



## **Defence Force Remuneration Tribunal**

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# **STATEMENT**

*Defence Act 1903*

s.58H—Functions and powers of Tribunal

s.58KD – Determinations giving effect to agreement between the parties

### **ADF WORKPLACE REMUNERATION ARRANGEMENT 2020-2023 – STAR RANK SENIOR OFFICERS VARIATION**

(Matter 12 of 2020)

MS I. ASBURY, PRESIDENT

MR A. MORRIS, MEMBER

CANBERRA, 2 AUGUST 2021

MAJGEN G.FOGARTY AO RETD, MEMBER

[1] This statement is issued further to our initial decision in this matter, Matter 12 of 2020 – *ADF Workplace Remuneration Arrangement 2020-2023* and should be read in conjunction with that decision.<sup>1</sup>

[2] At the time of publishing our decision we commented that:

*“In the context of COVID-19, on 26 March 2020 the Government requested a ‘stay’ on increases to remuneration, entitlements and allowances for all senior executive service employees of the Australian Public Service (APS). Additionally, the Government requested the Remuneration Tribunal to institute a stay on any increase to remuneration entitlements and allowances for all office holders within its jurisdiction. The Chief of the Defence Force (CDF) subsequently advised the ADF Star Ranked officers of his intention to mirror the Government’s direction for the pause on the senior executive service. The parties propose that, when the Government decides to lift the pause on remuneration increases in the senior executive service, the parties would seek to vary the Arrangement for Star Ranked officers.”*

And further that:

*“We accept that when the Government lifts the pause on remuneration increases the parties will seek to vary this Arrangement for Star Ranked senior officers and welcome that submission when possible.”*

[3] On 25 June 2021, the Government announced the lifting of the pause placed on Senior Executive Service (SES) employees’ remuneration wage increases. Consequently, on 29 July 2021, the parties jointly agreed to seek a variation to the current remuneration arrangement for ADF Star Ranked senior officers as foreshadowed.

[4] The parties now seek a general wage increase for ADF Star Ranked officers from 5 August 2021 and further, to amend the current Arrangement so that a second and final general wage increase should occur in 12 months’ time being *“informed by the year-to-date change in the private sector Wage Price Index from the June 2021 quarter.”*<sup>2</sup>

[5] Specifically, the parties jointly propose:

- a. 1.7 per cent increase with effect from 5 August 2021; and
- b. a percentage increase based on the published year to date Private Sector Wage Price Index (WPI) change from the June 2021 quarter with effect from 4 August 2022.<sup>3</sup>

[6] We considered the submission on the papers submitted on 30 July 2021. We accept that the parties’ proposal, on this occasion, reflects the wages policy outlined in the Government’s *Public Sector Workplace Relations Policy 2020*<sup>4</sup> but only in relation to the variations made for Star Ranked senior officers under this proposed Arrangement.

[7] We agree that the WPI is a well understood and widely used credible economic statistic to measure the changes in employee wages and salaries across the Australian economy. Reference to the WPI has previously been made before us in a WRA submission and considered a relevant factor.<sup>5</sup>

[8] We accept that the WPI for the June 2020 quarter was 1.7 per cent. We also accept that the June 2021 WPI will be released by the Government on 18 August 2021 and consider this will very shortly provide the figure sought by the parties in paragraph 5b and allow for certainty for Star Ranked officers affected by this WRA.

[9] Determination 12 of 2020 will give effect to these changes from 5 August 2021.

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

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<sup>1</sup> [https://www.dfrt.gov.au/sites/default/files/2020-10/decision\\_-\\_wra.pdf](https://www.dfrt.gov.au/sites/default/files/2020-10/decision_-_wra.pdf)

<sup>2</sup> Joint submission *2020 Workplace Remuneration Arrangement – Star Ranks supplementary submission Matter 12 of 2020* undated page 2 paragraph 9.

<sup>3</sup> Joint Submission page 3 paragraph 16.

<sup>4</sup> [Public Sector Workplace Relations Policy 2020](#).

<sup>5</sup> Transcript Matter 6 of 2017 *ADF Workplace Remuneration Arrangement 2017-2020* dated 16 August 2017 Exhibit 2 “*Consumer Price Index (CPI) and Wage Price Index (WPI) forecast versus actual comparison*” and page 17 lines 35-37 “*CPI is not is not a determinant in considering the quanta of this arrangement but the WPI may be*”.