

Defence Force Remuneration Tribunal



President's overview

This is my first report as President on the activities of the Defence Force Remuneration Tribunal. I was honoured to be appointed to the role in July 2023.

I firstly wish to acknowledge, and thank, the former President Ms Ingrid Asbury who served the Tribunal with dedication for just over 7 years. Her enthusiasm and interest in understanding the complexities of the specialised work undertaken by Australian Defence Force (ADF) members is one I guarantee to continue with equal commitment.

I also wish to thank the other Members of the Tribunal, Mr Adrian Morris and Major General Gerard Fogarty AO (Retd) who have made me most welcome and been patient enough to explain countless acronyms and workforce domains to me!

I am also very grateful and appreciative of the work of Ms Katrina Blazey, Advisor to the Tribunal., who does an exceptional job in enabling the DFRT to operate efficiently and professionally, ensuring we are well-briefed and prepared. Nothing is too much trouble, and Ms Blazey makes an invaluable contribution to the effective running of the Tribunal.

It has been fascinating to have the opportunity to conduct inspections of workforces and be exposed to the extremes of skills – from Special Forces to Nuclear Submariner workforces and everything in between – all of which were completely new to me and compelling.

The unique proficiencies of ADF members, and the dedication and enthusiasm they bring to their work is most extraordinary. I have quickly become aware of the challenges the ADF is facing with recruitment and retention, however I have seen nothing but excited and motivated people who perform their duties with pride and professionalism; each one is an excellent recruiter in their own right.

The conduct of the hearings for the matters we have considered this year has been professional and engaging. The collegiate approach between the ADF and the Commonwealth, coupled with rigorous analysis and review, has ensured we are presented with excellent materials and skilled witnesses, which makes our job unusually straightforward.

In late June I heard a phrase which has remained with me: 'this work is not for the faint hearted'. While it was said in relation to the Nuclear Submariner workforce, in my observation it is applicable to each and every member of the ADF workforce – it is truly a rare profession and one that requires courage and confidence.

I very much look forward to the next few years and the opportunity to meet many more ADF members and learn about their service – in turn, I thank them for their interest in our work.

Bernadette O'Neill 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 appointed by the Governor-General. In accordance with the relevant legislation. The President is to be a Deputy President 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. The current Tribunal members are Ms Bernadette O'Neill (President), Mr Adrian Morris (Member) and Major General Gerard Fogarty AO (Ret'd) (Member): https://www.dfrt.gov.au/about/tribunal-members.

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 matters are also 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 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 Defence Force Advocate is Ms Kendra Hagan. 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 Mr Harrison Miller, Mr Nicholas Doukas, Mr Matthew Guteridge, Mr Kris Wong and Mr Craig Johnson.

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. There were no interveners in matters during this year.

7. **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.

8. **HEARINGS**

Where the Tribunal determines that a formal hearing is required, it is usually held in Canberra. This year one hearing was held in Holsworthy, NSW in November 2023.

9. MATTERS CONSIDERED IN 2023-24

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: http://www.dfrt.gov.au/matters

The major matters listed by the ADF for consideration in 2023-2024 are detailed below:

- Matter 3 of 2023 Navy Retention Incentive Payment extension
- Matter 8 of 2023 ADF Workplace Remuneration Arrangement
- Matter 9 of 2023 Special Forces Salary Structure
- Matter 2 of 2024 Air Force: Air Surveillance Operator
- Matter 3 of 2024 Navy Intelligence Sailor
- Matter 4 of 2024 Air Force: Security Forces Officer
- Matter 7 of 2024 Nuclear Submariner Workforce Tranche 1
- Matter 8 of 2024 Navy Surface Warfare Officer
- Matter 9 of 2024 Navy Recruit Instructor

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 1 of 2023 Annual Review of Determinations 2023
- Matter 5 of 2023 Executive Vehicle Allowance
- Matter 6 of 2023 Air Force: Airborne Electronics Analyst
- Matter 7 of 2023 Cyber employment categories name changes
- Matter 10 of 2023 Submarine Capability Assurance Payment Amendments and
 Report Back

10. **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.

One <u>inspection</u> was conducted this year, in conjunction with Matter 9 of 2023, to Holsworthy Barracks, Liverpool NSW.

11. 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.

No visits were conducted this year.

12. TRIBUNAL ADMINISTRATION

Secretariat support

The Tribunal is supported by a secretariat staffed by employees of the APSC who operate from premises in the Treasury Building, Parkes ACT. The Tribunal sits in those premises 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 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.