



Australian Government
Defence Force Remuneration Tribunal

DECISION

Defence Act 1903

s.58H(2)(a)—Determination of the salaries and relevant allowances to be paid to members

RESERVE SALARY INCREMENT AMENDMENTS

(Matter No. 5 of 2015)

THE HON. A. HARRISON, PRESIDENT

THE HON. A. BEVIS, MEMBER

CANBERRA, 30 JUNE 2015

BRIGADIER W. ROLFE, AO (Ret'd), MEMBER

[1] This decision arises from an application made by the Australian Defence Force (ADF) under s.58H of the *Defence Act 1903* (the Act) to align the Reserve Force salary increments with those of the Permanent Force under the Graded Officer Pay Structure (GOPS) and Graded Other Ranks Pay Structure (GORPS) from 2 July 2015.¹

[2] The ADF submit that the proposed amendments will replace the salary increment advancement structure for ADF Reservists with a structure identical to the existing Permanent Force structure. The daily salary rates for the new Reserve salary increment advancement structure will continue to be based upon the *pro rata* amounts of the existing Permanent Forces annual salary rates using a 1/356th divisor.

[3] This matter was considered on the papers on 23 June 2015.

Background

[4] The existing ADF Reserve salary structure has up to half the increment advancement points as the Permanent Force. The consequence being that Reservist advancement to the next salary increment occurs after 24 months effective Reserve Service days (RSD). In

comparison, Permanent Force personnel advance to the next salary increment after 12 months effective service.

Submissions

[5] The ADF propose that, for all three Services, the salary increment advancement will be based on a minimum undertaking of 20 RSD in a 12 month period and that “*The increment advancement anniversary date will be the date 12 months after the member’s most recent appointment, enlistment, promotion or last increment advancement date*”.ⁱⁱ

[6] It is submitted that the proposed changes will enable a “*seamless transition of personnel from...the Permanent Forces, Reserves or [Continuous Full Time Service] CFTS*”ⁱⁱⁱ and support a key outcome of Plan SUAKIN.^{iv} At present, and dependant on individual circumstances, some personnel can gain an increment while others may lose an increment when transferring between the Permanent and Reserve Forces or CFTS.

[7] The ADF propose a set of transitional rules to transfer members to the new structure and manage increment advancement from 2 July 2015. We note that the proposed reforms will be accompanied by new increment advancement eligibility rules under s.58B of the Act (which is outside the jurisdiction of this Tribunal). We acknowledge that this transitional provision will ensure the benefit of any change in the period of service that must accrue to trigger an increment is passed on to members serving under existing rules.

[8] The Commonwealth supports the ADF proposition based on “*consolidating eligibility for incremental advancement, ease of transition between permanent and reserve service and streamlining administration*”.^v

Consideration

[9] We considered the evidence that the proposed changes will provide the ADF with greater flexibility to manage, attract and retain Reserve personnel and “*significantly reduce management and administrative requirements when transferring members between either the Permanent Force, Reserves, or CFTS*.”^{vi}

[10] We accept that the proposed alignment will increase the achievable top rate of salary for the ranks of Lieutenant, Captain and Colonel (and equivalents) and that at some ranks the alignment will accelerate eligibility for increment advancement.

Conclusion

[11] We accept that the two different trigger points for salary increment advancement between the Reserves (at 24 months) and the Permanent Force (at 12 months) presently create remuneration complexities for the ADF.

[12] We consider the alignment of the salary increment advancement structure will be instrumental to the successful implementation of Plan SUAKIN and the workforce mobility of the ADF and agree to the proposal in its entirety.

[13] Determination 7 of 2015 will give effect to this decision.

THE HON. A. HARRISON, PRESIDENT
THE HON. A. BEVIS, MEMBER
BRIGADIER W. ROLFE, AO (Ret'd), MEMBER

ⁱ ADF Submission – Reserve Salary Increment Amendments dated June 2015.

ⁱⁱ ADF Submission page 6 paragraph 9.

ⁱⁱⁱ ADF Submission page 6 paragraph 10.

^{iv} Plan SUAKIN is developing options for Army to provide an organisational culture more accepting of flexibility in career pathways with remuneration and benefits matched to delivery of capability.

^v Commonwealth submission Reserve Salary Increment Advancements dated 12 June 2015.

^{vi} ADF Submission page 8 paragraph 18.