



## **Defence Force Remuneration Tribunal**

---

### **DECISION**

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

#### **ROYAL AUSTRALIAN AIR FORCE: COMMAND PLACEMENTS** (Matter 7 of 2019)

MS I. ASBURY, PRESIDENT

MR A. MORRIS, MEMBER

CANBERRA, 20 FEBRUARY 2020

RADM J. GOLDRICK AO CSC RAN RTD, MEMBER

[1] This decision arises from a listing application<sup>1</sup> made by the Australian Defence Force (ADF) under section 58H of the *Defence Act 1903* (the Act) to establish a pay grade placement at pay grade 8 within the Graded Officer Pay Structure (GOPS) for selected Air Force Command Appointments.<sup>2</sup>

[2] An initial hearing was conducted at RAAF Base Amberley, Queensland on 24 September 2019 with a subsequent hearing held in Canberra on 6 November 2019. A conference was also held in Canberra on 19 February 2020. At both hearings Mr J Philips SC appeared for the ADF and Mr J O'Reilly for the Commonwealth; Group Captain S Witheford, Director Workforce Planning – Air Force appeared as a witness for the ADF.

#### **BACKGROUND**

[3] In Matter 3 of 2007 – *Graded Officer Pay Structure Navy and Army* proposed a remuneration taxonomy with an absolute pay grade placement at pay grade (PG) 8 for specified Command appointments during and post tenure. However, at the same time Air Force alternatively sought “one relative pay grade placement to the right” above the existing pay placement for its

officers (who were not aircrew) appointed to, or following, Command appointments; commonly referred to as a ‘plus one’ placement.<sup>3</sup>

[4] The Tribunal last considered Air Force Command placements in Matter 10 of 2017 – *Enduring Command Pay Grade for Air Force Officers* when a minor amendment was made to provide clarity to the administration of remuneration for Command appointments.

## SUBMISSIONS

### ADF

[5] The ADF submits that Air Force has now undertaken an extensive review of Command. Subsequently, it has identified that, with hindsight, the plus one taxonomy for certain non-aircrew Command appointments has, over time, inadequately addressed the value of those appointments. The submission does not propose to change any of the roles, duties or structure of Air Force Command appointments.

[6] Specifically the ADF seeks:

- a. to establish an absolute pay grade placement at Wing Commander and Group Captain ranks within GOPS at PG8 for identified non-officer aviation Air Force Command positions and recognised Joint Command positions;
- b. to retain the existing ‘plus one’ pay grade construct for identified non-officer aviation Air Force Command appointments in Headquarters Commands, the Engineering Systems Program Offices and Commands at Squadron Leader rank;
- c. that the Tribunal agree all members who are in an identified non-officer aviation Command appointment<sup>4</sup> will be eligible for the proposed PG8 placement, prospectively from the proposed date of implementation; and
- d. that the Tribunal agree all current members who have previously held a recognised non-officer aviation Air Force Command since 2007<sup>5</sup> will be eligible for the proposed PG8 placements prospectively from the date of implementation.<sup>6</sup>

[7] The ADF proposes that Air Force Reserves who are currently, or previously have been, appointed to a recognised Command position will have their pay increased to PG8 where applicable in line with the Permanent Force members detailed in this submission.

### COMMONWEALTH

[8] The Commonwealth supports the establishment of an absolute pay grade placement at PG8 for Command, and for officers currently in identified Command positions, stating it “*reasonably addresses a capability risk for Air Force in attracting and retaining officers of the right calibre going forward to undertake challenging senior positions*”.<sup>7</sup>

[9] The Commonwealth, however, opposes the proposal for officers who have previously held identified Command positions to also be placed at PG8. The Commonwealth “*does not consider retrospective recognition of officers who have previously held command to address*

*this capability issue*". It further considers that this aspect *"brings unnecessary complexity related to assessing past Command appointments and all of the circumstances surrounding the commencements and cessation of their tenure"*.

[10] The Commonwealth is further concerned that issues may arise *"regarding claims of redress from members who have retired or made career decisions based on the applicable salary applying at the time to their detriment"*.<sup>8</sup>

## **WITNESS EVIDENCE**

### **Group Captain (GPCAPT) S C C Witheford**

[11] GPCAPT Witheford gave evidence that *"this journey started with the Pearson Review<sup>9</sup> (into Air Force Command) in 2013 which was directed by the Chief of Air Force following regular and significant feedback from his workforce in Command appointments"*. He stated that *"in retrospect, Air Force may have missed the mark in terms of the way it approached the pay for its commanding officers in the non-aviation roles"* expanding that *"this approach has played out over the years and unfortunately it has had an adverse effect on Chief of Air Force's ability to fill Command appointments"*. He acknowledged that *"we've had people actually withdraw from command appointments due to the rigours and demands on their personal life and health, and then adding insult to injury is the fact they're getting paid less than their Navy and Army counterparts who have essentially the same level of responsibilities"*.<sup>10</sup>

[12] GPCAPT Witheford also stated that *"there were a number of activities that were concurrent with that Pearson Review as well to analyse sustainability, attraction and ensuring we reinvest that command capability"*.<sup>11</sup> In regard to aspects additional to the Pearson Review, GPCAPT Witheford also stated that *"the current CDF has questioned the validity of Air Force's current approach to Command appointments and how that fits in the context of increasing joint command appointments (rotational commands) and recommended a review of them be undertaken to align where feasible"*.<sup>12</sup>

## **CONSIDERATION**

[13] Throughout our considerations we recognised that Command is the pinnacle of an officer's career up to the rank of Wing Commander and that an officer's career beyond that rank is significantly influenced by having exercised Command. We understand that future career advancement is particularly dependent on how well a Commander performs during their Command tenure and accept that Command is highly valued and that only those officers who have been carefully assessed as having the requisite experience, qualities and potential are appointed.

[14] We note that the Pearson Review (which concluded in August 2013) resulted in 11 recommendations; ten of which focussed on the internal administration and operation of Air Force Commands. The eleventh was that Air Force *"conduct an independent holistic review of Air Force non-aircrew officer GOPS placement to ensure that the enterprise worth of commanding officers is adequately remunerated"*. We observe that this was the only recommendation that was not immediately addressed as it was deemed to be *"a low priority"* at the time.<sup>13</sup>

[15] Despite this we accept the evidence that “*over the past 12 years or so since the implementation of GOPS Air Force has had the opportunity to observe how the placement of its Command positions in the GOPS has influenced the behaviours of its officer workforce*”.<sup>14</sup>

[16] We considered the evidence that the “*current remuneration approach is not fostering a competitive and attractive pull towards Command appointment*” within Air Force.<sup>15</sup> We also considered in detail the evidence that the plus one approach is still considered to be appropriate for certain Headquarters Commands, Engineering Systems Program Offices Commands and Commands that have a Commanding Officer at Squadron Leader level. We accept that, for the most part, these Commands have a “*lesser degree of complexity of responsibility relative to span of authority and size of the unit commanded*”.<sup>16</sup>

[17] In the context of rotational Joint Command appointments we considered the evidence from GPCAPT Witheford that the issue is “*less focussed on employment category work value and more focussed on recognition of Command parity in terms of responsibilities, accountabilities and remuneration for the same role, regardless of the Service of the appointee*”.<sup>17</sup> We note his evidence of the “*commonality in terms of accountabilities and responsibilities between command across Army, Navy and Air Force yet people in Air Force were being paid pay group 5 or 6 or 7, compared to Navy and Army counterparts in similar sort of commands for similar sort of responsibilities on pay group 8 as per the absolute taxonomy*”.<sup>18</sup>

[18] We particularly note this and gave consideration to situations that have arisen, for example, where a Joint Command appointment was held by an Army officer (remunerated at PG8) with the subsequent incumbent being an Air Force officer remunerated at their ‘plus one placement’ of PG5, and the following incumbent a Naval officer on PG8; the disparity is axiomatic.

[19] We considered the Commonwealth concerns about retrospective application of the proposal and its evidence in the hearing on 6 November 2019. We note that it is expressly not raising any concern “*with officers in an identified command position on or after the date of commencement retaining the associated pay grade placements after the command appointment concludes as proposed*”.<sup>19</sup>

## CONCLUSION

[20] We accept that “*all three Services acknowledge and value Unit Command more than ordinary category work value, albeit in different ways*”. We agree that Air Force’s plus one pay grade approach to remuneration is now “*viewed as being out of step with the Air Force strategy, organisational goals and workforce attitudes/behaviours*”.

[21] We accept that the plus one pay grade “*no longer meets the needs of the identified non-officer aviation Air Force Command positions and recognised Joint Command positions, although it still has relevance to the Commands where the trade/profession/employment category has primacy and have a lesser degree of complexity of responsibility relative to span of authority, and the size of the unit commanded*”.<sup>20</sup>

[22] We agree that the responsibilities and accountabilities of a Commanding Officer have significantly increased since the advent of GOPS in 2007. We agree that since then, while individual officer employment categories are generally appropriately valued, the differential salary for Air Force Command appointments no longer accommodates or addresses contemporary workforce values towards Command in Air Force or in the joint ADF environment.

[23] We agree with the evidence of GPCAPT Witheford that, *“the proposition here is an understanding or recognition that potentially Air Force may have got it wrong during the 2007 GOPS submission, in terms of the recognition of work value associated to Command”*.<sup>21</sup> We are reminded of the considerations of the Tribunal at the time that it was *“particularly concerned with cross Service differences and any impact on joint operations – for example differences in how command was to be recognised”* and that *“having pressed this question”* it concluded it would *“accept the Chief of Defence Force’s and Service Chief’s assurances that the different approaches of the Services, being appropriate to their cultures, are manageable across the ADF without weakening its joint nature”*.<sup>22</sup> We accept that this did not eventuate.

[24] We agree with the Commonwealth that the *“movement to an absolute placement is consistent with the principles and considerations underpinning placements for Navy and Army Command positions in 2007, including those relating to sustainability”*. We concur that this *“demonstrates a clear intent from the ADF to consistently recognise, value and reward ADF members fulfilling Command positions of similar scale, demand and accountability”*.<sup>23</sup>

[25] We do not agree with the Commonwealth proposal in regard to retrospective recognition of Command appointments and note that *“the net effect of that will be we will treat the group – the cohort in the Air Force less favourably than we treat the cohort in the Navy and the Army because the Air Force took a while to recognise that they hadn’t done this as effectively as they could”*. We note the Commonwealth view that *“those people at that time were remunerated under the pay structure that applied to them at that period”*.<sup>24</sup> However we do not accept that this prevents Air Force recognising their appointments retrospectively while seeking to acknowledge them prospectively.

[26] We specify that Air Force is seeking retrospective recognition of an officer’s previous command appointments back to the advent of GOPS in 2007 but is not seeking retrospective payment. We reach a decision that this explicitly means that all those Air Force officers identified by Air Force who have held command appointments as detailed in the submission for longer than 12 months since the GOPS decision in 2007, on the date of implementation of this decision, be placed on PG8.

[27] Determination 1 of 2020 will be issued to give effect to this decision from 5 March 2020.

MS I. ASBURY, PRESIDENT  
MR A. MORRIS, MEMBER  
RADM J. GOLDRICK AO CSC RAN RTD, MEMBER

*Appearances:*

Mr J Phillips SC assisted by Mr P Blady *for the ADF*

Mr J O'Reilly assisted by Mr N Calleja *for the Commonwealth*

*Witness:*

*Group Captain S C C Witheford, Director Workforce Planning – Air Force*

---

<sup>1</sup> ADF letter DMR/OUT/2019/25 2019/BN/8073562 Listing Application – *Air Force: Command* dated 5 August 2019.

<sup>2</sup> In Matter 3 of 2007 - *Graded Officer Pay Structure (GOPS)* ADF submission – *Additional submission on Command* dated 18 July 2007 the three Services agreed that Command is defined as: “an appointment for an officer to a position designated as a Command Appointment by the relevant Service Chief, which places him or her in a position of authority where they are directly and solely responsible for the planning, organising, directing, coordinating and controlling of people, resources, assets and facilities within that Command, and are directly accountable to higher authority for the achievement of its defined operational outcomes”.

<sup>3</sup> <https://www.dfrt.gov.au/sites/default/files/GOPS-ADF-Officer-Placement-Decision-31-Oct-07.pdf>

<sup>4</sup> Other than non-officer aviation Air Force Command appointments in Headquarters Commands, Engineering System Program Office and Commands at Squadron Leader rank.

<sup>5</sup> Other than non-officer aviation Air Force Command appointments in Headquarters Commands, Engineering System Program Office and Commands at Squadron Leader rank.

<sup>6</sup> ADF Submission *Royal Australian Air Force Command Placements* (ADF 1) page 2 paragraph 1.5.

<sup>7</sup> Commonwealth submission *Royal Australian Air Force Command placements* dated 30 October 2019 (CWLTH 1) page 6 paragraph 32.

<sup>8</sup> CWLTH 1 page 7 paragraphs 40 and 41.

<sup>9</sup> Conducted by Air Commodore Ian Pearson and colloquially known as the Pearson Review.

<sup>10</sup> Affidavit of Group Captain S C C Witheford (ADF 2) dated 17 September 2019 page 3 paragraphs 12 and 13.

<sup>11</sup> Transcript 6 November 2019 page 3 lines 40-43.

<sup>12</sup> ADF 2 page 4 paragraph 17.

<sup>13</sup> ADF 1 page 8 paragraph 2.19.

<sup>14</sup> ADF 2 page 3 paragraph 12.

<sup>15</sup> ADF 1 page 20 paragraph 4.7.

<sup>16</sup> ADF 1 page 17 paragraph 3.18.

---

<sup>17</sup> ADF 2 page 6 paragraph 28.

<sup>18</sup> Transcript 24 September 2019 page 3 lines 1 -5.

<sup>19</sup> Exhibit ADF 3 email from Mr J O'Reilly to Mr P Blady *Air Force Command – Commonwealth submission clarification* dated 31 October 2019.

<sup>20</sup> ADF 1 page 28 paragraph 4.44.

<sup>21</sup> Transcript 6 November 2019 page 2 lines 21 – 23.

<sup>22</sup> <https://www.dfrt.gov.au/sites/default/files/GOPS-ADF-Officer-Placement-Decision-31-Oct-07.pdf> page 13.

<sup>23</sup> CWLTH 1 page 6 paragraph 33.

<sup>24</sup> Transcript 6 November 2019 page 17 lines 14 – 24.