

Defence Force Remuneration Tribunal

DECISION

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

AIR FORCE: OFFICER AVIATION PAY STRUCTURE – REPORT BACK

(Matter 21 of 2020)

MS I. ASBURY, PRESIDENT

MR A. MORRIS, MEMBER

CANBERRA, 13 APRIL 2021

MAJGEN G. FOGARTY AO RETD, MEMBER

[1] This decision arises from the requirement, set by this Tribunal, for the Australian Defence Force (ADF) to report back on the progress of the Air Force Officer Aviation Pay Structure (OAPS) established in Matter 5 of 2016. This statement should be read in conjunction with our decision in that matter.¹

Background

[2] The OAPS commenced on 7 March 2018 and introduced a single salary spine of 38 increments with multiple differentiated competency streams, permitted transfer between the established Specialist, Command and Staff pathways, and supported an aligned Human Resource (HR) strategy.

[3] The establishment of the OAPS altered the rank progression logic for junior officers, differentiated the trained force into nine competency streams, and equalised initial service commitment. It brought a number of allied aviation employment categories into a single job pool from a common candidate pool.

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Submissions

[4] We note that the Officer Aviation (OA) workforce is managed in three segments: the OA candidate; trained junior officer; and the command and management period. We will summarise the evidence on the progress of transition in OAPS of each workforce individually.

[5] **OA Candidates.** OA candidates comprise the Cadet and Pilot Officer ranks. We accept the OA Candidate transition is expected to be completed by the end of 2021 when the last of these members attains operational status or is found unsuitable to be an OA member.²

[6] Trained Junior Officer period. We accept that the trained junior officer period was the most complex rank group to transfer to OAPS. We agree that a number of factors affected a member's date of transition, and which increment they were given on transfer, including: their Graded Officer Pay Structure (GOPS) placement; whether or not they had completed training at the Australian Defence Force Academy; competency attainment; seniority; and to which stream they had been assigned. This therefore determined the level of advantage or disadvantage they received. We accept the evidence that the junior officer transition is projected to be complete in 2027 and that, of the approximately 900 trained junior officer cohort, 216 remain under GOPS placement.³

[7] **Command and Management period.** We note that the protection protocols in place for this cohort, which allowed them to attain maximum time increment in GOPS, means this transition occurred rapidly and only five members are yet to transition from GOPS to OAPS.⁴

[8] We note that the OAPS also incorporated a previous Specialist workforce via the Staff Pathway option and that, of the 138 specialists, 17 are yet to transition to the OAPS.⁵

[9] We also note that the ADF report back advises us that "there are some problematic workforces that are ancillary to the OA competency streams such as Operations Officers, Flight Test Engineers and Combat Control Officers". We accept that Air Force are "looking at how best to resolve their challenges and issues and expect to bring proposed remedial action to the DFRT in the near future".⁶

[10] Overall we accept the ADF report that the implementation of the OAPS and the transition of aviation officers into the new structure is "*progressing as planned*" and "*all aspects of the OAPS HR reform and transition have progressed as intended*".⁷

[11] Additionally we note that as a result of this report back the ADF identified an oversight regarding the eligibility conditions for the Officer Aviation Remuneration Structure Allowance (OARS) as determined in Matter 4 of 2012.⁸ We considered the submission about that oversight and accept that Air Force intended to apply the OARS Allowance to fast jet pilots and fixed wing pilots within the Command and Specialist Pathways of OAPS at the O4 and O5 ranks and that the required amendments to the determination were overlooked.⁹ We agree that despite this error any eligible officers have been paid correctly however there remains a need for an amending determination to correct this oversight.

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[12] The Commonwealth "*notes*" the outcomes of the report back as well as the requirement for an amending determination.¹⁰

Consideration

[13] We considered the report back in the context of the primary objectives of the OAPS being to:

- a. rationalise multiple salary structures;
- b. introduce differentiation by stream;
- c. eliminate competency progression;
- d. protect salary on transfer within Pathways and competency streams; and
- e. remove the Pay Grade 6 salary progression limit imposed by GOPS.

[14] We accept the ADF evidence that the most dissatisfied OA members are those who had a previous legacy entitlement to Pilot equivalent placements and for whom the OAPS intent has run contrary to the prior parity approach. We note the anecdotal evidence that is it the "*younger*" OA members, irrespective of their competency stream, who are "*highly appreciative*" of the OAPS and HR strategy.¹¹

[15] We accept the evidence that Air Force has identified specific workforce names and terminology used to give effect to the OARS in Determination 12 of 2012^{12} do not provide correct eligibility and that some minor adjustments are required.

Conclusion

[16] We accept that "Air Force are observing from their OA workforce, a confidence in the remuneration system and broader HR reform that has underpinned workforce resilience in the context of system wide platform transitions".¹³

[17] We note that while 86 per cent of the OA workforce (across all competency streams) has transitioned to OAPS¹⁴ the remaining workforce will not complete transition until they individually meet the prescribed triggers in place through until 2027.

[18] We ask the ADF to again report back to us in 2025 on the progress of the OAPS as previously agreed.

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[19] In order to remedy the oversight described in paragraph 11 of this decision we issue Determination 6 of 2021 to give effect to those corrections from 13 May 2021.

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

Appearances:

Mr J Phillips SC with Mr P Blady for the ADF

Mr P Hoang with Ms E Beresford-Jones for the Commonwealth

² ADF1 page 2 paragraph 2.5

³ ADF1 pages 2 and 3 paragraphs 2.6 to 2.8

⁴ ADF1 page 3 paragraph 2.9

⁵ ADF1 page 3 paragraph 2.11

⁶ ADF1 page 10 paragraph 5.6.

⁷ ADF submission *Air Force Officer Aviation Pay Structure Interim Report back Matter 21 of 2020* undated (ADF1) page 9 paragraph 5.1 and page 2 paragraph 2.1.

⁸ https://www.dfrt.gov.au/sites/default/files/2021-01/Decision-OARS-Allowance-30-May-2013.pdf

⁹ https://dfrt.govcms.gov.au/sites/default/files/Determination-3-of-2018-OAPS.pdf

¹⁰ Commonwealth submission *Matter 21 of 2020 – Officer Aviation Pay Structure Interim Report Back* dated April 2021 (CWLTH1) page 2 paragraphs 8 to 11.

¹¹ ADF1 page 5 paragraphs 3.1 to 3.4

¹² <u>https://www.dfrt.gov.au/matters/officer-aviation-remuneration-structure-allowance</u>

¹³ ADF1 page 5 paragraph 3.5

¹⁴ As at 13 March 2021.

¹ <u>https://www.dfrt.gov.au/sites/default/files/2021-01/Decision-OAPS.pdf</u>