
CHAPTER 203

FINANCIAL BENEFITS – GENERALLY

SECTION 1 – ISSUE AND COMPUTATION OF FINANCIAL BENEFITS

203.01 – COMMENCEMENT OF PAY AND ALLOWANCES

(1) **(Entitlement to pay)** Subject to paragraph (2), entitlement to pay in accordance with the CBI commences for an officer or non-commissioned member of the

(a) Regular Force, on the date of the member's enrolment in or transfer to the Regular Force; or

(b) Reserve Force, on the date the member commences Class "B" or "C" Reserve Service.

(2) **(No entitlement to pay)** An officer on enrolment in the Regular Force or on transfer from the Reserve Force to the Regular Force is not entitled to pay for any period prior to the date on which the officer actually reports for duty.

(3) **(Entitlement to an allowance)** Subject to article 203.06 (*Computation of Entitlements and Forfeitures on a Daily or Monthly Basis – Regular Force and Reserve Force on Class "C" Reserve Service*) of the QR&O, entitlement of an officer or non-commissioned member to an allowance commences on the date the member becomes eligible for the allowance under the conditions established in the CBI.

(4) **(Effective date of change)** Subject to the CBI, when, because of a change in the qualifying conditions, the rate of pay or of an allowance in issue to an officer or non-commissioned member is altered, payment at the new rate shall commence on the day notified as the effective date of the change. (See *CBI 203.09 (Authority to Adjust Pay Accounts)*.)

203.02 – CESSATION OF PAY AND ALLOWANCES

(1) **(Cessation of pay and allowances)** Subject to the CBI, entitlement to pay and allowances ceases at the end of the day on which, in the case of an officer or non-commissioned member of

(a) the Regular Force, the member is released or is transferred from the Regular Force; or

(b) the Reserve Force, the member ceases Class "B" or "C" Reserve Service.

(2) **(Effective date of cessation of an allowance)** When an officer or non-commissioned member continues to serve but entitlement to an allowance ceases, entitlement to the allowance continues to the end of the day notified as the effective date of cessation. (See *CBI 203.09 (Authority to Adjust Pay Accounts)*.)

(For pay of Reserve Force when on Class "A" Reserve Service, see CBI 204.51 (Pay – Conditions of Payment).)

203.025 – PAY AND ALLOWANCES – LEAVE WITHOUT PAY AND ALLOWANCES

(1) **(Entitlement to pay and allowances)** Subject to paragraph (2) and despite CBI 203.01 (*Commencement of Pay and Allowances*) and 203.02 (*Cessation of Pay and Allowances*), when an officer or non-commissioned member has been granted leave without pay and allowances see *article 16.25 (Leave Without Pay and Allowances) of the QR&O*, the member has no entitlement to pay or allowances during the period of leave without pay and allowances.

(2) **(Maternity or Parental Leave)** An officer or non-commissioned member who is granted leave without pay and allowances under *article 16.26 (Maternity Leave) or 16.27 (Parental Leave) of the QR&O* may be eligible to receive maternity or parental allowances under CBI 205.46 (*Maternity Allowance*) and 205.465 (*Parental Allowance*).

203.03 – ISSUE OF PAY AND ALLOWANCES

(1) **(Payment)** Subject to paragraphs (2), (3) and (6), pay and allowances shall be issued in arrears to an officer or non-commissioned member. Payment shall be made on the fifteenth and last days of each month or on any other day that the Chief of the Defence Staff determines is required to meet the needs of the Canadian Forces, except that when the day is not a full banking day, pay and allowances may be issued on the preceding full banking day.

(2) **(Long leave, posting or temporary duty)** When an officer or non-commissioned member proceeds on long leave, posting or temporary duty, the member may be paid

(a) earned pay and allowances up to and including the date of the commencement of the long leave or temporary duty, or the effective date of the posting; and

(b) pay and allowances in advance, not exceeding one month, for the period of the long leave or temporary duty or for the period subsequent to the effective date of the posting.

(3) **(Exceptional circumstances)** An officer or non-commissioned member other than one proceeding on long leave, posting or temporary duty may, in exceptional circumstances and with the prior approval of the commanding officer, be paid the earned pay and allowances at a time other than as prescribed in paragraph (1).

(4) **(Accumulation of credit balances)** The accumulation of credit balances in pay accounts shall not be permitted except when the Chief of the Defence Staff determines that an accumulation is required to meet the needs of the Canadian Forces.

(5) **(Deposit)** The pay and allowances of an officer or non-commissioned member shall be deposited to the credit of the member in a chartered bank, trust company, credit union or other financial institution, unless this is impractical or unless the member requests otherwise in writing.

(6) (Advance of pay and allowances)

(a) When an officer or non-commissioned member is granted compassionate leave under article 16.17 *Compassionate Leave*) of the QR&O and transportation at public expense is not authorized under CBI 209.51 (*Compassionate Travel Assistance*), the member may, with the approval of their commanding officer, be paid an advance of unearned pay and allowances in an amount not exceeding the cost of transportation to and from the place to which the member has been authorized to proceed on leave.

(b) When an officer or non-commissioned member, on enrolment, is required to purchase clothing, equipment and miscellaneous requirements and the member does not have sufficient personal funds or earned pay, and with the prior approval of the commanding officer, the member may be paid an advance of unearned pay and allowances in an amount not exceeding the cost of the clothing, equipment and miscellaneous requirements.

(c) An advance made to an officer or non-commissioned member under subparagraph (a) shall be charged to the member's account and shall, except as provided in subparagraph (e), be recovered in equal monthly instalments over a period not exceeding six months.

(d) An advance made to an officer or non-commissioned member under subparagraph (b) shall be charged to the member's pay account and shall be recovered within thirty days.

(e) In exceptional circumstances, the Chief of the Defence Staff may extend the period of recovery under subparagraph (c).

(7) (Service outside Canada) When an officer or non-commissioned member is serving outside Canada, the issue of pay and allowances shall be made in the currency determined by the Minister and concurred in by the Minister of Finance.

(8) (Restriction of cash payments) Despite anything contained in this instruction, the Minister may authorize the restriction of cash payments to officers and non-commissioned members serving outside Canada. (*For advances of pay and allowances when forfeiture or deduction imposed, see article 208.04 (Advances of Pay and Allowances When Forfeiture or Deduction Imposed) of the QR&O.*)

203.07 – PAYMENTS ON BEHALF OF PERSONNEL MENTALLY OR PHYSICALLY INCAPACITATED

(1) **(Authorization)** Subject to paragraph (2), when an officer or non-commissioned member who is married or in a common-law partnership, or who is single and has a dependent child as defined in CBI 205.015 (*Interpretation*), is certified by a service medical officer or a medical officer of the Department of Veterans Affairs to be mentally or physically incapacitated, the Chief of the Defence Staff may authorize a monthly payment equal to twenty days pay at the rate established in the CBI for the rank and status of the member to

(a) the spouse or common-law partner; or

(b) the person or persons undertaking the care of the dependent child or children.

(2) **(Amount of payment)** The amount of the monthly payment under paragraph (1) shall be reduced by the amount of any pay allotment made to, or available to, the spouse or common-law partner or person or persons undertaking the care of the dependent child or children.

(3) **(Comfort costs)** When an officer or non-commissioned member is certified by a service medical officer or a medical officer of the Department of Veterans Affairs to be mentally or physically incapacitated and the member is confined to a hospital or other institution, any charge for comforts supplied to the member from canteens operated by that hospital or institution shall be paid on the member's behalf.

(4) **(Payment of credit balance)** The Chief of the Defence Staff may authorize payment of any credit balance remaining in the pay account of a mentally or physically incapacitated officer or non-commissioned member to the person who, by the law of the province of Canada where the member is residing during the period of incapacity, is entitled to receive moneys on behalf of the member.

(5) **(Method of payment)** Payments under this instruction shall be charged to the pay account of the officer or non-commissioned member concerned but, subject to paragraph (4), may be made only in respect of the period during which it is certified that the member is mentally or physically incapacitated.

203.09 – AUTHORITY TO ADJUST PAY ACCOUNTS

The pay account of an officer or non-commissioned member shall be adjusted to reflect the commencement and cessation of, or changes in, entitlements to pay and allowances in accordance with such form of notification of casualties as is determined by the Chief of the Defence Staff.

203.10 – ISSUE OF PAY AND ALLOWANCES TO NON-COMMISSIONED MEMBERS IN HOSPITAL

When a non-commissioned member is in hospital in circumstances other than those described in CBI 203.07 (*Payments on Behalf of Personnel Mentally or Physically Incapacitated*), the issue of pay and allowances to the member may be made in the manner established by the Chief of the Defence Staff until the member is released from hospital.

203.11 – PERSONNEL DECEASED OR PRESUMED DEAD

(1) **(Application)** This instruction applies to an officer or non-commissioned member of the

(a) Regular Force; or

(b) Reserve Force on Class "C" Reserve Service.

(2) **(End of pay and allowances)** Subject to paragraph (4), when it is determined or presumed that an officer or non-commissioned member has died after the member has been officially reported as missing, a prisoner of war or interned or detained by a foreign power, pay and allowances in issue shall be credited to the member's pay account to the end of the month in which

(a) notification is received by National Defence Headquarters that a death certificate has been issued by a civil authority; or

(b) a certificate of death or presumption of death is issued by service authorities.

(see article 26.20 (*Certificates of Death or Presumption of Death*) of the QR&O)

(3) **(End of pay and allowances)** Subject to paragraph (2), when an officer or non-commissioned member dies, pay and allowances in issue shall be credited to the member's account to the end of the month in which the member's death occurs.

(4) **(Final credit balance)** Any final credit balance in the pay account of the officer or non-commissioned member arising from the credit of pay and allowances, whether or not the amount or any portion is in respect of a period following the end of the month of death or presumed death, accrues to the member's service estate. (See article 25.01 (*General*) of the QR&O.)

(5) **(Member alive)** When an officer or non-commissioned member officially reported dead or presumed dead is later found to be alive, the member's account shall be adjusted as though the member had not been so reported. (See CBI 203.29 (*Personnel Reported Missing, Prisoners of War or Interned or Detained by a Foreign Power*)).

SECTION 2 – SPECIAL RANKS AND CATEGORIES

203.21 – OFFICER CADETS – RESERVE FORCE ON OTHER THAN CLASS “C” RESERVE SERVICE

(1) **(Entitlement to pay and allowances)** Subject to paragraph (2), an officer cadet of the Reserve Force on other than Class “C” Reserve Service is entitled to pay, allowances, other benefits and expenses at the rates and under the conditions established in the CBI for a second lieutenant of the Reserve Force on other than Class “C” Reserve Service.

(2) **(Non-commissioned member appointed as officer cadet)** A non-commissioned member of the Reserve Force on other than Class “C” Reserve Service, who is appointed as an officer cadet for the purposes of undergoing training to qualify for a commissioned rank in the Reserve Force, is entitled to the greater of pay and allowances at the rates and under the conditions established in the CBI

(a) for a second lieutenant of the Reserve Force on other than Class “C” Reserve Service;

(b) for the rank and incentive pay category the member held immediately prior to the member's appointment as an officer cadet; or

(c) for any higher incentive pay category to which the member would have become entitled had the member remained in the former rank as a non-commissioned member, adjusted in accordance with CBI 204.511 (*Incentive Pay – Reserve Force*), solely on the minimum time requirements established in orders or instructions issued by the Chief of the Defence Staff, for the award of pay at the rate established for the next higher incentive pay category.

203.23 – ATTACHMENT OR SECONDMENT OUTSIDE THE CANADIAN FORCES – PAY AND ALLOWANCES

(1) **(Attachment or secondment)** An officer or non-commissioned member enrolled in the Canadian Forces who is attached or seconded to another force, department or organization is entitled to pay and allowances under the CBI for the period of attachment or secondment, unless the member is authorized by the Minister to receive pay and

allowances from that force, department or organization during the period of attachment or secondment.

(2) **(Recovery for secondment)** Pay, allowances and other costs for a period of secondment shall be recovered, at rates determined by the Minister, from the force, department or organization to which an officer or non-commissioned member is seconded.

203.235 – ATTACHMENT TO THE CANADIAN FORCES – PAY AND ALLOWANCES

Except when authorized by the Minister, a person who is attached to the Canadian Forces, or to a unit or other element, but who is not enrolled as an officer or non-commissioned member of the Canadian Forces, is not entitled to pay and allowances under the CBI.

203.236 – PERSONNEL ATTACHED TO THE CANADIAN FORCES – EXPENSES AND MISCELLANEOUS ENTITLEMENTS AND GRANTS

(1) **(Personnel attached to the Canadian Forces)** Subject to paragraph (2), chapters 209 (*Transportation and Travelling Expenses*) and 210 (*Miscellaneous Entitlements and Grants*) of the CBI do not apply to a person attached to the Canadian Forces or any unit or other element who is not enrolled in the Canadian Forces.

(2) **(Agreement to pay)** The relevant provisions of chapters 209 and 210 of the CBI apply to a person described in paragraph (1) where, under an agreement between the appropriate authorities of Canada and another country or organization, Canada is obligated to

(a) reimburse that person for any expense mentioned in chapter 209 of the CBI incurred by that person or their dependants; or

(b) provide a grant or other entitlement mentioned in chapter 210 of the CBI in respect of that person or their dependants.

203.24 – TEMPORARY OR ACTING RANKS

(1) **(Entitlement to acting pay)** An officer or non-commissioned member who is authorized to hold a temporary rank or who is granted an acting rank higher than the member's substantive rank is, unless the temporary or acting rank is to be unpaid, entitled during the period the member holds the temporary or acting rank to pay and allowances at the rates and under the conditions established for the substantive rank equivalent to the temporary or acting rank and that entitlement continues to the end of the day on which the member reverts to substantive rank. (See *CBI 203.09 (Authority to Adjust Pay Accounts)*.)

(2) **(Limit)** An officer or non-commissioned member who holds an acting or temporary rank that is to be unpaid is not entitled to pay and allowances in excess of the pay and allowances established for the substantive rank held by the member or for any higher temporary or acting rank for which the member may be paid under paragraph (1).

203.241 – REVERSION IN RANK AND REMUSTERING

(1) **(Effective date)** Subject to paragraph (2), an officer or non-commissioned member who is reverted in rank or remustered is entitled to continue to receive the rate of pay and allowances in issue to the member prior to the member's reversion or remustering until the end of the day notified as the effective date of the reversion or remustering. (See *CBI 203.09 (Authority to Adjust Pay Accounts)* and subsection 204(1) of the *National Defence*

Act.)

(2) **(Not applicable)** Paragraph (1) does not apply when, by sentence of a service tribunal, a non-commissioned member has been reduced to a rank for which the member's existing trade group is not authorized and the member is consequently remustered.

203.25 – HONORARY RANKS AND APPOINTMENTS

An officer who holds an honorary rank or appointment is not entitled to pay, allowances, other financial benefits and expenses for that honorary rank.

203.29 – PERSONNEL REPORTED MISSING, PRISONERS OF WAR OR INTERNED OR DETAINED BY A FOREIGN POWER

(1) **(Application)** This instruction applies to an officer or non-commissioned member of the

- (a) Regular Force,
- (b) Reserve Force on Class "C" Reserve Service, or
- (c) Reserve Force on Class "B" Reserve Service,

who is officially reported missing, a prisoner of war or interned or detained by a foreign power.

(2) **(Cessation of pay and allowances – Class "B" Reserve Service)** Pay and allowances in issue to an officer or non-commissioned member described in subparagraph (1)(c) who is reported missing cease at the end of the day on which the member is so reported, but if the member is later found to be alive, pay and allowances in respect of the period the member was missing shall be credited as determined in paragraph (3). (See *CBI 205.73 (Death Gratuity – Reserve Force other than Class "C" Reserve Service)*.)

(3) **(Cessation of pay and allowances – others)** The pay account of an officer or non-commissioned member described in subparagraph (1)(a) or (b) shall be credited with pay, allowances and expenses in respect of the period the member is missing, a prisoner of war or interned or detained by a foreign power, as follows:

- (a) pay;
- (b) if in issue to the member on the date the member is officially reported missing, a prisoner of war or interned or detained by a foreign power,
 - (i) Paratroop Allowance (see *CBI 205.30*),
 - (ii) Rescue Specialist Allowance (see *CBI 205.31*),
 - (iii) Aircrew Allowance (see *CBI 205.32*),
 - (iv) Diving Allowance (see *CBI 205.34*),
 - (v) Submarine Allowance (see *CBI 205.37*),

- (vi) Sea Duty Allowance (see *CBI 205.35*),
- (vii) Clothing Upkeep Allowance (see *CBI 205.54*),
- (viii) Separation Expense (see *CBI 209.997*),
- (ix) Joint Task Force 2 Allowance (see *CBI 205.385*),
- (x) Submarine Specialty Allowance (see *CBI 205.41*), and

(xi) Special Allowance – CFS Alert (see *CBI 205.49*),
to the end of the month in which the official report is made; and
(c) if in issue to the member on the date the member is officially reported missing, a
prisoner of war or interned or detained by a foreign power, and unless otherwise
provided by the Minister in exceptional circumstances,

- (i) Isolation Allowance (see *CBI 205.40*),
- (ii) Foreign Service Premium, Post Differential Allowance and related entitlements
under the *Military Foreign Service Regulations (Volume IV of the QR&O, Appendix
4.3)*,
- (iii) Post Living Differential (see *CBI 205.45*),
- (iv) Accommodation Assistance Allowance (see *CBI 205.43*), and
- (v) any other allowance authorized by the Governor in Council or the Treasury Board
in respect of a place of duty,

to the end of,

(A) in the case of an accompanied member, the day of departure of the member's
dependants from the place or country in respect of which the allowance for
dependants was payable, or

(B) in the case of an unaccompanied member, the month in which the member is
first so reported.

(4) **(Credit to pay account)** Pay and allowances credited to the pay account of an officer
or non-commissioned member in accordance with this instruction may be disbursed

(a) by pay allotments instituted or adjusted under article 207.05 (*Pay Allotments –
Personnel Reported Missing, Prisoners of War or Interned or Detained by a Foreign
Power*) of the QR&O; or

(b) on the authority of the commanding officer, by payment to the spouse or common-
law partner or the person or persons undertaking the care of the member's dependent
child or children,

(i) of the total pay and allowances accruing for the complete month in which the
official report is made, and

(ii) of the allowances credited under subparagraph (3)(c) until the date of departure of the member's dependants from the place or country in respect of which the allowance is payable.

(5) **(Payment to dependants)** In exceptional circumstances, when recommended by a board of officers (*see article 207.05 of the QR&O*), the Chief of the Defence Staff may authorize payments to be made from the credit balance in the pay account of the officer or non-commissioned member to

(a) the spouse or common-law partner; or

(b) the person or persons undertaking the care of the dependent child or children.

(6) **(Interest accumulated)** Interest on any accumulated balance in the pay account of an officer or non-commissioned member who is reported missing and who is later found to be alive, or of a member who becomes a prisoner of war or is interned or detained by a foreign power, may be allowed at the rates and on the basis determined by the President of the Treasury Board.