Defence Force Remuneration Tribunal

DECISION

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

NUCLEAR SUBMARINER WORKFORCE TRANCHE 3
(Matter 13 of 2025)

MS B O'NEILL, PRESIDENT

MS A LESTER, MEMBER

CANBERRA, 27 NOVEMBER 2025

MAJGEN G FOGARTY AO RETD, MEMBER

[1] This decision arises from a listing application from the Australian Defence Force (ADF) for a determination to be made under Section 58H of the *Defence Act 1903* (the Act). The listing application[1] seeks to establish three new employment categories in the SSN (nuclear powered submarine) workforce and one new non-nuclear stream within the current Maritime Logistics Officer category. It also notes salary protection for transferees and the commencement of ab initio recruitment to SSN employment categories.

[2] We considered this matter in a hearing on 15 October 2025. Mr P Keane appeared for the ADF, and Mr K Wong for the Commonwealth. Warrant Officer Peter Zorzetto, Logistics, Health and Personnel Submariner Employment Category Manager, gave evidence for the ADF.

Background

[3] This application is the third in a series of four tranches seeking the establishment of new SSN workgroups and respective salary structures. This decision should be read in conjunction with our decisions in Matter 7 of 2024[2] Tranche 1 (T1) and Matter 11 of 2024[3] Tranche 2 (T2). These prior decisions established employment categories and recruitment pathways, provided an interim remuneration structure for the current nuclear submariner workforce, and enabled ab initio recruitment.

Submissions

[4] The ADF submits the use of a tranche approach to SSN categories and workforces allows flexibility to design a contemporary remuneration structure. This structure is designed to be adapted as priorities change, take into account timings for new employment categories, and allow for development of career and training continuums.[4]

[5] In this third tranche (T3) the ADF specifically seeks to:

a) Establish three new US Navy Virginia Class Nuclear Powered Submarine (SSN-V) employment categories:
   i. Supply Chain – Submariner (SC-SM)
   ii. Maritime Personnel – Submariner (MPERS-SM)
   iii. Medical Sailor Nuclear – Submariner (MEDN-SM)
b) Establish one new SSN-V stream within the Maritime Logistics[5] employment category:
   i. Maritime Logistics Officer – Submariner (MLO-SM)
c) Set salary placements in the Graded Officer Pay Structure (GOPS) and Graded Other Ranks Pay Structure (GORPS) for the T3 employment categories
d) Seek non-reduction provisions for salary protection of Collins Class Submarine (CCSM) and ADF transfers to the three new employment categories.

[6] The positions within these logistics, personnel and health employment categories are non-nuclear trained and provide critical enabling functions to the command and technical employment categories established in T1 and T2.

[7] The ADF submits the GOPS and GORPS placements sought in T3 are consistent with the existing CCSM relativities, noting submariner employment categories are remunerated at a rate higher than general service personnel. This is to acknowledge '*the additional submarine skills and qualifications and to provide attraction to and retention within the submarine service. This has set the industrial benchmark against which SSN employment categories can be compared and pay grades proposed.*'[6]

[8] The ADF submits there are direct correlations between existing CCSM roles and the proposed roles for both SC-SM and MEDN-SM. No direct correlations can be made for the proposed roles of MPERS-SM or the MLO-SM due to different crewing arrangements between the CCSM and SSN. For these proposed roles the most closely related current CCSM employment categories have been used to determine pay grade placements.[7]

[9] The training demand for these new positions is less than in both T1 and T2, with four personnel required in the SC-SM class in 2026, growing to a total of ten personnel across all T3 categories by 2030. Both ab initio recruitment and ADF transfers from expressions of interest will begin in the year prior to positions being filled. Until recruiting achievement rates are understood, training numbers will be realised through internal Navy and wider ADF transfers.[8]

Commonwealth

[10] The Commonwealth supports the ADF submission, considering the proposalto be '*conservative, reasonable, and justified on the basis of affordability and delivery of Government direction on ADF capability*'.[9] It also supports the seeking of salary non-reduction provisions for in-service ADF members on transfer to the SSN pathways.[10]

[11] The Commonwealth agrees the proposed placements are consistent with existing CCSM or broader Navy placements, noting the ADF has assessed the impacts of this proposal upon existing workforces to be minimal.[11]

[12] The Commonwealth questions whether the value of work in certain categories may change as a result of anticipated adjustments to the SSN-V scheme of complements, however it also noted that Navy '*will update the Defence Force Remuneration Tribunal in future tranche cases on progress towards the mature remunerations model…*' and with '*more mature career continuums for the SSN employment categories*'.[12]

Witness Evidence

[13] Warrant Officer (WO) Zorzetto gave written and oral evidence in support of the proposal.

[14] He outlined the importance of the logistics, personnel and health employment categories, noting '*the functions provided by the T3 categories added to the submarine's capability and lethality as well as crew morale and wellbeing*'.[13]

[15] He explained the logic used by Navy to arrive at the proposed pay grade placements, detailing instances of difference in scheme of complements[14] between the existing CCSM roles and those proposed with the SSN. He noted the CCSM '*only has a scheme of complement of 60, which has 12 employment categories; four warfare, four technical and four support. On the other hand, the SSN at this point in time has a scheme of complement of 141 with 14 employment categories; four of those warfare, five technical and five support.*'[15]

[16] WO Zorzetto spoke about the need to maintain a balance between the current CCSM workforce and the SSN workforce, explaining '*the SSN placements can't be too attractive, otherwise we will draw too many personnel and risk the Collins Class workforce'*.[16] He outlined additional risks with the proposed training continuums, including the challenge of keeping ab initio personnel engaged with the submarine community, and the need to provide effective support to personnel whilst they are overseas completing category training in the United States. He noted Navy is aware of these risks and mitigation strategies are in place.[17]

[17] He detailed a point of difference between T3 and the earlier tranches, in that T3 personnel will complete their Navy training and various periods of consolidation in Australia, prior to SSN training overseas. The training continuum has been designed in this way to maintain Australian qualifications, maximise any pre-existing training, and provide consistency across the submariner communities. He explained this cost effective strategy '*is expected to increase recruiting and retention and streamline any potential transfer candidates that are already qualified in their respective fields*'.[18]

Consideration

[18] We acknowledge Australia's challenging strategic environment, which '*requires a new approach and sharper focus on Australian sovereign interests*'[19] in order to strengthen national defence capabilities, and maintain alliances and regional defence partnerships. We accept this proposal has been made in light of the Defence Strategic Review 2023, the 2024 National Defence Strategy, and the Optimal Pathway as detailed in the AUKUS Nuclear Powered Submarine Pathway.[20] We note the current assessment of the need for '*critical undersea warfare capability of conventionally armed SSNs that will, in part, provide enhanced lethality*', and that a key immediate priority is the '*acquisition of conventionally-armed nuclear-powered submarines through AUKUS to improve deterrence capabilities.*'[21]

[19] We accept this tranche is consistent with the overarching submarine workforce remuneration principles detailed in T1[22], with the following principles being relevant for T3[23]:

a. not all remuneration elements will require a difference between CCSM and SSN; no unjustified differentiation
b. salary placements are based on work value analysis of CCSM and SSN categories
c. for non-nuclear employment categories, additional SSN training and skills may be recognised with differential pay, otherwise similar pay outcomes with equivalent CCSM employment categories to apply with appropriate SSN skill grade and pay grade triggers to be identified.

[20] We agree the ADF approach is necessarily conservative, noting that we do not have the benefit of immediate knowledge of how these new workgroups may develop. Whilst we consider the roles in T3 to present less of a risk in regard to assigning appropriate pay grade placements than those in T1, the ability to assess and adapt is justified.

[21] During the course of the hearing we acknowledged the need to maintain personnel on the CCSM whilst building the SSN workforce, and queried the origin of those personnel expressing an interest in the SSN employment categories. We accept WO Zorzetto's response that '*we are getting a broad range of expressions of interest predominantly from the surface fleet, which is good for us, so it's not actually drawing on the Collins Submariner workforce*' and '*there are the*

one or two that are coming from the Collins workforce and they will then go into the selection process and we will identify the best candidates. Which puts us in a really good place to take the best candidate that we see fit to go to the US and not having to draw too heavily on the Collins workforce.'[24]

Conclusion

[22] In closing we agree the acquisition of conventionally-armed nuclear-powered submarines remains a critical national priority. We accept this will require a significant uplift in the size and technical skill of the submariner workforce in Australia.

[23] We agree to provide salary non-reduction provisions for ADF personnel on transfer to the SSN pathways. We note that personnel requiring transitional arrangements will be individually provided with advice specific to their own circumstance from the Service career management team. We are supportive of the communication plan for the submarine workforce development, noting '*the affected workforce will be continually monitored and provided with information about the changes to the ADF's submarine capabilities, remuneration matters and individual career management obligations*.'[25]

[24] We agree the T3 proposal provides appropriate skill grades and pay grade placements in GOPS and GORPS consistent with CCSM personnel, and adhering to established industrial practices for submariner remuneration. We note the T3 employment category continuums are indicative at this point and will be updated as information is clarified.

[25] Finally, we acknowledge Navy will update us in future tranche cases, by July 2029, on progress towards a mature remuneration model and clear career continuums for the SSN employment categories.

[26] Determination 14 of 2025 gives effect to our decision from 1 December 2025.

MS B O'NEILL, PRESIDENT
MS A LESTER, MEMBER
MAJGEN G FOGARTY AO RETD, MEMBER

Appearances:

Mr P Keane for the ADF *assisted by Squadron Leader L Hawkett*

Mr K Wong for the Commonwealth *assisted by Ms T Karacic*

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[1] BN101569247 *Listing Application Nuclear Submarine Workforce – Tranche 3 Logistics, Personnel and Health* 250603
[2] *Nuclear Submariner Workforce Tranche 1* Decision and Determination
[3] *Nuclear Submariner Workforce Tranche 2* Decision and Determination
[4] ADF Submission *Matter 13 of 2025 Nuclear Submarine Workforce – Tranche 3 Logistics, Personnel and Health SSN Workforce*, filed 17 September 2025, (ADF1), page 9, paragraph 1.8
[5] The name of this employment category will be amended to "Maritime Logistics Officer" as part of the associated amending determination to better reflect contemporary nomenclature.
[6] ADF1, page 21, paragraph 6.2
[7] ADF1, page 14, paragraph 3.8, and page 22, paragraph 6.4
[8] ADF1, page 18, paragraphs 5.5 and 5.6
[9] Commonwealth Submission *Matter 13 of 2025 Nuclear Submarine Workforce – Tranche 3 Logistics, Personnel and Health SSN Workforce,* filed 1 October 2025, (Cmwlth1), page 9, paragraphs 43 and 45
[10] Cmwlth1, page 9, paragraphs 54
[11] Cmwlth1, page 9, paragraphs 47 and 48
[12] Cmwlth1, page 9, paragraphs 44 and 55
[13] Affidavit of Warrant Officer Peter James Zoretto, dated 26 September 2025 (ADF2), page 5, paragraph 20
[14] The term *scheme of complement* is used to describe the number of personnel, and the employment category, rank and qualifications of each of them, required to crew a ship.
[15] Transcript, Matter 13 of 2025, page 9, lines 32-37
[16] Transcript, page 10, lines 17-20
[17] ADF2, page 10, paragraphs 39 and 40
[18] ADF2, page 5, paragraph 17
[19] ADF1, page 13, paragraph 3.1
[20] ADF1, page 13, paragraphs 3.1-3.4; National Defence: Defence Strategic Review 2023 | About | Defence; 2024 National Defence Strategy | About | Defence; The AUKUS nuclear-powered submarine pathway - a partnership for the future
[21] ADF1, page 13, paragraphs 3.2-4.2
[22] Matter 7 of 2024 *Nuclear Submarine Workforce Tranche 1, Annex B – Submarine Remuneration Strategy Placemat*
[23] ADF1, page 21, paragraph 6.1
[24] Transcript, page 19, lines 7-20
[25] ADF1, page 32, paragraph 8.7