



## **Defence Force Remuneration Tribunal Determination No. 01 of 2026, Submarine capability assurance payment amendments**

The Defence Force Remuneration Tribunal, make this Determination under section 58H of the *Defence Act 1903*. It relates to Matter No. 14 of 2015 — Submarine Capability Assurance Payment.

Dated: 21 January 2026

Bernadette O'Neill

President

Andrea Lester

Member

Major General Gerard Fogarty, AO (Retd)

Member

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## 1 Name

1. This Determination is the Defence Force Remuneration Tribunal Determination No. 01 of 2026, Submarine capability assurance payment amendments.
2. This Determination may also be cited as DFRT Determination No. 01 of 2026.

## 2 Commencement

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.

Commencement information	
Column 1	Column 2
Provisions	Commencement
1. The whole of this instrument	The day after signature.

**Note:** This table relates only to the provisions of this instrument as originally made.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.

## 3 Authority

This instrument is made under section 58H 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Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.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—Submarine capability assurance payment amendments

## *DFRT Determination No. 11 of 2013, ADF Allowances*

### 1 Division D.1 of Part D

Repeal the Division, substitute:

## **Division D.1: Submarine capability assurance payment**

### **Subdivision 1: Preliminaries**

#### **D.1.1 Purpose**

The submarine capability assurance payment is intended to retain skilled and experienced submariners and attract new members from inside and outside the Royal Australian Navy into the submarine workforce.

#### **D.1.2 Interpretation**

1. **Annual rate of submarine capability assurance payment** means one of the following.
  - a. If the member has less than 3 years' submarine service — \$25,000.
  - b. If the member has 3 years' or more but less than 6 years' submarine service — \$35,000.
  - c. If the member has 6 years' or more but less than 9 years' submarine service — \$45,000.
  - d. If the member has 9 years' or more submarine service — \$55,000.
2. **A day of Reserve service** is a day on which the member is paid the full rate of the daily rate of salary under DFRT Determination No.2 of 2017, Salaries.
3. **Decision maker** means any of the following.
  - a. Director Navy Career Management.
  - b. Director Navy Career Performance Support.
4. **Submarine service** for a member who holds a submarine qualification is calculated in accordance with the following.
  - a. If the member is posted to a submarine, all of the following.
    - i. 1 year for each year completed in the posting.
    - ii. 1 day for every day in a period that is less than 12 months.
  - b. The member is posted to the Sea Training Unit – Submarines all of the following.
    - i. 1 year for each year completed in the posting.
    - ii. 1 day for every day in a period that is less than 12 months.

- c. A day for each day the member is performing temporary duty and one of the following applies.
  - i. The duty is in a submarine.
  - ii. The duty is with the Sea Training Unit – Submarines.
- d. A day for each day the member completes a day of Reserve service, and one of the following applies.
  - i. The service is in a submarine.
  - ii. The service is with Sea Training Unit – Submarines.
- e. A day for each day the member has undertaken naval submarine service in another defence force that has been recognised by the CDF or a decision maker as a submarine service.

**Note:** If a day of submarine service is not counted as a part of a year, 365 days will count as a year, regardless of the occurrence of a leap year.

### **D.1.3 Application of Part A**

Sections A.1.7 and A.1.8 do not apply to this Division.

### **D.1.4 Member this payment applies to**

The Division applies to a member who is on continuous full-time service and holds a submarine qualification.

## **Subdivision 2: Eligibility for the submarine capability assurance payment**

### **D.1.5 Eligibility**

A member is eligible for the submarine capability assurance payment for the period in a financial year they hold any of the following submarine personnel proficiency levels.

- a. Level 1.
- b. Level 2.
- c. Level 3.

### **D.1.6 End of eligibility**

Despite section D.1.7, a member ceases to be eligible for submarine capability assurance payment in a financial year on the day before any of the following events occur.

- a. The member commences training as part of a voluntary transfer of employment category that is outside submarine capability.
- b. The member commences a posting as a part of a voluntary transfer outside of the submarine capability.
- c. The member transfers to employment category that is outside submarine capability.

**Note:** A member who has an event that ends their eligibility for submarine capability assurance payment may become eligible for submarine capability assurance payment again in the same financial year.

### Subdivision 3: The submarine capability assurance payment

#### D.1.7 How submarine capability assurance payment is paid

1. A member is paid the daily rate of the annual rate of submarine capability assurance payment for the number of days of service in a financial year that the member is eligible for the submarine capability assurance payment.
2. The daily rate of the annual rate of submarine capability assurance payment is calculated in accordance with the following formula.

$$\text{daily rate} = \frac{A}{365}$$

Where:

**A** is the annual rate of submarine capability assurance payment that applies to the member.

**Note:** The annual rate of submarine capability assurance payment is defined in subsection D.1.2.2.

3. In this section, **number of days of service** is the sum of the following days member is eligible for submarine capability assurance payment in a financial year calculated in accordance with the following.
  - a. 1 day for each day the member provided continuous full-time service at full pay.
  - b. Half a day for each day the member provided continuous full-time service at half pay.
  - c. For a day that the member is subject to a flexible service determination, 1 day for every 8 hours of duty specified in their flexible service determination, up to a maximum of 80 hours in a fortnight, that is paid service.

**Note:** The 8 hours of duty does not have to be performed on the same day.

#### D.1.8 When submarine capability assurance payment is paid

1. Submarine capability assurance payment paid in a lump sum at one of the following times.
  - a. After the end of the financial year in which the submarine service was completed.
  - b. If subsection 2 applies, as soon as reasonably practicable after the member ceases to be eligible for the payment.
2. For the purpose of paragraph 1.b, in any of the following circumstances.
  - a. The member moved from a submarine personnel proficiency level 3 to level 7.
  - b. The member ceases continuous full-time service for one of the following reasons.
    - i. The member reached retirement age.
    - ii. Having been allowed to serve beyond their retirement age, the member is no longer allowed to serve.

- c. The member ceases continuous full-time service because their service in the ADF is ended under one of the following.
  - i. Paragraph 24(1)(a) of Defence Regulation 2016.
  - ii. Paragraph 24(1)(b) of Defence Regulation 2016.
- d. The member does one of the following and section D.1.9.a does not apply.
  - i. If they are a member of the Reserves, cease continuous full-time service.
  - ii. If they are a member of the Permanent Forces, change their period of service for the purpose of ending their service in the Permanent Forces.

**Note:** Section 18 of the Defence Regulation 2016 provides that a member may apply to change their period of service.
- e. The member dies.

### **D.1.9 Submarine capability assurance payment not payable**

Submarine capability assurance payment is not payable to a member if any of the following apply.

- a. The member does one of the following and the CDF or a decision maker is satisfied it is for a reason other a compassionate reason.
  - i. If they are a member of the Reserves, cease continuous full-time service.
  - ii. If they are a member of the Permanent Forces, change their period of service for the purpose of ending their service in the Permanent Forces.

**Note:** Section 18 of the Defence Regulation 2016 provides that a member may apply to change their period of service.
- b. The member voluntarily transfers to the Reserves.
- c. The member's service is ended under subsection 24(1) of Defence Regulation 2016 for a reason under any of the following.
  - i. Paragraph 24(1)(c) of the Defence Regulation 2016.
  - ii. Paragraph 24(1)(d) of the Defence Regulation 2016.

**Note:** If there is more than one reason for ending the member's service and one of those reasons includes a reason specified in this section, the submarine capability assurance payment is not payable.
- d. The member's service is terminated under subsection 101(1) of the *Defence Act 1903*.
- e. The member is dismissed from the ADF under the *Defence Force Discipline Act 1982*.

## Schedule 2—Consequential amendments

### 1      **Section A.1.4**

Omit the entry for Part F, substitute:

Part D Other Allowances

Division D.1 Submarine capability assurance payment

Division D.2 Navy retention incentive payment

### 2      **Section B.3.6**

Omit the section, substitute:

#### **B.3.6    Rate of allowance**

The annual rate of separation allowance is \$3,466.

### 3      **Part F – Allowance rates**

Omit the Part.



# EXPLANATORY STATEMENT

## Defence Force Remuneration Tribunal Determination No. 01 of 2026, Submarine capability assurance payment amendments

This Determination is made under section 58H of the *Defence Act 1903* (the Act) and in accordance with subsection 33(3) of the *Acts Interpretation Act 1901* (AI Act).

The purpose of this Determination is to provide an updated version of the submarine capability assurance payment rules to improve the readability of the rules and to provide greater certainty as to its application. The amendments also promote consistence with changes to the Defence Regulation 2026, as in force from time to time.

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

Section 2 of this Determination provides that the Determination commences on the day after the determination has been signed by the Defence Force Remuneration Tribunal.

Section 3 provides that this instrument has authority under section 58H of the *Defence Act 1903*.

Section 4 provides that 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—Submarine capability assurance payment amendments

Item 1 repeals Division D.1 of Part D of the Principal Determination, which established the submarine capability assurance payment. The Division is remade updating the rules that apply to submarine capability assurance payment. The following describes the operation of the new submarine capability assurance payment rules.

Subdivision 1 provides preliminary matter necessary for the submarine capability assurance payment, including:

- At section D.1.1, restating the purpose of the submarine capability assurance payment.
- At section D.1.2, providing the interpretation of the following phrases:
  - “Annual rate of submarine capability assurance payment”, which is the rate of submarine capability assurance payment based on the number of years of submarine service that the member has completed. Under section D.1.6, the annual rate is calculated into a daily rate which is then paid to a member based on the number of days they are eligible for the submarine capability assurance payment.
  - A day of Reserve service is defined by reference to the daily rate of Reserve service provided under DFRT Determination No. 2 of 2017. To have completed a day of Reserve service, the member must be paid the full daily rate of salary for that day.
  - “Submarine service”, which provides how a member who holds a submarine qualification accrues submarine service. Specifically:
    - If a member is posted to a submarine or a sea training group – Submarines, for each full year they are posted, they accrue 1 year of submarine service. For any period less than a year, they accrue 1 day of submarine service for each remaining day of the posting.
    - If a member is performing temporary duty in a submarine or at a sea training group – submarines, they accrue 1 day of submarine service for each day of temporary duty.

- If a member was a member of the Reserves and completed a day of Reserve service in a submarine or at a sea training group – submarines, they accrue 1 day of submarine service for each day of Reserve service.
- There is also scope of the CDF to recognise service undertaken by the member in a naval submarine of another defence force. This may include submarine service as a member of another defence force or as a member of the Australian Defence Force serving on a foreign naval submarine.

This concept is only used for the purpose of determining the annual rate of the submarine capability assurance payment.

- At section D.1.3, specifying that sections A.1.7 and A.1.8 of the Determination does not apply to the submarine capability assurance payment rules. This is because this Division contains all necessary rules for the payment and the eligible, or cessation of eligible, for the submarine capability assurance payment.
- At section D.1.4, identifying who the submarine capability assurance payment rules applies to. It includes members on continuous full-time service who hold a Royal Australian Navy submarine qualification. A member on continuous full-time service includes members of the Permanent Forces and members of the Reserves who volunteer to do continuous full-time service.

Subdivision 2 provides details about eligibility for the submarine capability assurance payment, including:

- At section D.1.5, the eligibility criteria for the submarine capability assurance payment re specified. To be eligible, a member identified in section D.1.4 is required to hold a submarine personnel proficiency level of level 1, level 2 or level 3 for a period in a financial year. Despite these criteria, a member may stop being eligible under section D.1.6.
- At section D.1.6, members who are eligible for submarine capability assurance payment under section D.1.5 may cease to be eligible if they undertake training as a part of the a voluntary transfer outside of the submarine capability, they commence a posting outside of the submarine capability or transfer to a employment category outside of the submarine capability.

Subdivision 3 provides details about the submarine capability assurance payment, including:

- At section D.1.7, how the submarine capability assurance payment is paid. Specifically, submarine capability assurance payment is paid for the number of days of service in a financial year that the member is eligible for the submarine capability assurance payment. What makes a day of service is:
  - a day on which the member provided continuous full-time service at full pay.
  - half a day for a day on which the member provided continuous full-time service at half pay.
  - for a period the member is the subject of a flexible service determination made under the Defence Act, for every 8 hours of duty specified in their flexible service determination, 1 day. This means that if a member's flexible service determination specifies they perform 6 hours of duty on every day for three days (16 hours duty over 3 days), they accrue 2 days towards the submarine capability payment. Also, the member must be paid for the service; if the member is on leave without pay on a day during their flexible service determination, the hours they would have otherwise worked are not counted.

Submarine capability assurance payment is paid based on the daily rate, which is a 365<sup>th</sup> of the annual rate.

- At section D.1.8, when the submarine capability assurance payment is paid. The default time is after the end of the financial year in which the member performed the eligible service under subdivision 2. In certain cases, where the member has ceased meeting the eligibility criteria, the member will be paid as soon as reasonably practicable after the member ceases to be eligible.

This may mean that the member may receive two payments for separate periods of service in a financial year. If a member is eligible for submarine capability assurance payment after the end of a financial year, they will ordinarily receive it in the next financial year. Subsequently, if the member ceases being eligible for the payment for a reason that allows for early payment, they will receive a second payment in the same financial year at a pro-rated amount.

- At section D.1.9 when a member is not eligible for the submarine capability assurance payment. This includes circumstances when a member ceases to provide capability to the submarine workforce through their own action, or their performance or behaviour that has resulted in an adverse action being taken to end their service.

#### Schedule 2—Consequential amendments

Item 1 amends section A.1.4 of the Principal Determination to update the content list in the Determination. The amendment removes reference to Part F of the Principal Determination, which is repealed by item 4 of this Determination and inserts references to Part D.

Item 2 repeals section B.3.7 of the Principal Determination, which specifies the annual rate of separation allowance by reference to Part F of the Principal Determination. The section is remade to expressly incorporate the rate of separation allowance into the section, removing the reference to Part F of the Principal Determination, which is repealed by item 4 of this Determination.

Item 3 repeals Part F of the Principal Determination, which contains the annual rates for separation allowance and submarine capability assurance payment. The rates are incorporated in the relevant allowance or payment as a consequence of item 3 of schedule 2 and item 1 of Schedule 1, respectively.

Section 58H  
*Defence Act 1903*