



Defence Force Remuneration Tribunal

STATEMENT

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

AUSTRALIAN DEFENCE FORCE: ROTARY WING AVIATION OFFICERS – REPORT BACK (Matter 19 of 2021)

MS I. ASBURY, PRESIDENT

MR A. MORRIS, MEMBER

CANBERRA, 22 DECEMBER 2021

MAJGEN G. FOGARTY AO RETD, MEMBER

[1] This statement arises from the requirement, set by this Tribunal, for the Australian Defence Force (ADF) to report back on the progress of the Officer Aviation Pay Structure (OAPS) determined in Matter 6 of 2018 – *ADF Rotary Wing Aviation Officers*.¹ That matter established new pathways and competency streams within the OAPS for Navy and Army aviation officers.

[2] We considered this report back in a hearing on 2 December 2021. Noting the report back refers to both the Navy and Army aviation workforces, we address them separately in this statement.

Navy

[3] At the time of the ADF’s submission in Matter 6 of 2018, Navy had a history of remediation strategies that aimed to alleviate its aviation officer training pipeline and workforce shortfalls. It had “*invested significant funding into initiatives that would enable Navy to recover to a fully manned, sustainable workforce in about ten years*”.²

[4] In order to gauge the success, or otherwise, of the organisational, structural and remunerative changes, we considered four key performance indicators addressed by Navy, and measured against:

- a. capability;
- b. training;
- c. workforce sustainability; and
- d. workforce behaviour.

[5] Overall, we agree that Navy can presently “*demonstrate some positive trends since implementation*”. Having said that, we accept the evidence that, while the undermanning of the Rotary Wing Pilot (RWP) workforce has “*broadly improved*”, the undermanning of the Aviation Warfare Officer (AvWO) workforce has not.³

[6] We note remuneration remains a concern for Navy aviation officers and accept “*RWP and AvWOs continue to leave Navy with remuneration and lifestyle remaining the key contributing factors for separation*”.⁴ We accept that, as a result, Navy has been required to offer a range of “*short term conditions of service and financial incentives*”, in particular to aviation instructors, to “*stem the outflow of these key experienced aviators*”. We accept these incentives have been determined under s.58B of the *Defence Act 1903*, which is outside the remit of this Tribunal.

[7] We note the evidence that, although remuneration continues to be a concern, attraction and recruitment targets are “*healthy and on track*”.⁵

Army

[8] As with Navy, Army has measured the progress of the OAPS through a range of KPIs:

- a. workforce sustainability;
- b. Aviation Command; and
- c. recruitment, selection and attraction.

[9] We are encouraged that the separation data indicates the average yearly separation rate for aviation officers, in the past three years, is “*only marginally higher than that for all Army officers over the same period*”.⁶ Additionally, we note Army pilot separations have been “*trending down since the introduction of OAPS in 2019 and COVID-19 impacts in 2020*”.⁷

[10] Overall, we accept that, for Army, implementation of the OAPS has “*progressed satisfactorily*” with “*sustainable inflows*” established.⁸

Commonwealth

[11] The Commonwealth made a submission in reply to the ADF report back, accepting “*that the relatively short time period since implementation has made it difficult to provide a definitive assessment against the KPIs*”.⁹ However, it noted “*with concern*” the evidence relating to the sustainability of the AvWO workforce.

[12] Additionally, and in the hearing, the Commonwealth sought further advice on any non-remunerative strategies being implemented to bring stability to the workforce, including the efficacy of the Navy Retention Incentive (NRI) Payment.¹⁰ We are satisfied that the NRI payment, coupled with the recent advent of the ADF Modernisation Program¹¹ are likely to influence behaviour of all workforces, including aviation officers.

Conclusion

[13] We accept the limited data, collated over a short period, makes an assessment of the implementation of OAPS difficult for both Navy and Army.

[14] We agree the impact of COVID-19, on internal and external markets and perceived job stability, has influenced workforce behaviours. We accept this has further affected the ability to attribute success, or otherwise, to the intended effects of the OAPS.

[15] We remain concerned the short-term measures being utilised by Navy are still required, despite significant effort. We are satisfied this has only been required in one or two situations. However, we invite the ADF to return to us with a more enduring solution should it see a need in the near future.

[16] Overall, we agree with the Commonwealth and are “*satisfied with the ADF’s submission that implementation is progressing satisfactorily*”.¹²

[17] We continue to seek further report backs as scheduled in 2024 and 2027.

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MAJGEN G. FOGARTY AO RETD, MEMBER

¹ <https://www.dfrt.gov.au/matters/adf-rotary-wing-aviation-officers>

² ADF Submission *ADF Rotary Wing Aviation Officers – Interim Report Back* undated (ADF1) page 5 paragraph 2.1.

³ ADF1 page 14 paragraph 2.19.

⁴ ADF1 page 13 paragraph 2.16 d) iii).

⁵ ADF1 page 14 paragraph 2.20.

⁶ ADF1 page 19 paragraph 3.22.

⁷ ADF1 page 19 paragraph 3.22.

⁸ ADF1 page 25 paragraphs 3.42 and 3.43.

⁹ Commonwealth submission *Rotary Wing Officer Aviation – Report Back* dated December 2021 (CWLTH1) page 3 paragraph 12.

¹⁰ <https://www.dfrt.gov.au/matters/navy-retention-incentive-payment>

¹¹ <https://www.dfrt.gov.au/matters/adf-allowances-modernisation-tranche-1>

¹² CWLTH1 page 3 paragraph 14.