



Defence Force Remuneration Tribunal

DECISION

Defence Act 1903

s.58H—Functions and powers of Tribunal

ROYAL AUSTRALIAN NAVY: MARITIME LOGISTICS SUPPLY CHAIN – GENERAL SERVICE AND SUBMARINER

(Matter 2 of 2021)

MS I. ASBURY, PRESIDENT

MR A. MORRIS, MEMBER

CANBERRA, 12 APRIL 2021

MAJGEN G. FOGARTY AO RETD, MEMBER

[1] This decision arises from a listing application¹ for a determination to be made under Section 58H of the *Defence Act 1903* (the Act) for the Australian Defence Force (ADF) to adjust skill grade advancements and review the salary placements for senior Maritime Logistics Supply Chain sailors and, at the same time, expand the skill grades for Supply Chain Submariners.

[2] We considered the matter in hearing on 8 April 2021 when Mr J. Phillips SC appeared for the ADF and Mr P. Hoang for the Commonwealth.

Background

[3] Maritime Logistics Supply Chain (MLSC) General Service sailors provide specialist logistic, warehousing and inventory management systems for Navy ships and establishments and the wider Australian Defence Organisation. Supply Chain Submariner roles and responsibilities are comparable with the General Service sailor, with the exception of the additional roles and responsibilities required of all Submariners.²

Submissions

[4] The ADF submission focuses on “*addressing changes that have occurred in work value for the Maritime Logistics Supply Chain workforce (in regard to enhanced skills and responsibilities and on delivering capability in an increasingly complex environment)*. The ADF submits this is “*also likely to assist with challenges associated with attraction and retention of sailors with a flow-on capability effect*”.

[5] Specifically, the ADF proposes to:

- a. amend the trigger for advancement to Skill Grade 3 to align with successful completion of the Maritime Logistics Supply Chain Supervisors course;
- b. amend the trigger for advancement to Skill Grade 4 to align with successful completion of the Maritime Logistics Supply Chain Managers course;
- c. increase salary for Skill Grade 4 from Pay Grade 3 to Pay Grade 4 on attainment of Maritime Logistics Supply Chain Managers course;
- d. increase salary for Skill Grade 5 from Pay Grade 4 to Pay Grade 5 on attainment of the Stores Accounting Officer qualification; and
- e. expand the skill grades available to Maritime Logistics Supply Chain Submariners to include Skill Grade 2 and Skill Grade 5 at Pay Grade 7.³

[6] The Commonwealth supports the proposal and “*acknowledges that the ADF proposed remuneration amendments are in line with industry trends and broader ADF strategic needs. Furthermore the Commonwealth notes the need to address effective retention schemes for professionalisation of the MLSC employment category and broader submariner employment categories*”.⁴

Consideration

[7] We considered this matter with regard to the time elapsed since the Tribunal last dealt with the wider employment category in Matter 6 of 2002⁵ - with the exception of pay placements in the Graded Other Ranks Pay Structure (GORPS) for ‘Stores Naval Submariners’ in Matter 7 of 2011⁶ and a title change from ‘Navy Supply Branch’ to ‘Maritime Logistics’ determined in Matter 6 of 2013.⁷ A review specific to the Supply Chain Submariner workforce was conducted in Matter 12 of 2018 when we determined revised pay placements for Maritime Logistics Warrant Officer Submariners.⁸

[8] We accept that since 2002 Navy has introduced “*increasingly more complex and advanced warfighting capabilities and has sought to operate its ships, submarines, air squadrons and specialist teams within an improved seaworthiness construct. Consequently the Maritime Logistics Supply Chain employment category has evolved with members learning and developing new skills to provide greater professional focus to materiel management and seaworthiness assurance*”.⁹ We accept that reforms over the years have resulted in changes in the career continuum and organisational structure. We also accept that the training and skills requirements substantially exceed the training and skills of the 2002 workforce and that the employment category has significantly advanced. We observe that new and extended training and qualification regimes deliver greater workforce capabilities with deeper professional knowledge and greater expertise.¹⁰

[9] We accept that senior Supply Chain sailors in particular have “*assumed significantly enhanced responsibilities and accountabilities and have been required to enhance their skills and knowledge in response to an increasingly complex working environment*”.¹¹

[10] We specific regard to the Submarine workforce we accept that there is a “*need to retain Maritime Logistics Supply Chain submariners through their careers in order to provide a broader career profile, mentor junior submariners and place suitable qualified shore-based submariners in enablement roles such as the Submariner Support Group*”.¹² In this regard we also considered the evidence of the broader challenge to the submarine workforce of retaining qualified and experienced personnel in locations (such as South Australian and Western Australia) where the workforce is liable to be targeted by shipbuilding employers as well as submarine maintenance and repair providers. We accept that while this proposal provides opportunity for progression in a supply chain career it may also assist with retaining those submariners who may otherwise consider private sector opportunities.

Conclusion

[11] We accept that this workforce is a critical enabler for maritime capability and is fundamental to Navy noting that systems and logistics directly impact availability, reliability, deployment and seaworthiness of vessels.

[12] We are satisfied that increasingly complex and demanding work and training environments have raised the work value of Maritime Logistics Supply Chain sailors, necessitating advancement in both the General Service and Submarine Force.

[13] Determination 9 of 2021 will give effect to our decision from 8 July 2021.

MS I. ASBURY, PRESIDENT
MR A. MORRIS, MEMBER
MAJGEN G. FOGARTY AO RETD, MEMBER

Appearances:

Mr J Phillips SC and Mr P Blady for the ADF.

Mr P Hoang and Ms E Beresford Jones for the Commonwealth.

¹ DMR letter DMR/OUT/2021/6 *Listing application – Maritime Logistics – Supply Chain employment category – General Service and Submariner* dated 5 March 2021.

² In addition to primary qualification, submariners undertake extensive training outside their area of expertise. Small crew sizes and the operating environment mandate multi-skilling and the operating environment, where emergencies require prompt action from members at the scene (with little or no time to wait for subject matter experts). This requires submariners to develop a much higher level of knowledge than the surface counterparts where, in comparison, the response and rectification of issues is managed by a number of different subject matter experts.

³ ADF Submission - *Royal Australian Navy Maritime Logistics – Supply Chain – General Service and Submariner Matter 2 of 2021* undated (ADF1) page 2 paragraph 1.6.

⁴ Commonwealth submission *Royal Australian Navy Maritime Logistics – Supply Chain: General Service and Submariner* dated 29 March 2021 (CWLTH1) page 6 paragraphs 24 and 25.

⁵ <https://dfprt.govcms.gov.au/sites/default/files/RAN-Supply-Categories-Trade-Restructure.pdf>

⁶ <https://www.dfprt.gov.au/matters/graded-other-ranks-pay-structure-2011>

⁷ <https://dfprt.govcms.gov.au/sites/default/files/Det-No-15-of-2013-Salaries-Navy-Supply-Branch-signed-18-Sept-2013.pdf>

⁸ <https://www.dfprt.gov.au/matters/navy-submariner-employment-categories-warrant-officers>

⁹ ADF1 page 4 paragraph 2.11

¹⁰ ADF1 page 23 paragraphs 4.32 to 4.42.

¹¹ ADF1 page 1 paragraph 1.4.

¹² ADF1 page 15 paragraph 4.2.