# Defence Force Remuneration Tribunal Annual Report



Period: 1 July 2020 – 30 June 2021

# Tribunal overview

Over the last year, the Tribunal's activities, and its ability to conduct business, have continued to be impacted by COVID-19 restrictions. As a result of these restrictions, hearings were predominantly held by teleconference and no visits or inspections to ADF ships, units or establishments were able to be conducted. It is important to note that many members of the ADF have been relied upon throughout the year to provide assistance to Federal, State and Territory governments during the COVID-19 pandemic. This has been particularly evident in such activities as hotel quarantine and border control. The Tribunal would like to express its appreciation for their consistent and commendable efforts.

There have been a number of changes to Tribunal membership this year, commencing with Rear Admiral James Goldrick AM CSC RAN leaving the Tribunal at the cessation of his tenure on 12 November 2020. Rear Admiral Goldrick's expertise and passion for the history of the ADF, particularly in the context of matters brought before the Tribunal, will be greatly missed. Major General Gerard Fogarty AO (Retd) was welcomed on 10 December 2020 and we look forward to working with him over the coming years.

The term of appointment of the President, Ms Ingrid Asbury expired on 14 April 2021. Ms Asbury has been a remarkably energetic President - always ready to meet ADF members in their place of duty and engage with them at all levels – from meeting Army recruits in the field in the pouring rain while eating from a ration pack, to helicopter winch descents with the Navy! The term of appointment of Mr Adrian Morris expired on 12 May 2020. Mr Morris was a deeply valued member of the Tribunal and his calm demeanour, technical expertise, and curiosity always put those appearing before the Tribunal at ease during a hearing.

At the time of preparing this report the positions of President and Industrial Relations Member remain vacant.

I would like to note that significant numbers of matters were completed prior to April 2020 to ensure any gap in appointments would not impact ADF members adversely, and that as many matters as possible were finalised. For this I commend the commitment and efforts of the outgoing Tribunal members, the Tribunal Advisor, Ms Katrina Blazey, and the parties - the Directorate of Military Remuneration within the ADF, led by Captain Jayne Craig RAN and the Commonwealth Advocate, Mr Patrick Hoang.

A major matter before the Tribunal this year was its consideration of the ADF Workplace Remuneration Arrangement 2020-2023. The Tribunal determined a 2 per cent increase to ADF salary and salary-related allowances per year, with effect from 13 May 2021, over the Agreement's three year duration. This was achieved at the same time as the Secretariat, ADF and Commonwealth worked closely together to administer the impact of the ADF Modernisation Program which combined a range of allowances into a revised Military Salary structure. In essence, this program has simplified the remuneration structure by rolling Service Allowance, Uniform Maintenance and Trainee Allowances into a combined Military Salary; the most fundamental shift in ADF salary and allowances for many years and one which will continue to develop before a new Tribunal in the near future.

Finally, the Tribunal and its Secretariat farewelled the purpose built premises in Canberra city centre where it had conducted hearings since 1996. The Tribunal anticipates being able to occupy new premises in the Treasury Building in Parkes, ACT in late 2021.

Martyn Hagan Secretary

#### 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.

At the time of this report the Tribunal has only one member appointed.

# 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 Assistant Minister to the Minister for the Public Service.

#### 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 APSC) over the period of this report the advocate role for the Commonwealth was performed by Mr Patrick Hoang.

#### 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. The Defence Force Welfare Association was granted leave to appear in Matter 12 of 2020 – ADF Workplace Remuneration Arrangement 2020-2023.

#### 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.

These reviews are conducted as the first matter of each year.

# 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 2020-21

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: <a href="http://www.dfrt.gov.au/matters">http://www.dfrt.gov.au/matters</a>

The major matters listed by the ADF for consideration in 2020-2021 are detailed below:

Matter 4 of 2020 – Navy: Retention Incentive Payment 2020 Report Backs

Matter 12 of 2020 – <u>ADF Workplace Remuneration Arrangement 2020-2023</u>

Matter 13 of 2020 - Navy: Remote Pilot Warfare Officer

Matter 16 of 2020 - ADF Allowances Modernisation - Tranche 1

Matter 17 of 2020 - ADF Tri-Service Medical Officers

Matter 19 of 2020 - Aircrewmen and Loadmaster employment categories - Direct entry

Matter 1 of 2021 – Annual Review of Determinations (under consideration)

Matter 5 of 2021 - <u>ADF Medic Employment categories - temporary entry placements - Report Back</u>

Matter 6 of 2021 – Navy Retention Incentive Payment 2021 – Report Back (under consideration)

Matter 7 of 2021 – 1st Recruit Training Battalion Recruit Instructor - Final Report Back

#### **Administrative matters**

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

Matter 11 of 2020 - Royal Australian Engineers: Surveyor employment category

Matter 14 of 2020 - Army: Distribution Operator employment category

Matter 15 of 2020 - Air Force: employment category name changes

Matter 18 of 2020 - <u>ADF Legal Officers Specialist Officers - Specialist Officer Career Structure</u>
- <u>training changes</u>

Matter 20 of 2020 - Special Forces Review: Report Back

Matter 21 of 2020 - Air Force: Air Intelligence Officers

Matter 21 of 2020 – <u>Air Force: Officer Aviation Pay Structure Report Back</u>

Matter 2 of 2021 – <u>Navy: Maritime Logistics Supply Chain employment category - General Service and Submariners</u>

Matter 3 of 2021 - <u>Service Warrant Officers - Daily rate of salary for Reserves</u>

Matter 4 of 2021 – Royal Australian Corps of Transport - Operator Movements

#### 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.

Due to COVID-19 restrictions no inspections were able to be conducted during this year.

## 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 able to be conducted during the year.

## 13. TRIBUNAL ADMINISTRATION

## Secretariat support

The Tribunal is supported by a secretariat staffed by employees of the APSC which operates from premises in the Treasury Building, Parkes, ACT. The Tribunal sits at premises in Canberra 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 information on the Tribunal's current activities, work program and hearing schedule. It also provides historical information on the Tribunal's operations and decisions.

## **Freedom of information**

The Tribunal is considered to be a separate agency ?from the APSC 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.