



## REMUNERATION TRIBUNAL

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### **Determination 2012/10:**

### **Compensation for Loss of Office for Holders of Public Office**

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

#### **The Determination comprises:**

- **Part 1** – General;
- **Part 2** – Compensation for loss of office.

#### **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:** This Determination takes effect on and from 1 July 2012.
- 1.3 Effect on Earlier Determinations:** This Determination supersedes Determination 2007/07 – *Compensation for Loss of Office for Holders of Public Office* which ceased to have effect on 30 June 2012.

#### **Definitions**

- 1.4 'Reference Salary'** means the Office Holder's Total Remuneration, less the amount of the Employer's Superannuation Contribution for the Office Holder.
- 1.5 'Employer's Superannuation Contribution'** has the same meaning as included in the relevant Principal Determination in relation to that Office Holder.

#### **PART 2 – COMPENSATION FOR LOSS OF OFFICE**

**2.1** A person who holds public office is not entitled to compensation for loss of office under Clause 2.3 where:

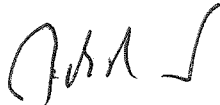
- (a) the person served the full term of appointment;
- (b) the person was appointed on a part-time basis and is eligible for either a daily or annualised fee (rather than a base salary or other component of Total Remuneration, or a proportion thereof);
- (c) the appointment was terminated prematurely for reasons of misbehaviour or unsatisfactory performance; or
- (d) the appointment was terminated prematurely on account of mental or physical incapacity and the person is entitled to receive invalidity retirement benefits under Commonwealth superannuation legislation.

- 2.2** Subject to Clause 2.1, where a person's appointment to a public office is terminated prematurely, the Commonwealth may elect to offer suitable alternative employment (including in a Commonwealth company or authority).
- 2.3** Where the Commonwealth does not offer alternative employment under Clause 2.2, the Commonwealth will pay the office holder 1/3 of one month's remuneration per month of service remaining, in lieu of obligations such as provision of notice or payment instead of notice of redundancy pay and subject to:
- (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 taking into account any period of continuing Commonwealth service in alternative employment, and 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 2.3, the rate of remuneration used for calculating an entitlement is the office holder's Reference Salary.

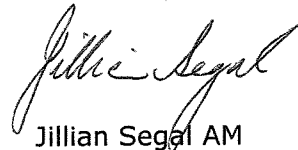
Signed this 19<sup>th</sup> day of June 2012



John C Conde AO  
PRESIDENT



John B Prescott AC  
MEMBER



Jillian Segal AM  
MEMBER