



REMUNERATION TRIBUNAL

Determination 2014/17:

Compensation for Loss of Office for Holders of Public Office

This Determination governs compensation for loss of office for a holder of a public office.

The Determination comprises:

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PART 1 – GENERAL

- 1.1 Authority:** This Determination is issued pursuant to sub-section 7(3) and 7(4) of the *Remuneration Tribunal Act 1973*.
- 1.2 Effective Date and Effect on Earlier Determination:** This Determination takes effect on and from the day following the day it is registered in the Federal Register of Legislative Instruments unless otherwise specified and supersedes Determination 2012/10 – *Compensation for Loss of Office for Holders of Public Office*.

Definitions

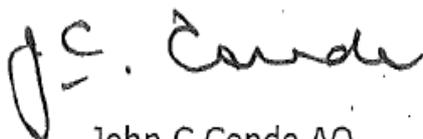
- 1.3 'Reference Salary'** means the Office Holder's Total Remuneration, less the amount of the Employer's Superannuation Contribution for the Office Holder.
- 1.4 'Employer's Superannuation Contribution'** has the same meaning as included in the relevant Principal Determination in relation to that Office Holder.
- 1.5 'APS employment'** means employment as an APS employee under the *Public Service Act 1999*.

PART 2 – COMPENSATION FOR LOSS OF OFFICE

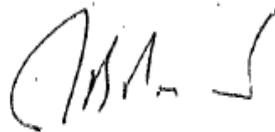
- 2.1** Subject to this Part, a person who holds public office is entitled to compensation for loss of office in accordance with this Part if there is an early termination event.
- 2.2** There is an early termination event if the person's appointment is terminated prior to the expiry of the term of their appointment except where the termination is
- because the person resigns or retires;
 - on the ground of misbehaviour (however described) or unsatisfactory performance;
 - because the person becomes bankrupt, applies to take the benefit of any law for the relief of bankrupt or insolvent debtors, compounds with his or her creditors or makes an assignment of his or her remuneration for the benefit of his or her creditors; or
 - for reasons of mental or physical incapacity.

- 2.3** The compensation payable under clause 2.1 is calculated on the basis of 1/3 of one month's remuneration per month of service remaining in the term of appointment with
- (a) a minimum payment of four months' remuneration; and
 - (b) a maximum payment of a year's remuneration.
- 2.4** Under clause 2.3, the Commonwealth may calculate service remaining by excluding any period of Commonwealth service in alternative employment to be performed during the remaining term of the appointment where the alternative employment commenced immediately after the termination. The Commonwealth may require an office holder to sign a release in return for the payment.
- 2.5** Where an office holder is eligible for a payment under clause 2.1, the rate of remuneration used for calculating an entitlement is the office holder's Reference Salary.
- 2.6** A person who holds public office who
- (a) was appointed on a part-time basis; and
 - (b) is eligible for either a daily or annualised fee (rather than a base salary or other component of Total Remuneration or a proportion thereof)
- is not entitled to compensation under clause 2.1.
- 2.7** A person does not have an entitlement under clause 2.1 if the Commonwealth offers the person suitable alternative employment (including in a Commonwealth company or authority).
- 2.8** For the purposes of clause 2.7, an offer of suitable alternative employment is taken to have been made to the person if the person is on leave without pay or some other form of authorised absence from APS employment and is able to resume that employment following the termination of their appointment.

Signed this 7th day of August 2014



John C Conde AO
PRESIDENT



John B Prescott AC
MEMBER