



## Defence Determination 2009/62

I, PETER ARTHUR ELLIS BAVINGTON, Director General Personnel Policy and Employment Conditions, make this Determination under section 58B of the *Defence Act 1903*.

Dated 1 October 2009

P A E BAVINGTON  
Acting Director General  
Personnel Policy and Employment Conditions  
People Strategies and Policy Group



**1 Citation**

This Determination is Defence Determination 2009/62, Air Force – Military instructor completion bonus scheme.

**2 Commencement**

This Determination commences on the day it is signed.

**3 Amendment**

Defence Determination 2005/15, Conditions of Service, as amended,<sup>1</sup> is amended as set out in this Determination.

**4 Clause 3.5.2 (Contents)**

*add at the end*

Division 34      Air Force – Military instructor completion bonus scheme

**5 Chapter 3 Part 5 Division 33 (Air Force – Air Traffic Control retention bonus scheme)**

*after the Division, insert*

**Division 34: Air Force – Military instructor completion bonus scheme**

**3.5.329 Purpose**

The purpose of this Division is to offer incentive payments to members who complete twelve months in military instructor positions.

**3.5.330 Definitions**

1. In this Division an ***instructor, training developer or training evaluator*** is a member who meets both of the following conditions.
  - a. The member's primary role is to instruct on, develop or evaluate employment training courses within the ADF training units.
  - b. The member is in a position designated by the Director-General Personnel – Air Force as an instructor, training developer or training evaluator position.
2. In this Division a ***military skills instructor*** is a member who meets both of the following conditions.
  - a. The member holds a military skills instructor qualification from an ADF-endorsed instructor's course.

**Exception:** The Director-General Personnel – Air Force may decide that the member is qualified.

- b. The member is posted to a designated military skills instructor position in an ADF training unit.

### **3.5.331 Member this Division applies to**

1. This Division applies to a member who meets all the following conditions.
  - a. The member is one of the following.
    - i. The member is in the Permanent Air Force.
    - ii. The member is on continuous full time service in the Air Force Reserve.
  - b. The member performs duty in any of the following roles and positions.
    - i. A military skills instructor.
    - ii. An instructor.
    - iii. A training developer.
    - iv. A training evaluator.

**See:** Clause 3.5.330, Definitions
  - c. The member is offered a completion bonus under clause 3.5.333.

**See:** Clause 3.5.333, Offer to join the bonus scheme
2. This Division ceases to apply to a member on the date relevant for their position.
  - a. Military skills instructor – 31 January 2011.
  - b. Instructor – 30 June 2011.
  - c. Training developer – 30 June 2011.
  - d. Training evaluator – 30 June 2011.

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

A member in any of the following circumstances is not eligible for a completion bonus under this Division.

- a. The member is an officer.
- b. The member has undertaken to perform a period of service for the purpose of another bonus scheme under this Part.

### **3.5.333 Offer to join the bonus scheme**

1. The Director Personnel – Air Force may offer a completion bonus to a member.
2. The offer must be made using the form at Part A to Annex 3.5.ZJ.

**See:** Annex 3.5.ZJ, Air Force – Military instructor completion bonus scheme

3. Offers to join the bonus scheme may only be made in the periods described in the following table for a class of member.

Item	If the member is ...	offers may be made between ...
1.	a military skills instructor	1 October 2009 and 1 February 2010 inclusive.
2.	an instructor	1 October 2009 and 1 July 2010 inclusive.
3.	a training developer	
4.	a training evaluator	

### 3.5.334 How to accept an offer under this Division

1. An eligible member may accept a bonus under this Division any time after they receive an offer, until the latest of the following dates.
  - a. Twenty-eight days after the day the offer is made.
  - b. If the member was deployed when the offer under paragraph a. was made — the day 28 days after the day the member returns to Australia after that deployment.
  - c. A longer period that the Director General Personnel – Air Force decides is reasonable, having regard to the member's circumstances.
2. An acceptance made under this clause must be on the acceptance form at Part B to Annex 3.5.ZJ.
 

**See:** Annex 3.5.ZJ, Air Force – Military instructor completion bonus scheme
3. The acceptance must include an undertaking to serve for twelve months in a military instructor position.
4. The member's twelve months of service commences on the day on or after 1 January 2009 that is specified in the offer.

### 3.5.335 Service that counts towards a member's bonus

1. The twelve months' service period the member undertakes to perform in return for the completion bonus must be served as effective service.
2. For the purpose of this Division, **effective service** means service that meets all these conditions.
  - a. It is continuous full-time service.
  - b. It is paid.
 

**Exception:** Unpaid leave of less than 21 calendar days.
  - c. It is not counted as a period of ineffective service under subclause 3.

3. The following table lists a range of leave types and activities and sets out how a period of that leave or activity counts toward member's period of effective service.

Item	Activity	Effect
1.	Part-time leave without pay.	The paid component counts as effective service.
2.	Leave at full pay. <b>Examples:</b> Recreation leave, full pay long service leave.	The whole period of this leave counts as effective service.
3.	Unpaid leave for less than 21 calendar days. <b>Examples:</b> Leave without pay, maternity leave without pay.	
4.	Leave at half pay. <b>Example:</b> Long service leave at half pay.	Half the period of the leave counts as effective service.
5.	Unpaid leave for 21 calendar days or more. <b>Examples:</b> Leave without pay, maternity leave without pay.	The period for which the member is in this situation does not count as effective service.
6.	Absence without leave.	
7.	Imprisonment, detention or suspension from duty without pay.	

### 3.5.336 Bonus payments under this Division

1. If the member completes twelve months of effective service, the member is to be paid a completion bonus at one of the rates set out in the following table.

Item	If the member is...	then the bonus rate is...
1.	a military skills instructor	\$10,000.
2.	an instructor	\$5,000.
3.	a training developer	\$5,000.
4.	a training evaluator	\$5,000.

2. If a member moves between any of the roles and positions set out in paragraph 3.5.331.b (defined in clause 3.5.330) during their 12 month service period the member's bonus rate and amount changes using the method in following table.

Step	Action
1.	Calculate the number of days completed as a military skills instructor.
2.	Multiply the outcome of Step 1 by \$27.40. <b>Note:</b> \$27.40 is the daily rate of the bonus payment ( $\$10,000 \div 365 = \$27.40$ ).
3.	Calculate the number of days completed as an instructor or training developer.
4.	Multiply the outcome of Step 3 by \$13.70. <b>Note:</b> \$13.70 is the daily rate of the bonus payment ( $\$5,000 \div 365 = \$13.70$ )
5.	Add the outcome of Step 2 and the outcome of Step 4.
6.	The member may be paid the outcome of Step 5.

**Example:** A member performs duty as a military skills instructor between 1 January 2009 and 30 September 2009. The member performs duty as a training developer between 1 October 2009 and 31 December 2009.

Step	Action
1.	The member worked 273 days as a military skills instructor.
2.	273 days x \$27.50 = \$7507.50.
3.	The member worked 92 days as an instructor.
4.	92 days x \$13.70 = \$1260.40.
5.	\$7507.50 + \$1260.40 = \$8767.90.
6.	The member may be paid \$8767.90.

3. A bonus payment may be paid for each completed period of twelve months for which a member meets the conditions in clause 3.5.331.

**See:** Clause 3.5.331, Member this Division applies to

4. If a member does not complete twelve months of effective service, they may be eligible for a pro rata payment of the bonus payment under clause 3.5.337.

### 3.5.337 Pro rata payment of bonus when member leaves scheme

1. A member is to be paid a bonus payment on a pro rata basis if they fail to complete twelve months of effective service for any of the following reasons.
  - a. The member dies.
  - b. The member applies to extend their period of service or enlistment but the extension is refused.
  - c. The member's service is terminated due to physical or mental incapacity.
  - d. The member is made redundant.
  - e. The member is transferred or posted out of the position at Air Force's initiative.
 

**Exceptions:** The member is moved as a result of administrative sanction or for a disciplinary reason.
  - f. The member is commissioned as an officer.

2. A member who has completed twelve months of effective service under this scheme is to be paid a bonus payment on a pro rata basis if they provide an additional part year of service in the same position.

**Example:** A member gets a completion bonus payment for the period between 1 August 2009 and 31 July 2010. The member continues to perform duties as a military skills instructor. The scheme ends on 31 January 2011. The member gets a partial bonus payment for the additional five months performed.

### 3.5.338 Calculation a pro rata amount of the bonus payment

The following table shows how to calculate a pro rata amount of completion bonus that a member is entitled to under this Division.

Step	Action	
1.	Count the number of calendar days since the member received a payment under this Division. If the member has not received a payment under this Division, count the number of calendar days the member has been in this scheme.	
	<b>If the member is in a...</b>	<b>multiply the outcome of...</b>
2.	a. military skills instructor position	Step 1 by \$27.40. <b>Note:</b> \$27.40 is the daily rate of the bonus payment (\$10,000 ÷ 365 = \$27.40).
	b. If the member is in an instructor, training developer or training evaluator position	Step 1 by \$13.70. <b>Note:</b> \$13.70 is the daily rate of the bonus payment (\$5,000 ÷ 365 = \$13.70)
3.	The member may be paid the outcome of Step 2.	

### 3.5.339 Member's options for payment under this Division

1. Using the form at Annex 3.5.ZJ a member may nominate payment details for the payments under this scheme before the day the payment is due.

**See:** Annex 3.5.ZJ, Air Force – Military instructor completion bonus scheme

2. If a member does not nominate payment details before a payment is due, the payment may only be made to the member's normal pay account.

## 6 Annex 3.5.ZI (Air Force – Air Traffic Control retention bonus scheme)

*insert at the end*

the Annex set out in the Attachment.

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## NOTE

1. Defence Determination 2005/15 commenced on 31 May 2005. For previous amendments see Note to Defence Determination 2009/1 and see also Defence Determinations 2009/2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60 and 61.

**ATTACHMENT**



## Annex 3.5.ZJ: Air Force – Military instructor completion bonus scheme

This form is in four parts.

Part A – provides information about the offer and the bonus scheme for members on continuous full time service, and is for the member to keep.

Part B – provides the formal acceptance of the offer and the agreement to serve in the relevant position for 12 months.

Part C – provides a way to elect how the bonus is paid.

Part D – is for changes to superannuation account details and payment verification.

### Part A: Offer and information about the scheme

This Part provides information about the completion bonus you have been offered, and is for you to keep.

If you fill in and sign the acceptance form at Part B, you are accepting an offer made to you under the Air Force – Military instructor completion bonus scheme authorised under Chapter 3 Part 5 Division 34 of Defence Determination 2005/15, Conditions of Service, made under section 58B of the *Defence Act 1903* ('the Determination').

#### Offer

The Director Personnel – Air Force is offering you,

.....[member's name], a completion bonus.

The bonus offered is an amount of \$.....

**Note:** If you move between positions during your twelve months' service period the bonus amount may be different.

If you accept the offer, you must perform effective service in a position described under paragraph 3.5.331.1.b. Your period of service commences on:

.....

and ends on a date given in the following table.

If you are a...	your period of service under the bonus scheme ends on...
military skills instructor	31 January 2011
instructor	30 June 2011
training developer	30 June 2011
training evaluator	30 June 2011

Dated this                      day of    20

\_\_\_\_\_  
Signed

Name:.....Rank:.....  
Director Personnel – Air Force

## **Information about the completion bonus**

I understand that my acceptance of this completion bonus is subject to the following terms and conditions.

1. I have been notified by offer that I am eligible to join the scheme.
2. I will be paid a completion bonus payment at the end of twelve months in a military instructor position.
3. The amount of the bonus will depend on the position(s) I hold during this period.
4. I will be paid a pro rata bonus payment if I fail to complete twelve months of effective service for specified reasons.
5. I may elect to pay the bonus into an approved superannuation fund using the forms provided at Parts C and D.
  - a. A payment that relates to service before 1 October 2009 may be paid into superannuation, but cannot be salary sacrificed.
  - b. A payment that relates to service after 1 October 2009 may be salary sacrificed into superannuation.
6. I am advised to seek professional legal and financial advice about this decision. ADF members are not qualified to provide this advice.
7. The validation form at Part D should be completed if my payment details change.

Full details of the completion bonus scheme are contained in Chapter 3 Part 5 Division 34 of Defence Determination 2005/15, Conditions of Service.

This acceptance form, and the related parts of Defence Determination 2005/15, is the whole agreement between us about the nature of this scheme. It overrides any other prior understanding or agreement about the scheme. This would include, for instance, things I may have been told about the scheme or things I may have read elsewhere.

**Part B: Acceptance of offer and undertaking to serve**

I,.....  
 (Rank) (Last name) (Given name)  
 ..... ,  
 (Service number) (Employee ID)

accept the offer to join the Air Force – Military instructor completion bonus scheme.

The amount of the bonus offered to me is \$.....

*Please tick the boxes that apply below.*

I have read and understood Chapter 3 Part 5 Division 34 of Defence Determination 2005/15.	Yes [ ]	No [ ]
I have read and understood Part A of this form.	Yes [ ]	No [ ]
I agree to serve until the end of the bonus scheme.	Yes [ ]	No [ ]
I understand that if I move between military instructor positions during my twelve months service period the bonus amount may be different.	Yes [ ]	No [ ]
I have sought independent legal advice in relation to this undertaking.	Yes [ ]	No [ ]
I have sought independent financial advice in relation to this undertaking.	Yes [ ]	No [ ]
I have completed the payment details (see Part C of this form.)	Yes [ ]	No [ ]

Dated this                      day of                      20

\_\_\_\_\_  
 Signed

\_\_\_\_\_  
 Printed name

Witness \_\_\_\_\_  
 Signed

\_\_\_\_\_  
 Printed name and rank

## Part C: Payment details

This form must be submitted along with the acceptance and undertaking to serve form at Part B.

.....  
(Rank) (Last name) (Given name) (Employee ID)

### 1. Options

There are three options for payment.

Option one: Paid into my normal pay account. The amounts will be taxed at the applicable tax rate at the time of payment. I may then pay it into superannuation if I wish, after tax has been paid on it.

Option two: As an employer contribution to superannuation. This election is made once, but I may later be able to vary this election.

A payment that relates to service before 1 October 2009 cannot be salary sacrificed into superannuation.

**Non-example:** On 1 January 2010 a member becomes entitled to a bonus payment. That payment relates to service as a training evaluator from 1 January 2009 to 1 January 2010. Because 1 January 2009 is before 1 October 2009, this payment cannot be salary sacrificed into superannuation.

Option three: As a combination of these.

All members are strongly advised to seek professional financial advice when making this decision. ADF members are not qualified to provide this advice.

### 2. Choice

I choose this payment method for my completion bonus:

**Option one:** [ ] Paid into my normal pay account. The amounts will be taxed at the applicable tax rate at the time of payment. I may then choose to pay it into superannuation if I wish, after tax has been paid on it.

**Option two:** [ ] The full amount paid as an employer contribution to superannuation. I have nominated a superannuation fund.

This option is only available to payments that relate to service after 1 October 2009.

**Option three:** [ ] 1. \_\_\_\_\_% of the bonus payment as an employer contribution to superannuation. I have nominated a superannuation fund.

2. The balance of the amount paid into my normal pay account. These will be taxed at the applicable tax rate.

Tick one box. Only select **one** of the options.

*Please turn over*

**Part C: Payment details (continued)**

**3. Superannuation fund nomination**

*This section must be completed if either option two or three has been selected for one of the items in Part C. It is the member's responsibility to supply superannuation fund details.*

I nominate this Eligible Choice Fund for my bonus payment.

Fund name .....

Fund number .....

Fund account number .....

Fund address .....

Member's account number .....

Dated this                      day of                      20

\_\_\_\_\_

Signed

Name (printed) \_\_\_\_\_

Work address \_\_\_\_\_

Occupation \_\_\_\_\_

Date \_\_\_\_\_

## Part D: Validation

### 1. Superannuation

*This section must be completed if either option two or three has been selected for item 2 of Part C, and the member's superannuation account details have changed. This form cannot be used to change the decision whether to pay a bonus into superannuation.*

I nominate this Eligible Choice Fund for my bonus payment.

Fund name .....

Fund number .....

Fund account number .....

Fund address .....

Member's account number .....

Dated this                      day of    20

\_\_\_\_\_  
Signed

Name (printed) \_\_\_\_\_

Work address \_\_\_\_\_

Occupation \_\_\_\_\_

Date \_\_\_\_\_

### 2. Administration

*To be completed when assessing a member for a bonus payment.*

.....  
(Rank)                      (Last name)                      (Given name)                      (Employee ID)

I verify that the above member has met the following conditions.

1.     The member has performed duties in any of the following roles from.....  
to .....

  - Military skills instructor
  - Instructor
  - Training developer
  - Training evaluator

2.     In that period the member had ..... ineffective service. Peter
3.     The member has met all the requirements for payment of a bonus under the Air Force – Military instructor completion bonus scheme.

\_\_\_\_\_  
Verified

Administrator authorised for and on behalf of Air Force

# EXPLANATORY STATEMENT

## Defence Determination 2009/62

This Determination amends Defence Determination 2005/15, Conditions of Service (the Principal Determination), made under section 58B of the *Defence Act 1903* (the Act). Chapter 3 of the Principal Determination sets out provisions dealing with salaries and bonuses for members of the Australian Defence Force (ADF).

This Determination provides a completion bonus for members of the Air Force who complete twelve months service in military instructor positions.

Clause 1 of this Determination sets out the manner in which this Determination may be cited.

Clause 2 of this Determination provides that the Determination commences on the day on which it is made, as provided by subsection 58B(4) of the Act.

Clause 3 specifies that the amendment is made to the Principal Determination, as amended.

Clause 4 inserts a new item in clause 3.5.2 of the Principal Determination, to advise of a new Division 34 in the contents of Chapter 3 Part 5.

Clause 5 inserts a new Division 34 Air Force – Military instructor completion bonus scheme. The new Division has the following features.

- Clause 3.5.329 outlines the purpose of the Division.
- Clause 3.5.330 provides the definition of military instructor positions.
- Clause 3.5.331 outlines the members to whom the Division applies.
- Clause 3.5.332 outlines the members to whom the Division does not apply.
- Clause 3.5.333 outlines the offer to enter the scheme.
- Clause 3.5.334 sets out the process for accepting an offer under this Division. The clause also provides that a member's service period may be taken to have commenced on 1 January 2009.
- Clause 3.5.335 describes the service that counts towards a payment under this Division.
- Clause 3.5.336 sets out the payments under the scheme.
- Clause 3.5.337 sets out those members who are entitled to a partial bonus if they leave the scheme within the twelve-month period.
- Clause 3.5.338 describes the method for calculating partial bonus payments.
- Clause 3.5.339 provides the process by which members may advise how the bonus should be paid.

Clause 6 inserts a new Annex 3.5.ZJ in the Principal Determination. This Annex provides a form for the administration of the scheme. The form is set out in four parts.

Criteria are provided for the exercise of discretions under the Principal Determination, as amended by this Determination. Adverse decisions are subject to merits review under the ADF redress of grievance system, including an appeal to the Defence Force Ombudsman.

The retrospective application of the service period does not affect the rights of a person (other than the Commonwealth) in a manner prejudicial to that person, nor does it impose any liability on such person.

**Authority:** Section 58B of the  
*Defence Act 1903*