



## **Defence Force Remuneration Tribunal**

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### **DECISION**

*Defence Act 1903*

s.58H—Functions and powers of Tribunal

### **ROYAL AUSTRALIAN NAVY: SHORE CHARGE PLACEMENT**

(Matter 7 of 2020)

MS I. ASBURY, PRESIDENT

MR A. MORRIS, MEMBER

CANBERRA, 6 MAY 2020

RADM J. GOLDRICK AO CSC RAN RTD, MEMBER

[1] This decision arises from an application<sup>1</sup> made under s.58H of the *Defence Act 1903* by the Australian Defence Force (ADF) to establish a defined pay placement within the Graded Officer Pay Structure (GOPS) for recognised ‘Shore Charge’ appointments.

[2] In accordance with government regulations regarding COVID-19 we considered this matter via teleconference on 2 April 2020. Affidavits were submitted by Captain S. Bowater OAM RAN, Commander Shore Force and Captain L. Batchler RAN, Director Navy Workforce Management.

### **BACKGROUND**

[3] Overall, the role of ‘second-in-command’ of a land-based establishment within Navy is referred to as a ‘Shore Charge’ position. These are positions which, in part, are considered to be those directly accountable to the Commanding Officer (CO) of a major establishment, or to a commander at the group level, who holds the minimum rank of Commander.

[4] The second-in-command of any Naval ship, establishment or unit is referred to as the Executive Officer (XO). The XO has authority over all officers and sailors (irrespective of rank, excluding the CO) in matters concerning the activities and operations of the establishment and act for the CO in their absence. There are 18 formally recognised ‘Shore Charge’ positions within Navy: 12 XO’s of commissioned establishments, two XO’s of Naval Headquarters, two XO’s of training establishments and two selected Minor Mission Commands (commonly known as ‘Heads of Resident Units’).<sup>2</sup>

[5] Shore Charge positions are not built into the career structure of any officer employment category and do not presently have a specified pay placement. Officers in those positions are remunerated according to their employment category and skill grade/classification.

## **SUBMISSIONS**

### **ADF**

[6] The ADF states that in 2013 Navy formally established Shore Charge positions under Shore Force which recognised the responsibilities, roles and functions of key shore establishment positions. In doing so it submits that Navy acknowledged the increasing complexity and responsibilities of Command ashore, the need to attract and select more high performing officers to undertake these positions, and to construct developmental pathways into Command and senior leadership.

[7] In seeking an absolute pay grade for these officers Navy submits that there is a requirement to incentivise a wider range of officers into shore charge appointments and consequently a position-value pay placement, relative to the existing sea charge pay placements, is being recommended.

[8] Specifically the ADF proposes:

- a. to establish an absolute pay grade placement within GOPS at pay grade 6 (PG6) for positions that are identified as ‘shore charge’ positions by the Chief of Navy;
- b. that the following circumstances are recognised prospectively from the date of implementation for officers:
  - i. who are currently posted to an identified shore charge position will be eligible for the proposed PG6 placement;
  - ii. who have previously been posted to a recognised shore charge position since they were established by Shore Force will be eligible for the proposed PG6 placement;
  - iii. in the Maritime Warfare Officer employment category who have previously been posted to the position of Commanding Officer Royal Australian Navy Tactical Electronic Warfare Support Section (RANTEWSS) since the implementation of the GOPS will continue to hold PG7; and

- iv. who are posted to the position of Commanding Officer RANTEWSS after the implementation of this proposal will be placed in the proposed PG6.<sup>3</sup>

[9] In establishing an absolute pay grade the ADF submit that the intended outcomes are to:

- a. recognise that shore charge positions carry a higher level of complexity, accountability and responsibility than other positions at the same rank;
- b. develop diversity in Navy senior leadership through promoting eligibility for professional development opportunities necessary for command to all officer employment categories;
- c. incentivise members to seek postings that develop the professional attributes necessary for future Command appointments; and
- d. recognise the enduring value to the ADF of the experience of shore charge.<sup>4</sup>

### **Commonwealth**

[10] The Commonwealth supports the ADF proposal in its entirety and notes that it will be *“important to measure whether there is a corresponding increase in officers from enabling employment categories.”*<sup>5</sup>

### **WITNESS EVIDENCE**

#### **Captain S J Bowater OAM RAN, Commander Shore Force**

[11] Captain (CAPT) Bowater gave evidence that the proposal is designed to bring shore based officers closer to parity with their seagoing peers. He outlined that the XO of a shore establishment is *“charged with leading and managing organisations which can be larger and more diverse than a seagoing ship.”*<sup>6</sup> He expanded on this stating that *“at sea, Sea Charge positions are Heads of Departments which are fundamentally technical positions. The Shore Charge is a generalist role. One needs an ability to influence people rather than your technical skills or right of Command to drive a warship.”*<sup>7</sup>

[12] CAPT Bowater stated that *“through Shore Charge experience, one gets a range of people who normally wouldn’t be considered in a traditional sense for Command positions. You can get nurses, lawyers, doctors, logisticians, human resource officers etc”*. He outlined that *“they have the best skills sets to be excellent XO’s of Shore Force because they deal with people using a leadership style which is one of influencing and negotiating to get things done”* and that *“once they have completed 18 months to two years as XO [they] are Navy officers who know how to use their influence and leadership skills with aplomb. They are perfect for promotion into the capability and people spaces”*. He added *“they are the kind of people whom we are targeting”*.<sup>8</sup>

## **Captain L J Batchler RAN, Director Navy Workforce Planning**

[13] CAPT Batchler stated that *“currently applications for Shore Charge positions are primarily received from officers in the warfare type categories who are generally already pay grade 6 or higher in the GOPS”*. She states that *“officers in the enabling and supporting type employment categories (as referred to in the above paragraph) are less likely to apply for the positions because they are aware of the level of complexity and demands placed upon them in the Shore Charge roles and that no additional compensation for these responsibilities is viewed as a disincentive.”*<sup>9</sup>

[14] CAPT Batchler outlined that *“the Shore Charge position really is a 24/7 role much like the CO’s”* and that *“call backs happen regularly, when one is called back to the office to deal with an issue, and out of hours phone calls are also regular. The CO or XO is always on call to deal with emerging issues. Generally they are personnel issues, so most of the responsibilities are around emergencies including serious injury, death, or notification of death, accidents, incidents or an escalation of any safety or security issue on the base.”*<sup>10</sup>

[15] She stated that *“media skills and awareness are also necessary for officers in shore charge positions as they are the ‘face’ of Navy shore establishments managing an increasingly complex and challenging media and public affairs environment.”*<sup>11</sup>

## **CONSIDERATION**

[16] We accept that, since the inception of the Graded Officer Pay Scheme (GOPS) in Matter 3 of 2007, Command has been considered to have a pay placement which specifically acknowledges Command appointments and distinguishes the nature of warfighting Command at sea from the nature of Command ashore. We note that Shore charge positions were not considered as part of the initial Command type placements within GOPS.<sup>12</sup>

[17] We note that Navy formally established 18 ‘shore charge’ positions in 2013 which recognised the responsibilities, roles and functions of key shore establishment positions in order to improve the process by which officers were identified for these positions.<sup>13</sup> Additionally this permitted Navy to attract and select more high performing officers to undertake these positions and to construct developmental pathways into Command and senior leadership.

[18] We accept that officers who are undertaking shore charge positions are likely to have a minimum of 12 to 18 years’ experience as an officer in the Navy and be generally of the Lieutenant Commander and Commander ranks.

[19] We considered that the roles for Heads of Resident Units<sup>14</sup> differ in that they are additionally responsible for delivery of their unit capability, operational support, force generation and other specific deliverables to their group /unit level Commander. We note that these Minor Mission Commands are also responsible to the CO of the major shore establishment where they are located for the provision of administrative management of the unit personnel.

[20] We note that sea charge positions have responsibility for specialist capabilities (e.g. engineering and logistics) and are generally remunerated at PG7. We agree that while shore charge positions are generally less specialised they have a far broader scope of supervision and a

diversity in the number of people they oversee and manage. We accept that, until now, only sea charge positions have been assessed for specified placement in the GOPS and no consideration had been given to shore charge positions.

[21] We considered the evidence that “*experience gained as a result of undertaking a shore charge posting as a key member of the establishment Command team is comparable to that of a sea posting by enabling significant development of the officer’s ability to contribute in the command, planning and support functions of Navy capability.*”<sup>15</sup>

## CONCLUSION

[22] We agree that the breadth of experience gained within a charge position directly influences the range of jobs an officer can do at rank or in higher appointments.

[23] We accept that encouraging and attracting people into Command from a diverse range of qualifications and skills, and providing them with appropriate enduring remuneration for undertaking the Shore Charge positions, is beneficial to Navy in preparation for Shore Command and other leadership roles.

[24] We agree with the Commonwealth that it is important to measure the desired effect of this proposal and any increase in officers applying for these positions. Accordingly we ask the ADF to return to us in 2022 to review the progress of this matter, with a final review in 2026 at the conclusion of a series of posting cycles over the intervening years.<sup>16</sup>

[25] We agree that officers who have previously held these positions since 2013 when they were formally established under Shore Force should be paid **prospectively** at PG6 - if they are not yet at this level - and understand this impacts only a small number of officers.<sup>17</sup>

[26] We agree that shore charge be set an enduring pay placement at PG6 within GOPS. Determination 4 of 2020 gives effect to this amendment from 9 July 2020.

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

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<sup>1</sup> DMR/OUT/2020/07 BN13947869 *Listing Application – Navy Shore Charge* dated 27 February 2020.

<sup>2</sup> Annexure A to ADF Submission *Royal Australian Navy Shore Charge Placement* dated April 2020.

<sup>3</sup> ADF Submission page 2 paragraph 1.6

<sup>4</sup> ADF Submission page 18 paragraph 4.30

<sup>5</sup> Commonwealth Submission *Royal Australian Navy Shore Charge Placement* dated 23 March 2020 page 5 paragraphs 27 and 30.

<sup>6</sup> Affidavit Captain S J Bowater OAM RAN dated March 2020 page 3 paragraph 13.

<sup>7</sup> *Ibid* page 12 paragraph 41.

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<sup>8</sup> Ibid page 13 paragraph 44.

<sup>9</sup> Affidavit of Captain L J Batchler RAN dated 5 March 2020 page 9 paragraph

<sup>10</sup> Ibid pages 6 and 7 paragraph 23

<sup>11</sup> Ibid page 9 paragraph 30.

<sup>12</sup> Matter 3 of 2007 – *Graded Officer Pay Structure*. <https://www.dfrt.gov.au/sites/default/files/GOPS-ADF-Officer-Placement-Decision-31-Oct-07.pdf>

<sup>13</sup> ADF Submission page 1 paragraph 1.4

<sup>14</sup> Annexure A to the ADF Submission defines these as CO RANTEWSS and the Tri-Service rotational position of CO Australian Joint Acoustics Analysis Centre (AJAAC) currently filled by an Air Force officer.

<sup>15</sup> ADF Submission page 5 and 6 paragraph 2.18.

<sup>16</sup> Affidavit of CAPT Batchler page 4 paragraph 15 “*shore charge positions are usually a two year posting*”.

<sup>17</sup> ADF Submission page 24 paragraph 6.13 “*Seven previous incumbents of shore charge positions remain in the Permanent Navy and are remunerated at either Pay Grade 4 or 5*”