



Headquarters  
New Zealand Defence Force  
Defence House  
Private Bag 39997  
Wellington Mail Centre  
Lower Hutt 5045  
New Zealand

OIA-2025-5337.1

 June 2025

cc: [REDACTED]

Dear [REDACTED]

I refer to your email of 22 April 2025 requesting, under the Official Information Act 1982 (OIA), the following after receiving the response to OIA-2025-5337:

*I am informed that such a proposal [to reduce the daily rate of pay by up to a third for members of the Territorial Force (Army Reserve)] exists as at the time of my request, was set out by Defence HR and that this proposal was sent to AGS Force Management and the Army Leadership Board in or about late March 2025.*

*If the proposal has been discontinued, I request you consider the request for information as it was before it was discontinued.*

As advised previously, the New Zealand Defence Force (NZDF) Remuneration team is not currently working on any initiative/plan/proposal to reduce the daily rate of pay for members of the Territorial Force (Army Reserve). In 2024, Defence Human Resources (DHR) sought feedback relating to a perceived inconsistency between the Regular Force and Territorial Force Daily Rate of Pay (DROP). This work has not progressed further and is not currently under active consideration.

Enclosed is a copy of emails between Defence Human Resources and Army General Staff and a New Zealand Army Minute dated 12 December 2024. An excerpt of Enclosure 1 of this Minute is provided as the other information contained in this document is not relevant to your request. Where indicated, information is withheld in accordance with section 9(2)(a) of the OIA to protect the privacy of individuals, and section 9(2)(k) of the OIA to avoid the malicious or inappropriate use of staff information, such as phishing, scams or unsolicited advertising.

You have the right, under section 28(3) of the OIA, to ask an Ombudsman to review this response to your request. Information about how to make a complaint is available at [www.ombudsman.parliament.nz](http://www.ombudsman.parliament.nz) or freephone 0800 802 602.

Please note that responses to official information requests are proactively released where possible. This response to your request will be published shortly on the NZDF website, with your personal information removed.

Yours sincerely

**GA Motley**  
Brigadier  
Chief of Staff HQNZDF

**Enclosures:**

1. Email
2. New Zealand Army Minute, 12 December 2024

**From:** Webb, Catherine, LTCOL  
**Sent:** Tuesday, 5 November 2024 6:09 am  
**To:** Jull, Brendon, COL; s.9(2)(a)  
**Cc:** s.9(2)(a)  
**Subject:** FW: TF Divisor Unclassified

Hi Sir, s.9(2)(a)  
Originating email details the ask and other emails relate to conversation on this plus additional information provided by s.9(2)(a) on the change in DROP which occurred 1 Jul 24 due to ResF increased entitlement to MIL factor. I'll invite Army's PCP(L), s.9(2)(a) into the call also.  
Thanks  
Cate

**LTCOL Cate Webb (she/her)**  
Director Force Management, Army General Staff  
Ngāti Tūmataunga | New Zealand Army  
Tel: s.9(2)(a) | M: s.9(2)(a)  
[www.nzdf.mil.nz](http://www.nzdf.mil.nz)

Mā Ngā Hua Tū Tangata



**From:** s.9(2)(a)  
**Sent:** Wednesday, 30 October 2024 8:55 a.m.  
**To:** Webb, Catherine, LTCOL s.9(2)(a)  
**Subject:** RE: TF Divisor

Kia ora Cate

- Please see tables below to show:
- The DROP values for Territorial Force and Regular Force effective 30 June 2024. (Prior to the universal MIL Factor rate change).
  - The DROP values for Territorial Force and Regular Force effective 1 July 2024. (After the universal MIL Factor rate change)
  - The difference in DROP for Territorial Force and Regular Force effective 30 June 2024 and 1 July 2024.

Table to show The DROP values for Territorial Force and Regular Force effective 30 June 2024.

				Territorial Force (TF) 30 J		
Sector A						
Navy	Army	Air	Tier	Step 7 TR	Military Factor	Hourly Rate
ORD	PTE	AC	1	\$ 58,765.00	\$ 4,038.16	\$ 28.25

Released under the Official Information Act 1982									
AB	LCPL	LAC	1	\$	64,203.00	\$	4,038.16	\$	28.61
			2	\$	64,203.00	\$	4,038.16	\$	30.87
			3	\$	65,340.00	\$	4,038.16	\$	31.41
LH	CPL	CPL	1	\$	66,553.00	\$	4,038.16	\$	32.00
			2	\$	71,888.00	\$	4,038.16	\$	34.56
			3	\$	73,168.00	\$	4,038.16	\$	35.18
PO	SGT	SGT	1	\$	74,466.00	\$	4,038.16	\$	35.80
			2	\$	80,406.00	\$	4,038.16	\$	38.66
			3	\$	81,809.00	\$	4,038.16	\$	39.33
CPO	SSGT	F/S	1	\$	83,244.00	\$	4,038.16	\$	40.02
			2	\$	92,203.00	\$	4,038.16	\$	44.33
			3	\$	93,817.00	\$	4,038.16	\$	45.10
WO	WO2/1	W/O	1	\$	95,415.00	\$	4,038.16	\$	45.87
			2	\$	105,647.00	\$	4,038.16	\$	50.79
			3	\$	107,595.00	\$	4,038.16	\$	51.73
			1	\$	109,286.00	\$	4,038.16	\$	52.54

Values are based on Sector A Step 7 rates.

TF receive 10% Holiday Pay (HP) / RF receive 25 days paid Annual Leave.

Table to show DROP values for Territorial Force and Regular Force effective 1 July 2024.

Sector A					
Navy	Army	Air	Tier	Step 7 TR3	M
ORD	PTE	AC	1	\$ 72,750.00	\$
			2	\$ 73,490.00	\$
AB	LCPL	LAC	1	\$ 78,189.00	\$
			2	\$ 79,326.00	\$
			3	\$ 80,539.00	\$
LH	CPL	CPL	1	\$ 85,874.00	\$
			2	\$ 87,154.00	\$
			3	\$ 88,452.00	\$
PO	SGT	SGT	1	\$ 94,392.00	\$
			2	\$ 95,795.00	\$
			3	\$ 97,230.00	\$
CPO	SSGT	F/S	1	\$ 106,189.00	\$
			2	\$ 107,803.00	\$
			3	\$ 109,401.00	\$
WO	WO2/1	W/O	1	\$ 119,633.00	\$
			2	\$ 121,581.00	\$
			3	\$ 123,272.00	\$

Values are based on Sector A Step 7 rates.

TF receive 10% Holiday Pay (HP) / RF receive 25 days paid Annual Leave.

Table to show difference in DROP for Territorial Force and Regular Force effective 30 June 2024 and 1 July 2024.



Sector A				Territorial Authority		
Navy	Army	Air	Tier	30/06/2024 ex HP	1/07/2024 ex HP	
ORD	PTE	AC	1	-\$ 35.20	-\$ 80.4	
			2	-\$ 36.02	-\$ 81.3	
AB	LCPL	LAC	1	-\$ 41.21	-\$ 86.5	
			2	-\$ 42.47	-\$ 87.7	
			3	-\$ 43.81	-\$ 89.1	
LH	CPL	CPL	1	-\$ 49.72	-\$ 95.0	
			2	-\$ 51.13	-\$ 96.4	
			3	-\$ 52.57	-\$ 97.8	
PO	SGT	SGT	1	-\$ 59.14	-\$ 104.44	
			2	-\$ 60.69	-\$ 105.99	
			3	-\$ 62.28	-\$ 107.58	
CPO	SSGT	F/S	1	-\$ 72.19	-\$ 117.49	
			2	-\$ 73.98	-\$ 119.28	
			3	-\$ 75.75	-\$ 121.04	
WO	WO2/1	W/O	1	-\$ 87.07	-\$ 132.37	
			2	-\$ 89.22	-\$ 134.52	
			3	-\$ 91.10	-\$ 136.39	

Values are based on Sector A Step 7 rates.

TF receive 10% Holiday Pay (HP) / RF receive 25 days paid Annual Leave.

If you have any further questions please just let me know.

Ngā mihi,

s.9(2)(a)

**From:** Webb, Catherine, LTCOL

**Sent:** Tuesday, 29 October 2024 8:47 a.m.

**To:** s.9(2)(a)

**Subject:** RE: TF Divisor

Hi s.9(2)

All would be great if you could, it'll go a long way to explain ResF overspend and spt case for STRFEs.

I'm in DH today if you would like me to pop by and catch up.

Thanks

Cate

**LTCOL Cate Webb** (she/her)

Director Force Management, Army General Staff

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Mā Ngā Hua Tū Tangata

NGĀTI TŪMATAUENGA  
**NZARMY**

**From:** s.9(2)(a)  
**Sent:** Tuesday, 29 October 2024 7:40 a.m.  
**To:** Webb, Catherine, LTCOL s.9(2)(a)  
**Subject:** RE: TF Divisor

Kia ora Cate

Yes I can answer your questions detailed below; I just thought I would check the level of detail you require for the difference in DROP for other ranks. Would you like all ranks or just the senior ranks (SSGT and above) as mentioned in your earlier email? We can show what this is for 30 Jun 24 and 1 Jul 24 ie before and after the MIL Factor value was changed.

There has not been any communications with ResF personnel.

Ngā mihi,

s.9(2)(a)

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**From:** Webb, Catherine, LTCOL  
**Sent:** Monday, 28 October 2024 6:27 a.m.  
**To:** s.9(2)(a)  
**Subject:** FW: TF Divisor

Morning s.9(2)(a)

Are you in a position to advise me on below questions:

- what a TF DROP was prior to the MIL factor being added (i.e. before 1 Jul 24),
- what the difference is in the DROP for other ranks,
- if there had been any communication with ResF personnel when their pay was adjusted on 1 Jul 24.

Kind regards,  
Cate

**LTCOL Cate Webb** (*she/her*)  
Director Force Management, Army General Staff  
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Mā Ngā Hua Tū Tangata

NGĀTI TŪMATAUENGA  
**NZ ARMY**

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**From:** s.9(2)(a)  
**Sent:** Wednesday, 16 October 2024 8:15 a.m.  
**To:** Webb, Catherine, LTCOL s.9(2)(a)  
**Cc:** s.9(2)(a); Shaw, Matthew, MAJ s.9(2)(a)  
**Subject:** RE: TF Divisor

Hi Cate – correct – the ask is whether the services are happy for the DROP for TF to align with the RF.

There of course will need to be some messaging around this as effectively those that have been receiving the current rate would in the future wonder why their pay has dropped if the pay was aligned.

Cheers

s.9(2)(a)

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From: Webb, Catherine, LTCOL s.9(2)(a)

Sent: Wednesday, October 16, 2024 6:34 AM

To: s.9(2)(a)

Cc: s.9(2)(a); Shaw, Matthew, MAJ s.9(2)(a)

Subject: FW: TF Divisor

Morning s.9(2)(a)

Just to confirm I'm understanding below and reading the ask correctly...

Currently a **TF PTE** DROP is \$279.81 compared to a **RF PTE** DROP (**\$199.32**) plus the TF pers also gets an additional 10% holiday pay lifting their DROP to **\$307.79**?

If this is correct, is the ask then that the TF DROP aligns to RF DROP plus TF will also receive the 10% holiday pay - which to me seems fair and takes into account that they don't receive SD/AL etc.

This is a huge difference and really reinforces why TF pers undertaking excessive training days should transition to a STRFE with FWA. I'm interested to know what the DROP difference is for senior ranks (SSGT – WO1s and CAPTs up) as it is these rank groups which are doing high TF days.

Once you've confirmed my interpretation is correct, I'll go out to ACA(R) to discuss.

Cheers

Cate

LTCOL Cate Webb (*she/her*)

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Mā Ngā Hua Tū Tangata





**From:** s.9(2)(a)  
**Sent:** Tuesday, 15 October 2024 10:50 a.m.  
**To:** Webb, Catherine, LTCOL s.9(2)(a)  
**Subject:** FW: TF Divisor

Cate,

Can you have a look at this please and provide feedback from Army

Thanks

s.9(2)(a)

Sent with BlackBerry Work  
([www.blackberry.com](http://www.blackberry.com))

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**From:** s.9(2)(a)  
**Date:** Tuesday, 15 Oct 2024 at 10:36 AM  
**To:** s.9(2)(a)  
s.9(2)(a)  
**Cc:** s.9(2)(a)  
**Subject:** TF Divisor

Kia ora

Firstly apologises for the delay in coming back to you, following our meeting we had a few weeks ago to discuss the TF divisor rate I am coming back with our action items below:

- get an indication on timeframes which HRISC could implement our proposed change; Manager HRIS has provided Feb/March 2025 as indicative implementation dates.
- Provide data on the impact; see detail below.

s.9(2)(a) just to bring you in the loop; when you were on leave s.9(2)(a) and I had a catch up with s.9(2)(a) around reviewing the divisor for the Territorial Force to align this to the Regular Force.

**Background:**

- In 2011 a decision was made to align the method used to calculate Territorial Force (TF) pay with that of civilian casuals, given that TF work on a casual basis. As a result, the divisor for calculating the Daily Rate of Pay (DROP) changed from 365 to 260.
- Previously Military Factor (MF) for Regular Force (RF) and TF was paid at different rates.
- Total Remuneration (TR) for RF was higher than TF but due to the TF divisor they had a higher DROP than the RF.
- In July 2024 the value MF for RF and TF was aligned and universal rate of \$18,024 per annum was introduced for all members of the armed forces.
- The alignment in MF value has increased the disparity in pay that existed before the change of MF.

**Current state:**

Table to show current difference in daily rate of pay (DROP) for Regular Force and Territorial Force for PTE (E) Tier 1, Step 7



Rank	Service	Total Rem	Daily Rate Divisor	Daily Rate Total Rem (TR)	TR Including 10% Holiday Pay
PTE(E)	Regular Force	\$72,750	365	\$199.32	
PTE(E)	Territorial Force	\$72,750	260	\$279.81	\$307.79

\*Holiday pay is paid in lieu of annual leave entitlement.

Table to show TF headcount by Service

Service	Number
AIRF	482
ARMY	2015
NAVY	750
<b>Total</b>	<b>3247</b>

\*Numbers include pers recorded in HRIS, not everyone has had hours recorded.

Table to show sum of hours used 01.09.2023 to 31.08.2024 by Service.

Service	Hours
AIRF	52,459
ARMY	332,735
NAVY	89,415
<b>Total</b>	<b>474,609</b>

\*Hours may vary year to year

### Considerations

- The Australian Defence Force (ADF) have alignment for their RF and TF.
- Currently a member of the RF could move from the RF to TF and be paid a higher DROP for the same work.
- After 91 days of continuous service, members of the TF are moved to the RF, which captures any longer assignments (not correct). However, the majority of TF are engaged for shorter assignments.
- The Regular Force have additional entitlements not available to the TF, eg enhanced Member Insurance Benefits Programme (MIBP) coverage, stand down leave and other leave entitlements.
- Any changes would need to be clearly communicated and incorporate the change is driven by equity and fairness.

If you are able to reach out to your respective areas for feedback, if you need any other information or have any questions please let me know.

If you could come back to Karyn and myself by 1 Nov that would be great.

Ngā mihi,

s.9(2)(a)

Principal Analyst Remuneration - DHR, Defence Human Resources  
Te Ope Kātua o Aotearoa | New Zealand Defence Force

[www.nzdf.mil.nz](http://www.nzdf.mil.nz)

**New Zealand Army**  
***Office of Army Reserve* MINUTE**

12 Dec 24

7450

**ACA(D)**

**DAILY RATE OF PAY COMPARISON BETWEEN REGULAR AND TERRITORIAL FORCE MEMBERS**

**References:**

- A. DFO 3, part 7, chap 3, para 7.3.15
- B. CA Command Directive (FY 24/25)

**Purpose**

1. The purpose of this minute is to provide recommendations to ACA(D) on whether to support DHR's proposal to align Regular Force (RF) and Territorial Force (TF) Daily Rates of Pay (DROP).

**Background**

2. Ref A details the current TF remuneration policy and explains how the TF hourly and daily rate of pay is calculated. The hourly pay calculation (for TF) is Annual Total Remuneration (TR) / 2080, based on the 40 hour working week. The DROP calculation is (Annual TR / 2080) x 8, or alternatively Annual TR / 260. This policy aligns with both the public and private sector calculation of DROP from a salary.
3. The DROP calculation for RF however is Annual TR / 365. However, when daily rates are calculated for the purpose of cashing up leave and paying out leave on release, the calculation is (Annual TR / 365) x 1.4, to align with the calculation of Annual TR / 260. Currently RF work five days a week, but are paid for seven days using this calculation.
4. Prior to 2008, TF DROP was aligned with the RF DROP calculation and enclosure 1 explains why the decision was made from AC Pers to change the calculation to TFR / 260.71427 (later rounded to 260), which was to provide a more equitable way to pay TF.
5. Last year, the Remuneration Review Team found it was also inequitable that TF received only approx. 27% of the Military Factor that RF received, yet when TF were on duty and therefore being paid, they were expected to work under the same conditions as RF. It was ultimately decided and approved (Dec 23) that TF would receive 100% of Military Factor wef 1 Jul 24, which would then align RF and TF Total Remuneration (TR) tables, and all members would receive the same salary dependant on the members rank/trade and sector.
6. DHR now state that the TF DROP calculation is not equitable with RF, and have requested feedback on proposed changes before proceeding with any next steps.

**Proposed Changes to TF DROP**

7. DHR are proposing the TF DROP calculation is changed back to Annual TR / 365, as it was prior to 2008, to align with the RF DROP calculation. This does not align with the way any other private or public sector organisation calculates hourly and daily rates of pay from a salary, and

comparing the same salary with two different calculations will always show an inequity. As RF do not get paid hourly like TF, it is not fair or equitable to make these two comparisons.

8. DHR have supplied tables at enclosure 2, highlighting the difference in DROP using the two different calculation methods detailed above. They have also highlighted that TF receive Holiday Pay at 10% and have included this in the calculations. TF receive 10% Holiday Pay in lieu of the 25 days Annual Leave that RF receive, and therefore this should be removed from the comparisons and not taken into consideration.

9. RF DROP calculations are not reflective of what an RF member would receive when cashing up annual leave or being paid out their leave upon release. This is the closest comparison that is able to be made when a TF member works 8 hours in one day. RF members, when taking this option, get remunerated their DROP x 1.4 which is the equivalent of TR / 260.

10. RF also receive other conditions of service that TF do not, and this could also be seen as being inequitable. These include, but are not limited to:

- a. Stand down;
- b. Equivalent Leave;
- c. Compassionate and Bereavement Leave;
- d. Medical;
- e. Dental; and
- f. PT sessions during work hours to maintain required fitness levels (approx. 6-8 hrs week). Note - TF members are expected to maintain the same fitness levels within their own time.

11. DHR have advised that if the proposed changes to the calculations are approved, current members of the TF would be placed on a protected salary and the changes would only apply to those newly recruited.

### **Impacts to the TF**

12. If the proposed changes are implemented by DHR, the impacts to TF members are as follows:

- a. DROP will reduce by 29% for anyone recruited after the implementation date (see enclosure 3, table 1).
- b. DROP for new recruits and PTEs will be below the minimum wage of \$23.15/hr until they reach step 6. Officers up to LT O/A and CPLs up to step 6 will be paid below the living wage of \$27.80/hr (see enclosure 3, table 2).
- c. Current TF members will be placed on protected salary and will not receive a pay increase until their current DROP overtakes the proposed new DROP, which could in some instances take two or more promotions (with increased responsibilities, expectations, and accountabilities) and would only occur after a number of years.
- d. Currently TF members get the same pay as their RF counterparts when working a 40 hour week or 80 hour fortnight, i.e. Mon – Fri, 0800 – 1630 hrs, which is the standard working week/fortnight (see enclosure 3, table 3). Under the new provisions that DHR are proposing, TF members will be paid significantly less than their RF counterparts (see enclosure 3, table 4).

13. TF members are an essential and valuable enabler for both the NZ Army and NZDF. Over recent years, Army has done a lot of work to ensure that TF members within Army feel



appreciated and are remunerated appropriately for their service. If the proposed changes are implemented, the impact could be immense on not only current serving members and retention, but also on the ability to recruit new members into the organisation (with current attrition above average and recruitment levels below sustainment).

14. While TF do get paid for every day on duty, and when on rare occasions TF work seven days a week, i.e. courses or exercises, they do receive more pay than RF members (see enclosure 3 table 5), however they do not receive SD like their RF counterparts or any of the other conditions of service that are not linked to remuneration that RF receive. This on its own is not a valid reason to make such a significant change to the way DROP for TF are calculated.

15. It is to be noted, that TF invariably pay secondary tax on their earnings.

16. Conversely, should the RF DROP calculation be changed, which would then align it with not only the TF, but all other public and private sector salary calculations?

17. Once again, if the proposed changes are implemented, this will result in RF members receiving more pay than their TF counterparts when working seven days a week, on top of all of the extra conditions of service they are eligible for that TF are not (see enclosure 3, table 6).


18. Ref B states that Commanders at all levels are to ensure that TF personnel are treated equitably with their RF peers IAW DFO 24/2007 Defence Strategic Intent for Reserves. If DHR implement the proposed changes, the TF will be not be treated equitably, and this will contradict both CA and CDF intent.

#### **Recommendation**

19. It is recommended that ACA(D):

- a. **Notes** the proposal from DHR to change the way TF members DROP is calculated;
- b. **Notes** the negative impacts that these changes will have to TF members;
- c. **Supports** the status quo of the current TF DROP calculation.

s.9(2)(k)



**B.M.G. JULL, ED**

COL

ACA(R)

#### **Enclosures:**

1. Email - DD Mil Rem Policy / Various at 1022 hrs 14 Aug 08
2. Table from DHR comparing TF and RF DROP
3. Tables showing Impacts to TF members

**Sent:** Wednesday, 13 August 2008 13:42  
**Subject:** NEWS 5 - Mil Rem System Notes

### **Reserve Force Administration**

Recently AC Pers approved a change in the way the Daily Rate of Pay (DROP) is calculated for Reserve personnel.

- The calculation formula is:  $TFR \div 260.71428 = \text{DROP}$
- To find the hourly rate divide the answer by 8

The TFR rate to apply is displayed in the ATLAS NR Pay History Details Screen "Annual Pay Field

**Impact:** The new calc method is a more equitable way to derive the pay for a Reserve member who is paid for the hours of duty they serve.

The new method also differs markedly from the Regular model. This means that some past administrative practices must now cease.

**For example:** If we employ a member of the Reserve on Fulltime service, then wef **15 Aug 08** they are to be paid for the actual hours they work. Say a reserve member is to work "full time" for a 3 month period, i.e. Mon - Fri from 0730 - 1700. Then we need to enter into the system a PTS record for that work pattern. If the member does not work the weekend, they do not get paid. This is because the member is effectively being paid as a casual employee. Leave entitlements are addressed by the payment of the holiday component @ 9.2%, so no AL entitlement exists.

ATLAS is calculating the holiday pay as an allowance and is displayed in the Allowance Current Display screen as code "RESHP". Note the value displayed is cumulative so there wont be a separate record each pay day. The payment is displayed as an "Remunerative Entitlement Other Credit" on the pay advice form.

If you do the maths, you will see that if a Reserve member were to enagaged fulltime for 365 days and paid accordingly, they would in fact be paid more than their RF counterpart in the same trade/sector. However, the reality is that Reserves are paid for the time they serve, so for equity reasons Defence opted to revise how NZDF calculated DROP for this valued group.

Table to show the DROP values for Territorial Force and Regular Force effective 30 Jun 24

Sector A				
Navy	Army	Air	Tier	Step 7 TR
ORD	PTE	AC	1	\$ 58,765.00
			2	\$ 59,505.00
AB	LCPL	LAC	1	\$ 64,203.00
			2	\$ 65,340.00
			3	\$ 66,553.00
LH	CPL	CPL	1	\$ 71,888.00
			2	\$ 73,168.00
			3	\$ 74,466.00
PO	SGT	SGT	1	\$ 80,406.00
			2	\$ 81,809.00
			3	\$ 83,244.00
CPO	SSGT	F/S	1	\$ 92,203.00
			2	\$ 93,817.00
			3	\$ 95,415.00
WO	WO2/1	W/O	1	\$ 105,647.00
			2	\$ 107,595.00
			3	\$ 109,286.00

Table to show the DROP values for Territorial Force and Regular Force effective 1 Jul 24

Sector A				
Navy	Army	Air	Tier	Step 7 TR3
ORD	PTE	AC	1	\$ 72,750.00
			2	\$ 73,490.00
AB	LCPL	LAC	1	\$ 78,189.00
			2	\$ 79,326.00
			3	\$ 80,539.00
LH	CPL	CPL	1	\$ 85,874.00
			2	\$ 87,154.00
			3	\$ 88,452.00
PO	SGT	SGT	1	\$ 94,392.00
			2	\$ 95,795.00
			3	\$ 97,230.00



Released under the Official Information Act 1982

CPO	SSGT	F/S	1	\$ 106,189.00
			2	\$ 107,803.00
			3	\$ 109,401.00
WO	WO2/1	W/O	1	\$ 119,633.00
			2	\$ 121,581.00
			3	\$ 123,272.00

Table to show difference in DROP for Territorial Force and Regular Force effective 30 Jun 24 and 1 Jul

Sector A				
Navy	Army	Air	Tier	30/06/2024 ex HP
ORD	PTE	AC	1	-\$ 35.20
			2	-\$ 36.02
AB	LCPL	LAC	1	-\$ 41.21
			2	-\$ 42.47
			3	-\$ 43.81
LH	CPL	CPL	1	-\$ 49.72
			2	-\$ 51.13
			3	-\$ 52.57
PO	SGT	SGT	1	-\$ 59.14
			2	-\$ 60.69
			3	-\$ 62.28
CPO	SSGT	F/S	1	-\$ 72.19
			2	-\$ 73.98
			3	-\$ 75.75
WO	WO2/1	W/O	1	-\$ 87.07
			2	-\$ 89.22
			3	-\$ 91.10

Values are based on Sector A Step 7 rates.

TF receive 10% Holiday Pay (HP) / RF receive 25 days paid Annual Leave.

## Territorial Force (TF) 30 June 2024

Military Factor	Hourly Rate	DROP
\$ 4,038.16	\$ 28.25	\$ 226.02
\$ 4,038.16	\$ 28.61	\$ 228.87
\$ 4,038.16	\$ 30.87	\$ 246.93
\$ 4,038.16	\$ 31.41	\$ 251.31
\$ 4,038.16	\$ 32.00	\$ 255.97
\$ 4,038.16	\$ 34.56	\$ 276.49
\$ 4,038.16	\$ 35.18	\$ 281.42
\$ 4,038.16	\$ 35.80	\$ 286.41
\$ 4,038.16	\$ 38.66	\$ 309.25
\$ 4,038.16	\$ 39.33	\$ 314.65
\$ 4,038.16	\$ 40.02	\$ 320.17
\$ 4,038.16	\$ 44.33	\$ 354.63
\$ 4,038.16	\$ 45.10	\$ 360.83
\$ 4,038.16	\$ 45.87	\$ 366.98
\$ 4,038.16	\$ 50.79	\$ 406.33
\$ 4,038.16	\$ 51.73	\$ 413.83
\$ 4,038.16	\$ 52.54	\$ 420.33

## TF and RF 1 July 2024

Military Factor2	DROP TF	DROP TF + 10% HP
\$ 18,024.00	\$ 279.81	\$ 307.79
\$ 18,024.00	\$ 282.65	\$ 310.92
\$ 18,024.00	\$ 300.73	\$ 330.80
\$ 18,024.00	\$ 305.10	\$ 335.61
\$ 18,024.00	\$ 309.77	\$ 340.74
\$ 18,024.00	\$ 330.28	\$ 363.31
\$ 18,024.00	\$ 335.21	\$ 368.73
\$ 18,024.00	\$ 340.20	\$ 374.22
\$ 18,024.00	\$ 363.05	\$ 399.35
\$ 18,024.00	\$ 368.44	\$ 405.29
\$ 18,024.00	\$ 373.96	\$ 411.36

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\$ 18,024.00	\$ 408.42	\$ 449.26
\$ 18,024.00	\$ 414.63	\$ 456.09
\$ 18,024.00	\$ 420.77	\$ 462.85
\$ 18,024.00	\$ 460.13	\$ 506.14
\$ 18,024.00	\$ 467.62	\$ 514.38
\$ 18,024.00	\$ 474.12	\$ 521.54

24

Difference in DROP		
Territorial Force and Regular Force		
1/07/2024 ex HP	30/06/2024 inc HP	1/07/2024 inc HP
-\$ 80.49	-\$ 57.80	-\$ 108.47
-\$ 81.31	-\$ 58.91	-\$ 109.58
-\$ 86.51	-\$ 65.91	-\$ 116.58
-\$ 87.77	-\$ 67.60	-\$ 118.28
-\$ 89.11	-\$ 69.41	-\$ 120.09
-\$ 95.01	-\$ 77.37	-\$ 128.04
-\$ 96.43	-\$ 79.27	-\$ 129.95
-\$ 97.87	-\$ 81.21	-\$ 131.89
-\$ 104.44	-\$ 90.07	-\$ 140.74
-\$ 105.99	-\$ 92.16	-\$ 142.83
-\$ 107.58	-\$ 94.30	-\$ 144.97
-\$ 117.49	-\$ 107.66	-\$ 158.33
-\$ 119.28	-\$ 110.06	-\$ 160.74
-\$ 121.04	-\$ 112.45	-\$ 163.12
-\$ 132.37	-\$ 127.70	-\$ 178.38
-\$ 134.52	-\$ 130.61	-\$ 181.28
-\$ 136.39	-\$ 133.13	-\$ 183.80



Regular Force (RF) 30 June 2024			
DROP + 10% HP	Step 7 TR2	Military Factor	Hourly Rate
\$ 248.62	\$ 69,649.00	\$ 14,923.00	\$ 23.85
\$ 251.75	\$ 70,389.00	\$ 14,923.00	\$ 24.11
\$ 271.63	\$ 75,088.00	\$ 14,923.00	\$ 25.72
\$ 276.44	\$ 76,225.00	\$ 14,923.00	\$ 26.10
\$ 281.57	\$ 77,438.00	\$ 14,923.00	\$ 26.52
\$ 304.14	\$ 82,773.00	\$ 14,923.00	\$ 28.35
\$ 309.56	\$ 84,053.00	\$ 14,923.00	\$ 28.79
\$ 315.05	\$ 85,351.00	\$ 14,923.00	\$ 29.23
\$ 340.18	\$ 91,291.00	\$ 14,923.00	\$ 31.26
\$ 346.12	\$ 92,694.00	\$ 14,923.00	\$ 31.74
\$ 352.19	\$ 94,129.00	\$ 14,923.00	\$ 32.24
\$ 390.09	\$ 103,088.00	\$ 14,923.00	\$ 35.30
\$ 396.92	\$ 104,702.00	\$ 14,923.00	\$ 35.86
\$ 403.68	\$ 106,300.00	\$ 14,923.00	\$ 36.40
\$ 446.97	\$ 116,532.00	\$ 14,923.00	\$ 39.91
\$ 455.21	\$ 118,480.00	\$ 14,923.00	\$ 40.58
\$ 462.36	\$ 120,171.00	\$ 14,923.00	\$ 41.15

DROP RF
\$ 199.32
\$ 201.34
\$ 214.22
\$ 217.33
\$ 220.65
\$ 235.27
\$ 238.78
\$ 242.33
\$ 258.61
\$ 262.45
\$ 266.38

\$	290.93	
\$	295.35	
\$	299.73	
\$	327.76	
\$	333.10	
\$	337.73	

ENCLOSURE 2 TO  
7450 OAR  
DATED 12 DEC 24



DROP	
\$	190.82
\$	192.85
\$	205.72
\$	208.84
\$	212.16
\$	226.78
\$	230.28
\$	233.84
\$	250.11
\$	253.96
\$	257.89
\$	282.43
\$	286.85
\$	291.23
\$	319.27
\$	324.60
\$	329.24



Scenarios: TERRITORIAL FORCE - CURRENT & PROPOSED HOURLY RATE				
	TF Current Hourly Rates	TF Proposed Hourly Rates	% Difference	
1	PTE (A-1-7)	\$34.98	\$24.91	29%
2	CPL (A-2-7)	\$41.90	\$29.85	29%
3	SGT (A-2-7)	\$46.06	\$32.81	29%
4	WO2 (A-2-4)	\$54.72	\$38.98	29%
5	2LT (A-1-7)	\$39.99	\$28.48	29%
6	CAPT (A-2-7)	\$53.99	\$38.45	29%
7	MAJ (A-2-7)	\$61.19	\$43.59	29%

Table 1

Scenarios: TF - MINIMUM & LIVING WAGE CALCULATIONS			
*Below calculations do not include Superannuation component			
Infantry	Salary - 4% Super	TF Proposed Hourly Rate	
1	PTE (A-0-1)	\$65,484.65	\$22.43
2	PTE (A-1-3)	\$65,484.65	\$22.43
3	PTE (A-1-5)	\$67,321.15	\$23.06
4	PTE (A-1-6)	\$68,636.54	\$23.51
5	PTE (A-1-7)	\$69,951.92	\$23.96
6	LCPL (A-2-5)	\$73,327.89	\$25.11
7	CPL (A-2-5)	\$80,477.88	\$27.56
8	2LT (A-1-7)	\$79,974.04	\$27.39

Table 2

Minimum Wage = \$23.15

Living Wage = \$27.80

Scenarios: PTE soldier - CURRENT			
5 days employment			
	Territorial Force	Regular Force	
1	Monday	\$279.81	\$199.32
2	Tuesday	\$279.81	\$199.32
3	Wednesday	\$279.81	\$199.32
4	Thursday	\$279.81	\$199.32
5	Friday	\$279.81	\$199.32
		\$1,399.05	\$996.60
	Sat/Sun	0	\$398.64
		\$1,399.05	\$1,395.24

Table 3

\$3.81

Scenarios: PTE soldier - PROPOSED			
5 days employment			
	Territorial Force	Regular Force	
1	Monday	\$199.32	\$199.32
2	Tuesday	\$199.32	\$199.32
3	Wednesday	\$199.32	\$199.32
4	Thursday	\$199.32	\$199.32
5	Friday	\$199.32	\$199.32
		\$996.60	\$996.60
	Sat/Sun		\$398.64
		\$996.60	\$1,395.24

Table 4

\$398.64

Scenarios: PTE soldier - CURRENT			
7 days employment			
	Territorial Force	Regular Force	
1	Monday	\$279.81	\$199.32
2	Tuesday	\$279.81	\$199.32
3	Wednesday	\$279.81	\$199.32
4	Thursday	\$279.81	\$199.32
5	Friday	\$279.81	\$199.32
6	Saturday	\$279.81	\$199.32
7	Sunday	\$279.81	\$199.32
		\$1,958.67	\$1,395.24
	1 x Standdown		\$279.05
		\$1,958.67	\$1,674.29

Table 5

DROP x 1.4

\$284.38

Scenarios: PTE soldier - PROPOSED			
7 days employment			
	Territorial Force	Regular Force	
1	Monday	\$199.32	\$199.32
2	Tuesday	\$199.32	\$199.32
3	Wednesday	\$199.32	\$199.32
4	Thursday	\$199.32	\$199.32
5	Friday	\$199.32	\$199.32
6	Saturday	\$199.32	\$199.32
7	Sunday	\$199.32	\$199.32
		\$1,395.24	\$1,395.24
	1 x Standdown		\$279.05
		\$1,395.24	\$1,674.29

Table 6

DROP x 1.4

\$279.05

NOTES:	
1	Salary for RF and TF are identical, however comparing the salary by two different divisors is not fair or equitable
2	Adding 10% Holiday Pay for TF is not fair or equitable as it is the equivalent of 25 days AL for RF, and therefore it is recommended that it is removed from the calculations
3	When TF work 5 days a week they get paid 5 days pay, when RF work 5 days a week they get paid 7 days pay (their divisor is 365)
4	When TF work 7 days a week they get paid 7 days pay, when RF work 7 days a week they get paid 7 days pay and <b>at least</b> one day's SD.
5	When RF cash up AL or have their leave paid out upon release, their days are multiplied by 1.4 to reflect salary/260 days, as getting paid salary/365 is not a true reflection of the 5 day working week that the RF work