



# Defence Force Remuneration Tribunal

## DECISION

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

### **ROYAL AUSTRALIAN NAVY: SURFACE WARFARE OFFICER** (Matter 8 of 2024)

MS B. O'NEILL, PRESIDENT

MR A. MORRIS, MEMBER

CANBERRA, 22 JULY 2024

MAJGEN G. FOGARTY AO RETD, MEMBER

[1] This decision arises from a listing application from the Australian Defence Force (ADF) for a determination to be made under Section 58H of the *Defence Act 1903* (the Act). The listing application<sup>1</sup> seeks to contemporise the Maritime Warfare Officer – Principal Warfare Officer employment category by establishing and renaming a stand-alone category to be known as the Surface Warfare Officer.

[2] We considered this matter in a hearing on 26 June 2024. Ms K Hagan appeared for the ADF and Mr K Wong for the Commonwealth. Commander K Jones RAN, Deputy Director Maritime Surface Warfare Workforce appeared as a witness for the ADF.

### **Background**

[3] Maritime Warfare Officers (MWO) are responsible for the safe conduct of a Naval ship at sea in all aspects of navigation, collision avoidance and safety, and enable all of the core war fighting functions of the ship. Principal Warfare Officer (PWO) is a specialised stream that coordinates the use of weapon and sensor systems and generates the tactical picture to achieve operational outcomes and fight the ship at sea.

## Submissions

### ADF

[4] The ADF states *‘the key elements of the application include establishing the employment category and skill grade nomenclature, streamlining the training pipeline and aligning career progression with Navy’s Mastery paradigm. There are no pay grade increases proposed however some members will attain pay grade 5 more quickly than under the current continuum’*.<sup>2</sup>

[5] It submits that, in 2019, Navy conducted a review into the MWO workforce which identified four key issues:

- a. the current continuums did not develop the deep warfare specialists required to meet future capabilities;
- b. the workforce structure was not agile enough to adapt to ever-changing future requirements;
- c. current training continuums were inefficient, protracted and did not deliver the right training at the right time; and
- d. the workforce return to health was plagued by mid-rank hollowness, unclear career expectations and insufficient throughput.<sup>3</sup>

[6] In September 2022, the Surface Warfare Officer (SWO) concept was endorsed and, in December that year, the Deputy Chief of Navy approved the proposal to establish the workgroup.<sup>4</sup>

[7] As a result, the ADF now specifically seeks to:

- a. separate the MWO-PWO from the broader MWO category to form a new stand-alone workgroup;
- b. rename the MWO-PWO to SWO;
- c. establish pay grade placements for the SWO work group in the Graded Officer Pay Structure (GOPS);
- d. transition and upskill existing members from the relevant MWO workgroups; and
- e. inform this Tribunal of the revised MWO family and career profile for the SWO workgroup including the introduction of ab initio recruitment and training.<sup>5</sup>

[8] It is submitted that the majority of changes sought ‘arise from the creation of a stand-alone category and alignment with Navy’s Mastery stages of Foundation, Intermediate, Advanced and Master’.<sup>6</sup> Mastery stages for this workgroup are based on achievement of continual professional development across an entire career with:

- a. the Foundation stage focussed on developing the foundations of warfare principles and the ability to drive surface fleet units as an Officer of the Watch (OOW);
- b. the Intermediate level building on the foundation stage and delivering niche capability based on a chosen core role pathway;
- c. the Advanced SWO being considered a deep subject matter expert; and
- d. Mastery focussed on exploiting mastery in capability lead and Command roles.<sup>7</sup>

[9] The submission proposes the GOPS placements of the new category will mirror the existing MWO-PWO pay grade placements, with the exception of expanding pay grade 5 to recognise the subject matter expertise and pre-specialist skill set of the Intermediate mastery level, as detailed below:<sup>8</sup>

CAPT +	MWO-PWO Current	SWO Proposed	
CMDR	CO MFU	CO MFU (Master)	PG9
	Shore Command	Shore Command (Master)	PG8
LCDR	XO MFU / CO MWV	XO MFU / CO MWV (Advanced Plus)	PG7
	PWO	SWO (Advanced)	PG6
LEUT	MWO ADQUAL (N, CIW, FC)	SWO (Intermediate)	PG5
	MWO BWC (PQ)	SWO Foundation (PQ)	PG4
SBLT	MWO Under Training	SWO Under Training	PG2

## Commonwealth

[10] The Commonwealth did not oppose the ADF proposal. However, it questioned the extent of the costings associated with the restructure.<sup>9</sup>

## Witness Evidence

[11] Commander (CMDR) K Jones RAN gave oral and written evidence in support of the proposal, explaining that *‘Navy needs to contemporise and create efficiencies in training packages, expand options for recruitment, enable more effective workforce planning and provide clearer career pathways for members’*.<sup>10</sup>

[12] CMDR Jones stated that the current MWO construct is *‘no longer fit for purpose’*, with a training system that is *‘protracted and outdated’*, and which has been *‘inefficient and ineffective in developing the deep subject matter experts required.’*<sup>11</sup> She cited the example of *‘once an OOW completes their consolidation at sea (Foundation level) the officer is unlikely to be involved in any further warfare training or professional development until they attend PWO course which can be up to six years later’*. We accept this gap means that the 12-month long PWO Course then requires a *‘significant amount of upskilling of the MWO’* which can be seen as *‘daunting’*, demanding a *‘lot of commitment to undertake, which is a significant barrier to individuals progressing through the PWO pathway’*.<sup>12</sup>

[13] At present MWO’s remain at pay grade 4 until they complete PWO course, then move directly to pay grade 6. We considered the evidence that, at the Intermediate mastery level they are considered able to execute their roles *‘above and beyond what is the OOW, but not necessarily to the same complexity as the PWO is doing it’*.<sup>13</sup> We accept this cohort is *‘working above and beyond what the OOW does’* and that they are doing *‘their OOW duties, albeit on a smaller ship, but they are also adding in their function to be that second-in-command or they are navigating’*.<sup>14</sup>

[14] Noting the PWO workgroup is deemed *‘critical’*,<sup>15</sup> CMDR Jones gave detailed evidence concerning the SWO workforce health and stated that, to generate a sustainable workforce, the proposed workgroup will need *‘an inflow of 72 personnel per year’*. She explained that Navy needs to train *‘at least’* 30 PWO’s per year to attain workforce health within the next five years,. However, she indicated that current tracking indicates an average inflow of 23 between 2024 and 2030.<sup>16</sup> We do note that there was an increase in recruitment of MWOs in 2020, the flow-on effect of which is anticipated to occur in 2030, thereby reducing the hollowness to some extent.<sup>17</sup>

## Consideration

[15] We considered CMDR Jones’ evidence that *‘although the changes proposed could be considered administrative in that they involve a revised training continuum and work group name changes, Navy expects the benefits will be more wide ranging’*. We understand *‘it is anticipated that a new standalone category will contribute to the development of identity and community across a members career’* and *‘provide clearer pathways for members’*. We accept that Navy expect this to aid retention and incentivise members to remain within the workgroup.<sup>18</sup>

[16] From a recruitment view, we are encouraged that a stand-alone category will allow direct recruitment as SWOs and trust *'this will provide better expectation management of candidates, permit Navy to develop and action tailored work-group specific retention initiatives and allow more effective workforce planning, monitoring, development and assessment of the workgroup'*.<sup>19</sup>

[17] We agree that, at the Intermediate stage, the SWO will continue to be the *'niche subject matter expert'*<sup>20</sup> while also gaining increased warfare knowledge, experience and exposure through the revised training package. We accept that, for this cohort, *'the introduction of pay grade 5 will recognise both the narrow subject matter expertise and the increased autonomy over that required at the Foundation level'*. We also agree that *'this pay placement recognises the work value of SWO's at this stage but also acts as an attraction lever that is currently lacking for many prospective MWO-PWO's in the existing continuum'*.<sup>21</sup> In the hearing, we queried how many members this will impact and accept there are *'22 people who will directly align and go up to pay grade 5'*.<sup>22</sup>

[18] In the hearing, the Commonwealth queried the *'considerations made or challenges associated with transitioning a group such as the PWO to become its own employment category in terms of cultural challenges'*.<sup>23</sup> We accept CMDR Jones' evidence acknowledging there were challenges, particularly in relation to the nomenclature based on links to both the Anti-Surface Warfare sphere, and United States Navy terminology. We accept that Navy considers it has *'overcome that with our messaging and our briefing'*<sup>24</sup> and that *'the majority of the MWO-PWO workforce are now in agreeance and support the SWO workgroup'*.<sup>25</sup> We accept that communications will continue through workforce briefings and letters as well as discussions with all members regarding transition and career plans.<sup>26</sup> We do note the PWO badge will continue to be awarded to individuals who attain the SWO Advanced level.<sup>27</sup>

[19] We note the transition plans intended by Navy and recognise that 599 existing positions from Midshipman to Captain ranks will be reclassified as SWO positions, with a projected growth to 634 positions by 2029/30.<sup>28</sup> We accept the majority of the growth is projected to be at the Lieutenant rank to ensure a sustainable workforce structure. We note that *'all available modes of entry will be considered for the SWO workgroup'* and that this is to include *'direct entry, ADFA entry, Undergraduate entry, Workgroup transfer, Junior and Senior Sailor Commissioning, Inter-Service and Lateral transfers'*.<sup>29</sup>

[20] In the hearing, we addressed the concerns of the Commonwealth regarding the costs of the proposal. While the ADF submission stated the cost would be \$884,300<sup>30</sup> it was confirmed that this was a per annum cost based on the number of positions *'if the workforce was full and of health'* and therefore we accept this is a maximum estimated cost.<sup>31</sup> We accept the evidence it can be absorbed with Navy budget<sup>32</sup>, and are content this has satisfied the Commonwealth concerns.

## Conclusion

[21] We agree the creation of the SWO workgroup contemporises the current MWO-PWO career paradigm. We agree this provides for the development of deep specialist knowledge based on the Navy Mastery Pathway, a revised training system and suitably qualified and experienced personnel, and establishes a relevant and appropriate pay structure.

[22] Determination 5 of 2024 gives effect to our decision from 15 August 2024.

MS B. O'NEILL, PRESIDENT  
MR A. MORRIS, MEMBER  
MAJGEN G. FOGARTY AO RETD, MEMBER

### *Appearances:*

*Ms K Hagan for the ADF assisted by Flight Lieutenant L Hawkett*

*Ms K Wong for the Commonwealth assisted by Mr C Johnson*

### *Witness:*

*Commander K Jones RAN Deputy Director Maritime Surface Warfare Workforce.*

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<sup>1</sup> DMR BN73892596 Listing Application Navy: Surface Warfare Officer dated 12 April 2024.

<sup>2</sup> Ibid.

<sup>3</sup> ADF Submission Surface Warfare Officer dated 4 June 2024 (ADF1) page 12 paragraph 2.7.

<sup>4</sup> Head of Navy People Training and Resources signal Surface Warfare Officer (SWO) Workgroup 132241ZDEC22.

<sup>5</sup> ADF1 page 4 paragraph 1.6.

<sup>6</sup> Affidavit of Commander K F Jones RAN dated 17 June 2024 (ADF2) page 10 paragraph 33.

<sup>7</sup> ADF1 pages 24 to 32 paragraphs 5.11 to 5.43.

<sup>8</sup> ADF1 page 7 paragraph 1.12. MFU: Major Fleet Unit. MWV: Minor War Vessel. XO: Executive Officer. CO: Commanding Officer. ADQUAL: Additional Qualification - N: Navigator. CIW: Communications Information Warfare FC: Fire Controller. BWC: Bridge Warfare Certificate and PQ: Primary Qualification.

<sup>9</sup> Commonwealth submission Navy Surface Warfare Officer dated 26 June 2024 (CWLTH1) pages 9 and 10 paragraph 53.

<sup>10</sup> ADF2 page 4 paragraph 13.

<sup>11</sup> ADF2 page 7 paragraph 24.

<sup>12</sup> ADF1 pages 7 and 8 paragraph 24.

<sup>13</sup> Transcript pages 18 and 19 lines 44 to 1.

<sup>14</sup> Transcript page 18 lines 36 to 39.

<sup>15</sup> ADF1 page 4 paragraph 1.5.

<sup>16</sup> ADF2 page 9 paragraphs 31 and 32.

<sup>17</sup> ADF2 page 9 paragraph 32.

<sup>18</sup> ADF2 page 11 paragraph 39.

<sup>19</sup> ADF1 page 11 paragraph 40.

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- <sup>20</sup> Transcript page 18 line 39.
- <sup>21</sup> ADF1 page 17 paragraph 3.5.
- <sup>22</sup> Transcript page 22 lines 6 and 7.
- <sup>23</sup> Transcript page 24 lines 33 to 36.
- <sup>24</sup> Transcript page 24 line 45.
- <sup>25</sup> ADF2 pages 12 and 13 paragraph 47.
- <sup>26</sup> ADF1 page 43 paragraph 6.37.
- <sup>27</sup> ADF1 page 42 paragraph 6.32.
- <sup>28</sup> ADF1 page 34 paragraph 6.4.
- <sup>29</sup> ADF1 page 19 paragraph 4.7.
- <sup>30</sup> ADF1 page 44 paragraph 6.38.
- <sup>31</sup> Transcript page 22 line 32.
- <sup>32</sup> ADF1 page 44 paragraph 6.38.