#### DFRT 15/25



# Australian Government

**Defence Force Remuneration Tribunal** 

## **STATEMENT**

Defence *Act 1903* s.58H—Functions and powers of Tribunal

### ANNUAL REVIEW OF DETERMINATIONS: SALARIES AND ALLOWANCES - 2016

(Matters No 1 and 2 of 2016)

MS I. ASBURY, PRESIDENT

MR A. MORRIS, MEMBER

CANBERRA, 14 OCTOBER 2016

#### RADM J. GOLDRICK AO CSC RAN RTD, MEMBER

[1] Subsection 58H(6) of the *Defence Act 1903* (the Act) prescribes that "where a determination of the Tribunal in respect of the salaries and relevant allowances to be paid to members is in force, the Tribunal shall inquire into and make a further determination in respect of those salaries and allowances:

- 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 place within the shorter period".

[2] Pursuant to this obligation, the ADF submitted 36<sup>i</sup> determinations made by the Tribunal between January 2013 and May 2016 and outlined the intended purpose and impact of each one.

[3] At a hearing in this matter on 14 September 2016 Mr J. Phillips SC appeared for the ADF and Ms J. Menaglio for the Commonwealth.

Statement- Matters 1 and 2 of 2016 - Annual Review of Determinations.

#### Background

[4] Historically this task has come to be referred to as an 'annual review' although we note that s.58H(6) refers to an obligation to 'inquire into' determinations. We continue to adopt the description noting the obligation as set out in the legislation.

#### Submissions

[5] The ADF submission<sup>ii</sup> provided a synopsis of the status of each of the 36 determinations, their position on the short term future of the related salary and/or allowance, and any key points for our consideration.

[6] The submission made findings on those determinations in three categories as detailed below:

#### a) Determinations that require no further action:

- 1 of 2013 RAA Corps of Signals
- 3 of 2013 Navy Imagery Specialist\*
- 4 of 2013 Army Employment Categories\*
- 5 of 2013 Navy Training Systems Officer\*
- 6 of 2013 Medical Procedural Specialists\*
- 7 of 2013 Senior Legal Officers\*
- 8 of 2013 Senior Officers\*
- 9 of 2013 Army Radar Operator\*
- 10 of 2013 SAS Trooper Grade 2
- 11 and 13 of 2013 ADF Allowances
- 15 of 2013 Navy Supply Branch
- 16 of 2013 Specialist Officer Aviation
- 17 of 2013 Dental Officer\*
- 19 of 2013 Workplace Remuneration Arrangement (WRA)
- 20 of 2013 Maritime Allowances
- 1 of 2014 Chaplains
- 2 of 2014 Medical Officers
- 3 of 2014 Air Force Employment Categories
- 4 of 2014 Senior Officers
- 5 of 2014 Operator Catering, Supply and Handler Petroleum
- 6 of 2014 Reserves
- 7 of 2014 Reserve Legal Officers
- 8 of 2014 Army Employment Categories
- 9 of 2014 WRA
- 10 of 2014 RAA Corps of Signals
- 12 of 2014 Chaplains
- 13 of 2014 SAS Trooper Grade 2
- 14 of 2014 Removal of discounted rates

#### **b)** Determinations that require further amendment:

- 2 of 2013 Trainee Allowance\*
- 12 of 2013 Language Proficiency Allowance

#### c) Determinations for review in 2017:

- 14 of 2013 Allowance for Specialist Operations\*
- 18 of 2013 Allowance for Specialist Operations
- 11 of 2014 Special Forces
- 1 of 2015 Combat Controllers and Combat Control Officers
- 10 of 2015 Special Forces
- 11 of 2015 Special Forces
- 12 of 2015 Clearance Diver and Unpredictable Explosives
- 13 of 2015 Paratrooper

\* reviewed in 2015.

[7] The Commonwealth indicated '*broad support*'<sup>iii</sup> to the ADF application and acknowledged "*a number of determinations…which the ADF are intending to review next year as a whole*".<sup>iv</sup>

#### Consideration

**[8]** We considered the ADF submission that "*most determinations were implemented successfully and without unforeseen difficulties*". We accept that where a need for change was identified it was "generally due to substantial changes in the environment which required review outside the initial scope of the determination".<sup>v</sup>

[9] We require an assessment of the determinations listed at paragraph 6.b) and c) be returned to us within the next calendar year.

#### Conclusion

**[10]** We accept that an evaluative approach was undertaken by both the ADF and Commonwealth. We agree this was completed with the intention of recommending whether there was a need for a further determination in order for the original determination to achieve its intended effect.

**[11]** Having inquired into each of the determinations, and taking into account the submissions, we do not intend to issue a further determination in respect of salaries or allowances reviewed in this matter. The consideration of these matters and this Statement constitutes review as required under the Act.

**[12]** This review does not preclude the ADF or the Commonwealth bringing forward any employment categories or existing determinations for consideration by this Tribunal at a future date. Any application to do so should be made in the usual manner.

#### MS I. ASBURY, PRESIDENT MR A. MORRIS, MEMBER RADM J. GOLDRICK AO CSC RAN RTD, MEMBER

Appearances:

Mr J. Phillips SC assisted by Ms Robertson for the ADF

Ms J. Menaglio assisted by Mr S Leung for the Commonwealth

<sup>iv</sup> Transcript 14 September 2016 page 7 line 38.

<sup>&</sup>lt;sup>i</sup> Of these determinations, ten were reviewed last year in Matters 3 and 4 of 2015 - *Annual Review of Allowances and Salaries* and are included here to maintain a chronological approach.

<sup>&</sup>lt;sup>ii</sup> ADF1 – 2016 Review of Salary and Allowance Determinations of 14 and 15 September 2016.

<sup>&</sup>lt;sup>III</sup> Commonwealth 1 – Annual Review of Salary and Allowance Determinations dated 6 September 2016.

<sup>&</sup>lt;sup>v</sup> ADF 1 page 9 para 1.03