



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

REVIEW OF SCHEDULE B.13 – TRAINEE PAY RATES

(Matter No. 9 of 2015)

THE HON. A. HARRISON, PRESIDENT

THE HON. A. BEVIS, MEMBER

CANBERRA, 27 JULY 2015

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

[1] This decision arises from an application made by the Australian Defence Force (ADF) pursuant to s.58H of the Defence Act 1903 (the Act) to amend schedule B.13 of DFRT *Determination 15 of 2008 – Consolidated Salaries Determination*. There was no hearing in this matter and we have dealt with the application on the basis of the submissions filed by the parties.

Background

[2] Schedule B.13 is a schedule in DFRT *Determination 15 of 2008 – Consolidated Salaries Determination* which contains rates of pay for trainees. It is segregated into two parts; Part 1: Permanent Force and Part 2: Reserve Force.

Submissions

[3] The ADF state that they conducted a review of schedule B.13 in early 2015 which has identified inconsistencies in three areas. In this matter they seek to make amendment to trainee rates of pay as a result.ⁱ

[4] The variations sought are:

- removal of an obsolete item (Part 1 item 3);
 - the ADF submit that they have not remunerated members under this category for several years and do not intend to.
- rewording of Part 1 item 7 to remove ambiguity;
 - the ADF submit that the wording in item 7 is ambiguous leading to Army and Air Force applying a different interpretation of the determination resulting in trainees being paid at an inconsistent level.
- removal of the discounting from Reserve trainee rates (Part 2 items 1 -3);
 - the ADF submit that aligning reserve trainee rates using the 1/365th divisor of permanent trainee rates will remove the last remaining discounted pay rates for Reserves.

[5] The Commonwealth supports the ADF's proposed amendments.ⁱⁱ

Consideration

[6] We note that item 3 applies only to trainees completing a 'certificate in technology' course. We accept the evidence that none of the Services have members remunerated under item 3 and that it is obsolete.ⁱⁱⁱ

[7] Further we considered item 7, which has two rates of pay in three sections. We noted that the first section relates to Army trainees and Air Force ground control officer trainees and that the trigger to access a higher pay rate is completion of the initial 6 months of an 18 month course. We noted that the second section relates to other Army and Air Force trainees and that eligibility for the higher rate is possession of a degree. The third section relates only to Navy trainees and we acknowledge the evidence that Navy trainee remuneration increments are linked to years rather than course completion. We accept that Navy "*prefer to remain with their current trainee pay structure as this satisfies their progression and remuneration requirements.*"^{iv}

[8] We considered the evidence that ambiguity in relation to item 7 has caused Air Force to apply the determination differently to Army resulting in inequitable payment for trainees in similar circumstances^v. For example, we note that the Army interpretation results in payment to degree qualified trainees at the higher rate on commencement of their training while Air Force pay the lower rate for the first six months. We accept that the revised wording as proposed^{vi} will remove any misinterpretation by clearly outlining the periods of eligibility.

[9] In regard to Part 2 items 1-3 we gave consideration to the fact that all other Reserve discounted rates have been removed^{vii} and accept the need to remove discounted rates for trainees.

Conclusion

[10] We agree that Part 1 removal of item 3 dealing with a trainee undertaking a certificate of technology course and accept that the Services have agreed this item is obsolete.

[11] The change to Part 1 item 7, which we also agree to, does not impact Navy and will remove the risk of misinterpretation for Army and Air Force trainee remuneration. We agree that all trainees without a degree presently under item 7 should be paid the lower rate for the first six months and then progress to the higher rate for the final 12 months in order to acknowledge the military experience gained in that first six months. We accept that removes mention of individual specialisations and allows for broader application across officer training.

[12] We recognise the additional experience gained by degree qualifications and agree the higher rate should be paid on commencement of military training.

[13] We agree to the amendment to Part 2 items 1-3 so as to provide for consistent application of the 1/365th divisor and removal of the discounted rate.

[14] Determination 8 of 2015 gives effect to our decision.

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

ⁱ ADF Submission – Review of Schedule B.13 Trainee Pay dated July 2015.

ⁱⁱ Commonwealth Submission – Review of Schedule B.13 – Trainee Pay rates dated 13 July 2015.

ⁱⁱⁱ ADF submission page 4 paragraph 2 sub para a.

^{iv} Ibid page 16 paragraph 32 sub para e.

^v Ibid pages 13 to 15 paragraphs 28 to 32.

^{vi} Ibid page 5 paragraph 3 sub para b.

^{vii} Matter 13 of 2014 – Removal of discounted rates of salary.