



# **Defence Determination, Conditions of service Amendment (Continuation bonus) Determination (No. 2) 2025**

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I, SARAH KATE MCGREGOR, Acting Director General, People Policy and Employment Conditions, make the following Determination under section 58B of the *Defence Act 1903*.

Dated 17 February 2025

Sarah Kate McGregor  
Director General  
People Policy and Employment Conditions  
Defence People Group

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## 1 Name

This instrument is the Defence Determination, Conditions of service Amendment (Continuation bonus) Determination (No. 2) 2025.

## 2 Commencement

1. Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

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<b>Commencement information</b>		
<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>
<b>Provisions</b>	<b>Commencement</b>	<b>Date/Details</b>
1. Sections 1 to 4.	The day the instrument is registered.	
2. Schedules 1 and 2.	13 February 2025	

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Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

2. Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

## 3 Authority

This instrument is made under section 58B of the *Defence Act 1903*.

## 4 Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

# Schedule 1—Continuation bonus amendments

## *Defence Determination 2016/19, Conditions of service*

### 1 Part 4 of Chapter 3

Repeal the Part, substitute:

## **Part 4: Continuation bonus**

### **Division 1: General provisions**

#### **Subdivision 1: Preliminary**

##### **3.4.1 Simplified outline for this Part**

This Part provides a bonus to members who have reached particular career milestones to encourage them to remain in the ADF as a member of the Permanent Forces for an additional 3 years.

An offer of a continuation bonus may be made to a member up to 2 times. Generally, an offer of continuation bonus offer 1 is made after 4 years of service (Division 2) and an offer of continuation bonus offer 2 is made after 7 years of service (Division 3). Each offer has specific conditions.

To receive a continuation bonus, an offer is generally required to be accepted by the member. Specific rules apply to who is eligible and when an offer can be accepted (Division 4).

If a member accepts an offer of a continuation bonus, they may elect to receive the continuation bonus in one payment or in 2 separate payments (Section 3.4.21).

Associated with receiving the continuation bonus is a requirement to complete an agreed period of service (Section 3.4.2, definition). This is 1095 days of effective service in the Permanent Forces, which is the equivalent of 3 years.

Rules relating to how effective service is calculated are provided in subdivision 2 of this Division.

A member may cease to be eligible to receive an unpaid portion of the bonus if they do not complete the agreed period of service associated with the continuation bonus (Section 3.4.21). In some cases, they may have to repay the amount of the continuation bonus they have received (Section 3.4.23).

##### **3.4.2 Definitions**

In this Part, the following apply.

**Agreed period of service** means 1095 days of effective service in the Permanent Forces.

**Approving authority** means any of the following.

- a. The Director of Remuneration Operations.

- b. A person in the ADF Bonus Administration Team who holds one of the following.
  - i. A minimum rank of Lieutenant Colonel.
  - ii. A minimum APS classification of EL1.

**Commencement day** of an agreed period of service has the meaning given in section 3.4.3.

**Continuation bonus** is \$40,000.

**Effective service** has the meaning given in subdivision 2.

**J1 series** includes a military employment classification that is a J11 or J12.

**J2 series** includes a military employment classification that is any of the following.

- a. J21, J22 or J23.
- b. M24, M25 or M26.
- c. M27, L28 or L29.

**J3 series** includes a military employment classification that is a J31, J32, J33 or J34.

**J5 series** includes a military employment classification that is a J51, J52, or J53.

**Lateral recruit** means a member who entered Australia on one of the following visa subclasses that is sponsored by the Department of Defence for the purpose of becoming a member of the ADF.

- a. Visa subclass 186.
- b. Visa subclass 189.
- c. Visa subclass 482.

**Recommending Authority** means a member who meets all of the following.

- a. They are the commander, manager or supervisor of the member being made the offer.
- b. They are at least one rank higher than the member being made the offer.
- c. They hold a minimum rank of Major.

**Service obligation** means any of the following.

- a. An initial minimum period of service.
- b. A return of service obligation.
- c. For a member who is an Air Force Officer Aviation member and joined the ADF as an Air Force Direct Entry Officer Aviation Candidate — the return of service obligation outlined in the member's letter of offer that commences during the member's officer aviation specialist employment training.

**Valid acceptance** has the meaning given in section 3.4.4.

**Valid offer** has the meaning given in section 3.4.5.

### 3.4.3 Commencement day

1. The **commencement day** of an agreed period of service for a member is the later of the following days.
  - a. For continuation bonus offer 1 — the later of the following days.
    - i. The day the member completes 4 years of effective service.

**Note:** This may include a period of continuous full-time service as a member of the Reserves if there is no break in service.
    - ii. The day the member is no longer subject to a service obligation imposed on them when they first joined the Permanent Forces.
  - b. For continuation bonus offer 2 — the later of the following days.
    - i. The day the member completes 7 years of effective service.

**Note:** This may include a period of continuous full-time service as a member of the Reserves if there is no break in service.
    - ii. The day the member has completed 3 years of effective service after completing the service obligation imposed on them when they last joined the Permanent Forces.
  - c. Subject to subsection 2, the day the member is no longer subject to an undertaking for further service in connection with a bonus or payment, however described.
  - d. If the member is in the Navy — the day the member is no longer subject to a service milestone under the Navy retention incentive payment.

**Note:** The Navy retention incentive payment is provided under Division D.2 of DFRT Determination No. 11 of 2013 and only applies to certain members of the Navy.
  - e. Unless section 3.4.12 or 3.4.17 applies, the day after the member makes a valid acceptance of a valid offer.

**Note:** If section 3.4.12 or 3.4.17 applies, the commencement day is the later of paragraphs a, b, c, or d and may pre-date the member's valid acceptance.
2. Paragraph 1.c does not apply to an undertaking under any of the following.
  - a. Officer Aviation Remuneration Structure Allowance.
  - b. Submarine Capability Payment.
  - c. An Air Force Expectation to Serve.
  - d. In connection with the promotion of the member.

### 3.4.4 Valid acceptance

1. A **valid acceptance** means the acceptance of a valid offer that meets all of the following.
  - a. It is made on the approved form.
  - b. It is made on or before one of the following.
    - i. The day specified in the valid offer.

- ii. If the member held a military employment classification of J34 of J40 at the time the valid offer was made — 6 months after the member's military employment classification changed to a classification in the J1 series, J2 series or J3 series, other than a J34.
    - iii. A later day set by the approving authority that is not greater than 6 months after the date specified in the offer.
  - c. It includes an election on how the continuation bonus is to be paid.
2. Despite subsection 1, a valid acceptance cannot be made after 30 December 2028.

### 3.4.5 Valid offer

A **valid offer** of a bonus is an offer that meets all of the following.

- a. It is made on the approved form.
- b. It specifies an indicative commencement day on which the member will commence serving the agreed period of service.
 

**Note:** This is only an indicative day of commencement and may change under section 3.4.3.
- c. It specifies the date the offer must be accepted by.
 

**Note:** The approving authority may extend the acceptance date outside of the valid offer under subparagraph 3.4.4.b.ii or 3.4.4.b.iii.
- d. It is made between 1 April 2025 and 30 June 2028.

## Subdivision 2: Definition of effective service

### 3.4.6 Effective service – days not subject to a flexible service determination

- 1. This section applies to a day that the member is not subject to a flexible service determination.
- 2. A member provides effective service on any of the following days.
  - a. For calculating the agreed period of service — a day the member meets all of the following.
    - i. They are a member of the Permanent Forces.
    - ii. They are paid the annual rate of salary.
 

**Note:** This includes a day of paid leave.
  - b. For any other purpose — a day for which they are paid the annual rate of salary.
 

**Note:** This includes a day of paid leave.
  - c. A day of unpaid leave that is part of a period of less than 22 consecutive days of unpaid leave.
- 3. Despite subsection 2, a member does not provide effective service on a day on which any of the following apply.
  - a. They are in custody.

- b. They are in detention.
- c. They are imprisoned.
- d. They are suspended from duty and receive salary.

**Note:** A member suspended from duty without pay does not provide effective service as a consequence of subsection 2.

4. Effective service is calculated in accordance with the following.

- a. A day for which the member receives full pay is 1 day of effective service.
- b. A day on which the member receives half pay is half a day of effective service.
- c. A day on which the member is on unpaid leave is 1 day of effective service.

**Note:** A member ceases to provide effective service on the 22<sup>nd</sup> day of unpaid leave.

### 3.4.7 Effective service – days subject to a flexible service determination

1. This section applies to a day a member is subject to a flexible service determination.

2. A member provides effective service on any of the following days.

- a. A day in the member's pattern of service for which the member is paid salary.

**Note:** This includes a day of paid leave.

- b. A day on which the member is on unpaid leave for less than 22 consecutive days.

3. Despite subsection 2, a member does not provide effective service on a day on which any of the following apply.

- a. They are in custody.
- b. They are in detention.
- c. They are imprisoned.
- d. They are suspended from duty and receive salary.

**Note:** A member suspended from duty without pay does not provide effective service as a consequence of subsection 2.

4. The number of days of effective service a member performs in a fortnight is calculated using the following formula and must not exceed 14 days.

$$\text{effective service} = A \times 1.4$$

**Where:**

**A** is the sum of the following.

- i. Each full day of duty, and full day of unpaid leave, in the member's pattern of service in the fortnight.
- ii. Each combination of part days of duty, and part days of unpaid leave, in the member's pattern of service in the fortnight that add up to 8 hours.

**Note:** A member ceases to provide effective service on the 22<sup>nd</sup> day of unpaid leave.



## **Division 2: Continuation bonus offer 1**

### **Subdivision 1: Application of this Division**

#### **3.4.8 Member this Division applies to**

1. This Division applies to a member who completes all of the following between 1 July 2025 and 30 June 2028.
  - a. Four years of effective service calculated from one of the following.
    - i. If the member joined the ADF under an alternative entry program, other than the gap year program — the day the member commences initial military training.
    - ii. The day the member first becomes a member of the Permanent Forces for a period of at least 90 days.
  - b. A service obligation that was imposed on them when they first joined the Permanent Forces.
2. This Part also applies to a member if they would have satisfied subsection 1 had Service reasons not prevented them from doing so.

#### **3.4.9 Member this Division does not apply to**

This Division does not apply to a member who meets any of the following.

- a. They have previously received a bonus under any of the following.
  - i. This Part.
  - ii. Chapter 3 Part 4 of this Determination, as in force immediately before 1 July 2025.
- b. They are a lateral recruit.
- c. All the following apply.
  - i. They were previously a member of the Permanent Forces.
  - ii. They completed more than 90 days of service in a previous period of service in the Permanent Forces.

### **Subdivision 2: Eligibility for continuation bonus offer 1**

#### **3.4.10 Member eligible to be given a valid offer of continuation bonus offer 1**

1. A member is eligible to be given a valid offer of continuation bonus offer 1 if one of the following and subsection 2 applies.
  - a. They hold a military employment classification of J40.
  - b. They are in one of the following military employment classification series.
    - i. J1 series.

ii. J2 series.

iii. J3 series.

**Note:** Section 3.4.12 may apply to a member holding a military employment classification of J34 or J40.

2. The approving authority is satisfied that all of the following apply.
  - a. The member is a fit and proper person to perform duties as a member of the ADF.
  - b. The recommending authority has had a conversation with the member about the member's continued service in the ADF.

### **Subdivision 3: When a valid offer of continuation bonus offer 1 can be made**

#### **3.4.11 When a continuation bonus offer 1 offer must be made – General**

1. A valid offer of continuation bonus offer 1 must be made to a member from the later of the following days.
  - a. The day that is 90 days before they complete 4 years of effective service.

**Note:** This may include a period of continuous full-time service as a member of the Reserves provided there is no break in service.
  - b. The day that is 90 days before they cease to be subject to a service obligation imposed on them when they first joined the Permanent Forces.
2. A valid offer of continuation bonus offer 1 must not be made after the later of the following days.
  - a. The day they complete 4 years of effective service.
  - b. The day they complete the service obligation imposed when they first joined the Permanent Forces.
  - c. If the approving officer is satisfied that all of the following are met, 90 days after the approving officer makes their decision.
    - i. An offer of continuation bonus offer 1 was not made before the day specified in the latter of paragraph a or b.
    - ii. The member should have received an offer of continuation bonus offer 1.
    - iii. The offer of continuation bonus offer 1 was not made due to an omission.

#### **3.4.12 When a continuation bonus offer 1 offer must be made – Change in military employment classification**

1. This section applies to a member who meets all of the following.
  - a. When section 3.4.11 applied to the member, they held a military employment classification of J34 or J40.
  - b. The member's military employment classification is changed within 6 months from the day section 3.4.11 applied to them to one in the following series, other than a J34.
    - i. J1 series.

- ii. J2 series.
  - iii. J3 series.
2. A valid offer of continuation bonus offer 1 must be made to a member from the day their military employment classification changed.
  3. A valid offer of continuation bonus offer 1 must not be made more than 90 days from the day in subsection 2.

## **Division 3: Continuation bonus offer 2**

### **Subdivision 1: Application of this Division**

#### **3.4.13 Member this Division applies to**

1. This Division applies to a member who completes all of the following between 1 July 2025 and 30 June 2028.
  - a. Seven years of effective service.
  - b. Three years of effective service in the Permanent Forces after completing a service obligation imposed on them when they last joined the Permanent Forces.
2. This Part also applies to a member if they would have satisfied subsection 1 had Service reasons not prevented them from doing so.
3. For the purpose of subparagraph 1.b, the period of effective service is calculated from one of the following days.
  - a. If the member joined the ADF under an alternative entry program, other than the gap year program — the day the member commences initial military training.
  - b. The day the member last became a member of the Permanent Forces.

#### **3.4.14 Member this Division does not apply to**

1. This Division does not apply to a member who meets any of the following.
  - a. They have previously received a bonus under this Division.
  - b. They are a lateral recruit and hold a rank specified in subsection 2.
  - c. They meet all of the following.
    - i. They were previously a member of the Permanent Forces.
    - ii. They hold a rank specified in subsection 2.
2. For the purpose of subsection 1, any of the following ranks apply.
  - a. If they are an officer — the rank of Lieutenant Colonel or a higher rank.
  - b. If they are an enlisted member — the rank Staff Sergeant or a higher rank.

## Subdivision 2: Eligibility for continuation bonus offer 2

### 3.4.15 Member eligible to be given a valid offer of continuation bonus offer 2

1. A member is eligible to be given a valid offer of continuation bonus offer 2 if one of the following and subsection 2 applies.
  - a. They hold a military employment classification of J40.
  - b. They are in one of the following military employment classification series.
    - i. J1 series.
    - ii. J2 series.
    - iii. J3 series.

**Note:** Section 3.4.17 may apply to a member holding a military employment classification of J34 or J40.
2. The approving authority is satisfied that all of the following apply.
  - a. The member is a fit and proper person to perform duties as a member of the ADF.
  - b. The recommending authority has had a conversation with the member about the member's continued service in the ADF.

## Subdivision 3: When a valid offer of continuation bonus offer 2 can be made

### 3.4.16 When a valid offer of continuation bonus offer 2 must be made – General

1. A valid offer of continuation bonus offer 2 must be made to a member from the later of the following days.
  - a. The day that is 90 days before they complete 7 years of effective service.

**Note:** This may include a period of continuous full-time service as a member of the Reserves provided there is no break in service.
  - b. The day that is 90 days before they complete 3 years of effective service after they ceased to be subject to a service obligation imposed on them when they last joined the Permanent Forces.
2. A valid offer of continuation bonus offer 2 must not be made after the later of the following days.
  - a. The day they complete 7 years of effective service.
  - b. The day they complete 3 years of effective service after they ceased to be subject to a service obligation imposed on them when they last joined the Permanent Forces.
  - c. If the approving officer is satisfied that all of the following are met, 90 days after the approving officer makes their decision.
    - i. An offer of continuation bonus offer 2 was not made before the day specified in the later of paragraph a or b.
    - ii. The member should have received an offer of continuation bonus offer 2.
    - iii. The offer of continuation bonus offer 2 was not made due to an omission.

### 3.4.17 When a valid offer of continuation bonus offer 2 must be made – Change in military employment classification

1. This section applies to a member who meets all of the following.
  - a. When section 3.4.16 applied to them, they held a military employment classification of J34 or J40.
  - b. The member's military employment classification is changed within 6 months from the day section 3.4.16 applied to them to one in the following series, other than a J34.
    - i. J1 series.
    - ii. J2 series.
    - iii. J3 series.
2. A valid offer of continuation bonus offer 2 must be made to a member from the day their military employment classification changed.
3. A valid offer of continuation bonus offer 2 must not be made more than 90 days from the day in subsection 2.

## Division 4: Acceptance of valid offer

### 3.4.18 Member eligible to accept a valid offer

A member who has received a valid offer is eligible to make a valid acceptance of a continuation bonus.

### 3.4.19 Member not eligible to accept a valid offer

A member is not eligible to make a valid acceptance of a valid offer if any of the following apply.

- a. They hold a military employment classification of J34 or J40.
- b. They have less than 3 years to serve until the end of their fixed period of service.

**Note:** A member's existing return of service obligation may affect the date their service obligation commences.
- c. They have less than 3 years to serve before any of the following days.
  - i. The day they reach retirement age.
  - ii. The last day that they have been given a direction allowing them to serve beyond their retirement age.

**Note:** A direction allowing a member to serve beyond their retirement age is made under section 23 of the Defence Regulation.

- d. They have been given a notice under one of the following and a decision on that notice has not been made.
  - i. Section 100 of the Act.
  - ii. Subsection 24(2) of the Defence Regulation.
- e. They cease to be a member of the Permanent Forces.

## Division 5: Payment, cessation and repayment of the continuation bonus

### 3.4.20 Eligibility for payment of the continuation bonus

1. A member is eligible to be paid the continuation bonus if one of the following applies.
  - a. They have made a valid acceptance for a continuation bonus.
  - b. All of the following apply.
    - i. They were made a valid offer.
    - ii. They have not made a valid acceptance of the offer.
    - iii. The decision maker is satisfied it is reasonable in the circumstances to pay the continuation bonus.
2. For the purpose of paragraph 1.b, the decision maker must consider all of the following.
  - a. The reason the member was offered the continuation bonus.
  - b. The reason the member ceased to be eligible to make a valid acceptance.
  - c. The payment is in the interests of the ADF.
  - d. The payment meets the intent of the policy.
3. In this section, **decision maker** means Director General, Military Personnel Branch.

### 3.4.21 How the continuation bonus is paid

1. The continuation bonus is payable in accordance with the following.
  - a. If the member chose to receive the continuation bonus in 1 payment — from the first payday after the later of the following.
    - i. The commencement day specified in the valid offer.

**Note:** If the commencement day of the agreed period of service is changed as a consequence of subsection 3.4.3.1, payment remains payable on the commencement day specified in the offer.
    - ii. The day a valid acceptance is made.
  - b. If the member chose to receive the continuation bonus in 2 payments, the payments are made at the following times.
    - i. The first payment, being 50% of the continuation bonus — the day specified in paragraph a.
    - ii. The second payment, being 50% of the continuation bonus — from the first payday a year after the first payment is made.
2. If a member chose to receive the continuation bonus in 2 payments and any of the following apply, the second payment is payable from the member's last day in the Permanent Forces.
  - a. A decision has been made under any of the following to end the member's service in the Permanent Forces.
    - i. Paragraph 24(1)(a) of the Defence Regulation because of medical unfitness.

- ii. Paragraph 24(1)(b) of the Defence Regulation because of redundancy.
  - b. The member dies.
3. A payment under this Division must not be made before 1 July 2025.

### 3.4.22 Cessation of eligibility for the continuation bonus

A member ceases to be eligible for the continuation bonus if any of the following apply.

- a. They cease to be a member of the Permanent Forces for a reason other than any of the following.
  - i. Paragraph 24(1)(a) of the Defence Regulation because of medical unfitness.
  - ii. Paragraph 24(1)(b) of the Defence Regulation because of redundancy.
- b. They die.

**Note 1:** The member is not required to repay any amount of the bonus received unless section 3.4.23 applies.

**Note 2:** This subsection does not affect a member's eligibility for an amount that is payable to the member before they cease being a member of the Permanent Forces.

### 3.4.23 Repayment of the continuation bonus

- 1. This section applies to a member who has received a continuation bonus in connection with a valid acceptance and does not complete their agreed period of service for any of the following reasons.
  - a. They do any of the following.
    - i. Voluntarily transfer to the Reserves.
    - ii. Apply to change their period of service for the purpose of ending their service in the Permanent Forces before they complete their agreed period of service.
  - b. Their service ends due under any of the following.
    - i. Section 101 of the Act relating to a prohibited substance test returning a positive result.
    - ii. Paragraph 24(1)(c) of the Defence Regulation for a reason not in the interest of the Defence Force relating to performance or behaviour.
  - c. They are dismissed under the *Defence Force Discipline Act 1982*.
- 2. The member must repay the amount of the continuation bonus paid to them.

## Schedule 2—Savings provisions

### 1 Definitions

In this Schedule, **Defence Determination** means Defence Determination 2016/19, Conditions of service, as in force immediately before the commencement of Schedule 1 of this Determination.

### 2 Savings – Continuation bonus pilot

1. Section 3.4.10 of the Defence Determination continues to apply until 30 June 2025.
2. Part 4 of Chapter 3 of the Defence Determination, other than section 3.4.10, continues to apply to a member who is given a valid offer under section 3.4.10 of the Defence Determination before 1 July 2025.