

DEFENCE FORCE REMUNERATION TRIBUNAL

MATTER NO. 5 OF 2007

INTRODUCTION OF REVISED REMUNERATION ARRANGEMENTS FOR ADF WARRANT OFFICER CLASS 1 (EQUIVALENT) AND SERVICE WARRANT OFFICERS

REASONS FOR DECISION

On 25 May 2007 the Tribunal met with a wide range of ADF Warrant Officer Class 1 (Equivalents) - WO1(E), at the Royal Military College of Australia, Duntroon for discussions on placement for all ADF WO1(E) and Service Warrant Officers in the structure approved by the Tribunal in February 2006 as part of the Remuneration Reform Project (RRP). The discussions informed the Tribunal on work conducted by WO1(E) and the views of these members in relation to a proposed differential salary structure.

At a meeting convened by the Tribunal at HMAS WATSON on 28 May 2007, we advised the parties that, as a result of the information provided before the discussions and input from the WO1(E), the DFRT considered that the matter could proceed on the papers without the need for a formal hearing. The Tribunal suggested that the parties prepare a submission for consideration. A joint submission of the ADF and Commonwealth was provided to the Tribunal on 4 July 2007.

Having considered the material submitted, the Tribunal issued a Statement on 25 July 2007 approving the placements as sought. On 1 August 2007 the Tribunal signed a determination giving effect to the placements.

We now publish our Reasons for Decision.

BACKGROUND

During the proceedings in the RRP case (Matter No 2 of 2003), the ADF proposed that Service Warrant Officers and WO1(E) be remunerated within the General Officer Pay Structure, on the basis that the nature of work for this group had changed sufficiently to warrant the provision of differential pay treatment.

In a statement on 9 December 2005 the Tribunal directed that “the General Officer Pay Structure should not apply to Warrant Officer Class 1 (Equivalent). A separate scale for Warrant Officers, based on the same principles as the General Officer Pay Structure should be provided.” It was also stated that “We agree that differential pay ought to be available to Warrant Officers, as for officers. But we see no utility in including Warrant Officers in the General Officers structure, when the same end can be achieved with a separate Warrant Officer scale and Warrant Officers given the recognition they deserve as the most senior Other Ranks leaders in the ADF.”

The Tribunal approved an eight grade salary structure for WO1(E) which included placement of those members receiving the Qualification and Skill (Q & S) elements of Special Action Forces Allowance, Specialist Operations Allowance, Submarine Service Allowance and Flying Allowance.

THE CURRENT CASE - THE JOINT SUBMISSION

In the Joint Submission the ADF and the Commonwealth proposed the following arrangements:

- Increased differentials from Pay Grade 2 of the WO1(E) scale to provide consistent differentials of \$4,100.
- Recognition of the following employment groups at the WO1(E) rank:
 - **Tier A** - Direct application of trade skills at:
 - The unit level in the case of Army;
 - The squadron level in the case of Air Force; and
 - The department level in the case of Navy.

- **Tier B** - Application of managerial skills (applied with or without reference to trade knowledge) at or higher than:
 - The formation level in the case of Army;
 - The wing level in the case of Air Force; and
 - The unit level in the case of Navy.
- **Tier C** - High level managerial and representation duties, applied generally at a function or environmental command level.
- **Tier D** - Service Warrant Officers.
- Accommodation of WO1(E) within Tier A at a Pay Grade informed by the trade to which the WO1(E) belongs; and
- Separate arrangements for the Service Warrant Officers.

Specific Placements sought were:

- Tier B appointments at Pay Grades 3 to 5.
- Tier C appointments at Pay Grade 6.
- Accommodation of the Army Regimental Sergeant Major (RSM) at:
 - Tier A of Pay Grade 4;
 - Tier B at Pay Grade 5; and
 - Tier C at Pay Grade 6;
- Air Force Warrant Officer Discipline (WOD) Tier A at Pay Grade 4
- Air Force Warrant Officer Engineer appointments Tier A at Pay Grade 4.

It was submitted that the proposed placement structure recognises that WO1(E) on promotion are predominantly employed in jobs that rely on direct application of trade related skills. The proposed translation from the 16 Pay Group Other Ranks structure to the 8 graded WO1(E) structure was:

Placement within OR Structure	Placement within WO1(E) Structure
Pay Group 2,3 and 4	Pay Grade 2
Pay Group 5 and 6	Pay Grade 3
Pay Group 7 and 8	Pay Grade 4
Pay Group 9 and 10	Pay Grade 5
Pay Group 11 and 12	Pay Grade 6
Pay Group 13 and 14	Pay Grade 7
Pay Group 15 and 16	Pay Grade 8

Differential pay for Service Warrant Officers has been a feature of the ADF pay structure since the introduction of these positions. The parties proposed that these members be remunerated by Individual Determination within a salary band - Pay Grade 6 to Pay Grade 8. This enables the Service Warrant Officers to be remunerated having regard to the level of remuneration of their previous employment and the potential of the individual to perform within the job. Service Chiefs would make a recommendation on the appropriate level of salary for their members to the DFRT.

CONCLUSION

In coming to our decision we have taken into account: the strong support of those WO1(E) with whom we met; the fact that WO1(E) at Tier A are directly applying their trade skills; that there is a recognisable hierarchy within the employment of WO1(E) and the new structure addresses the inherent relativity difficulties between WO2(E) and WO1(E), a matter that we have commented on in the past.

The new structure shall apply on and from 9 August 2007.