

SENATE STANDING COMMITTEE ON LEGAL AND CONSTITUTIONAL AFFAIRS
CRIMTRAC

Question No. 57

Senator Humphries asked the following question at the hearing on 30 May 2013:

Senator HUMPHRIES: ...Mr Storer, aside from salary increases over the three or four years that he was with CrimTrac, was paid a performance payment lump sum of just under \$13,500 in September 2009. He was paid a further \$16,789 in performance pay on 22 June 2011, and a further \$14,403 on 14 September 2011. Can you tell us anything about the nature of those payments? Why did he receive those payments?

...

Mr Smith: There were a number of performance indicators in his pre-existing contract and he had met those requirements and, therefore, they were contractually bound to be paid. I would have to take it on notice—I would have to go back to his contract—to give you the exact performance criteria, but they were pre-existing performance criteria in his contract.

...

Senator HUMPHRIES: Could I please find out what exactly were the criteria that Mr Storer met in order to qualify him for those bonus payments?

Mr Smith: Certainly.

...

Mr Smith: As I indicated, I was not satisfied with the criteria that were in the contracts or in the enterprise agreement. That is why they were removed. I will provide you with the terms of those performance clauses.

The answer to the honourable senator's question is as follows:

For the first two payments in September 2009 and June 2011, the qualifying criteria as per the applicable employment contract were as follows:

1. *CrimTrac and its employees are committed to enhancing performance through:
 - a. focusing on achieving outcomes and managing performance; and
 - b. timely communication about performance.*
2. *This will be achieved by participating in the Agency's Performance Management Framework.*
3. *Subject to assessment under the CrimTrac Performance Management Framework, the employee may be eligible for a bonus of up to 15% of salary in a 12 month assessment cycle against agreed performance targets.*

For the third payment on 14 September 2011, the qualifying criteria as per the applicable employment contract were as follows:

1. *CrimTrac and its employees are committed to enhancing performance through:
 - a. focusing on achieving outcomes and managing performance; and
 - b. timely communication about performance.*
2. *This will be achieved by participating in CrimTrac's Performance Management Framework.*
3. *The CEO may approve payment of a performance bonus to the Employee if:
 - a. the Employee's performance has been rated as 'Meets all performance targets', 'Exceeds most performance targets' or 'Exceeds all performance targets' for the preceding PMF appraisal cycle; and*

- b. *the Employee is employed by CrimTrac on 30 June of that PMF appraisal cycle and has had at least 3 months' service under a performance agreement at or above the employee's current classification in the appraisal cycle period; and*
 - c. *the CEO considers the Employee has made a significant contribution to building CrimTrac's organisational capability.*
4. *Where an Employee ceases employment prior to 30 June in an appraisal cycle, but otherwise meets conditions (a), (b) and (c) in the preceding subclause, in respect of their partially completed appraisal cycle, the Employee may be eligible for a pro-rata bonus, at the CEO's discretion.*
 5. *If approved, the performance bonus will be paid as a lump sum amount of up to 15% of the employee's annual salary as at the 30 June end date of the PMF appraisal cycle to which it relates (and paid on a pro rata where an employee has more than three months but less than twelve months at CrimTrac).*
 6. *At the CEO's discretion, the following limits will apply:*

<i>Exceeds all performance targets</i>	<i>15%</i>
<i>Exceeds most performance targets</i>	<i>10%</i>
<i>Meets all performance targets</i>	<i>5%</i>
<i>Meets most performance targets</i>	<i>No Payment</i>
<i>Does not meet performance targets</i>	<i>No Payment</i>

7. *Where a performance bonus is approved under this clause, payment will be processed on a payday in September following the applicable PMF appraisal cycle.*

Please note that the payment of monetary bonuses and the above criteria are no longer applicable to any staff member at CrimTrac.