

AUSTRALIAN GOVERNMENT

**Defence Force
Remuneration Tribunal
Annual Report**



Period: 1 July 2017 – 30 June 2018

President's overview

This year the highlight has again been the opportunities provided for us to meet and engage with ADF personnel; we never fail to be impressed by the soldiers, sailors, airmen, airwomen and officers we meet. Their dedication and passion for their duties, and their willingness to assist us, is commendable and unfailing.

We particularly wish to thank those senior Defence personnel who brief us extensively at the initial hearing of each calendar year in order to give us a concise picture of the ADF workforce and the challenges and priorities for the forthcoming year, along with the plans to address those issues over the course of the 12 months.

The advocate roles undertaken this year by Mr Jeffrey Phillips SC for the ADF, and Ms Julie Menaglio and Ms Phoebe Morrison for the Commonwealth, have continued to ensure we are provided with access to detailed submissions and a range of witnesses who are experts in their fields.

The predominant case finalised during this reporting year was the conclusion of Matter 5 of 2016 - *Air Force Officer Aviation Pay Structure* which commenced in August 2016 with an inspection at Exercise PITCH BLACK in Darwin. Formal conferences were subsequently held in late 2016 and into 2017 with hearings held in Canberra in July, August and December 2017. We issued our decision and determination in March this year giving effect to a revised structure and pay placements for the Air Force officer aviation workforce.

I wish to thank the outgoing ADF senior leadership team: Chief of Defence Force, Air Chief Marshal Mark Binskin AC; Vice Chief of Defence Force, Vice Admiral Ray Griggs AO CSC RAN; Chief of Navy, Vice Admiral Tim Barret AO CSC RAN and Chief of Army, Lieutenant General Angus Campbell AO DSC, most of whom have appeared before the Tribunal during their tenure. We have valued their expert contribution and authority enormously and look forward to working with the incoming Senior Leadership team in due course.

The Australian Public Service Commission continues to provide Secretariat staff to the Tribunal and I again thank them for their ongoing professional support and advice. In particular the assistance provided by our Advisor, Ms Katrina Blazey, has been continued to be invaluable.

Ingrid Asbury
President

1. INTRODUCTION TO THE TRIBUNAL

The Defence Force Remuneration Tribunal was established in 1984 to determine the pay and allowances of members of the Australian Defence Force (ADF), considering the special nature of ADF service.

The Tribunal is an independent authority established under section 58G of the *Defence Act 1903* (the Act). The functions of the Tribunal, as set out in section 58H(2) of the Act, are to:

(a) inquire into and determine the salaries and relevant allowances to be paid to members; and

(b) inquire into and make determinations in respect of prescribed matters that have been referred to the Tribunal.

In addition, under section 58KD:

The Tribunal may, in making a determination, give effect to any agreement reached between the Minister, acting on behalf of the Commonwealth, and the Chief of the Defence Force, acting on behalf of the members of the Australian Defence Force, in relation to a matter to which the determination relates.

2. MEMBERSHIP OF THE TRIBUNAL

The Tribunal consists of three part-time members who are appointed by the Governor-General. In accordance with the relevant legislation, the President is a presidential member of the Fair Work Commission and members must include a person who is experienced in industrial relations matters and a person who has previously been a permanent member of the ADF.

Details on the current members of the Tribunal are available at:

<http://www.dfrt.gov.au/about>

3. THE PERFORMANCE OF TRIBUNAL FUNCTIONS

The Act provides that the Tribunal may regulate the conduct of its proceedings and is not bound to act in a formal manner. The Tribunal may inform itself on any matter in such a manner as it thinks fit and is not bound by the rules of evidence.

4. THE OPERATIONS OF THE TRIBUNAL

In order to have the Tribunal consider matters, the ADF makes applications to have a specific matter heard. The ADF and Commonwealth present written submissions to the Tribunal and make recommendations on whether the matter should be heard formally, considered on papers or informed by conference. Some Tribunal decisions are informed by inspections.

On completion of hearings or conferences, the Tribunal adjourns to consider the evidence and the draft determination put to them by the parties. This results in a formal written decision providing reasons for the Tribunal's conclusions. Both the decision and the determination are published on the Tribunal's website.

Determinations are subsequently tabled in Parliament by the Minister Assisting the Prime Minister for the Public Service.

5. PARTIES AND THEIR ADVOCATES

The major parties appearing before the Tribunal are the ADF, represented by the Defence Force Advocate, and the Commonwealth. These parties are entitled to be present and to make submissions during any proceedings.

The office of Defence Force Advocate is held by Mr Jeffrey Philips SC. The Commonwealth is represented by employees of the Australian Public Service Commission (APSC); over the period of this report the advocate role for the Commonwealth was performed by Ms Julie Menaglio and Ms Phoebe Morrison.

6. INTERVENERS

Under section 58K (10) of the Act, where the Tribunal thinks that a person or body should be heard in relation to a matter, the Tribunal may permit them to make a submission or to seek leave to appear before the Tribunal.

The Defence Force Welfare Association (DFWA) sought leave to intervene in Matter 6 of 2017 – *Workplace Remuneration Arrangement* which was finalised on 11 October 2017. The DFWA had previously been granted leave to appear in Matter 5 of 2016 – *Air Force: Officer Aviation Pay Structure* which was finalised on 7 March 2018.

7. REVIEWS

The Tribunal has a statutory obligation under section 58H(6) of the Act to inquire into and make a further determination in respect of matters it has previously determined:

(a) within 2 years of the first-mentioned determination taking effect; or

(b) if the Minister, by notice in writing given to the President, requests the Tribunal to make a further determination in respect of those salaries and allowances within a shorter period of the first-mentioned determination taking effect – within that shorter period.

8. HEARINGS

Where the Tribunal determines that a formal hearing is required, it is usually held in Canberra and, unless security restrictions prevent it, conducted in public.

9. MATTERS CONSIDERED IN 2018–18

The complexity of matters means that they are often considered over a period of months and can involve a combination of hearings, inspections and conferences.

A list of all matters considered during the year and the resultant determinations are published on the website: <http://www.dfrt.gov.au/matters>

The major matters listed by the ADF for consideration in 2017-18 are detailed below:

Matter 5 of 2016 – [Air Force: Officer Aviation Pay Structure](#)

Matter 1 of 2017 – [Annual Review of Determinations](#)

Matter 6 of 2017 – [ADF Workplace Remuneration Arrangement 2018 - 2020](#)

Matter 12 of 2017 – [Navy: Cryptologic sailors](#)

Matter 13 of 2017 – [Flexible service determinations](#)

Matter 1 of 2018 – Annual Review of Determinations (*remains under consideration*)

Matter 3 of 2018 – Army Band Corps – Restructure (*awaiting ADF submission*)

Matter 5 of 2018 – Air Force: Personnel Psychologist (*awaiting ADF submission*)

Matter 6 of 2018 – ADF Rotary Wing Aviation Officers (*awaiting ADF submission*)

Matter 7 of 2018 – Maritime Allowances Review (*awaiting ADF submission*)

Matter 8 of 2018 – Chief Joint Capabilities (*awaiting ADF submission*)

Matter 9 of 2018 – 2018 Special Operations Review (*awaiting ADF submission*)

Administrative matters

The following matters were administrative in nature or were concerned with name or structural changes. The Tribunal considered them on papers or in conference with the parties.

Matter 9 of 2017 – [Administration of salary and allowances under forfeiture and suspension](#)

Matter 10 of 2017 – [Enduring Command Pay Grade for Air Force Officers](#)

Matter 11 of 2017 – [Navy: Maritime Logistics - Personnel](#)

Matter 14 of 2017 – [1st Recruit Training Battalion - Report Back](#)

Matter 15 of 2017 – Submarine Capability Assurance Payment – Report Back
(*no documents issued*)

Matter 16 of 2017 – [Navy: employment category amendment](#)

Matter 17 of 2017 – [Navy: Engineers Level 2](#)

Matter 2 of 2018 – [Rate of salary on advancement from Other Ranks - amendment](#)

Matter 4 of 2018 – [Salaries - definitions amendment](#)

10. INSPECTIONS

Inspections may be initiated by the Tribunal or the parties when it is considered that a practical review of work performed by ADF members will be critical to the Tribunal's understanding of a particular matter. Inspections are most beneficial in assisting the Tribunal to reach decisions because they allow Tribunal members to witness firsthand, albeit in a limited way, the working and living conditions of ADF members across a range of employment categories and localities. The ADF and Commonwealth parties, as well as the Secretariat Advisor, normally accompany the Tribunal on inspections.

11. VISITS

The Tribunal undertakes visits to ADF units, establishments and vessels without specific reference to particular matters. These visits include open forums with ADF members of all ranks. The meetings are informal and often include a short explanation of the role and function of the Tribunal, followed by a discussion period during which personnel have the opportunity to raise issues or ask questions.

One visit was conducted during the year: [Visit to HMAS Farncomb and HMAS Adelaide](#)

12. TRIBUNAL ADMINISTRATION

Secretariat support

The Tribunal is supported by a secretariat staffed by employees of the Australian Public Service Commission (APSC) which operates from premises in the Treasury Building, Parkes ACT. The Tribunal sits at premises at 12 Moore Street, Canberra, ACT when conferences and hearings are held.

Financial matters

The Tribunal's financial requirements are met through the APSC; there are no separate accounts applicable to the Tribunal.

Website

The Tribunal's website (www.dfrt.gov.au) is hosted by the APSC. The website provides detailed information on the Tribunal's current activities, work program and hearing schedule. It also provides historical information on the Tribunal's operations and decisions.

Freedom of information

The Tribunal is considered to be a separate agency for the purposes of freedom of information. Agencies subject to the *Freedom of Information Act 1982* (FOI Act) are required to publish information to the public as part of the Information Publication Scheme. The Tribunal publishes this information on the website.