

Chapter 2: Joining and leaving the ADF

2.0.1 Overview

This Chapter contains legislation and guidelines for members who join or leave the ADF.

2.0.2 Contents

This Chapter includes the following Parts:

[Part 1](#) Joining the ADF

[Part 2](#) Leaving the ADF: Career Transition Assistance Scheme

[Part 3](#) Leaving the ADF: Redundancy, gratuities and leave credits

Part 1: Joining the ADF

2.1.1 Overview

This Part contains entitlements and guidelines for members joining the ADF.

2.1.2 Contents

This Part includes the following Divisions:

Division 1	Entitlements for applicants
Division 2	Information for new recruits
Division 3	Superannuation

Division 1: Entitlements for applicants

2.1.3 Purpose

A person who has applied to join the ADF may be entitled to assistance with travel costs, allowances and accommodation costs.

2.1.4 Travel, accommodation and meal entitlements – certain country applicants

1. This clause applies to a person who is not a member of the ADF and who has applied to join the ADF. They may have travel, accommodation and meal entitlements, if they meet all these conditions.
 - a. They are required to have an examination or interview to see if they are suitable to join the ADF.
 - b. They go to a recruiting centre to be examined or interviewed.
 - c. They live at a location not served by the transport system of the city or town where the recruiting centre is located.
2. The applicant is entitled to an allowance if they pay for their travel between their normal place of residence and the recruiting centre. The amount of the allowance depends on their means of travel, as set out in this table.

Item	If the applicant travels by...	then they are entitled to...
1.	private vehicle	the amount they would be entitled to if: <ol style="list-style-type: none"> a. they were a member at the rank for which they are applying for appointment or enlistment, and b. their travel was authorised travel on duty. See: Chapter 9 Part 6 Division 2 for the relevant entitlements.
2.	public transport	the lesser of these two amounts: <ol style="list-style-type: none"> a. What the Commonwealth would pay for fares if they were a member at the rank for which they are applying for appointment or enlistment. b. What they actually pay for fares.

3. The applicant is entitled to an allowance for accommodation and meals if they meet both these conditions.
 - a. They travel between their normal place of residence and the recruiting centre for a period that extends overnight.
 - b. Their meals and accommodation are not provided at Commonwealth expense.

4. The allowance is the lowest of these amounts.
 - a. What the Commonwealth would have paid if it provided accommodation and meals.
 - b. What the applicant paid for accommodation and meals.
 - c. What the applicant would be entitled to if they were a member at the rank for which they are applying for appointment or enlistment.

See: Chapter 9 [Part 5](#), Payment of travel costs for the relevant entitlements.

Note: If the applicant's travel period does not extend overnight, the meal allowance rates under clause 4.5.8 apply.

See: Chapter 4 Part 5, Meal allowances.

2.1.5 Prepaid fares

1. A country applicant who travels to or from a recruiting centre is entitled to either a prepaid fare or an allowance under clause 2.1.4.
2. The applicant must repay to the Commonwealth any prepaid amount they do not spend. This includes if the journey is cancelled.

2.1.6 Baggage

Persons entitled to travel under this Division are not entitled to any Commonwealth assistance for excess baggage.

2.1.7 Loss of wages or salary

1. This clause applies to a person who is not a member of the ADF and who has applied to join the ADF. They may be compensated for loss of wages or salary if they meet all these conditions.
 - a. They are employed.
 - b. They are required to have an examination or interview to see if they are suitable to join the ADF.
 - c. They attend a recruiting centre to be examined or interviewed.
 - d. They lose salary or wages because of that attendance.
2. The applicant is entitled to the lesser of these two amounts.
 - a. The wages or salary they would have earned during the period they are reasonably required to be absent from the employment because of the attendance. This does not include any payment for overtime.
 - b. The salary that would be payable for that period to a normal entry recruit during basic training.
3. The applicant is not entitled if they have not disclosed in their application a significant fact that makes them ineligible to join the ADF.

Division 2: Information for new recruits

This Division is reserved for publication in the *ADF Pay and Conditions Manual* of an administrative summary of conditions of service arrangements for new recruits to the ADF.

Division 3: Superannuation

This Division is reserved for publication in the *ADF Pay and Conditions Manual* of an administrative summary of ADF superannuation.

Part 2: Leaving the ADF: Career Transition Assistance Scheme

2.2.1 Overview

1. This Part contains information on the Career Transition Assistance Scheme. The Scheme assists members with career transition when they separate from the ADF after continuous full-time service.
2. Effective career transition is a shared responsibility. It is mainly up to the member to start preparing well before their intended date of separation.

2.2.2 Member this Part applies to

The Career Transition Assistance Scheme is available to all Permanent and Reserve Force members who have been on continuous full-time service.

See: [Division 2](#) Eligibility and levels of assistance

2.2.3 Definitions

This table outlines the definition used in this Part.

Term	Special meaning in this Part
Qualifying service	Service in Australia, overseas or on attachment or exchange with the armed forces of another country, by a member of the Permanent Forces or by a Reserve Force member on continuous full-time service. Periods of qualifying service can include any of the following. <ol style="list-style-type: none">a. Permanent Force serviceb. continuous full-time servicec. a cumulative total of Permanent Force service and continuous full-time service.

2.2.4 Contents

This Part includes the following Divisions:

Division 1	About the Career Transition Assistance Scheme
Division 2	Eligibility and levels of assistance
Division 3	On-line information
Division 4	ADF transition seminars
Division 5	Approved absence for career transition activities
Division 6	Career transition training
Division 7	Career transition management coaching
Division 8	Curriculum vitae coaching
Division 9	Financial counselling

Division 1: About the Career Transition Assistance Scheme

2.2.5 Introduction

1. The ADF has an obligation to assist members with career transition when they leave the ADF after qualifying service, whether voluntarily or involuntarily. The Career Transition Assistance Scheme provides phased benefits, tools and services in support of this obligation.
2. These are the objectives of the Career Transition Assistance Scheme.
 - a. To support the career transition of members from Service to suitable civilian employment, with the minimum involuntary break in continuity of employment.
 - b. To enhance the ability of members to competitively market themselves for suitable civilian employment.
 - c. To enhance and make the best use of members' existing skills gained from ADF service.
3. The Career Transition Assistance Scheme should be accessed during the last 12 months of service, or up to 12 months after termination. This aims to ensure knowledge and skills acquired through the scheme are current at the time of career transition.

2.2.6 Assistance components

Assistance is divided into seven components. These are described in the Divisions listed in this table.

Item	Assistance type	For details, see...
1.	Online information	Division 3
2.	ADF transition seminars	Division 4
3.	Approved absence for career transition activities	Division 5
4.	Career transition training	Division 6
5.	Career transition management coaching	Division 7
6.	Curriculum vitae coaching	Division 8
7.	Financial counselling	Division 9

2.2.7 Medical and dental officer refresher training

Medical or dental officers seeking refresher training should refer to Chapter 4 Part 7 Division 3, Refresher training assistance – former medical or dental officer.

2.2.8 Assistance under the Defence Assisted Study Scheme

1. Sponsorship for career transition-oriented courses is available under Level 3 of the Defence Assisted Study Scheme (DASS), subject to available funding.
2. Defence Assisted Study Scheme applicants are required to substantiate their intention to leave the ADF within a realistic timeframe.
3. Career Transition Assistance Level 1 members are eligible to apply for the Defence Assisted Study Scheme while they continue to serve. For Career Transition Assistance Level 2 and 3 members, eligibility to apply for the Defence Assisted Study Scheme ceases once entitlement to training under the Career Transition Assistance Scheme is established.

2.2.9 Additional information

This clause is reserved for publication in the *ADF Pay and Conditions Manual* of an administrative description of sources of additional information about termination of ADF service.

Division 2: Eligibility and levels of assistance

2.2.10 Eligibility for assistance

1. To be eligible for the scheme, the member must provide proof of their intention to separate from the ADF within 12 months. Proof must be one of the following.
 - a. A termination authority.
 - b. Confirmation from the ADF Transition Centre that the member's application for termination has been received and forwarded to the appropriate approving authority.
2. Level of assistance is determined by both these factors.
 - a. The total period of qualifying service at the date of termination.
 - b. The type of termination.
3. Qualifying service for the Career Transition Assistance Scheme may be an aggregate of periods of service. This may be in one or more Services of the ADF. There may be a break between periods of service.

Note: Reserve service or service as a member of the armed forces of another country does not count toward qualifying service for the Career Transition Assistance Scheme.
4. This table outlines eligibility for levels of assistance.

Item	If the member has completed...	then the assistance level is...
a.	less than 12 years' service	Level 1
b.	12 but less than 18 years' service	Level 2
c.	18 or more years' service, or has left the ADF compulsorily for any of these reasons. <ol style="list-style-type: none">a. Medically unfit to continue service.b. Compulsory retirement age.c. Management-initiated early retirement.d. To meet the needs of the Service (ie declared redundant).	Level 3

2.2.11 Assistance summary

This table summarises the maximum assistance provided to members, depending on their qualifying service. Full details of entitlements are provided in the related Divisions.

Item	Assistance type	Level 1	Level 2	Level 3
1.	Online information	Yes	Yes	Yes
2.	ADF transition seminar	Yes	Yes	Yes
3.	Approved absence for career transition activities [see Note 1]	5 days ¹	10 days	23 days
4.	Career transition training [see Note 2]	No	\$1,100 ²	\$4,400 ²
5.	Career transition management coaching [see Note 2]	No	\$1,100 ²	\$2,820 ²
6.	Curriculum vitae coaching	No	Yes	Yes
7.	Financial counselling	No	No	Only for certain members. See: Division 9

Note 1: A member may only access approved absence if they have completed their initial category, corps or mustering training at the time of termination.

Note 2: A member may only access career transition training **or** career transition management coaching, not both.

Exception: Members who have left the ADF compulsorily for either of these two reasons are eligible to access both career transition training **and** career transition management coaching.

- a. Medically unfit to continue service.
- b. To meet the needs of the Service (ie declared redundant). This is known as management-initiated early retirement (MIER).

2.2.12 Other eligibility conditions

Career Transition Assistance Scheme benefits must be accessed and completed within 12 months of termination.

Exception: For members whose service is terminated for medical reasons, the Executive Officer, Career Transition Assistance may authorise an extension.

2.2.13 Members not eligible for assistance

A member is not eligible for assistance under the scheme in these situations.

- a. If a member's service is terminated for disciplinary or adverse administrative reasons.
- b. If the termination was because of a medical condition that (in the opinion of the CDF) arose from any of these causes.
 - i. Intentional self-harm.
 - ii. Due to serious or wilful misconduct, alcohol or drugs.
 - iii. Unreasonable exposure to an abnormal risk of injury.
 - iv. A pre-existing medical condition that was known but not disclosed, on enlistment.

2.2.14 Preservation or partial use of entitlements

1. If a Career Transition Assistance Level 2 or 3 member does not use an entitlement under the Career Transition Assistance Scheme before termination, the member's entitlement is automatically preserved for up to 12 months after termination.
2. Members must apply for and complete any career transition assistance activity within the 12-month preservation period. The cost of Career Transition Assistance Scheme provisions will be paid once approval has been granted.

Note: There is no entitlement to travel, accommodation and associated costs after termination.

3. In certain cases, a member may access some Career Transition Assistance Scheme provisions and later receive approval to withdraw their application for termination. In these cases, the member is entitled to access unused provisions when reapplying for termination.
4. Further qualifying service may make a member eligible for a higher level of assistance.
5. There is no payment for unused Career Transition Assistance Scheme entitlements.

2.2.15 Members who transfer to the Reserves

1. ADF members who transfer to an active element of the Reserves, and whose major form of post-separation employment is from Reserve service, are not considered to have transitioned into the civilian workforce.
2. For these members, Career Transition Assistance Scheme provisions are preserved while Reserve service remains the major form of employment. On ceasing Reserve service, entitlements are automatically preserved for 12 months from the last day of service.

Note: The preserved entitlement does not include the approved absence component.

2.2.16 Compensation cover

1. Members undertaking activities approved under the Career Transition Assistance Scheme before termination, may be covered for compensation under the Military Rehabilitation and Compensation Scheme.

See: [Chapter 11](#), ADF-related compensation

2. Members are not to accept any form of remuneration from an organisation/employer for periods of on-job experience/training. Such remuneration may jeopardise any claim for compensation relating to those activities.
3. Members who access career transition assistance after termination may be covered for compensation by the Military Rehabilitation and Compensation Scheme, if the arrangements are approved under the Career Transition Assistance Scheme.

2.2.17 Travel and accommodation for Scheme activities

1. Travel costs to attend approved Career Transition Assistance Scheme activities will not be paid for members at Levels 1 and 2.
2. There is limited scope for travel for Level 3 members. The member must justify why they cannot undertake the career transition training in their current or termination location.
3. Normally, Career Transition Assistance Scheme activities are to be undertaken within one location. In cases where members justify travel, travel at Commonwealth expense will be approved for only one trip to and from one nominated location.
4. In cases where members cannot undertake approved Career Transition Assistance Scheme activities in their current or termination location, they must submit an itinerary and undertake the activities in a location where Service accommodation is available. If Service accommodation is not available, the member must justify why a location without Service accommodation must be used.
5. Any Career Transition Assistance Level 3 member who is required to be absent from their normal place of duty or residence for 10 hours or more may be entitled to part-day travelling allowance to attend approved career transition training.

Note: The absence includes time for travel and the approved activity.

2.2.18 Special consideration

If the Resettlement Officer believes a member's circumstances warrant special consideration, the case may be considered by the Executive Officer, Career Transition Assistance.

Division 3: On-line information

This Division is reserved for publication in the *ADF Pay and Conditions Manual* of an administrative description of on-line sources of information about the termination of ADF service.

Division 4: ADF transition seminars

2.2.21 About ADF transition seminars

1. Career transition information and advice are provided at ADF transition seminars. These are held periodically in Australian capital cities and some regional centres. The seminars are designed to aid members in their transition to civilian life, by providing an awareness of various matters requiring consideration before service is terminated.
2. Members are responsible for planning and initiating transition action at a suitable period before termination. Attendance at seminars assists this planning process. Members may apply at any time during their careers, and may attend several seminars.
3. Every effort will be made to ensure all nominating members can attend. If there is not enough space, priority is given to members who have applied for termination, regardless of their length of service.
4. Normally, members attend seminars in their current posting location. If members are posted to a location where seminars are not conducted, they are eligible to apply to attend a seminar at the closest location to their unit.
5. Members who are unable to attend a local seminar for Service reasons may apply for a seminar outside their posting location. Any travel outside the posting location is limited to the nearest seminar location. Travel costs are a unit responsibility. They are payable only to members who meet all these conditions.
 - a. The member has applied to terminate their service.
 - b. The member is Career Transition Assistance Level 3.
 - c. The member has not previously received travel costs to attend a seminar.
- 5A. Travel costs paid to a member under subclause 5 are worked out accordance with the following.
 - a. For a member who uses accommodation supplied through Lido at a location listed in a table in Annex 9.5.B, travel costs are paid up to the limits set for the location in Annex 9.5.B.

See: Annex 9.5.B, Amounts for accommodation, meals and incidentals for travel card – accommodation supplied through Lido at selected locations
 - b. For a member who uses commercial accommodation but who does not meet the requirements of paragraph a, travel costs are paid up to the limits set for the location in Annex 9.5.A.

See: Annex 9.5.A, Amounts for accommodation, meals and incidentals for travelling allowance and travel card
6. Members who are on duty or on leave in another seminar location when a seminar is scheduled may be approved to attend the seminar on duty. In this case, Defence will not pay travel costs for the member to attend.
7. The member's personal Career Transition Assistance Scheme file must be updated when travel costs are paid. This is to prevent further payment of travel costs.
8. Members serving overseas are not permitted to attend a seminar until they return to Australia. Members whose service is being terminated for disciplinary or adverse administrative reasons are not eligible to attend a seminar.

9. The Regional Transition Committee may approve attendance by the member's spouse or interdependent partner at nominated sessions if both these conditions are met.
 - a. Space is available.
 - b. There is no cost to the Commonwealth.

Division 5: Approved absence for career transition activities

2.2.22 Entitlement

1. Approved absence for career transition activities is subject to the supervisor's agreement. Approved absence may be used for any of these activities.
 - a. Attendance at appointments with employment agencies for professional employment advice.
 - b. Interviews with prospective employers.
 - c. Attendance at career transition training or career transition management coaching approved for Career Transition Assistance Level 2 or 3 members.

See: [Division 2](#) clause 2.2.11, Note 1
 - d. Attendance at formal training courses approved under the Defence Assisted Study Scheme Level 3.

Note: This is for Career Transition Assistance Level 1 members only.
 - e. Attendance at on-the-job experience approved under the Career Transition Assistance Scheme. On-the-job experience is work experience which the member undertakes full-time. It must be relevant to the employment they intend to seek after termination.
2. The member must provide proof of their intention to separate.

See: [Division 2](#) clause 2.2.10, Eligibility for assistance.
3. If an eligible member uses the approved absence and then re-engages, any future entitlement will be reduced by the amount previously taken. Once a member has exhausted their level of approved periods of absence, there is no further entitlement.

Exception: If the member earns more days through sufficient further service, the member will be credited only with the additional days.
4. To be eligible for approved absence, members must have a credit balance in their personal Career Transition Assistance Scheme file. The amount of credit recorded on this file depends on the member's length of service. When approved absence is used, the usage must be entered on the member's personal Career Transition Assistance Scheme file.
5. Approved absence must be taken in minimum blocks of one day. They do not need to be consecutive days.

Division 6: Career transition training

2.2.23 Purpose

Career transition training provides access to vocationally-oriented education and training. Eligible members may take vocational training courses for post-termination employment and employment-related work skills.

2.2.24 Career transition training

1. Career transition training may take either of these forms.
 - a. Face-to-face tutorial attendance.
 - b. Courses provided through correspondence or on-line facilities.
2. The training must be a formal course which has all these attributes.
 - a. Structured and provided by a qualified training firm.
 - b. A schedule of training and a syllabus for each subject.
 - c. Recognised or accredited by employers.
3. Any vocationally-oriented course, or recognised course segment, within the Australian qualifications framework may be approved as career transition training. It must meet policy requirements, particularly regarding the extent of training and that it is essential for the member's career transition.
4. Only career transition training that can be completed during the 12-month preservation time limit may be funded.

Example: A postgraduate diploma.

2.2.25 Approved absence for career transition training

1. Depending on their length of qualifying service, under the Career Transition Assistance Scheme members may take up to 23 days' approved absence from the workplace to attend a training course. Any additional time for attendance must be when not required for duty.

See: [Division 2](#) clause 2.2.11, Assistance summary (table item 4).
2. Approved absence is not leave. Members are on duty.

2.2.26 Entitlement

Eligible members are entitled to these maximum amounts for career transition training.

Item	Assistance level	Maximum (\$)
1.	1	Nil
2.	2	1,100
3.	3	4,400

Exception: The Executive Officer, Career Transition Assistance may approve more expensive training courses for Career Transition Assistance Level 3 members in these two cases.

- a. If a specific qualification or licence is required by the industry regulatory body of the members' intended field of employment.
- b. In exceptional cases, where there is no industry regulatory body. The member's application must include evidence supporting the essential nature of the training requirement.

2.2.27 Conditions for approval

1. Career transition training must be specifically aligned to post-termination employment.
2. The training should be aligned to transferring the skills and experience gained from the member's ADF career to the civilian sector. A member whose career transition training objectives are broadly consistent with the member's Service training, expertise or employment is considered to be meeting this criteria.
3. If a member's career transition goals are different from their Service employment or training, or if the training sought is expensive, they should demonstrate the genuine nature of their intentions as follows.
 - a. By having obtained some relevant initial qualifications at their own expense or through the Defence Assisted Study Scheme.
 - b. By extensive association with the activity as a hobby or part-time business or employment.
4. In the cases described in subclause 3, the member must justify the request.

2.2.28 Essential training

1. The career transition training sought must be essential for a member's effective career transition to suitable employment. This means employment or self-employment from which they will derive the major portion of their non-pension income after termination.
2. The training will be assessed on the extent to which it is a requirement for employment or self-employment in that field.
3. A member who has secured suitable employment is deemed to be successfully transitioned and has no entitlement to career transition training.
4. Training will only be approved if the qualifications sought are the minimum necessary for the applicant to be competitive for employment in the intended industry. The requirements of individual employers seeking to employ people holding specific qualifications will be taken into account, but their requirements are not automatic grounds for approval.

5. Attendance at more than one training course will only be approved if the training courses lead to one career transition goal. Training will not be approved if members seek training in divergent areas.

2.2.29 Training costs

1. Defence will only cover costs associated with actual training.
Examples: Mandatory course manuals, equipment hire if it is an integral part of the course costs.
2. The Commonwealth will not pay for any of these items.
 - a. Books.
 - b. Equipment.
 - c. Licences.
 - d. Membership subscriptions for a professional organisation or trade union.
3. If members are required by a franchiser to undertake compulsory training by the franchiser, the cost of the course is regarded as a capital expense in establishing the business. The cost of the training will not be approved. Members may use approved absence under the Career Transition Assistance Scheme to undertake the training as on-the-job experience.

2.2.30 Ending career transition training early

Members who choose to end an approved period of career transition training early must notify the Resettlement Officer. The remaining period of approved absence from the workplace will be re-credited. It may be taken later if required.

2.2.31 Overseas training

1. Career transition training may be approved at an overseas location in these situations.
 - a. The member has a firm job offer for which the particular training is essential and is not available in Australia.
Note: The member must show why the training should not be the responsibility of the future employer.
 - b. The member is serving in an overseas posting location and intends to live in that location on termination.
Note: There is no entitlement to travel costs.
2. International fares for overseas travel are payable by the member. Overseas travel costs are payable at the rate for the training location, subject to the requirements of clause 2.2.17.

See: [Division 2](#) clause 2.2.17, Travel and accommodation for Scheme activities

Division 7: Career transition management coaching

2.2.32 Entitlement

1. Members unsure of their intended field of employment after termination may apply for career transition management coaching. This is also known as outplacement counselling.
2. This table outlines members' entitlements.

Item	If the member is at Career Transition Assistance Level...	then they may access coaching to a value of (\$)...
1.	2	1,100
2.	3	2,820

3. If eligible members choose career transition management coaching, they may not access career transition training. They may access on-the-job experience and approved absence.

Exception: Members who have left the ADF compulsorily for either of these two reasons are eligible to access both career transition training **and** career transition management coaching.

- a. Medically unfit to continue service.
 - b. To meet the needs of the Service (ie declared redundant). This is known as management-initiated early retirement (MIER).
4. The following services are allowable in a career transition management coaching package.
 - a. Identification of transferable skills.
 - b. Stress management.
 - c. Job options and job placement advice.
 - d. Job search strategies.
 - e. Coaching to develop a curriculum vitae.
 - f. Interview skills/personal presentation at interview.
 - g. Developing a career transition plan.

Note: Not all services need to be included.

5. Curriculum vitae coaching may be provided as part of career transition management coaching. Members may prefer to receive curriculum vitae coaching from a separate provider. Defence will fund curriculum vitae coaching only once.

Division 8: Curriculum vitae coaching

2.2.33 Entitlement

1. Members at Career Transition Assistance Level 2 or 3 are eligible to access curriculum vitae coaching by a professional firm. The purpose of curriculum vitae coaching is to teach members how to develop their own curriculum vitae. This is up to a maximum cost of \$253.

Note: This maximum cost will be reviewed from time to time (usually annually) having regard to movement in the Consumer Price Index.

See: Division 2 clause 2.2.11, Assistance summary (table item 6).

2. Curriculum vitae coaching may only be accessed once during a member's service.
3. Members are advised to access this benefit within 12 months of their intended separation date. This is so they are able to develop an effective curriculum vitae at the time of termination.

Division 9: Financial counselling

2.2.34 Entitlement

1. A member is entitled to financial counselling if they have left the ADF compulsorily for any of these reasons.
 - a. Medically unfit to continue service.
 - b. To meet the needs of the Service (ie declared redundant).

See: Chapter 2 Part 3 [Division 1](#), Redundancy.
 - c. Management-initiated early retirement.
2. The member may receive professional financial counselling up to \$518.

Part 3: Leaving the ADF: Redundancy, gratuities and leave credits

2.3.1 Overview

This Part contains guidelines for members leaving the ADF. It outlines entitlements related to redundancy, gratuities and leave credits.

2.3.2 Contents

This Part includes the following Divisions:

Division 1	Redundancy
Division 2	Gratuities on retirement and invalidity
Division 3	Retaining leave credits if moved to the APS
Division 4	Special benefit payment — management-initiated early retirement
Division 5	Additional transition period

Division 1: Redundancy

2.3.3 Purpose

The purpose of this Division is to provide financial benefits for members of the Permanent Forces who are declared redundant.

2.3.4 Member this Division applies to

This Division applies to a member who meets both these conditions.

- a. The member ceases to be a member of the Permanent Forces when declared redundant. This is in accordance with arrangements approved by the Minister.
- b. The member has completed more than two years of continuous full-time service.

2.3.5 Entitlement

1. On the day the member ceases to be a member of the Permanent Forces as a result of being declared redundant, the member is entitled to these amounts.
 - a. A fortnight's salary for each completed year of service that is recognised for long service leave.

See: Chapter 5 [Part 3](#), Long Service Leave for a definition of this service.
 - b. A pro rata payment for each part-year of such service completed.
2. The amount payable under subclause 1 must not be more than 48 weeks' salary.
3. However, a member's compulsory retirement age might be less than 48 weeks from the day they leave the Permanent Forces, as a result of being declared redundant. In these cases, the amount payable is salary for that shorter period.
4. In this clause, salary includes any of the following.
 - a. Higher duties allowance.

Exception: Higher duties allowance is not payable if the period of higher duties performed on the day the notice of redundancy was received was less than 12 continuous months.

See: Chapter 4 Part 1, Higher duties allowance
 - b. Service allowance.

See: Chapter 4 Part 2, Service allowance
 - c. Service allowance.

See: Chapter 4 [Part 2](#)
 - d. Special action forces allowance (qualification and skill).

See: Chapter 4 Part 3 [Division 12](#)
 - e. Specialist operations allowance (qualification and skill).

See: Chapter 4 Part 3 [Division 13](#)

- f. Submarine service allowance (qualification and skill).

See: Chapter 4 Part 3 [Division 15](#)

2.3.6 Additional payment

1. This clause applies to a member who meets both these conditions.
 - a. The member is given written notice of the redundancy.
 - b. The member then ceases service at the member's own request during the notice period.
2. The member must be paid an additional amount for any unserved part of the notice period agreed upon under section 83 of the *Defence (Personnel) Regulations 2002*. This amount is to be paid at the rate the member would receive had they taken pay instead of recreation leave.
3. In this clause, salary includes service allowance.

Example: A member is given written advice that their redundancy is to take place on 1 June. The member has another job offer, and is given permission to cease service on 15 May in order to start that employment. The member must be paid an amount equal to a payment instead of recreation leave for the period 16 May to 1 June.

2.3.7 Amount repayable if member continues service

The member must repay to the Commonwealth the amount previously paid to the member under this Division, if all these conditions are met.

- a. They have been paid an amount under this Division as a result of being declared redundant.
- b. They begin a further period of continuous full-time service within one year of ceasing to be a member because of their redundancy.
- c. The Minister did not authorise the further period of continuous full-time service.

Division 2: Gratuities on retirement and invalidity

2.3.8 What is a gratuity?

1. A gratuity is a one-off payment made by the Defence Force Retirement and Death Benefits Authority (DFRDB) to ADF members.
2. The payment is made to the member when all these conditions apply.
 - a. They are leaving the ADF.
 - b. They are an eligible former member for the purposes of the [Defence Force Retirement and Death Benefits Act 1973](#) (the **DFRDB Act**).
 - c. They are not entitled to retirement pay, invalidity benefit or preservation benefits under the DFRDB Act.

Exception: In certain cases a gratuity is payable to a member who is retired with a class C invalidity benefit under the DFRDB Act but who is not entitled to invalidity pay.

2.3.9 About gratuities

1. The gratuity is payable to a member on the basis of the number of completed years of eligible service.
2. When a member is entitled to a gratuity at different rates for different periods of eligible service, the member receives the appropriate rate per annum for the exact period of service completed for all except the most recent period, which is calculated to the last completed year of eligible service.
3. The DFRDB Authority may pay a gratuity to a person other than the member only in these cases.
 - a. The member is mentally ill and incapable of managing their affairs.
 - b. The member is in prison.
 - c. The member has a disability.

2.3.10 Member this Division applies to

1. This Division applies to eligible former members, as defined under the DFRDB Act. The DFRDB scheme is a closed scheme and therefore this Division has a limited life.
2. For the definition of eligible service, a person is taken to be a member on continuous full-time service for a period if both these conditions apply.
 - a. Under subsection 63 (1) of the DFRDB Act, that Act applies to the person as if the person had not retired, and as if the person were on leave without pay, for the period.
 - b. Deferred benefits were applicable to the person under the DFRDB Act and cease to be applicable under section 83 of that Act.

2.3.11 Definitions

This table outlines the definitions used in this Division.

Term	Meaning in this Division
Eligible service	Continuous full-time service by the member, when a contributor under the DFRDB Act. Exception: Eligible service does not include a period of previous service if a member made an election to purchase previous non-contributory service under subsection 27 (1) of the Defence Force Retirement Benefits Act 1948 or under subsection 83 (3) of the <i>Defence Force Retirement Benefits Act 1959</i> .
Non effective service	A period of eligible service exceeding 21 consecutive days when a member is: <ul style="list-style-type: none">▪ on leave without pay.▪ absent without leave.▪ in custody, under suspension, awaiting or undergoing trial on a charge in which the member is later convicted and imprisoned, or otherwise detained or undergoes field punishment.▪ serving a period of imprisonment or other detention or undergoing field punishment
Officer	In this Division, officer includes Midshipmen and Officer Cadets.
Retirement	Retirement as a member of the Defence Force. This includes termination of appointment as an officer of, or discharge from, the Defence Force.

2.3.12 Gratuity for officers

1. This clause applies to an officer who meets all these conditions.
 - a. The officer is not entitled on retirement to retirement pay, or invalidity benefit, under the DFRDB Act.
 - b. They have completed 10 years' eligible service and retire on or after attaining the compulsory retiring age for rank.
 - c. They have completed 12 years' eligible service and retire to meet the needs of the Service before attaining the compulsory retiring age for rank.
2. On retirement, the member is entitled to a gratuity at the rate of \$240, for each completed year of eligible service.
3. A member's period of eligible service may include a period served as a member other than an officer. In this case, the gratuity is \$100 a year, for the completed years of eligible service as a member other than an officer.

2.3.13 Gratuity for certain fixed tenure appointment officers and others

1. This clause applies to an officer who meets these conditions.

Exception: An officer in this clause does not include a medical officer or dental officer.

 - a. The officer is a member of the Permanent Forces.
 - b. The officer is serving under a fixed tenure appointment, including an extension of a fixed tenure appointment.

Note: A fixed tenure appointment was formerly known as a short service commission.

2. On retirement, the member is entitled to a gratuity worked out at the rate of \$100 for each completed year of eligible service.
3. A member's period of eligible service may include a period served as a member other than an officer. In this case, the gratuity is the sum of these amounts.

Item	If the officer...	then the entitlement is...
1.	completed 12 years eligible service before appointment as an officer	\$100 for each year of eligible service completed before appointment.
2.	has not completed 12 years' eligible service before appointment as an officer	<ul style="list-style-type: none"> ▪ \$40 for 1 completed year of eligible service. ▪ \$80 for 2 completed years of eligible service. ▪ \$120 for 3 completed years of eligible service. ▪ \$160 for 4 completed years of eligible service. ▪ \$200 for 5 completed years of eligible service. ▪ \$240 for 6 completed years of eligible service. ▪ \$340 for 7 completed years of eligible service. ▪ \$440 for 8 completed years of eligible service. ▪ \$540 for 9 completed years of eligible service. ▪ \$760 for 10 completed years of eligible service. ▪ \$980 for 11 completed years of eligible service.

2.3.14 Gratuity for other ranks

1. This clause applies to a member (other than an officer) who is not entitled to retirement pay, or invalidity benefit, under the DFRDB Act.
2. The member is entitled on retirement to a gratuity set out in this table.

Item	If the member has...	then the entitlement is...
1.	completed 12 years' eligible service	\$100 for each completed year of eligible service.
2.	not completed 12 years' eligible service	<ul style="list-style-type: none"> ▪ \$40 for 1 completed year of eligible service. ▪ \$80 for 2 completed years of eligible service. ▪ \$120 for 3 completed years of eligible service. ▪ \$160 for 4 completed years of eligible service. ▪ \$200 for 5 completed years of eligible service. ▪ \$240 for 6 completed years of eligible service. ▪ \$340 for 7 completed years of eligible service. ▪ \$440 for 8 completed years of eligible service. ▪ \$540 for 9 completed years of eligible service. ▪ \$760 for 10 completed years of eligible service. ▪ \$980 for 11 completed years of eligible service.

2.3.15 Invalidation benefits

1. This clause applies to a person who becomes entitled to an amount of invalidity benefit under subsection 32 (2) of the DFRDB Act. This refers to retirement of a member on the ground of invalidity, or of physical or mental incapacity to perform their duties.
2. If the person was an officer immediately before retirement, the person is entitled to a gratuity worked out at the rate of \$150 for each completed year of eligible service.
3. If the member's period of eligible service includes a period served as a member other than an officer, the gratuity is \$100 a year for the period of eligible service as a member other than an officer.
4. A person will receive the gratuity amount in clause 2.3.12, Gratuity for officers, if both these conditions apply.
 - a. The person retired on or after attaining the compulsory retiring age for rank.
 - b. The person would have been entitled to a gratuity if they had not retired on the grounds of invalidity.
5. If the person was a member other than an officer immediately before retirement, the person is entitled to a gratuity of \$100 for each completed year of eligible service.
6. A person may become entitled to a gratuity under this clause on reclassification as Class C, under section 34 of the DFRDB Act. In this case, the amount of gratuity must be reduced. The reduction amount is the difference between these two amounts.
 - a. The total amount of invalidity pay received by the person under the DFRDB Act.
 - b. The amount that would have been payable under subsection 32 (2) of the DFRDB Act, if the person had been classified Class C on retirement.
7. If a member is already paid a gratuity under this Division, the invalidity benefit will be reduced by the gratuity amount already paid.

2.3.16 Gratuity not payable

A member is not entitled to a gratuity under this Division in these cases.

- a. The member is not paid invalidity benefit because of the operation of section 27 or 29 of the DFRDB Act.
- b. For a period of eligible service where transfer value is payable under section 77 of the DFRDB Act.
- c. For a period of eligible service where deferred benefits are applicable.

Exception: When Deferred benefits cease to be applicable because of the operation of subsection 78 (6) of the DFRDB Act.

2.3.17 Reduction of amount for non-effective service

1. The amount of retiring gratuity payable to a member will be reduced pro-rata if their period of eligible service includes one or more periods of non-effective service. The retiring gratuity which would otherwise be payable to the member will be reduced under the formula set out in this clause.
2. This clause applies when both these conditions are met.
 - a. A member's period of eligible service includes periods of non-effective service.
 - b. A member's period of eligible service is no more than the sum of these two periods.
 - i. The member's completed years of eligible service.
 - ii. The total of the periods of non-effective service.
3. The amount of gratuity to which the member would, but for this clause, be entitled under this Part must be reduced under this formula.

$$\frac{A \times (B - C)}{B}$$

A is the amount of gratuity to which the member would, but for this clause, be entitled under this Part.

B is the member's completed years of eligible service.

C is the period by which the sum of the periods in subparagraphs 1.b.i and ii exceeds the member's period of eligible service.

2.3.18 Repayment if a member rejoins

1. This clause applies if a person meets any of these conditions.
 - a. They have been paid a gratuity under this Division.
 - b. Before 6 January 2000 (the date when Determination 2000/1, Condition of Service, commenced), under Determination 0705, Gratuities, either of these situations applied.
 - i. The member was entitled to invalidity pay under section 37 of the DFRDB Act or on a review or appeal under Part XI of that Act.
 - ii. The member was a person to whom the DFRDB Act applies because of the operation of section 63 of the Act.

Example:

A member joins the ADF on 1 May 1991 under the DFRDB scheme.

The member is discharged on 30 April 2004, after 13 years' service. The member receives their member's contributions and gratuity.

The member re-enlists on 1 July 2004. Section 63 of the DFRDB Act provides that a member who rejoins within 90 days of leaving becomes a DFRDB member again. The DFRDB Authority allows the member's retirement to be disregarded. The Act applies as if the member had not retired and the period 30 April to 1 July 2004 had been leave without pay.

2. The member must repay the gratuity to the Commonwealth.

3. The amount recoverable may be paid in a lump sum. The CDF may also approve the amount to be paid in instalments. The CDF must consider these criteria.
 - a. The person's salary.
 - b. The total amount to be repaid.
 - c. Any remaining period of service.

2.3.19 Related provisions of the DFRDB Act

This table outlines the DFRDB Act provisions related to this Division.

Part	Part title	Section
I	Preliminary	<ul style="list-style-type: none"> ▪ 3 Interpretation
III	Contributions	<ul style="list-style-type: none"> ▪ 21 Purchase of previous non-contributory service
V	Invalidity benefits	<ul style="list-style-type: none"> ▪ 27 Incapacity due to wilful action ▪ 29 Invalidity or incapacity arising during absence without leave exceeding 60 days ▪ 32 Class C invalidity benefit ▪ 34 Reclassification in respect of incapacity ▪ 37 Service Chief may inform authority of grounds of retirement
VII	Candidates at Parliamentary elections	<ul style="list-style-type: none"> ▪ 52 Effect of election under section 51 (Election by re-instated candidate) ▪ 53 Refund of benefits by re-instated candidates to whom this Part applies ▪ 55 Rights of contributing members who resign to contest elections and are not re-instated
VIII	General provisions applicable to contributions and benefits	<ul style="list-style-type: none"> ▪ 59 Instalments of pension benefits ▪ 63 Non-recipient retired member who again becomes an eligible member within 90 days
IX	Division 3 (Preservation of rights of contributing members ceasing to be eligible members of the Defence Force)	<ul style="list-style-type: none"> ▪ 77 Circumstances in which transfer value payable ▪ 78 Circumstances in which person entitled to deferred benefits ▪ 83 Person entitled to deferred benefits again becoming a member etc. before benefits payable
X	Contributors under previous benefits scheme etc	<ul style="list-style-type: none"> ▪ 89 Purchase of previous non-contributory service ▪ 90 Elections to become contributors by certain members
XI	Review of decisions of Authority	<ul style="list-style-type: none"> ▪ 99 Review of decisions of Authority

Division 3: Retaining leave credits if moved to the APS

2.3.20 Member this Division applies to

1. This Division applies to a member who ceases to be a member and becomes an APS employee. This is only if the Public Service Commissioner, acting under section 72 of the [Public Service Act 1999](#), determines that the member is to be engaged as an APS employee.

Note: Section 72 determinations are unusual. They assist with reorganisation of machinery of government by moving groups of positions, with or without the consent of affected individuals. This kind of transfer is different to the normal process, where an individual ADF member voluntarily applies for and wins a job in the APS.

2. This Division ensures that groups of members who are moved into the APS can access conditions as similar as possible to their previous entitlement for a transition period, unless this is changed by an award, agreement or Australian Workplace Agreement of the employing agency that comes into effect on or after the day when the member was engaged as an APS employee. The [Public Service Regulations 1999](#) contain further information about the procedure for assigning entitlements to members moved in this way.

2.3.21 Member this Division does not apply to

This Division does not apply to a member who chooses to leave the ADF in order to take up an employment offer in the APS.

Related information: Their new employer may give these members long service leave credits for ADF service.

See: Chapter 5 Part 3 [Division 5](#) Clause 5.3.29, Option not to be paid.

2.3.22 Retaining leave credits

1. A ceasing member may have recreation leave or long service leave entitlements. The member may choose not to be paid a part or the whole amount of this entitlement. These conditions apply.
 - a. The option must be permitted under one of these arrangements.
 - i. A determination under subsection 24 (1) of the [Public Service Act 1999](#).
 - ii. An award, agreement or Australian Workplace Agreement of the employing agency. This must come into effect on or after the day when the member became engaged as an APS employee.
 - b. The member may choose this option up to 14 days after ceasing to be a member.
2. If the member makes the choice under subclause 1, they keep their entitlement as a leave credit for use as an APS employee.
3. In some cases, the member may not be able to be given credit for the full amount of recreation leave or long service leave by the new employing agency. In these cases, it must be paid to the member under the relevant provisions for payment instead of leave.

See: [Chapter 5](#), ADF leave

Division 4: Special benefit payment — management-initiated early retirement

2.3.23 Purpose

1. The purpose of this Division is to provide for the payment of a special benefit under Part 3 of Chapter 8 of the *Defence (Personnel) Regulations 2002*, to members of the Permanent Forces.
2. This payment is an incentive to the class of members who are no longer widely employable and who are in positions that would normally provide promotion opportunities to others, to retire in order that the career structure of the ADF is maintained.
3. The payment is not a 'golden handshake' or a performance management tool.
4. A special benefit is offered on the exercise of a discretion, it is not an automatic entitlement.

2.3.24 Definitions

The following table contains definitions for the purpose of this Division.

Term	Definition
<i>Defence (Personnel) Regulations 2002</i>	Means the <i>Defence (Personnel) Regulations 2002</i> as in force from time to time.
Management-initiated early retirement	Also known by the acronym MIER, this is a scheme to offer a financial incentive for early retirement to a small class of members, to allow for change in the nature of the ADF workforce. It is not a redundancy scheme. Its purpose is discussed in more detail at paragraph 2.3.23.a.
Special benefit	A benefit offered under Part 3 of Chapter 8 of the <i>Defence (Personnel) Regulations 2002</i> and, if accepted, payable under this Division.

2.3.25 Member eligible for payment of a special benefit for management-initiated early retirement

1. A management-initiated early retirement payment may only be made under this Division if, before the special benefit is offered to a member, the use of the following measures is first considered as an alternative to the offer of a special benefit.
 - a. Extension of any relevant compulsory retirement age (not limited to the member's compulsory retirement age).
 - b. Fixed tenure appointment.
 - c. Limited tenure promotion (not limited to the member's promotion).
 - d. Appointment for a specified period.
2. A member who meets all of the following conditions is to be paid a special benefit for management-initiated early retirement under this Division.
 - a. The member has attained either of the following ranks, or a higher rank.
 - i. An officer rank of Major.
 - ii. A non-commissioned rank of Warrant Officer Class 2.
 - b. The member has completed 20 years of service.

- c. The member has completed at least two years at their current rank.
- d. The member has at least 12 months of service remaining before they reach either of the following dates.
 - i. The last day of the member's compulsory retirement age under the *Defence (Personnel) Regulations 2002*, including any age extension that has been made.
 - ii. The last day of the member's fixed period of service.
- e. The member accepts the offer of a special benefit for management-initiated early retirement under Part 3 of Chapter 8 of the *Defence (Personnel) Regulations 2002*.

2.3.26 Limits on payment of a special benefit for management-initiated early retirement

1. No amount of special benefit is payable if any of the following circumstances apply to the member.
 - a. The member's performance is not satisfactory.
 - b. The member is subject to an investigation for unacceptable behaviour.
 - c. The member is subject to disciplinary action.
 - d. The member is subject to an administrative sanction.

Example: The member is subject to a formal censure or warning for misconduct.

2. A member's eligibility for a special benefit is suspended while any of the following types of complaint made by the member in accordance with regulation 80 of the *Defence (Personnel) Regulations 2002* are investigated.
 - a. A redress of grievance complaint made to the member's Service Chief under regulation 76 of the *Defence Force Regulations 1952*.

Note: Regulation 80 of the *Defence (Personnel) Regulations 2002* permits a member to apply direct to their Service Chief without the need for the Commanding Officer to first investigate the complaint.
 - b. A complaint to the Defence Force Ombudsman under the *Ombudsman Act 1976*, as in force from time to time.
 - c. A complaint to the Minister.

Note: Once the complaint is resolved, the special benefit may still be paid, if it has not been refused by the member.

3. The member must not be paid a special benefit if the member refuses to be transferred to the category of the Reserves in the period stated in the notice of offer made under regulation 74 or 77 of the *Defence (Personnel) Regulations 2002*.

Note: A member's refusal of a special benefit for MIER is final. The member cannot choose to take the special benefit later, after they have initially refused it, or after the period set out in the notice of offer has ended. The member must serve for the subsequent period set out in the notice of offer, (unless the member applies to resign and is permitted to do so in the meantime). This is a period of 13 months from the date of the notice of offer, or a later day specified in the notice of offer. The benefit is not payable even though the member may be transferred to the Reserves or have their service terminated at the end of the subsequent period.

See: Regulations 78 and 79 of the *Defence (Personnel) Regulations 2002*

2.3.27 Amount of special benefit

1. A member who accepts the offer of a special benefit under Part 3 of Chapter 8 of the *Defence (Personnel) Regulations 2002* is to be paid the sum of the following amounts.
 - a. A total amount, up to the amount that the member would otherwise be paid for 48 weeks salary, made up of both of the following amounts.
 - i. A fortnight's salary for each completed year of service that is recognised for long service leave.

See: Chapter 5 Part 3, Long service leave, for a definition of this service.
 - ii. A pro rata payment for each part year of such service completed.
 - b. An amount payable instead of the balance of the initial period specified in the period of notice, if the member chooses to be transferred to the Reserves or to cease serving as a member before the day specified in the notice of offer as the last day for accepting the special benefit for management-initiated early retirement. The amount is to be paid at the rate the member would receive had they taken pay instead of recreation leave.
2. In this clause, salary includes service allowance.

See: Chapter 4 Part 2

2.3.28 Repayment of special benefit

The member must repay to the Commonwealth any amount previously paid to the member under this Division, if all these conditions are met.

- a. The member has been paid a special benefit under this Division as a management-initiated early retirement.
- b. The member begins a further period of continuous full-time service (as a Reserve or a Permanent Forces member) within one year of ceasing to be a member, or transferring to the Reserves, because of their retirement.
- c. The Minister did not authorise the further period of continuous full-time service.

Division 5: Additional transition period

2.3.29 Additional transition period

1. The CDF or a Service Chief may approve payment of certain benefits to a former member for a period, having regard to the following considerations.
 - a. Whether the period is necessary to provide the member with a reasonable period of transition assistance to adjust to the end of their Permanent Force career.
 - b. The period for which the benefits are usually made available to a member ceasing service on the same grounds as the former member.
2. Approval under subclause 1 may extend for a period of up to four months and is taken to start from the day that the member ceases service in the Permanent Force.

2.3.30 Benefits during additional transition

1. Benefits approved during an additional transition period may include any of the following.
 - a. Benefits under the career transition assistance scheme.
See: Part 2, Leaving the ADF: Career Transition Assistance Scheme
 - b. Removal.
See: Chapter 6, Relocations
 - c. Continuation of housing assistance.
See: Chapter 7, Housing and meals
 - d. Medical, psychological and dental services and treatment; or reimbursement for equivalent private services if ADF services and treatment cannot be supplied.
2. Other benefits and conditions of service such as salary, salary-related allowances and leave may not be paid for the additional transition period under this Division.