President's overview

This year the Australian Defence Force (ADF) achieved its highest recruitment numbers in 15 years, coupled with lower-than-average separation rates. Targeted recruitment and retention initiatives have featured in several matters the Tribunal has considered this year, and we have been pleased to play a role in setting pay and conditions contributing to desirable and rewarding careers within the ADF.

Highlights of this year's hearings have included new categories of work in the burgeoning areas of cyber warfare, intelligence, and space operations. Work value cases and acknowledgement of increased technical skills have informed several matters this year. Of note was the Targeted Workforce Segments matter, which provided a focus on STEM-related employment categories, and their increasing role in a modern ADF.

Throughout these matters ADF members have conducted themselves with professionalism and pride in their role, employment category, and Service. The Tribunal have appreciated the enthusiasm, motivation, and candour of all witnesses who have appeared this year. The continued collegiate approach between the ADF and the Commonwealth allows for thorough investigation and review of remuneration and allowance claims, all of which acknowledge the particular conditions of work for ADF members.

This year saw the conclusion of Mr Adrian Morris's appointment as industrial relations Member of the Tribunal. Mr Morris served throughout the development and implementation of the ADF Modernisation Program and Military Factor Framework. These initiatives reformed the member value propositions for all ADF personnel, and saw historic transformation in military remuneration and allowances. I wish to acknowledge and thank Mr Morris for his service in these initiatives, and many others, over the past 8 years. I am pleased to announce the appointment of Ms Andrea Lester to the role of industrial relations Member for a five-year term and welcome her to the Tribunal.

I also wish to thank Major General Gerard Fogarty (Ret'd), whose patience when explaining military processes and norms is most appreciated. His capacity to apply his military expertise to the important work of the Tribunal is exceptional.

The Tribunal is supported by a small Secretariat of employees of the Australian Public Service Commission. This year saw the retirement of long-term advisor to the Tribunal, Ms Katrina Blazey. I wish to express my gratitude to Ms Blazey whose invaluable knowledge and support assisted the Tribunal to carry out its role with expertise and professionalism. I extend a warm welcome to the Tribunal's new advisor, Ms Rachel Grant, and the Tribunal's new Secretary, Mr Matthew Bowd. I look forward to working with them this coming year.

Bernadette O'Neill President

1. INTRODUCTION TO THE DEFENCE FORCE REMUNERATION TRIBUNAL

The Defence Force Remuneration Tribunal (the Tribunal) was established in 1984 to determine the salary and allowances of members of the Australian Defence Force (ADF), considering the special nature and conditions of ADF service.

The Tribunal is an independent authority established under section 58G of the *Defence Act 1903* (the Act). The functions of the Tribunal, as set out in section 58H(2) of the Act, are to:

- (a) inquire into and determine the salaries and relevant allowances to be paid to members; and
- (b) inquire into and make determinations in respect of prescribed matters that have been referred to the Tribunal.

In addition, under section 58KD:

The Tribunal may, in making a determination, give effect to any agreement reached between the Minister, acting on behalf of the Commonwealth, and the Chief of the Defence Force, acting on behalf of the members of the Australian Defence Force, in relation to a matter to which the determination relates.

2. MEMBERSHIP OF THE TRIBUNAL

The Tribunal consists of three part-time members appointed by the Governor-General in accordance with the Act.

The President is to be a Deputy President of the Fair Work Commission, and members must include one person who is experienced in industrial relations matters, and one person who has previously been a permanent member of the ADF.

The current Tribunal members are:

Ms Bernadette O'Neill, President

Appointed as President of the Tribunal for a five-year period commencing 20 July 2023, Ms O'Neill has been a Deputy President of the Fair Work Commission (FWC) since October 2022. Prior to her appointment as Deputy President of the FWC, Ms O'Neill had been a FWC Commissioner since April 2021, and the FWC General Manager since 2012. She has also held senior executive positions with Industrial Relations Victoria, and with the Australian Liquor Hospitality and Miscellaneous Worker's Union, along with extensive experience in private legal practice and the trade union movement. Ms O'Neill holds a Bachelor of Laws degree, ANZSOG Executive Master in Public Administration, and is a Graduate of the Australian Institute of Company Directors.

Ms Andrea Lester, Industrial Relations Member

Appointed as Industrial Relations member of the Tribunal for a five-year period commencing on 5 December 2024, Ms Lester has been President of Victoria's Police Registration and Services Tribunal since 2015. From 2010 to 2015, she consulted in policy and systems reviews, workplace relations, mediation, and investigations. Between 2003 and 2010, Ms Lester held senior policy and advising roles with the Victorian and Commonwealth Governments, focusing on workplace relations reform, enterprise bargaining and workplace productivity, and justice portfolio issues. Previously, Ms Lester was in legal practice for 12 years, where she specialised in public sector workplace relations and employment law. Ms Lester holds a Master of Public Policy and Administration, and degrees in Law (with honours) and Science, from the University of Melbourne.

Major General Gerard Fogarty AO (Ret'd), Member

Initially appointed as the ADF Member of the Tribunal for a three-year period commencing 10 December 2020, Major General Fogarty was re-appointed for a further three-year term on 23 May 2024. Major General Fogarty retired from the Australian Army in early 2014 after a military career predominantly in the fields of Command and Leadership, and Human Resource Management. Major General Fogarty was the Chief Executive Officer of Defence Health Limited between 2014 and 2024; a restricted not-for-profit Private Health Insurance company located in Melbourne. He is currently a Non-Executive Director of Vitura Health Limited and an Independent Member of the Civil Aviation Safety Authority's People and Culture Committee. He holds a Bachelor of Business, a Masters of Business Administration, and a Masters in Strategic Studies from the United States Army War College in Carlisle, Pennsylvania.

3. THE PERFORMANCE OF TRIBUNAL FUNCTIONS

The Act provides that the Tribunal may regulate the conduct of its proceedings and is not bound to act in a formal manner. The Tribunal may inform itself on any matter in such a manner as it thinks fit, and is not bound by the rules of evidence.

In practice, most matters considered by the Tribunal are done so either in a formal hearing or in conference. The Tribunal generally conducts these proceedings from purpose-built facilities within the Treasury Building, Parkes ACT.

4. THE OPERATIONS OF THE TRIBUNAL

The President, in collaboration with the Secretariat, guide the operations of the Tribunal.

The ADF submits applications to the Tribunal for consideration of salary and/or allowance claims for their members. Following receipt of such a listing application, the ADF and Commonwealth are invited by the Secretariat to make recommendations on whether the matter should be heard formally, considered on papers, or informed by conference. Some matters are also informed by inspections.

Submissions from each party, and from any interveners, are filed and served. The scheduling and operation of hearing sessions are supported by the Secretariat.

On completion of hearings or conferences, the Tribunal adjourns to consider the evidence presented to them by the parties. This results in a formal written decision providing reasons for the Tribunal's conclusions and a determination giving effect to the decision. Both the decision and the determination are published on the Tribunal's website at www.dfrt.gov.au.

Determinations are subsequently tabled in Parliament by the Minister for the Public Service.

5. PARTIES AND THEIR ADVOCATES

The major parties appearing before the Tribunal are the ADF, represented by the Defence Force Advocate, and the Commonwealth, represented by the Commonwealth Advocate. These parties are entitled to be present and to make submissions during any proceedings.

Over the period of this report the role of Defence Force Advocate was performed by Ms Kendra Hagan. Mr Kris Wong is the Commonwealth Advocate.

6. INTERVENERS

Under section 58K(10) of the Act, where the Tribunal thinks that a person or body should be heard in relation to a matter, the Tribunal may permit them to make a submission or to seek leave to appear before the Tribunal. There were no interveners in matters during this year.

7. REVIEWS

The Tribunal has a statutory obligation under section 58H(6) of the Act to inquire into and make a further determination in respect of matters it has previously determined:

- (a) within 2 years of the first-mentioned determination taking effect; or
- (b) if the Minister, by notice in writing given to the President, requests the Tribunal to make a further determination in respect of those salaries and allowances within a shorter period of the first-mentioned determination taking effect within that shorter period.

These reviews are generally conducted as the first matter of each calendar year. For the period of this report 19 determinations were reviewed, with 17 of these being assessed to have appropriately taken effect and require no further action. The 2 remaining determinations have been held over to allow for more time to assess their effectiveness.

8. HEARINGS

Where the Tribunal determines that a formal hearing is required, it is usually held in the purpose-built facilities in Canberra. At times a hearing may be scheduled in conjunction with an inspection, and one such hearing was held in Townsville QLD, in February 2025.

9. MATTERS CONSIDERED IN 2024-25

The complexity of matters means that they are often considered over a period of months and can involve a combination of hearings, inspections and conferences.

The major matters listed by the ADF for consideration in 2024-25 are detailed below:

- Matter 10 of 2024 Royal Australian Artillery Restructure of Employment Categories
- Matter 11 of 2024 Nuclear Submariner Workforce Tranche 2
- Matter 12 of 2024 Air Force: Security Forces (Other Ranks)
- Matter 13 of 2024 Military Public Affairs Officer Salary Structure
- Matter 14 of 2024 Navy: Communications and Information Systems
- Matter 18 of 2024 Navy Gap Year Aviation Support Technician
- Matter 2 of 2025 Army Aviation Restructure of Employment Categories (Other Ranks)
- Matter 3 of 2025 Army Aviation Workforce Review Officer Aviation
- Matter 4 of 2025 Targeted Workforce Segments
- Matter 5 of 2025 Joint Capabilities Group: Cyber Warfare Employment Categories
- Matter 6 of 2025 Naval Police Coxswain Officer
- Matter 9 of 2025 Air Force Aeronautical Life Support Fitter
- Matter 11 of 2025 Space Operations Employment Category
- Matter 12 of 2025 Navy Intelligence Officer

Administrative matters

The following matters were administrative in nature or were concerned with name or structural changes. The Tribunal considered them on papers or in conference with the parties.

- Matter 7 of 2025 Air Force: Ground Support Equipment Fitter Trainee
- Matter 10 of 2025 Navy Clearance Divers

10. INSPECTIONS

Inspections may be initiated by the Tribunal or the parties when it is considered that a practical review of work performed by ADF members will be critical to the Tribunal's understanding of a particular matter. Inspections are most beneficial in assisting the Tribunal to reach decisions because they allow Tribunal members to witness firsthand, albeit in a limited way, the working and living conditions of ADF members across a range of employment categories and localities. The ADF, Commonwealth parties, and the Secretariat Advisor normally accompany the Tribunal on inspections.

Two inspections were conducted this year: 16th Aviation Brigade of the RAAF Base Townsville; and No. 1 Squadron at Air Force Base Amberley QLD.

11. VISITS

The Tribunal undertakes visits to ADF units, establishments, and vessels without specific reference to particular matters. These visits include open forums with ADF members of all ranks.

No visits were conducted this year.

12. TRIBUNAL ADMINISTRATION

Secretariat support

The Tribunal is supported by a small Secretariat team, staffed by employees of the Australian Public Service Commission (APSC). Secretariat staff operate from purpose-built premises in the Treasury Building, Parkes ACT.

Financial matters

The Tribunal's financial requirements are met through the APSC; there are no separate accounts applicable to the Tribunal.

Website

The Tribunal's website provides information on the Tribunal's current activities, work program and hearing schedule. It also provides historical information on the Tribunal's operations and decisions. The website is hosted by the APSC.

Freedom of information

The Tribunal is considered to be a separate agency for the purposes of freedom of information. Agencies subject to the *Freedom of Information Act 1982* (FOI Act) are required to publish information to the public as part of the Information Publication Scheme. The Tribunal publishes this information on the website.

Privacy policy

The Tribunal maintains a policy for the handling of personal information disclosed in the course of fulfilling its functions. The Tribunal publishes this policy and collection notices on the website.