AUSTRALIAN GOVERNMENT

Defence Force

Remuneration Tribunal

Annual Report



Period: 1 July 2018 – 30 June 2019

President's overview

Once again the highlight this year has been the opportunity to engage with ADF personnel and to hear their personal experiences in relation to the salary and salary related allowance matters we considered. Every member we have met, whether as a witness giving evidence before us in hearings, or during our inspections to ships, units and establishments, has been willing to explain their role and the environment in which they work – from the difficulty of moving around in a ship in refit to the complexities of mission planning and flight execution in an aviation squadron.

Of note we were not only informed, but also impressed and entertained, by the range of skills of the Army Band during the inspection for Matter 3 of 2018 – *Australian Army Band Corps Restructure* in which the Band performed for us on parade, in a jazz ensemble and as a rock band. This allowed us to understand the multi-skilled application of musicians from arranging, instrumentalists, audio engineering and drum major roles. To see an arrangement produced from a video clip of a choir through to a written piece of music suitable to be played at a formal occasion was fascinating.

We have finalised 11 matters this year, the largest and most complex being Matter 6 of 2018 - *ADF Rotary Wing aviation officers* which commenced with an inspection in early July 2018. That inspection provided time at the Army Aviation Training Centre, Swartz Barracks, Oakey and at both 16 Aviation Brigade and 5th Aviation Regiment in Townsville. We were privileged to witness, and engage in, air assault mission planning processes and simulation training. While the inspection was located at Army units it also included elements of Naval aviation who had deployed to Townsville from 808 and 816 Squadrons, HMAS *Albatross*, Nowra.

In October 2018 we conducted an inspection to at Fleet Base East in Sydney and spent time in HMA Ships *Canberra, Newcastle, Yarra, Kuttabul* and *Waterhen* while considering Matter 7 of 2018 - *Maritime Allowances Review*. During that inspection we were briefed on the challenges faced by Navy with expectations of personnel in relation to their conditions of service at sea. It was enlightening to learn of the effect that connectivity has on members while away from home.

While in Sydney we also heard Matter 5 of 2018 - *Air Force Personnel Psychologist* which, while an Air Force matter, dovetailed into the vital importance of care of all personnel, whether at home or deployed, and the need for permanently serving psychology experts in the ADF.

On the papers this year we considered, among others, the Navy Gap Year Officer program and we were pleased to hear about the success of this program and the numbers of young men and women applying across all three Services. We wish them all well in their endeavours as they explore the option of service in the ADF.

The Australian Public Service Commission continues to provide our Secretariat support and we again thank them for their ongoing professional support and advice. In particular the assistance provided by our Advisor, Ms Katrina Blazey, is commendable.

Ingrid Asbury President

1. INTRODUCTION TO THE TRIBUNAL

The Defence Force Remuneration Tribunal was established in 1984 to determine the pay and allowances of members of the Australian Defence Force (ADF), considering the special nature of ADF service.

The Tribunal is an independent authority established under section 58G of the *Defence Act 1903* (the Act). The functions of the Tribunal, as set out in section 58H(2) of the Act, are to:

(a) inquire into and determine the salaries and relevant allowances to be paid to members; and

(b) inquire into and make determinations in respect of prescribed matters that have been referred to the Tribunal.

In addition, under section 58KD:

The Tribunal may, in making a determination, give effect to any agreement reached between the Minister, acting on behalf of the Commonwealth, and the Chief of the Defence Force, acting on behalf of the members of the Australian Defence Force, in relation to a matter to which the determination relates.

2. MEMBERSHIP OF THE TRIBUNAL

The Tribunal consists of three part-time members who are appointed by the Governor-General. In accordance with the relevant legislation, the President is a presidential member of the Fair Work Commission and members must include a person who is experienced in industrial relations matters and a person who has previously been a permanent member of the ADF.

Details on the current members of the Tribunal are available at: <u>http://www.dfrt.gov.au/about</u>

3. THE PERFORMANCE OF TRIBUNAL FUNCTIONS

The Act provides that the Tribunal may regulate the conduct of its proceedings and is not bound to act in a formal manner. The Tribunal may inform itself on any matter in such a manner as it thinks fit and is not bound by the rules of evidence.

4. THE OPERATIONS OF THE TRIBUNAL

In order to have the Tribunal consider matters, the ADF makes applications to have a specific matter heard. The ADF and Commonwealth present written submissions to the Tribunal and make recommendations on whether the matter should be heard formally, considered on papers or informed by conference. Some Tribunal decisions are informed by inspections.

On completion of hearings or conferences, the Tribunal adjourns to consider the evidence and the draft determination put to them by the parties. This results in a formal written decision providing reasons for the Tribunal's conclusions. Both the decision and the determination are published on the Tribunal's website. Determinations are subsequently tabled in Parliament by the Minister Assisting the Prime Minister for the Public Service and Cabinet.

5. PARTIES AND THEIR ADVOCATES

The major parties appearing before the Tribunal are the ADF, represented by the Defence Force Advocate, and the Commonwealth. These parties are entitled to be present and to make submissions during any proceedings.

The office of Defence Force Advocate is held by Mr Jeffrey Philips SC. The Commonwealth is represented by employees of the Australian Public Service Commission (APSC); over the period of this report the advocate role for the Commonwealth was performed by Ms Alison Sullivan and Mr John Preuss.

6. INTERVENERS

Under section 58K (10) of the Act, where the Tribunal thinks that a person or body should be heard in relation to a matter, the Tribunal may permit them to make a submission or to seek leave to appear before the Tribunal.

7. No parties applied to intervene during the year.

8. **REVIEWS**

The Tribunal has a statutory obligation under section 58H(6) of the Act to inquire into and make a further determination in respect of matters it has previously determined:

(a) within 2 years of the first-mentioned determination taking effect; or

(b) if the Minister, by notice in writing given to the President, requests the Tribunal to make a further determination in respect of those salaries and allowances within a shorter period of the first-mentioned determination taking effect – within that shorter period.

9. HEARINGS

Where the Tribunal determines that a formal hearing is required, it is usually held in Canberra and, unless security restrictions prevent it, conducted in public.

10. MATTERS CONSIDERED IN 2018–19

The complexity of matters means that they are often considered over a period of months and can involve a combination of hearings, inspections and conferences.

A list of all matters considered during the year and the resultant determinations are published on the website: <u>http://www.dfrt.gov.au/matters</u>

The major matters listed by the ADF for consideration in 2018-19 are detailed below:

Matter 12 of 2017 - Royal Australian Navy: Cryptologic Network Sailors

Matter 3 of 2018 - Army Band Corps Restructure

Matter 5 of 2018 - Air Force: Personnel Psychologist

Matter 6 of 2018 – ADF Rotary Wing Aviation Officers

Matter 7 of 2018 – Maritime Allowances Review (awaiting ADF submission)

Matter 9 of 2018 – 2018 Special Operations Review

Matter 14 of 2018 – Navy: Gap Year Officers (under consideration)

Matter 1 of 2019 – Annual Review of Determinations (ongoing)

Matter 2 of 2019 -<u>Navy: Retention incentive payment</u>

Matter 3 of 2019 – ADF Joint Cyberspace Warfare Employment categories (*under consideration*)

Matter 6 of 2019 – Air Force: Network Technician employment category (awaiting ADF submission)

Administrative matters

The following matters were administrative in nature or were concerned with name or structural changes. The Tribunal considered them on papers or in conference with the parties.

Matter 8 of 2018 - Chief Joint Capabilities - withdrawn by the ADF

Matter 10 of 2018 - Royal Australian Navy: Electronic Warfare Submariner

Matter 11 of 2018 - Royal Australian Navy: Physical Training Instructor

Matter 12 of 2018 - <u>Royal Australian Navy: Submariner employment categories for Warrant</u> <u>Officers</u>

Matter 13 of 2018 - Royal Australian Navy: Aerospace Engineer Officer

Matter 4 of 2019 – Transition arrangements for O9/O10 officers (under consideration)

Matter 5 of 2019 – Technical amendments to DFRT Consolidated determinations (*under consideration*)

11. INSPECTIONS

Inspections may be initiated by the Tribunal or the parties when it is considered that a practical review of work performed by ADF members will be critical to the Tribunal's understanding of a particular matter. Inspections are most beneficial in assisting the Tribunal to reach decisions because they allow Tribunal members to witness firsthand, albeit in a limited way, the working and living conditions of ADF members across a range of employment categories and localities. The ADF and Commonwealth parties, as well as the Secretariat Advisor, normally accompany the Tribunal on inspections.

Two inspections were conducted during the year: <u>Maritime Allowances Inspection</u> and <u>ADF</u> <u>Rotary Wing inspection</u>.

12. VISITS

The Tribunal undertakes visits to ADF units, establishments and vessels without specific reference to particular matters. These visits include open forums with ADF members of all ranks. The meetings are informal and often include a short explanation of the role and function of the Tribunal, followed by a discussion period during which personnel have the opportunity to raise issues or ask questions.

No visits were conducted during the year.

13. TRIBUNAL ADMINISTRATION

Secretariat support

The Tribunal is supported by a secretariat staffed by employees of the Australian Public Service Commission (APSC) which operates from premises in the Treasury Building, Parkes ACT. The Tribunal sits at premises at 12 Moore Street, Canberra, ACT when conferences and hearings are held.

Financial matters

The Tribunal's financial requirements are met through the APSC; there are no separate accounts applicable to the Tribunal.

Website

The Tribunal's website (<u>www.dfrt.gov.au</u>) is hosted by the APSC. The website provides detailed information on the Tribunal's current activities, work program and hearing schedule. It also provides historical information on the Tribunal' operations and decisions.

Freedom of information

The Tribunal is considered to be a separate agency for the purposes of freedom of information. Agencies subject to the *Freedom of Information Act 1982* (FOI Act) are required to publish information to the public as part of the Information Publication Scheme. The Tribunal publishes this information on the website.