

TREASURER'S INSTRUCTION 14

EX GRATIA PAYMENTS

Reissued: 21 January 2015

Effective: 30 June 2010

Scope

14.1 This instruction applies to all public authorities that are administrative units.

Objective

14.2 To specify the requirements for the approval of ex gratia payments by public authorities that are administrative units.

Interpretation and Definition

14.3 This instruction should be interpreted and applied in accordance with Treasurer's Instruction 1 *Interpretation and Application*.

Instruction

14.4 A Chief Executive of an administrative unit shall obtain the following approvals before any ex gratia payment is made:

14.4.1 where the amount is \$10,000 (inclusive of GST) or less - the responsible Minister;

14.4.2 where the amount is in excess of \$10,000 (inclusive of GST) - the Treasurer;

14.4.3 where it is proposed that the Government intervene in a matter between two parties in the public interest - Cabinet.

14.5 Before any approval is sought to make an ex gratia payment, the matter should be referred to the Crown Solicitor where:

14.5.1 it is proposed that the Government intervene in a matter between two parties in the public interest;

14.5.1 there is a reasonable possibility that further claims for similar payments will be received; or

14.5.3 where the Chief Executive or the responsible Minister considers that advice from the Crown Solicitor is required due to the complexity or uncertainty of the matter.

14.6 In the absence of any approval to the contrary, an ex gratia payment shall be funded from an administrative unit's funds operating receipts and no increase in appropriation to that administrative unit shall be made.

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