is consistently higher in the Naval Service than in the PDF generally. During the period 2013 to 2018 total turnover for the PDF grew from 5.12% to 8.16%; the corresponding figures for the Naval Service were 7.23% and 14.86%.

The Commission has identified the following retention difficulties:

- At officer level, there was an increase in the number of Sub-Lieutenants and Lieutenants leaving the Naval Service from 2013 to 2017. Fifteen Lieutenants exited the Naval Service from 2013-2017. The Joint Employer submission acknowledged that *"there is a significant difficulty in retaining personnel at two critical junctions; post passing out from recruit training (before being posted to sea) and on completion of their first sea rotation"*.
- The Commission notes that there has been an increase in the numbers of personnel in receipt of Technical Pay 6 leaving the Naval Service since 2013, including Radar technicians and Engine Room Artificers.

## 5.4 Air Corps

The Air Corps is based at Casement Aerodrome, Baldonnel, Dublin. It consists of an operational headquarters, two operational wings (fixed wing and rotary wing) two support wings, the Air Corps Training College, and a communication and information services squadron.

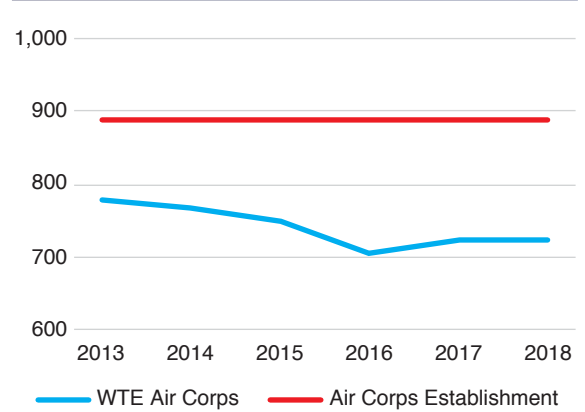
The Air Corps operates a fleet of modern aircraft and provides all the attendant services to operate and maintain those aircraft as well as maintaining a 24-hour military airbase. This requires a broad range of specialised personnel from Pilots, Air Traffic Controllers, Aircraft Technicians, Instructors, Fire Crew, logistic, administrative, security and intelligence staff.

The roles assigned to the Air Corps encompass a range of military roles as well as surveillance roles, support roles and other roles relating to national security. The Air Corps undertakes joint flying operations in conjunction with the Army and Naval Service. On a day-to-day basis the Air Corps fulfils a range of Memorandum of Understanding (MOU) and Service Level Agreements (SLAs) requirements which include: maritime surveillance and fishery protection patrols; provision of Pilots; maintenance and secure airbase facilities for the Garda Air Support Unit (GASU) on a 24-hour basis; support to the HSE through the provision of an emergency inter-hospital air ambulance service; and provision of a helicopter on permanent detachment, which operates out of Custume Barracks, Athlone as part of the HSE's Emergency Aeromedical Service (EAS). In addition, the Air Corps provides a Ministerial Air Transport Service and undertakes other approved operations in support of the civil authorities.

### Trends in Numbers

The Air Corps has an Establishment of 887 and a WTE Strength of 725 at the end of 2018. The number of WTEs in the Air Corps has slightly increased from a low of 704 in 2016, with an overall reduction in Strength relative to the Establishment from 108 (12.2%) below Establishment in 2013 to 162 (18.3%) below in 2018. Figure 5.9 illustrates Air Corps Strength versus Establishment from 2013.

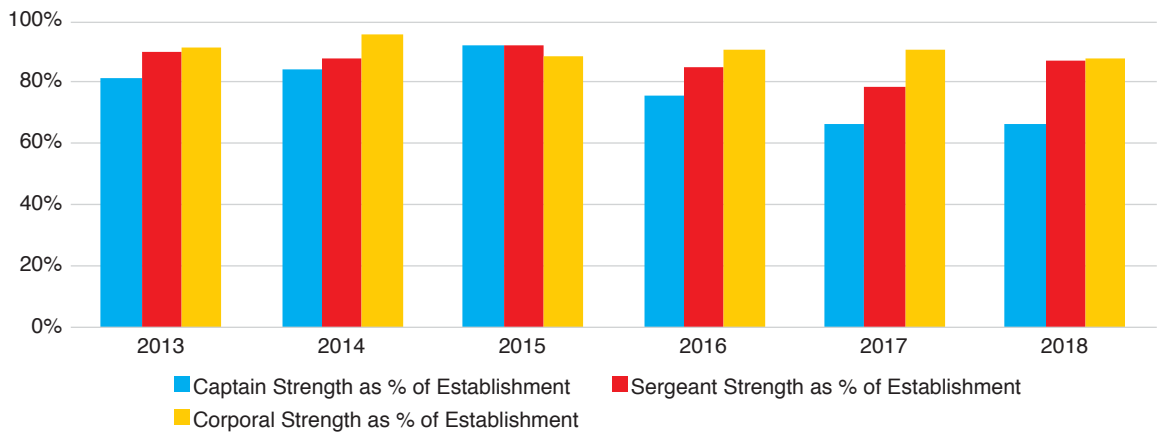
**Figure 5.9: Air Corps Strength versus Establishment, 2013-2018**



Source: Department of Defence

There is variation across the different ranks in respect of Strength versus Establishment in the Air Corps, with officer Strength in 2018 at 74.3% of Establishment, privates at 74.4%, and NCOs at 82%. As described earlier in this chapter, the ranks of Captain, Sergeant and Corporal have been consistently below the approved Establishment level across the PDF generally, and this is also evident in the Air Corps<sup>47</sup>. Figure 5.10 illustrates that from 2013-2018 the rank of Captain and NCO ranks of Sergeant and Corporal remained below Establishment.

**Figure 5.10: Air Corps Captain, Sergeant and Corporal Strength as % of Establishment, 2013-2018**



Source: PSPC Workings based on Department of Defence Data

<sup>47</sup> The rank of Captain in the Naval Service is equivalent to Colonel in Army and the Air Corps.

## Recruitment

As already referenced, PDF recruits the majority of personnel at entry level including, enlisted recruits, officer cadets and enlisted apprentices. Due to the particular characteristics of the PDF and the skill sets required, vacancies traditionally tend not to be filled directly from the open labour market. Vacancies for non-entry level ranks are for the most part filled through internal promotion.

### Specific Shortages

Air Craft Maintenance Technicians, Flying Officers (Pilots) and Air Traffic Controllers were highlighted in the Commission's first Report (May 2017) as experiencing shortages and the evidence presented to the Commission on this occasion confirms that this remains the case.

### Air Corps Apprentices

The Air Corps has an Establishment of 322 Aircraft Technicians and a Strength of 209 in January 2018. The training capacity for Aircraft Technicians is 28 students (governed by aviation regulations for training). The apprenticeship in the Air Corps takes four years to complete. In 2016 and 2017, the Air Corps only managed to recruit 40% of training capacity

or 11 apprentices in each year. The total number of applications increased almost threefold from 333 in 2017 to 930 in 2018 (as shown in Table 5.15).

The increase in the number of applications in 2018 would appear to be related to the decision to run the competition earlier, before other recruitment competitions seeking trainees for the aviation industry. The Joint Employer submission indicated that this allowed candidates to consider the Air Corps Apprenticeship scheme during the academic year when applying for CAO. The proportionate increase in inductees in 2018 was not as significant as the increase in applications. Only 2.9% of total initial applications passed all stages of the competition and a total of 20 applicants were inducted in 2018, which equates to 71% of the training capacity in that year. Notwithstanding the fact that inductions in 2018 for the scheme did not reach full training capacity (28), this was a significant increase (82%) relative to the 11 inducted in 2017. Although this represents the outcomes for only one year – and the overheads involved in processing higher number of applications to achieve this level of increase in inductees must be taken into account – early indications are that the revised recruitment approach is proving successful.

**Table 5.15: Air Corps Apprentice Induction, 2016-2018**

	2016	%	2017	%	2018	%
Total Applications	344		333		930	
Failed to meet criteria	145	42.2%	33	9.9%	230	24.7%
Through to Fitness test Stage	199	57.8%	300	90.1%	700	75.3%
Withdrew	155	45.1%	68	20.4%	183	19.7%
No show at Fitness Test	-	-	183	55.0%	446	48.0%
Did not meet age, height or educational requirement	9	2.6%	8	2.4%	0	0.0%
Completed Fitness Test	35	10.2%	41	12.3%	71	7.6%
Failed Fitness Test	6	1.7%	14	4.2%	15	1.6%
Completed Psychometric Test	29	8.4%	27	8.1%	56	6.0%
Failed Psychometric Test	2	0.6%	0	0.0%	26	2.8%
Through to Interview Stage	27	7.8%	27	8.1%	30	3.2%
Withdrew at interview stage	0	0.0%	1	0.3%	0	0.0%
Failed Interview	14	4.1%	15	4.5%	3	0.3%
Passed all Tests	13	3.8%	11	3.3%	27	2.9%
Total Inducted	11	3.2%	11	3.3%	20	2.2%

Source: Department of Defence

**Flying Officers (Pilots)**

The Air Corps trains its own Pilots and there is currently no direct entry method for pilots who have obtained qualifications elsewhere (civilian or military). As outlined above, in the Air Corps, Pilots undertake a broad range of military aviation functions. In this context, their training incorporates military management and leadership training, which differs from training received in civil aviation.

Entry to a career as a Pilot is through an Air Corps cadetship. The limiting factors in the numbers that can be trained at any given time are instructor availability and the availability of aircraft to build up flying experience. The Joint Employer indicated in a separate submission that the training period for a cadet to “earn their wings” and qualify as a Pilot is up to three years. However, RACO submitted that there are capacity constraints in training pilots, particularly in respect of providing serviceable aircraft and flying instructors. This means that the larger classes of cadets are taking longer to train. RACO estimates that the Air Corps cadetship, which previously took two and a half years to complete, may take the most recently inducted class four and a half to five years to complete.

Table 5.16 sets out the number of applications for Air Corps Pilot cadetships and the number inducted in the timeframe indicated. All of the parties indicated to the Commission that there is no difficulty in attracting high calibre applicants for these positions.

The last course for new entrant officers commenced in 2011. In 2018, four NCO military ATS personnel were commissioned as officers to fill one Captain and three Lieutenant vacancies. Their commissions were two year temporary commissions. Thereafter, they will be offered permanent positions subject to the Chief of Staff’s recommendation.

The Joint Employer submission, which contains the most recent information available to the Commission, reported that in 2018, there were six trainees. It stated that two were expected to qualify in Q3 2018, and potentially another four in Q3 2019, at which stage it is anticipated that ATS will be in a position to return to full 24/7 operating capability. The Joint Employer submission notes that this assumes that there are no additional departures and that all trainees are inducted, whilst at the same time acknowledging that it is reasonable to assume there may be some level of failure during ATS training within the current cohort.

**Recruitment Initiatives in the Air Corps**

A number of recruitment measures were introduced in the Air Corps in addition to the general recruitment initiatives which were implemented in the PDF since 2017. These included the Air Corps attending various outreach initiatives such as the career Expo in the RDS; promoting engagement by PDF members with their former primary and secondary schools with a particular focus on influencing guidance counsellors; targeted social media campaigns; developing an

**Table 5.16: Air Corps Cadet Applications and Inductions 2007-2018**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Applicants	248	0	0	722	610	648	546	480	426	1279	1014	Not Available
Inducted	5	0	0	3	3	5+9*	0	9	11	12	10	7

\*Two Cadet classes inducted in 2012.

Source: Department of Defence

On successful completion of their training, Air Corps Pilot cadets are offered a fixed period commission of 12 years.

**Air Traffic Controllers**

Air Traffic Controllers (ATC) had an Establishment of 22 Personnel and a Strength of 14 (nine fully qualified) in December 2018. There were no enlisted personnel in training from 2013 to 2016, which has impacted on the current numbers of qualified Air Traffic Systems (ATS) operators.

Both NCOs and officers are trained as Aerodrome and Radar ATCs. Officers are required to qualify as Watch Supervisors prior to being posted into an ATS appointment – this takes a further 12 months. In total, ATC training can take four to five years, and it costs the State between €90,000 and €120,000 to fully train an ATC. The lengthy training period makes it more difficult and very costly to replace ATS staff.

association for apprentices with Engineers Ireland; advertising continuous professional development opportunities and promoting the fact that the Air Corps offers the highest and broadest externally accredited qualification for aircraft maintenance technicians in Ireland.

Difficulties arising from the timing of the Air Corps Apprenticeship campaign, which was delayed until the summer months in 2017, directly influenced the decision to bring the campaign forward in 2018. As outlined earlier, apprenticeship applications almost trebled for Air Corps Apprentice posts in that year, with increased applications from female candidates.

## Retention

### Turnover

**Table 5.17 Total Air Corps Strength, Exits and Turnover, 2013-2018**

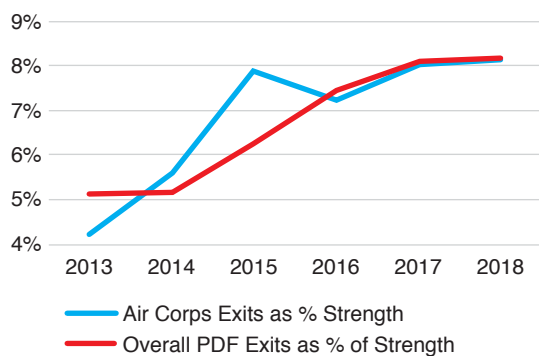
	2013	2014	2015	2016	2017	2018
Total Strength	779	766	748	704	724	725
Totals Exits	33	43	59	51	58	59
Air Corps Exits as % Strength	4.24%	5.61%	7.89%	7.24%	8.01%	8.14%

Note: Total Strength includes Cadets

Source: Department of Defence

As demonstrated in Table 5.17, the turnover rate in the Air Corps peaked at 8.14% in 2018, almost double the turnover rate of 4.24% recorded in 2013. The turnover rate in the Air Corps has remained broadly in line with the overall turnover rate in the PDF, as can be seen in Figure 5.11.

**Figure 5.11: Air Corps v PDF Turnover Rates, 2013-2018**



Source: PSPC Workings based on Department of Defence Data

Table 5.18 shows the Strength and departure numbers for the overall Air Corps, Air Corps Officers and enlisted personnel between 2013 and 2017. There was a significant amount of variance in the turnover rates of officers and enlisted personnel in the Air Corps during this period. The turnover rate for officers which was 7.46% in 2013, reached a high of 11.76% in 2016, before falling back to 9.43% in 2017. The turnover rate for enlisted personnel, on the other hand, was significantly higher in 2017 (8.28%) than in 2013 (3.66%).

### Retention Issues

A key retention challenge for the Air Corps comes from the high volume of well-paid and attractive job alternatives for the highly skilled and trained members of the Corps. The Joint Employer Submission to the Commission highlighted three distinct areas suffering from significant shortages presently: Military Pilots; Military Air Traffic Controllers; and Military Aircraft Maintenance Technicians.

**Table 5.18: Air Corps Strength, Exits and Turnover by Rank 2013-2017**

	2013	2014	2015	2016	2017
Strength Officers	134	128	124	119	106
Officers Exits	10	13	11	14	10
Officers Exits as % Officer Strength	7.46%	10.16%	8.87%	11.76%	9.43%
Strength Enlisted	628	615	597	559	580
Enlisted Exits	23	30	48	37	48
Enlisted Exits as % Enlisted Strength	3.66%	4.88%	8.04%	6.62%	8.28%

Note: Strength Enlisted includes, Private 2\*, Apprentices and Recruits.

Source: Department of Defence

### Flying Officers (Pilots)

In recent years, there has been an increasing number of departures of Flying Officers from the Air Corps. The Employer largely attributes this increased departure rate to a resurgent aviation sector, with improving working terms and conditions for pilots in the private sector and enhanced earning prospects. According to the Joint Employer submission:

*“The career prospects [in the commercial aviation sector] can be much more financially attractive than remaining in the Air Corps. More experienced Flying Officers at Commandant and Lieutenant Colonel have also departed for a range of managerial positions in the aviation sector including in the Irish Aviation Authority (which is not encompassed by pension abatement rules). The salary coupled with their pension can be a significantly more attractive earnings package than remaining in the Air Corps.”*

This issue for the Air Corps is forecast to get worse, due to a global shortage of airline pilots and the significant amount of time it takes to train incoming cadets. The numbers of Flying Officers retiring has increased since 2011. Table 5.19 sets out both actual and projected retirements from 2010 to 2022. From 2010 to 2018, there were 65 retirements, three of which were on age grounds. Both the Joint Employer and the Staff Side submissions to the Commission substantially agree that a previous service commitment retention scheme, which was discontinued in 2012, was successful in retaining Flying Officers. The Department of Defence estimates that if departures continue at the current rate, by 2022 the end year Strength will be 78 (27% below the Establishment) despite increased recruitment activity.

The recent departures of a number of experienced Flying Officers has had a real effect on the Air Corps, with the loss in specialist knowledge having an impact on the supervisory and training capabilities within the Corps. Typically, Flying Officers qualifying from an Air Corps Pilot “wings” course have approximately 175 hours flying time. This level of experience will allow them to complete routine military aviation tasks on a single pilot aircraft. The training they receive will also allow them to act as a co-pilot on a multi-pilot aircraft undertaking more complex tasks such as maritime surveillance. Throughout their career they will continue to accrue additional flying hours and operational experience. They will also undergo additional management and military aviation skills training e.g. Night Vision Goggle use. This increased experience, allied with increased exposure to various environmental and operational challenges, allows Pilots to eventually assume command<sup>48</sup> of a multi-pilot aircraft. It will normally take an Air Corps Flying Officer ten years to assume command of a multi-pilot aircraft.

While all Flying Officers are a valuable resource, those who are qualified to command multi-pilot aircraft are essential in order to fly those aircraft. These tend to be experienced personnel who are nearing the end of their service commitment or who no longer have a service commitment. In addition, to the requirement for Air Corps Flying Officers to fly different types of aircraft, the type of flying conducted by Air Corps personnel is generally more complex in nature than commercial airline flying. Whereas fixed wing airline flying is generally straight line from airport to airport, an Air Corps CASA Maritime Patrol Aircraft will depart Baldonnel and must be prepared to fly a range of complex mission profiles including, inter alia, low level

**Table 5.19: Flying Officer Strength Trend to date and projection to 2022**

Year	Flying Officer Establishment	Start of Year Strength	Retirement (age grounds)	Voluntary Retirements*	Commissioned/ To be Commissioned**	End of Year Strength
2010	107	106	0	2	3	105
2011	107	105	0	10	1	96
2012	107	90	0	3	3	90
2013	107	96	0	8	0	88
2014	107	88	1	8	3	82
2015	107	82	0	6	5	83
2016	107	83	1	8	9	83
2017	107	83	1	7	4	79
2018	107	79	0	10	7	76
2019	107	76	0	8	9	77
2020	107	77	0	7	7	77
2021	107	77	0	8	8	77
2022	107	77	0	7	8	78

\* Future estimate based on average retirement rate 2011-2017 and Air Corps estimates.

\*\* Future estimates based on historical success rate of 75% since the PC-9m was brought into service in 2003 and the assumption of training to be completed within 3 years.

Source: Department of Defence

<sup>48</sup> An Air Corps Pilot with the rank of Captain is not necessarily qualified as an aircraft commander for a multi-pilot aircraft.



over the sea at night; surveillance along our borders; delivery of Special Forces via parachute insertion; and non-combatant extraction operations of Irish citizens living in volatile regions abroad. As outlined earlier, there is a service commitment of 12 years and any Flying Officer given permission to leave prior to the expiry of their fixed period commission, must under the service commitment conditions pay back a proportion of the costs of their Pilot training, calculation of which is dependent on the remaining commitment. However, implementation of this provision has not occurred in the last 25 years.

**Air Traffic Controllers**

Retention of Air Traffic Controllers (ATC) is similar to pilots, as they are highly specialist and well-trained personnel, with skillsets that can be directly applied in the commercial aviation sector, commonly with the Irish Aviation Authority. 2010 was a particularly bad year as regards ATC retention, with six enlisted ATCs leaving for a role with the IAA. This had a significant impact on the Military Air Traffic System (ATS), as Baldonnel ATC service had to be downgraded to a Flight Information Service as a result of the shortages. Figure 5.12 shows the Strength vs Establishment for the Air Traffic Systems from 2010-2018.

service, the uncertainty and retention problems will likely worsen.

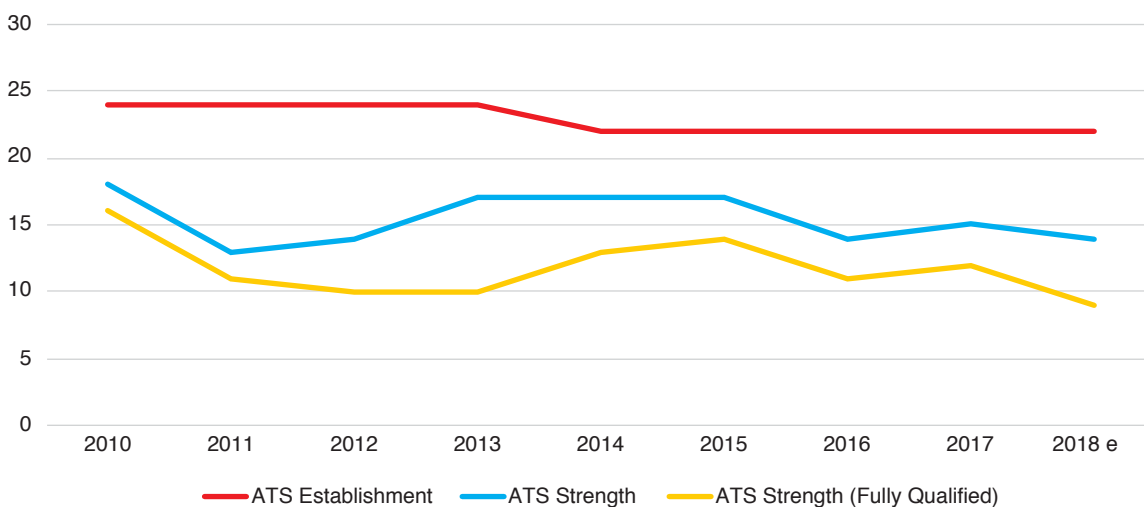
Increased turnover rates for the ATS puts a greater training burden on the Air Corps. More critically, it is submitted that as the average experience levels of ATCs decrease within the service, there is an increased safety risk for the Air Corps.

**Air Corps Apprentices and Technicians**

The Air Corps Apprentice School in Baldonnel operates a four-year apprenticeship for young school leavers to become accredited aircraft technicians. However, as discussed earlier in this chapter, there are recruitment challenges and significant shortages of Aircraft Technicians within the Corps presently, with Strength, as of May 2018, at 66.5% of Establishment. The Joint Employer submission states that between 15 and 20 Aircraft Technicians were expected to retire in 2018. The numbers retiring are exceeding the numbers qualifying on an annual basis, further exacerbating the shortages in this area.

The Air Corps Apprentices have shortages in experienced personnel in certain areas. For example, in late 2017, the Joint Employer submission notes that the Air Corps was unable to fill all of the available

**Figure 5.12: Air Traffic Systems Strength vs Establishment, 2010-2018**



Source: PSPC Workings based on Department of Defence Data

The Joint Employer submission to the Commission stated that this retention issue is likely to worsen in the coming years. Of the current ATC personnel, 5 staff members have sufficient service to retire with full pension benefits. Furthermore, for personnel who joined the service after 2004, there is a greater incentive to take up employment in a civilian role sooner rather than later in order to accumulate pension contributions in the new employment. As the proportion of post-2004 staff increases within the

places on a bespoke NCO course to qualify privates to Corporal. This was due to a lack of Aircraft Maintenance Technicians with the requisite two years' minimum post qualification experience required for applying to the post.

The Joint Employer Submission states that in the private sector many commercial airlines focus on minimising the aircraft types in use in order to minimise training requirements and maximise operational efficiencies for maintenance personnel. Indeed, some airlines use just one type of aircraft. The Air Corps requires 7 different

types of aircraft to fulfil its operational functions. Each aircraft type has different maintenance and operational requirements. This means that aircraft maintenance technicians require broader, more extensive training and must have higher levels of adaptability in order to oversee complex maintenance tasks. It also means that Air Corps Technicians are, due to their level of qualification, very well placed to avail of employment opportunities elsewhere in the private sector.

## Conclusions

- The 2015 *White Paper on Defence* confirmed the Establishment of the Air Corps at 887. Current Establishment remains at 887 and the end 2018 Strength was 725, which is a shortfall of 162 (18.3%).
- Air Corps Strength has been consistently under Establishment in recent years, with a shortfall of 12.2% in 2013, declining further to 18.3% in 2018.
- Of the three Forces, the Air Corps is experiencing the largest gap between Strength and Establishment, with an 18.3% shortfall at end 2018 compared with 5.7% in the PDF generally.
- There is a recruitment challenge in respect of certain specialists in the Air Corps as stated in the Commission's first Report; primarily, Military Aircraft Maintenance Technicians (inducted through apprenticeship scheme).
- There is an acute retention challenge in relation to Flying Officers. The Commission notes that both the Joint Employer side and the Staff Associations agree that the retention issue around Flying Officers has reached such a point that essential services by the Air Corps are in jeopardy. The Commission also notes that both the Joint Employer and the Staff side substantially agree that the previous Service Commitment Scheme (SCS) was successful in retaining Flying Officers. The Commission recommended at section 6.31 of its first Report in May 2017 that, where a recruitment and/or retention difficulty has been identified in particular specialist areas, it would be worthwhile for the parties to examine the various pay devices which were used in the past to address specific recruitment and retention issues. The projections from the Department of Defence indicate that they will be operating at 28% below the approved Establishment level by the end of 2019 and it would appear to the Commission that this indicates a very significant retention problem. The Commission is of the view that this Scheme should be restored as a matter of urgency.
- The Commission has also noted that there is a service commitment of 12 years for Flying Officers, which obliges Flying Officers who wish to leave prior to the expiry of their fixed period commission to pay back a proportion of the costs of their training. However, this provision has not been implemented in the last 25 years. Given the very high costs associated with training Flying Officers, the Commission is of the view that it would be appropriate for the PDF to review this practice in the context of Flying Officer retention.
- The difficulties which the Commission identified in respect of Air Traffic Controllers in its first Report continue to apply. A significant retention problem exists, and has seriously impacted on the Military Air Traffic System (ATS), with Baldonnell ATC service having to be downgraded to a Flight Information Service as a result of the shortages. The interviews conducted with specialists illustrated that pay and allowances are a significant factor in decisions around the intention to leave for this cohort. Chapter 7 sets out in detail the Commission's conclusions in relation to retention measures to address this matter.



# Chapter 6:

## Defence Force Pensions

The submissions presented to the Commission identified certain aspects of superannuation provision for members of the PDF as an influencing factor in recruitment and/or retention outcomes. The surveys and structured interview research considered in Chapter 4 further underpin the argument that changes to pension arrangements in recent years feature as a particular concern for members of the PDF. This section explains the issues of concern in further detail.

By way of background, the Department of Public Expenditure and Reform (DPER) conducted an actuarial assessment of public service occupational pension liabilities in 2016 to comply with requirements in respect of EU Regulations (EU) 549/2013. DPER projected the accrued liability of Public Service pensions at the end of 2015 at €114.5 billion, with the Defence Forces accrued liability projected at €7.9 billion. Spending on superannuation and pension benefits in 2018, for the public service amounted to €3.3 billion, and spending on superannuation and pension benefits for retired members of the Defence Forces was €249 million.

Members of the PDF are eligible for fast-accrual pensions based on pre-determined compulsory retirement ages, which are earlier than statutory limits and retirement ages which apply elsewhere in the public service. The submissions emphasised that “military compulsory retirement ages range from 50-56 years for single scheme enlisted personnel depending on rank and, de facto, from age 58 to 63 for commissioned officers depending on rank”. (Further detail in relation to the various types of pension schemes which apply in the PDF is set out at Appendix F). In the interviews conducted with privates, NCOs and officers on behalf of the Commission, recent changes to pension arrangements for the PDF were consistently raised as a problem.

## 6.1 Commission’s May 2017 Report

The Commission’s first Report in May 2017 examined the subject of public service pensions and their relative value compared to private sector occupational pensions. In the context of this examination, the Commission noted that there are greater costs and some wider policy issues associated with the provision of fast accrual pension schemes. The level of additional cost varies depending on the scheme involved. There were 23,000 members of these schemes at the end of December 2015, with the Defence Forces accounting for over 9,000.

The Commission concluded that the additional value of pre-2013 pension schemes, standard accrual and fast accrual, should be addressed by providing for an increased employee contribution from those who continue to benefit from the legacy schemes. The Commission further concluded that it would

be reasonable to apply any agreed adjustments in conjunction with the discontinuance of the Pension Related Deduction (PRD)/‘pension levy’, but that the rate of increase and the categories to which it should apply, was a matter for the parties.

These issues were addressed in the context of negotiations in 2017 to extend the Public Service Stability Agreement out to 2020. The Public Service Pay and Pensions Act 2017, provided for the abolition of the PRD and transition to Additional Superannuation Contributions (ASC) with effect from 1 January 2019, which is a permanent additional contribution applicable to public servants who are in receipt of pensionable pay. The rationale was to place the cost of public service pension schemes on a more sustainable footing. As a result there are three categories of thresholds and rates as follows:

1. Standard Accrual members of Pre-2013 pension schemes;
2. Fast Accrual members of Pre-2013 pension schemes; and
3. Single Pension Scheme members (irrespective of standard or fast accrual), albeit at a lower rate for this category.

The thresholds and rates of ASC are set out in detail at Appendix F.

## 6.2 Key Issues raised in Submissions

Submissions to the Commission from RACO and PDFORRA outlined the following issues as negatively impacting on retention outcomes:

1. Pre-2013 Defence Force officers and enlisted personnel are obliged to pay higher contributions of ASC as they are in fast accrual public service pension schemes;
2. There is no provision for Supplementary Pension for post 1 January 2013 entrants (Single Pension Scheme Members) to cover the gap which may arise between mandatory retirement age in the PDF and State Pension Age;
3. The Single Pension Scheme diluted the accelerated pension accrual arrangements for officers and enlisted personnel in the PDF (fast accrual rate now 1/70th a year);
4. Single Pension Scheme members in the PDF (in common with other fast accrual members) pay a higher contribution rate of 7.5%, as opposed to 6.5% which generally applies for public service Single Pension Scheme members; and

5. The Single Pension Scheme is predicated on career average earnings and extended retirement ages and this has occurred for public servants generally. The main exception being uniformed fast accrual cohorts. Staff Representative Associations submitted that Single Pension Scheme provision for PDF personnel was anomalous in the context of compulsory retirement ages which are significantly earlier than State Pension Age.

### 6.3 Impact on Recruitment and Retention

RACO, PDFORRA, and Military Management argued that the elimination of supplementary pensions for personnel who signed up after 1 January 2013 has diminished the attractiveness of the PDF from a recruitment and retention perspective. RACO contended that the single biggest factor negatively affecting both retention in the PDF, and the future viability of the Force, was the removal of the supplementary pension from post 1 January 2013 new entrants. The Joint Employer submission stated that it has been suggested that the introduction of the Single Pension Scheme, combined with contractual timelines for enlisted personnel and mandatory retirement ages for officers, mean that personnel are looking at alternate employment options earlier in their career. It also stated that the long-term implications of this policy on recruitment and retention in the PDF will become more apparent in the coming years.

PDFORRA argued that payment of immediate pension and gratuities at retirement, only where a member is retiring aged 50 years or more (post-2004 and Single Pension Scheme provision), has negated any previous retention effects that the pre-2004 pension schemes had. The pre-2004 scheme provided for immediate payment of pension and gratuity after 21 years' service for enlisted personnel. It was submitted that personnel are less likely to remain in the PDF until payment of pension, where pension is not payable until age 50. These views were also reflected in the findings of the survey and structured interview research set out in Chapter 4.

### 6.4 Supplementary Pension – legacy scheme context

Supplementary pensions in the public service are generally at the discretion of the employer in accordance with individual pension scheme rules. The Joint Employer submitted that the essential purpose of a supplementary pension is to make up the shortfall in pension which may arise on reaching retirement age before the State Pension Age of 66 years (rising to 68 in 2028), where pensions are integrated with the social insurance system. Supplementary pension is calculated on a basis which ensures that the combination of the

occupational pension plus the social insurance element of payment is the same as the occupational pension which would be paid to a comparable pre-1995 retiree (with uncoordinated occupational pension).

Supplementary pension does not currently appear to be a feature of pensions in payment to retirees from the PDF. At present there are no former members of the PDF in receipt of supplementary pensions and none have been paid in recent years. Supplementary pension is potentially applicable to post-April 1995 officers and enlisted personnel who joined the PDF since April 2004, (where other qualifying criteria are fulfilled). These cohorts are relatively young, and may not in the case of enlisted personnel have come on stream yet. It would seem likely that some officers would have retired in recent years having met the necessary qualifying service period of 12 years, although supplementary pension is not payable in circumstances where retirees have entered other employment on retirement from the PDF. Supplementary pension may become more of a feature of superannuation arrangements for these groups in future years.

### 6.5 Single Pension Scheme

Supplementary pension is not a feature of the Single Pension Scheme. In light of this, relevant Defence sectoral arrangements with RACO and PDFORRA respectively, which provide for supplementary pensions for pre-2013 scheme members in the PDF, subject to relevant public service rules and conditions, are not applicable to Single Pension Scheme members.

Government policy is that this must be viewed in the context of other key changes and reforms to public service pension terms for post-2013 new entrants, which support the long-term financial sustainability of the public service pension system. Many other established features of the pre-1 January 2013 public service occupational pension arrangements have been discontinued or changed under the Single Pension Scheme, including 'career average earnings' rather than 'final salary', calculation of retirement benefits, linking post-retirement pension increase to the Consumer Price Index rather than 'pay parity', aligning of minimum public service pension age with State Pension age, and setting maximum retirement age of 70 for most new entrants to the public service.

### 6.6 White Paper on Defence (2015)

The White Paper on Defence acknowledges that compulsory retirement ages for all PDF ranks are considerably lower than in other public service areas. It states that there is a continued need for retirement ages and/or upper service limits of PDF personnel of all ranks to be kept under review and determined in accordance with key considerations such as manpower policy requirements, operational needs and

international best practice. Certain groups of public service employees, such as military personnel, have 'fast accrual' occupational pension arrangements, together with earlier retirement ages and/or 'minimum pension ages', because of the specific requirements of the job, or sector in which they are employed. The requirement for these arrangements for PDF personnel is confirmed in the White Paper, which also states that internationally it is common practice that military personnel have pension arrangements which are differentiated from the wider public service, due to the distinctive characteristics of military roles and operational requirements.

The Commission is aware that it was agreed in the context of a preceding interdepartmental *Review of Barriers to Extended Participation in Public Service Workforce, 2017* that the option of extended participation for 'uniformed fast accrual' groups would be more appropriately considered by the relevant employer/ Government Department in the context of the operational needs and capacity of each group. The Commission recommends that the Department of Defence expedite a review of this nature, in accordance with its White Paper commitments to keep retirement ages and/or upper service limits under review.

## 6.7 Conclusions

The Commission has considered the concerns expressed in relation to various aspects of superannuation provision for the PDF. In its May 2017 Report, the Commission noted the higher costs associated with the provision of fast accrual pension schemes and concluded that the values for those on legacy pre-2013 fast accrual pension schemes should be addressed by providing for an increased employee pension contribution from those who continue to benefit from these schemes. The Commission has also noted that the different level of benefits available under the Single Pension Scheme arrangements are reflected in the lower Additional Superannuation Contribution requirements which apply for Single Scheme Members relative to pre-2013 scheme members under the Public Service Pay and Pensions Bill 2017.

In particular, the Commission acknowledges the view submitted that aspects of Single Pension Scheme provision for PDF personnel may create retention difficulties in the context of compulsory retirement ages which are significantly earlier than State Pension Age. The Commission is of the view that the extent of the impact of these policies will not be discernible for a considerable time.

The Single Pension Scheme is predicated on career average earnings and extended retirement ages and this has occurred for public servants generally, the main exception being uniformed fast accrual cohorts. The Government recently enacted legislation which increased the compulsory retirement ages for relevant public servants who were recruited before 1 April 2004 to age 70. One impact of this was to minimise potential gaps between compulsory retirement ages and State Pension Age for these groups. From 26 December 2018, relevant public servants have the option of working to age 70. The 'uniformed fast accrual' group (Permanent Defence Force, Gardaí, Firefighters and Prison Officers), who are all currently required to retire early due to the nature of their work, are not covered by these new arrangements.

# Chapter 7:

Concluding  
Comments



The Terms of Reference tasked the Commission, where it identified difficulties, to provide a range of options for resolving issues specific to recruitment and retention across the PDF.

The Commission was initially tasked with an examination of specialist grades identified in the conclusions of Chapter 6 of the Commission's May 2017 Report.

However, following a meeting with the Minister of Finance & Public Expenditure and Reform on the 29th of November 2018, the Commission was invited to carry out "a broad based" assessment of employment in the PDF and to "make recommendations", in accordance with its mandate, "where the evidence suggests there are significant recruitment and retention problems."

The concluding comments of the Commission are set out in this chapter.

The PDF comprises the Army, the Naval Service and the Air Corps, and provides a central foundation for national stability and security.

The Defence Forces have a number of missions assigned by Government: to defend the state; to aid the civil power; to participate in multilateral peacekeeping and humanitarian missions; to provide maritime security and fishery protection; and to participate in ceremonial duties.

The PDF has a strictly non-political ethos and readily submits to the political and democratic control of its own activities.

It is considered desirable, therefore, that candidates attracted to a career in the Defence Forces continue to be motivated by a strong sense of 'serving your country' while they may also be attracted to the varied nature of the role and the many opportunities a career in the PDF offers, including the chance of serving overseas.

The PDF is now required to function in a more complex environment, and as a result is increasingly reliant on technical skillsets for many of its core functions. Future workforce planning will need to continue to attract and retain a sufficient number of highly skilled specialists and experienced generalists. This already does and will continue to present a significant challenge, particularly in a buoyant labour market.

The approved Establishment of the Permanent Defence Force has been reduced over recent years. The most recent *White Paper on Defence*, published in 2015, confirmed the Government's commitment to retain PDF Strength of at least 9,500 personnel.

In 2018 the Strength of the PDF stood at 8,957.

The Commission's conclusions begin from a recognition that the PDF are experiencing retention challenges at a number of levels.

Turnover in the PDF has increased significantly. In 2018 the overall turnover rate for the PDF was 8.1%, up from 5.1% in 2013. Further analysis confirmed to the Commission that in excess of 75% of all leavers from the PDF do so voluntarily and these tend to occur over a wider range of service points/ages than generally occur in the public service making workforce planning difficult.

Significant resources are being deployed in training new recruits.

However, the PDF has challenges in retaining personnel beyond their initial contracted five years' service with nearly 35%<sup>49</sup> of total turnover relating to personnel leaving in their first five years.

The vast majority of departures occur during training.

Approximately 21% of new general service recruits drop out during the first year without completing training.

The PDFORRA and RACO presentations to the Commission emphasised the key issues directly impacting on recruitment and retention in the PDF as:

- Pay;
- Allowances;
- Recent reforms to the pension system; and
- Duration of contracts.

The surveys and structured interviews carried out on behalf of the Commission disclosed varying degrees of frustration amongst respondents at the extent to which the levels of pay and allowances are leading personnel to leave the PDF.

In addition, it was represented to the Commission that the lengths of contracts for personnel have an influence on retention. The staff associations argued that the contractual nature of tenure in the PDF means that personnel do not have the same security of tenure as other public servants.

The survey and interviews with serving personnel, as well as the submissions from the staff associations, also illustrate the strength of negative sentiment around reforms to the pension system and associated mandatory retirement ages and point up their significance in stay/leave decisions.

On the issue of pay, the Commission is prevented by its Terms of Reference from undertaking a general pay review on behalf of any group and this was accepted by all of the parties that engaged in this phase of its work.

<sup>49</sup> Based on the years 2007; 2013-2017. The trends indicate that the proportions leaving are higher when the economy is closer to full employment. The proportions leaving in 2007 and 2016 and 2017 were around 40% of total leavers.

The reality is that the current PSSA, while providing for consideration of any proposals that may arise from the Commission's Report, precludes claims for increases in pay or improvements in conditions of employment beyond those provided for by the Agreement.

Having regard to all of the data available, the submissions made and the research carried out by the Commission and on its behalf, the Commission has reached the following general conclusions:

1. In its Module 1 Report, published in August 2018, the Commission recommended that the Parties to the Public Service Stability Agreement should consider putting arrangements in place, at an appropriate time, and without compromising the stability of the public service pay bill, to allow for the adequacy of current pay arrangements more generally to be fully examined. The Commission recommends that the pay structures in the Permanent Defence Force be examined as part of any such review.
2. The Commission recommends that the current rate of the Military Service Allowance, which is unique to the Permanent Defence Force, be increased by 10% with a minimum increase of €350 a year applicable to those on lower rates of the allowance. It is recommended that this increase should have immediate effect and is in addition to the restoration provided for in the Public Service Pay and Pensions Act 2017.
3. The nature of the responsibility for the military defence of the State requires that the Defence Force operates 24/7, 365 days a year. The pressure on serving personnel is likely to have increased further, resulting in increased working hours.  
  
In the absence of conventional working time or overtime arrangements, including the absence of any limitation on working hours, the Commission recommends, with immediate effect, the full restoration to pre-Haddington Road levels of the Security Duty Allowance and the Patrol Duty Allowance.
4. Similarly, the Commission recommends the restoration of a number of other allowances reduced in the Haddington Road Agreement above and beyond the reductions made under FEMPI. The Commission recommends that these allowances be restored to pre-Haddington Road Agreement levels with immediate effect.

5. The Government recently enacted legislation which increased the compulsory retirement ages for relevant public servants who were recruited before 1 April 2004 to age 70. The 'uniformed fast accrual' group (Permanent Defence Force, Gardaí, Firefighters and Prison Officers), who are all currently required to retire early due to the nature of their work, are not covered by these new arrangements. In submissions to it, the Commission was told that the lack of Supplementary Pension for Single Scheme members diminished the appeal of the PDF from a recruitment and retention perspective. In its written submission RACO contended it was the single biggest factor negatively affecting retention. The Commission is also aware that it was agreed in the context of a preceding interdepartmental *Review of Barriers to Extended Participation in Public Service Workforce, 2017* that the option of extended participation for 'uniformed fast accrual' groups would be more appropriate for consideration by the relevant Employer/Government Department in the context of the operational needs and capacity of each group.

The Commission recommends that the Department of Defence expedite a review of this nature.

6. The Commission was again advised by all parties that there is a unique retention challenge in relation to Flying Officers (pilots). The projections from the Department of Defence indicate that they will be operating at 28% below the approved Establishment level by the end of 2019. The Commission had previously recognised the need to address this problem and recommends that the Pilot Service Commitment Scheme for Flying Officers is restored without further delay.
7. In addition, there is also a particular issue with certain specialists as stated in the Commission's first Report. These include:
  - Military Aircraft Maintenance Technicians;
  - Air Traffic Controllers;
  - Army Specialist Officers (Engineers, CIS and Ordnance CIS); and
  - Naval Service Engineers.

It is self-evident that a continual loss of technical personnel results in a significant cost to the Defence Forces in terms of both retraining and loss of operational experience. The interviews conducted with specialists illustrated that pay and allowances are a significant factor in decisions around the intention to leave for this cohort. Therefore, in addition to the measures mentioned above, including increases in allowances, as a retention measure the Commission recommends that the review of the technical pay grades two

- to six undertaken by military management<sup>50</sup> be completed at the earliest opportunity, without compromising the stability of the PSSA.
8. The evidence and research presented to and analysed by the Commission indicates a retention problem at Captain<sup>51</sup> and certain NCO and equivalent ranks in the Naval Service, particularly amongst those with specialist skills. The increases recommended in the MSA and SDA and other allowances will enhance the remuneration package of all ranks including NCO's. However, the Commission is satisfied that further measures directed at rewarding long service in these ranks are required in addressing retention goals. Because the Commission is constrained from addressing matters in relation to basic pay, it recommends that some system of incentivising long service in these ranks should be considered as a priority in the context of future pay negotiations.
  9. The Commission is aware that non-pay measures are an important element of the employment proposition in other jurisdictions and is therefore of the view that enhancing non-pay measures will help address some of the retention difficulties presented to and identified by the Commission. The Commission recognises military management will need to assess what set of non-pay measures would be of potential benefit in the first instance.
  10. The Commission is strongly of the view that there is a need for multi-annual workforce planning for the PDF, fully integrated with training and development planning to follow through on the White Paper. This could include:
    - Possible revision of key criteria, such as extending the permitted age for new entrants at both officer and enlisted ranks and changing the mix of external recruitment in some instances;
    - Directing cadets, particularly at school leaving age, to areas of current or future shortage;
    - The nature and duration of contracts for serving personnel; and
    - Other measures, as appropriate, to ensure operational requirements are met within acceptable standards of security and safety.
  11. Notwithstanding the recruitment innovations already introduced, the Commission strongly recommends that current recruitment methods for the Permanent Defence Force should be reviewed afresh. The Commission believes that a more dynamic and contemporary approach will be required if policy goals and operational requirements are to be met in the context of a highly competitive and rapidly changing market for key skills and competencies. This could include:
    - The use of open recruitment for filling the majority of specialised roles;
    - Consideration on how the requirements for ICT professionals could be integrated within a wider public service model;
    - Over provision in a number of specialist areas where the attrition rate is higher;
    - Re-enlisting/recommissioning retired members to train staff to relieve the training overhead by allowing personnel in active service to resume operations rather than be involved in training; and
    - Increasing graduate entry, in line with norms across the employment market generally and this could be enabled by looking at extending entry age as suggested earlier.

<sup>50</sup> As part of the Public Service Stability Agreements, the Department of Defence undertook to review technical pay in the Defence Forces. A review of technical pay Grade 1 was conducted in 2014 and came into effect on 1 January 2015. The Department of Defence is establishing a Working Group to review Grades 2-6. Terms of Reference have been established and this will include consideration of military management proposals.

<sup>51</sup> This refers to the rank of Captain in the Armed Forces and Air Corps and it also applies to the equivalent rank of Lieutenant in the Naval Service.

# Appendix A: Commission Membership and List of Meetings

## Members

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Kevin Duffy (Chairman)

Marian Corcoran

Ultan Courtney

Ruth Curran

Noel Dowling

Michael Kelly

Seán Lyons (To 31 March 2019)

Peter McLoone

Brief Biographies of the Commission members can be found at <http://paycommission.gov.ie>

## Meetings of the PSPC

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1. 23rd October 2018
2. 13th November 2018
3. 29th November 2018
4. 4th December 2018
5. 5th February 2019
6. 5th March 2019
7. 26th March 2019
8. 9th April 2019
9. 30th April 2019
10. 2nd May 2019
11. 7th May 2019
12. 14th May 2019

Minutes of these meetings are available on our website <http://paycommission.gov.ie>

# Appendix B: List of Submissions Received

The interested parties listed below who made submissions also met with the Commission during the consultation process.

All submissions will be available on our website (<http://paycommission.gov.ie>).

## Submissions

1. Department of Defence and Department of Public Expenditure and Reform.
2. The Representative Association of Commissioned Officers (RACO).
3. Permanent Defence Force Other Ranks Representative Association (PDFORRA).

# Appendix C: Methodology

## Introduction

This appendix sets out the methodological approaches adopted by the Commission for its analysis of recruitment and retention difficulties relating to the PDF. The Commission considered several sources of data across a number of years to provide evidence on the factors that impact recruitment and retention. The Commission primarily focused on the recent trends (i.e. 2013-2017).<sup>52</sup>

## Background to Phase 2 of the Public Service Pay Commission

In Chapter 6 of its first Report, the Commission set out an overview of recruitment and retention in the public service. Following this, the parties to the Public Service Stability Agreement 2018-2020 agreed to request that the Commission carry out an examination of recruitment and retention. The provisions of this agreement were set out in section 3 of the Public Service Stability Agreement 2018-2020 (PSSA).

Furthermore, new Terms of Reference were established for the Commission to examine these issues on the basis of the PSSA. The Terms of Reference tasked the Commission with establishing whether, and to what extent, a difficulty exists in terms of recruitment and/or retention for specific grades of the public service. Where a difficulty is identified, the Commission was asked to examine the full range of causal factors.

The Commission collected and analysed data from a number of different sources to address these Terms of Reference. The Commission commenced by seeking relevant information on those grades and specialties where evidence of specific difficulties in recruitment and/or retention had already been identified in Chapter 6 of its first Report.

Due to the range of grades under consideration, the Commission adopted a modular approach to its work. The first module on recruitment and retention focused on nurses and midwives, non-consultant hospital doctors and hospital consultants. It was published in August 2018.

This Module 2 Report considers recruitment and retention in the PDF. The Commission was tasked with an examination of specialist grades identified in the conclusions of Chapter 6 of the Commission's

May 2017 Report. However, following a meeting with the Minister for Finance & Public Expenditure and Reform on the 29th of November 2018, the Commission was invited to carry out 'a broad based' assessment of employment in the PDF and to make recommendations, in accordance with its mandate, where the evidence suggests there are significant recruitment and retention problems.

## Requests for Information

The Commission developed a number of detailed data requests that aimed to gather evidence on recruitment and retention in the PDF. The Commission requested information from the employer and from the relevant staff representative associations on factors that impact on recruitment and retention of PDF personnel. These matters were highlighted in the submissions received. Further evidence was presented by these parties in meetings between the Commission with the employer and the two staff associations. The Commission sought supplementary information from these stakeholders and also requested verification of claims from official sources. The Commission drew conclusions based on all of the information supplied to it. However, some of the information provided to the Commission could not be published for national security reasons.

Many different forms of data can assist in the analysis of the incidence and causes of recruitment and retention difficulties. Information on recruitment transactions and details of employment churn over time are probably the most directly relevant sources for assessing the presence of difficulties.

In its request on recruitment, the Commission sought information on factors including:

- Evidence, including trends over time, on areas where there are a significant numbers of vacancies, where efforts have been made to fill them and they have remained unfilled;
- Data about consistent shortages of suitable applicants for particular posts (including trends over time);
- Evidence about panel resilience and rejections of offers by panellists;
- The operational impact of any recruitment difficulties; and
- Evidence, if relevant, of shortages of supply of suitably qualified candidates in particular specialties from the domestic third level sector.

<sup>52</sup> Some earlier data was used in sections to provide a longer term reference point. However, earlier data is more difficult to compare with the period 2013 to present due to changes in the Establishment number (or the ceiling) in the PDF. The current Establishment number of 9,500 was set in 2012.

In order to establish whether there were difficulties with retention, the Commission sought information including:

- Evidence of significant levels of turnover<sup>53</sup> supported by data on the impact on operational capacity;
- Information about personnel leaving the PDF for posts in the domestic public and private sector (including trends over time);
- Evidence of significant numbers of PDF personnel moving out of the PDF to roles abroad where there is evidence of an international labour market for the role (including trends over time); and
- Causal factors impacting on retention e.g. working conditions or relevant environmental factors impacting a grade/specialty.

Moreover, the Commission procured surveys and a number of structured interviews of PDF personnel across “specialist” and “generalist” areas. This research provides further insight into the recruitment and retention issues that are likely to impact on the PDF.

## Survey and Structured Interviews

### Background to Survey and Structured Interviews

The objective of surveying and interviewing Module 2 personnel was to further understand what employees perceive as their motivation in applying for and remaining in their current employment, and the drivers, if any, for intending to leave their current role.

The Commission engaged Research Matters Ltd., following a competitive procurement process, to design, pilot, administer, analyse and report on a set of surveys and structured interviews of personnel relevant to the Commission’s work. The Commission also engaged Prof. Edel Conway and Dr Yseult Freeney from Dublin City University Business School to provide expert academic advice with regard to the design and administration of the research.

Research Matters Ltd. in consultation with the Commission and its academic advisors developed and carried out the survey (“Engage to Change”) and structured interviews with members of the PDF. Two separate studies were carried out to analyse different populations within the PDF - ‘specialists’ and ‘generalists’. Both studies followed the same methodological approach. The specialists include Doctors, Pilots, Air Traffic Controllers, Engineers, Technicians, Communications and Information System staff and Ordnance staff in the PDF, while ‘generalists’

is used as a term in the report to cover all other serving personnel in the PDF. Specialists were surveyed and interviewed in August 2018 and generalists were surveyed and interviewed in February and March 2019.

### Main Survey

Separate questionnaires were sent to the specialists and the generalists in the PDF. There were only minor differences between the two questionnaires.

The questionnaire was developed through:

- Review and adaptation of the content of the surveys of various health professionals (nurses, midwives, non-consultant hospital doctors, hospital consultants, dental surgeons, paramedics, psychologists and radiographers);
- Identification of relevant questions from Irish and UK studies e.g. (Mac Mahon et al. 2017) and (U.K. Ministry of Defence 2017);
- Contact with the developers of previously validated scales and indexes;
- Advice from researchers with expertise in the area (including the PSPC’s advisors on this study); and
- Pre-testing and interviews with individuals from the PDF.

Questionnaire scales were constructed mainly using previously tested and validated scales and/or indexes using the same methodology as the 2017 Civil Service Employee Engagement Report (CSEES). Similar to the CSEES, the responses to the individual items comprising each scale were combined to form a scale score expressed as a percentage. In some cases the items on the scale had to be reverse coded. For a majority of the scales in the study a higher score indicate a more positive outcome. In addition, a small number of open ended (text) responses were also included. The key components of the questionnaires are set out in Table C.1.

<sup>53</sup> The turnover rate described in the report refers to the total number of exits in a year compared to the end of year strength.

**Table C.1: Description and Sources of Questions and Scales**

Index name	Description	Source
Engagement	Feeling enthusiastic and inspired about job	Utrecht Work Engagement Scale (Seppälä, et al., 2009)
Autonomy	Perception of freedom and independence in day-to-day work	Part of a multi-dimensional measure of psychological empowerment in the workplace (Spreitzer, 1995)
Satisfaction with work-life planning	Extent to which work demands allow for non-work planning and activities	UK Regular Armed Forces Continuous Attitude Survey (U.K. Ministry of Defence, 2017)
Impact	Belief that job has a significant impact on others' lives	Part of multi-dimensional measure of psychological empowerment in the workplace
Satisfaction with pay and allowances	Level of satisfaction with pay and allowances	Irish Civil Service Employee Engagement Survey (CSEES); two items specific to the PDF added (Department of Public Expenditure and Reform, 2017)
Satisfaction with pension	Level of satisfaction with pension conditions and entitlements	Based on the work of de Bresser and van Soest (De Bresser & van Soest, 2009)
Job satisfaction (specific)	Level of satisfaction with specific aspects of job	Copenhagen Psychosocial Questionnaire, with adaptations to match the specific work contexts of the survey group
Job satisfaction (global)	General/global level of job satisfaction	Copenhagen Psychosocial Questionnaire
Burnout	Feelings of work-related burnout	Oldenburg Burnout Inventory (Demerouti & Bakker, 2008)
Information sharing and decision making	Perception of extent to which information is shared and decisions are communicated	CSEES
Effort-reward ratio	Perceived level of effort put into work; perceived level of reward from work	Effort-Reward Imbalance Questionnaire
Commuting pressure	Impact of work commute on overall quality of life	Turcotte (Turcotte, 2010)
Satisfaction with accommodation	Satisfaction with accommodation's standard, cost and distance from work	Based on the UK Regular Armed Forces Continuous Attitude Survey
Recruitment process (new recruits only)	Perceptions of the efficiency and fairness of the recruitment process	New scale based on the recruitment lifecycle and the work of Larson et al. (Larson, et al., 1998)
Job expectations (new recruits only)	Extent to which job expectations match job experiences	New scale based on the recruitment lifecycle and the work of Larson et al. (Larson, et al., 1998)
Organisational commitment	Level of commitment to current organisation	Organisational Commitment Scale (Meyer & Allen, 1991)
Training and promotional opportunities	Perceived opportunities for training and promotion	CSEES with minor adaptations
Peer support and respect	Level of respect and support from peers at work	Based on scale used in the UK Regular Armed Forces Continuous Attitude Survey
Perceptions of manager support	Perceptions of manager career support	(Greenhaus, et al., 1990)
Job alternatives	Perceived level of availability of alternative employment	Treuren's scale of perceived job alternatives (Treuren, 2013)
Intention to leave the Defence Force	Level of intention to leave current organisation	Turnover Intention Scale with two additional items (Meyer, et al., 1993)

Source: Research Matters



## Survey Distribution and Response Rates

The surveys were distributed to personnel by the Defence Forces Human Resources Division. The survey data was collected electronically using Survey Monkey and both surveys were left open for 12 days.<sup>54</sup> Table C.2 illustrates the numbers of participants and the sources of data.

**Table C.2: Number of Participants and Source of Data**

	Valid Survey Responses*	Structured Interviews/ Focus Group	Survey Response Rates	Commentary
Specialists' survey	560	49	39.7%	Survey - Data weighted by specialist area, rank and area of service Structured Interviews - One focus group with 10 individuals and 39 individual interviews
Generalists' survey	1,986	139	26.6%	Survey - Data weighted by rank and area of service Structured Interviews - 83 participants in 11 focus groups, and 56 individual interviews

\*A number of records were removed from the analysis due to duplication and low completion rates (i.e. if the respondent completed less than 50% of questions the record was removed from the data-file).

Source: Research Matters

## Structured Interviews

At the end of the survey questionnaire, respondents were asked if they would be willing to take part in a telephone interview. A sample of PDF personnel who volunteered to take part were selected by Research Matters Ltd. on the basis of varying individual, job and organisational characteristics, and an invitation was issued to each, with further information about the study and interview, along with a consent form.

All interviews carried out were audiotaped, transcribed, anonymised and coded. The anonymisation of the interview data involved removing all personal information (e.g. names and locations) and the assignment of pseudonyms. Where necessary, the qualitative data has been edited to safeguard participants' anonymity; it has been ensured that this has not distorted their data or changed the key messages that emerged. The analysis of focus group interviews took account of the interaction between participants, as well as the content expressed.

<sup>54</sup> During data collection for the generalists in the PDF an open link to the survey was shared on a public social media page. Potentially, the survey could have been completed by individuals that are not serving personnel in the PDF. The Commission instructed Research Matters to suspend the survey and reopen it after deactivating the link that had been shared online. Research Matters carried out an analysis of the sample collected prior to the survey being shared online, for the period it was available on the social media page and after the link online had been deactivated. The examination included a number of checks on factors, such as, demographic information provided; the patterns of responses; an analysis of 'missingness'; and a statistical analysis of the types of responses provided. Their analysis found no evidence to suggest that non-serving personnel completed the survey. On this basis the entire sample collected for the generalist cohort was utilised.

## Limitations

In relation to the limitations, which all research is subject to, there are a few which the reader should be aware of when interpreting these results.

An online survey can be efficient for researchers and convenient for respondents. It allows a shorter time frame for data collection than more traditional

methods and it allows for a substantial amount of information to be collected and easily prepared for analysis. However, the complex contexts in which recruitment and retention issues arise cannot be fully captured by survey data.

In terms of both the specialists and the generalists, the response rates of, 39.7% and 26.6% respectively, were somewhat lower than desired. However, as noted earlier, the data have been weighted to provide nationally representative estimates, on the basis of the characteristics used to compute the sampling weights.

In addition to the limitations of the sample characteristics noted above, we have no way of empirically assessing the extent to which particularly enthusiastic or particularly dissatisfied individuals responded, and this potential bias should be borne in mind when interpreting the results. The key variable used in this analysis is intention to leave the job, organisation and profession. It should be noted that respondents are reporting on their intentions, although it is not clear if these respondents will act upon these intentions.

Finally, causality cannot be inferred from the survey results (as with any cross-sectional design). The results demonstrate associations and relationships, but should not be used to conclude that characteristic X is the cause of outcome Y.

For more information on the methodology of the survey and structured interviews please see the full survey and structured interview report at <https://paycommission.gov.ie/>

# Appendix D: Allowances and Technical Pay

## Allowances

Table D.1 outlines the allowances applicable to members of the PDF, as well as the total amount paid, and total number of recipients of that allowance, in 2018.

**Table D.1: Allowances in the Permanent Defence Force**

Name of Allowance	Description	Paid in 2018 €	No. of Enlisted	No. of Officers
Military Service Allowance	Introduced in 1979 for enlisted personnel initially and subsequently extended to officer ranks up to Captain. It is intended to compensate Defence Force Personnel for the unique conditions and special disadvantages of military life.	€ 46,514,872	All, excluding training grades/ranks	All up to and including the rank of Colonel
Security Duty Allowance	Introduced in 1974, and paid to PDF members to compensate for exceptional duties of a security nature over and above normal peacetime pattern of military duties e.g. guards on military posts, aid to the civil power on the border or protecting vital installations	€8,068,025	6,724	823
SDA for Portlaoise Prison Duty Allowance	Introduced in 1975, and paid to military personnel who are mobilised into a special unit for the purpose of performing security at Portlaoise Prison.	€2,186,567	952	43
Border Duty Allowance	Introduced in 1972, for personnel engaged in duties in Border units involving service in excess of normal duty hours.	€2,255,731	575	0
Instructors Allowances	This allowance is paid to personnel to compensate them for the extra skills demanded of them to maintain high standards of instruction.	€640,527	520	0
Specialised Instructors Allowance	This annual allowance is paid to those who qualify as Instructors to train personnel as Instructors.	Nil	0	0
Patrol Duty Allowance	Introduced in 1978, to compensate personnel for all the hardships and inconvenience associated with duties at sea.	€2,134,386	576	140
Overseas Armed Peace Support Allowance	Allowance is payable to armed personnel serving with peacekeeping forces who may become involved in defensive action as necessary.	Nil	0	0
Overseas Peace Support Allowance	Introduced in 1960, to compensate personnel for working in extremely difficult and tense atmosphere under difficult climactic and living conditions.	€18,564,112	1,578	412
Aid to the Civil Authority	Paid to personnel assisting Local Authorities, Health Boards etc., in emergency situations - performing duties outside normal working hours and in excess of normal military duties.	€162,553	1,613	54
Army Ranger Wing Allowance	Introduced to compensate personnel for the nature of the duties associated with the Army Ranger Wing.	€732,934	101	15
Diving Allowance (Annual)	Diving is an essential operational skill for the Naval Service, in recognition of this and the training requirements an annual allowance is paid.	€50,291	0	13
Diving Allowance Includes Diving Call Out Allowance Also	Paid to Naval Divers in respect of each Saturday/ Sunday & Public/DF Holiday for which they are rostered on call and are not called out.	€87,513	28	7

Emergency Medical Officer Allowance	Introduced on 1 January 1998, this allowance is paid to an officer of the Army Medical Corps in respect of each day i.e. 24 hour period rostered for duty as Emergency Medical Officer.	Nil	0	0
Explosive Ordnance Duty Allowance	Paid to suitably trained Ordnance Corps engaged in EOD duties in respect of days spent on rostered EOD duties.	€310,434	153	28
Fire Protection Pay	Paid to Non-Commissioned Officers or Privates employed on fire protection duties in Government Buildings.	Nil	0	0
Maintenance of Essential Services Allowance	Paid where personnel are mobilised to maintain essential services in instances of Industrial Dispute e.g. bin strike, bus strike and ambulance strike.	Nil	0	0
Portlaoise Hospital Guard on call allowance	Paid to personnel on standby at home to escort prisoners from Portlaoise Prison to Portlaoise Hospital.	Nil	0	0
Naval Service In Charge Allowance	This is payable to officers and engineers at sea to compensate them for their extra responsibilities and is payable in the same circumstances and in respect of each day for which Patrol Duty Allowance is paid.	€55,183	0	34
Outpost Allowance	This is a daily allowance for personnel stationed at isolated posts, e.g. Kilworth Camp and is in lieu of rations being provided.	€201,605	93	4
Foreign Language Proficiency Allowance	This allowance is payable to officers certified as First or Second Class Interpreters, having passed the relevant tests in a number of specified foreign languages and engaged full-time in that capacity.	€11,683	0	4
Irish Language Allowance	This allowance is paid to non-commissioned personnel engaged in giving instruction through Irish in the Military College, Curragh Training Camp.	€5,337	7	0
Health & Safety Allowance	This allowance is paid to qualified Health and Safety officers filling designated appointments in establishments; they are responsible for training in this area and the promotion of awareness, best practice measures throughout the Defence Forces.	€29,598	0	9
Personnel Support Service Allowance	This allowance is paid to Officers who are filling DF Personnel Support Service appointments (PSS) and who have the relevant 3rd level qualification. Officers filling PSS appointments and who are studying for a relevant 3rd level PSS qualification will be paid 50% of the allowance for the duration of the course.	€27,778	0	7

Source: Department of Defence

Table D.2 sets out the allowances that were reduced by an additional 10% under the Defence Sectoral Agreement (HRA) and have continued under the Public Service Stability Agreement (PSSA).

#### Table D.2 - Allowances cut by Haddington Road Agreement

A4.3 Border Duty Allowance
A4.4 Security Duty Allowance
A4.5 Patrol Duty Allowance
A4.6 Overseas Allowance
A4.7 Children's Allowance
A4.7 Army Ranger Wing Allowance
A4.7 Instructors Allowance
A4.7 Naval Service In-Charge Allowance
A4.7 Outpost Allowance

A4.7 Foreign Language Proficiency Allowance
A4.7 Irish Language Allowance
A4.7 Health & Safety Allowance
A4.7 Personnel Support Services Allowance
A4.7 Election Payment
A4.7 Mast/Erector Allowance

Source: Department of Defence

Table D.3 sets out the allowances in the PDF that were subject to FEMPI reductions. The Public Service Pay and Pensions Act 2017 provides for the restoration of these allowances on 1 October 2020.

**Table D.3: Allowances cut by FEMPI**

Security Duty Allowance
SDA for Portlaoise Prison Duty Allowance
Border Duty Allowance
Instructors Allowances
Specialised Instructors Allowance
Patrol Duty Allowance
Aid to the Civil Authority
Army Ranger Wing Allowance
Diving Allowance (Annual)
Diving Allowance Includes Diving Call Out Allowance
Emergency Medical Officer Allowance
Explosive Ordnance Duty Allowance
Fire Protection Pay
Maintenance of Essential Services Allowance
Military Service Allowance
Portlaoise Hospital Guard on call allowance
Naval Service In Charge Allowance
Outpost Allowance
Foreign Language Proficiency Allowance
Irish Language Allowance
Health & Safety Allowance
Personnel Support Service Allowance

Source: Department of Defence

**Table D.4: Allowances Proposed to be Abolished for New Beneficiaries under 2012 Review of Public Services Allowances**

NCO Account Holders
Health and Safety Officer Allowance
Principal Military Appointments Entertainment Allowance
Entertainment Allowance
Chaplains Housekeeping Allowance
Editors Connect and Cosantoir Allowance
Election Gratuity Allowance
Leading Instrumentalist Allowance
Underwear and Night Attire Allowance
Travel Warrants

Source: Department of Public Expenditure and Reform.

## Technical Pay

Enlisted Personnel who are in the Technical Corps of the Army, Naval Service and Air Corps receive a specific technical allowance associated with their skillset. This weekly technical allowance, known as ‘Tech Pay’ is supplemental to the basic pay they receive, which is the same as the basic pay of their Line rank counterparts. Tech Pay is graded from Tech Pay 1 to 6, based on the technical skills required for a post. Table D.5 provides examples of the posts that fall within each Tech Pay grade.

**Table D.5: Examples of Posts within each Tech Pay Group**

Tech Pay 1 (Examples)	Tech Pay 2 (Examples)	Tech Pay 3 (Examples)
Buglers/Pipe Band	Audio Video Production Assistant	Advanced Programmer (CIS)
Clerk	Cook	Ammunition Examiner Gr3 (Ordnance)
Driver	Fireman (Engineer)	Armourer (Ordnance)
Tent repairer (Ordnance)	Groom (Equitation)	Bricklayer (Engineer)
Writer	Librarian	Carpenter (Engineer)
Clerk Stores	Mechanic	Dental Surgeon (Medical)
AMC Medics (Medical)	Photographer (Air Corp)	Electrician (Engineer)
Barbers	Radio Operator (CIS)	Fitter (Transport/Cavalry/Engineer)
Technician Gr 1	Tailor	Joiner (Engineer)
Flight Attendant (Air Corp)	Telegraphist (CIS)	Painter (Engineer)
	Communications Operator (CIS)	Photographer (Naval Service)
	Technician Signals (CIS)	Plumber (Engineer)
	Diver Gr 2 (Naval Service)	Printer
	Instrumentalist (School of Music)	Sheet Metal Worker (Engineer)
	AMC Medic Gr 2 (Medical)	Turner (Engineer)

	Ammunition Examiner (Ordnance)	Welder (Engineer)
	Tech 2 Diver ( Naval Service)	Air Corps Refueller (Air Corp)
		Maps draughter/Cartographer (Engineer)
		Instrumentalist (School of Music)
		IT Support Technician (CIS)
		Diving Gr3 (Naval Service)
		Emergency Medical Technician (Medical)
		Sensor Air Radar Operator (Air Corp)
<b>Tech Pay 4 (Examples)</b>	<b>Tech Pay 5 (Examples)</b>	<b>Tech Pay 6 (Examples)</b>
Aircraft Inspector (Air Corp)	Air Traffic Control Aerodrome and Approach Radar Controller (Air Corp)	Air Traffic Controller (Air Corp)
Aircraft Mechanic (Air Corp)	Aircraft Inspector (Air Corp)	Aircraft Inspector (Air Corp) Senior
Chef	Analyst Programmer (CIS)	Laboratory Technician (Medical)
Dental Hygienist (Medical)	Armament Artificer (Ordnance)	Senior Electronic Engineering Technician (CIS)
Diving GR 4 (Naval Service)	Communications and Information Technician Grade A (CIS)	Senior IT Support Technician (CIS)
Health & Safety NCO's	Dental Laboratory Technician (Medical)	Senior Communications and Information Technician (CIS)
CIS Technician (CIS)	Draughtsman (Engineer Corp )	Senior Software Engineering Technician (CIS)
Scenes of Crime Examiner (SOCE) Technician (Military Police)	Electrical Artificer (Naval Service) (Ordnance)	
MP Investigator (Military Police)	Electronic Engineering Technician (CIS)	
	Engine room Artificer (Naval Service)	
	Instrument Mechanic (Air Corp)	
	Instrument Repairer (School of Music)	
	IT Support Technician (CIS)	
	Laboratory Attendant (Medical)	
	Radar Technician	
	Radio Technician	
	Radio/Radar Technician (Naval Service)	
	Shipwright/Hull Artificer	
	Software Engineering Technician	
	Surveyor (Engineer Corps)	

Source: Department of Defence

**Table D.6: Current weekly rates for Technical Pay (Enlisted personnel):**

	Weekly Tech Pay	Annual Tech Pay
Tech Pay 1	€8.08	€421.61
Tech Pay 2	€26.90	€1,403.64
Tech Pay 3	€40.42	€2,109.12
Tech Pay 4	€53.93	€2,814.07
Tech Pay 5	€80.75	€4,213.54
Tech Pay 6	€134.69	€7,028.12

Source: Department of Defence

**Table D.7: Number of Enlisted Personnel in receipt of Tech Pay 2018**

Tech Group	Number in receipt
TECH PAY 1	1,406
TECH PAY 2	933
TECH PAY 3	594
TECH PAY 4	252
TECH PAY 5	226
TECH PAY 6	207
TOTAL	3,618

Source: Department of Defence

# Appendix E: The Totality of the Current Remuneration Package

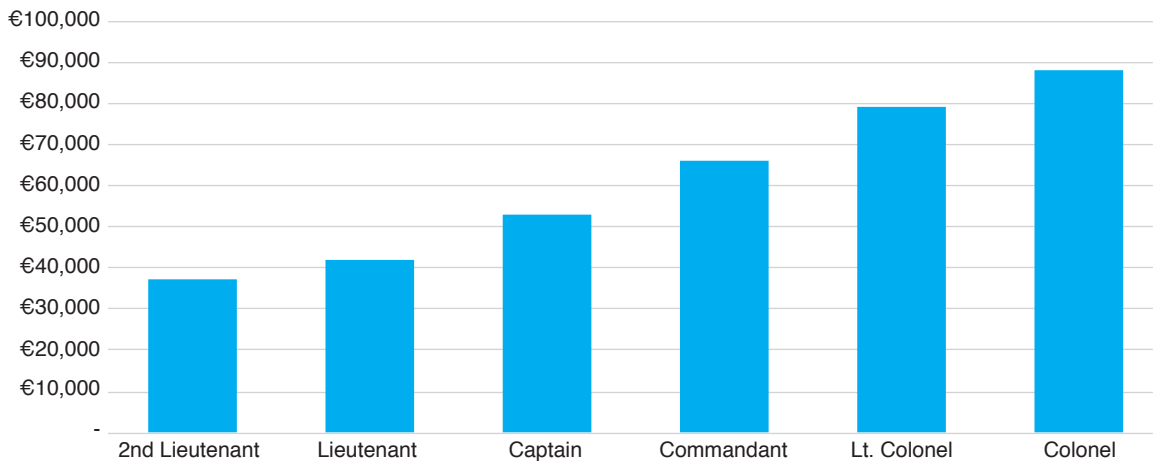
The Commission’s first Report examined the total remuneration package including pension and security of tenure in respect of public servants. These findings can be accessed on the Commission’s website at <https://paycommission.gov.ie/publications>

In order to capture the totality of remuneration for this Report, the Commission has looked at the average pay levels in the PDF including allowances.

## Officer Earnings

Figure E.1 sets out the average earnings including allowances for a sample of PDF line officer ranks in 2018. In 2018, officers accounted for 12% of serving WTEs. The average gross earnings including allowances for all PDF officers in 2018 was €60,652. The ranks of Captain and Commandant, account for over one third of all PDF officers. The average gross earnings for a captain in 2018 was €53,138 and for a commandant was €66,496.

**Figure E.1: Average Line Officer Earnings (Excluding Overseas Allowance), 2018**

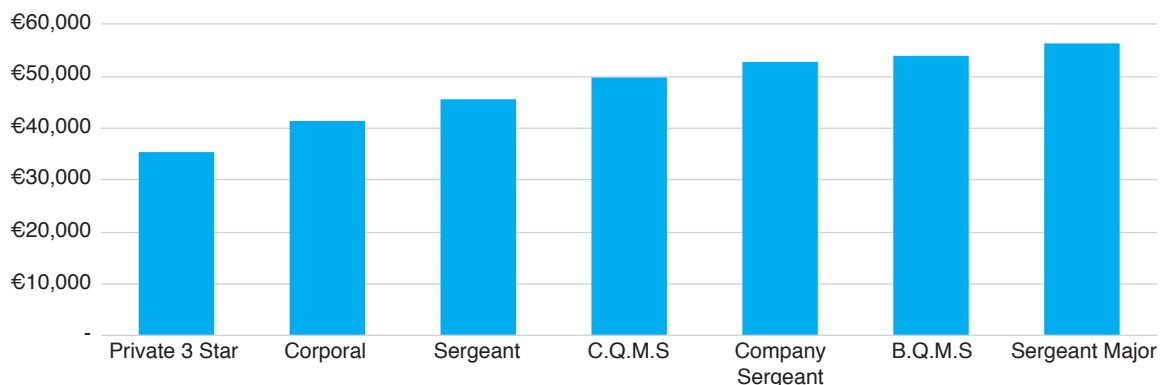


Source: Department of Defence

## Enlisted Personnel Earnings

Figure E.2 sets out the average earning including allowances for a sample of PDF enlisted ranks in 2018. Enlisted personnel accounted for 86% of the PDF in 2018. The average gross earnings including allowances for all enlisted personnel in 2018 was €39,260. Private 3 Star, accounts for 31% of all enlisted personnel. The average gross earnings for a Private Three Star was €35,207.

**Figure E.2: Average Enlisted Personnel Earnings (Excluding Overseas Allowance), 2018**



Source: Department of Defence

# Appendix F: PDF Pension Schemes and Additional Superannuation Contributions

## Pension arrangements for those who joined before April 2004:

**Main features:** Benefits are payable immediately on retirement after relatively short periods of service, and regardless of age. There is no preservation of benefits.

### Officers:

- Pension and gratuity payable on retirement after 12 years' service;
- Maximum pension ( $\frac{1}{2}$  pay\*) payable from 23 – 28 years' service depending on rank, service in rank, overall service etc.;
- Maximum gratuity ( $1\frac{1}{2}$  times pensionable pay) is payable within 4 years of normal retirement age for the rank;
- Pre-6 April 1995 officers (insured for modified PRSI 'Class C') pay  $1\frac{1}{2}\%$  contribution towards spouses' and children's pensions, but no 'main scheme' contribution; and
- Post-5 April 1995 officers (full PRSI 'Class A') pay standard public service  $6\frac{1}{2}\%$  pension contributions.

\*Pensions are subject to standard integration with the Social Insurance system. In effect, maximum pension equals 50% of pensionable pay less the annual maximum personal rate of State Pension Contributory (SPC).

### Enlisted personnel:

Pension and gratuity are payable on retirement after 21 years' service, with maximum benefits payable after 31 years' service;

- Pension is subject to a partial integration with Social Insurance system;
- Maximum pension is approximately 50% of reckonable pay, while maximum gratuity is 65 weeks' pensionable pay; and
- $1\frac{1}{2}\%$  spouses' and children's contribution; but no 'main scheme' or contribution.

## Pension arrangements for those who joined between April 2004 and December 2012

**Main features:** 'Minimum pension age' is 50 regardless of rank. This means that pension and gratuity are payable immediately on retirement only if member serves to age 50. Otherwise, where retirement is before age 50, pension and gratuity are preserved, i.e. payable from age 60.

### Officers and Enlisted Personnel:

- Benefits are fully pay-related and based on overall qualifying service and pensionable pay;
- Maximum benefits accrue over 30 years (rather than 40);
- Maximum pension generally equals  $\frac{1}{2}$  pensionable pay less the annual maximum personal rate of State Pension Contributory (SPC);
- Maximum gratuity equals  $1\frac{1}{2}$  times pensionable pay;
- Pension is subject to standard integration with Social Insurance system, as in public service pension schemes generally; and
- Officers pay standard  $6\frac{1}{2}\%$  contribution, while enlisted personnel pay  $1\frac{1}{2}\%$  to spouses' and children's scheme only.

## Pension arrangements for those who joined from 1st January 2013 onwards – Public Service Single Pension Scheme

- Retirement benefits are based on 'career average earnings', rather than 'final salary' as applies generally. Benefits to be linked to the CPI;
- 'Minimum pension age' is age 50; otherwise, where leaving before age 50, pension and gratuity will be preserved (deferred) - see below;

- Pensions, integrated with the Social Insurance system, accrue at a 'fast accrual' rate of 1/70th a year (instead of a standard 1/80th in other public service areas), but with a higher contribution rate of 7.5% (instead of standard 6.5% for new entrants generally); and
- Where compulsorily retired on HR policy grounds before age 50, preserved benefits will, exceptionally, be payable from age 60 rather than State Pension age (68) generally.

### Pension-Related Deduction and Additional Superannuation Contribution

- Under FEMPI, the Government introduced a Pension-related Deduction (PRD) from the remuneration of pensionable public servants. As of 1 January 2019, the PRD was replaced by an Additional Superannuation Contribution (ASC) payable by public servants on their pensionable pay. This section details the rates of PRD/ASC payable by public servants, according to the date of their entry to service.

#### Pension Related Deductions for All Public Servants in 2018

Band	Rate
Up to €28,750	Exempt
€28,750 to €60,000	10%
€60,000 plus	10.5%

#### ASC for Public Servants who are members of pre-2013 Pension Schemes with standard accrual terms.

##### 1 January 2019

Band	Rate
Up to €32,000	Exempt
€32,000 to €60,000	10%
€60,000 plus	10.5%

##### 1 January 2020

Band	Rate
Up to €34,500	Exempt
€34,500 to €60,000	10%
€60,000 plus	10.5%

#### All Public Servants who are members of pre-2013 Pension Schemes with fast accrual terms.

#### 1 January 2019 and 1 January 2020 - no change to rates

Band	Rate
Up to €28,750	Exempt
€28,750 to €60,000	10%
€60,000 plus	10.5%

#### ASC for All Public Servants including fast accruals who are members of the Single Public Service Pension Schemes.

##### 1 January 2019

Band	Rate
Up to €32,000	Exempt
€32,000 to €60,000	6.66%
€60,000 plus	7%

##### 1 January 2020

Band	Rate
Up to €34,500	Exempt
€34,500 to €60,000	3.33%
€60,000 plus	3.5%



# Appendix G: Ranks in the Permanent Defence Force

Service	Officer Ranks	Enlisted Personnel Ranks
Army	Cadet Second Lieutenant [2/Lt] Lieutenant [Lt] Captain [Capt] Commandant [Comdt] Lieutenant-Colonel [Lt Col] Colonel [Col] Brigadier-General [Brig Gen] Major-General [Maj Gen] Lieutenant-General [Lt Gen]	Recruit 2 Star [Pte 2*] 3 Star [Pte 3*] Corporal [Cpl] Sergeant [Sgt] Company Quartermaster Sergeant [CQMS] Company Sergeant [CS] Battalion Quartermaster Sergeant [BQMS] Battalion Sergeant Major [BSM]
Naval Service	Cadet Ensign [ENS] Sub-Lieutenant [Sub Lt] Lieutenant (NS) [Lt] Lieutenant Commander [Lt Cdr] Commander [Cdr] Captain [Capt] Commodore [Comod] Rear Admiral [RADM] Vice Admiral [VADM]	Recruit Ordinary Seaman [OS] Able Seaman [AS] Leading Seaman [LS] Petty Officer [PO] Senior Petty Officer [SPO] Chief Petty Officer [CPO] Senior Chief Petty Officer [SCPO] Warrant Officer [WO]
Air Corps	Cadet Second Lieutenant [2/Lt] Lieutenant [Lt] Captain [Capt] Commandant [Comdt] Lieutenant-Colonel [Lt Col] Colonel [Col] Brigadier-General [Brig Gen]	Apprentice 2 Star [Armn/Arwn 2*] 3 Star [Armn/Arwn 3*] Corporal [Cpl] Sergeant [Sgt] Flight Quartermaster Sergeant [FQMS] Flight Sergeant [F/Sgt] Regimental Quartermaster Sergeant [RQMS] Regimental Sergeant Major [RSM]

Source: Department of Defence

# Appendix H: Acronyms

ATC - Air Traffic Control	PSPC - Public Service Pay Commission
ATS - Air Traffic System	RACO - Representative Association of Commissioned Officers
ASC - Additional Superannuation Contribution	RDF - Reserve Defence Force
CAO - Central Applications Office	RRPs - Recruitment and Retention Payments
CIS - Communications and Information Services	SCS - Service Commitment Schemes
CMU - Central Medical Unit	SDA - Security Duty Allowance
CTM - Career and Talent Management	SGP - Stability and Growth Pact
COE - Corps of Engineers	TTS - Trainee Technician Scheme
DF - Defence Force	WTE - Whole Time Equivalent
DFTC - Defence Force Training Centre	
DoF - Department of Finance	
DPER - Department of Public Expenditure and Reform	
EAS - Emergency Aeromedical Services	
EOD - Explosive Ordnance Disposal	
EOI - Expression of Interest	
ERAs - Engine Room Artificers	
ESRI - Economic and Social Research Institute	
EU - European Union	
EWTD - European Working Time Directive	
FDI - Foreign Direct Investment	
FEMPI - Financial Emergency Measures in the Public Interest	
GDP - Gross Domestic Product	
GNI* - Gross National Income Modified	
HR - Human Resources	
HRA - Haddington Road Agreement	
HQ - Head Quarters	
MDD - Modified Domestic Demand	
MSA - Military Service Allowance	
NATO - North Atlantic Treaty Organisation	
NCO - Non Commissioned Officer	
NZDF - New Zealand Defence Force	
NS - Naval Service	
PDF - Permanent Defence Force	
PDFORRA - Permanent Defence Force Other Ranks Representative Association	
PRD - Pension Related Deduction	
PSSA - Public Service Stability Agreement	

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**An Coimisiún um Pá  
na Seirbhíse Poiblí**

**PUBLIC SERVICE  
PAY COMMISSION**

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