

**SALARIES AND ALLOWANCES ACT 1975**

***Government Trading Entities Determination No. 1 of 2025***

**PREAMBLE**

1. Under section 7C of the *Salaries and Allowances Act 1975* (the Act) the Salaries and Allowances Tribunal (the Tribunal) must “determine the minimum and maximum amounts of remuneration to be paid or provided to executive officers of Government Trading Entities (GTEs)”.
2. Under section 7D of the Act the Tribunal must “inquire into and determine the minimum and maximum amounts of remuneration to be paid or provided to Directors of GTEs”.
3. Under section 7E of the Act, the Tribunal must “inquire into and determine the allowance to be paid or provided to members of audit and risk management committees of GTEs who are also Directors of the GTE concerned”.
4. Under section 7D of the Act and section 118 of the *Government Trading Enterprises Act 2023* (GTE Act), the Tribunal must “inquire into and determine the minimum and maximum amounts of remuneration to be paid or provided to” eligible Directors of Wholly Owned Subsidiaries, under Schedule 2 of the Act. However, the Tribunal's understanding is that there are currently no such eligible Directors (pursuant to s. 118(6) of the GTE Act). When the need arises, GTEs should request a Tribunal Determination for remuneration for eligible Directors of subsidiaries.
5. From 1 July 2021, respective GTE boards have been able to set or adjust remuneration of their CEOs within the range of the allocated bands. Portfolio Ministers have the responsibility of setting the remuneration for Directors within the allocated bands.
6. In accordance with section 10A, this Determination has considered the:
  - *Public Sector Wages Policy Statement* issued on 18 December 2023; and
  - financial position and fiscal strategy of the State, as stated in the *Government Mid-year Financial Projections Statement 2024-25* from December 2024.

**CONSIDERATIONS**

7. During the 2025 inquiry, the Tribunal has examined the current economic environment, noting the *Government Mid-year Financial Projections Statement 2024-25* and the *Public Sector Wages Policy* issued on 18 December 2023 noting the change to a bargaining model and the key government factors in bargaining which are expected to be used and applied by GTEs.
8. The Tribunal consulted with the Statutory Advisor appointed under section 10(4)(d) of the Act during the inquiry.

9. When reviewing the remuneration provided to CEOs the Tribunal considers interstate and private sector comparators, including those pointed out in submissions. However, as the Tribunal has previously stated, and continues to maintain, fundamentally GTEs sit within the broader public sector framework within which the Tribunal determines the remuneration. While GTEs undoubtedly have more interaction with private sector markets, they also enjoy more protections than private companies due to their public nature. Therefore, while private market rates are a consideration, this is weighted against comparisons of public sector positions.
10. The Tribunal also examined specific issues raised in submissions which included requests for an increase in classification and requests to link the remuneration bands to third party remuneration survey data.

### **DECISIONS**

11. The Tribunal has determined that CEO remuneration Bands be increased by 3.5%. The Tribunal considered this appropriate given the economic conditions. The Tribunal has also determined to increase the remuneration Bands by an additional 0.5% to reflect the increase of the superannuation guarantee to 12% effective from 1 July 2025.
12. Under section 8(1)(f-g) of the Act, the Tribunal is only required to make a determination on the remuneration provided to Directors of GTEs once every four years. In conducting the annual GTE inquiry, the Tribunal remains convinced of the merits of providing annual economic adjustments to maintain the relativities between the Directors and CEOs and to negate the need to provide large increases once every four years as expressed in its previous determinations.
13. The Tribunal has determined a 3.5% increase to the ranges provided to Directors of GTEs.
14. While the Tribunal has the power to set remuneration bands for CEOs and Directors, it is each GTE's Board or the Portfolio Minister(s) respectively, that must set the remuneration within their respective bands. Any increase within the band must be determined by each Board/Portfolio Minister through its own assessment.
15. The Tribunal has reviewed the classification of all GTEs, with emphasis on those that made a submission. After deliberation, the Tribunal has maintained all existing classifications.
16. The Tribunal's classification system provides significant overlap between bands. For example, a Band 2 GTE can remunerate their CEO up to the 33<sup>rd</sup> percentile of the Band 1 range which may be appropriate. An increase to a higher classification would imply access to a higher level of the respective range which the Tribunal has determined.
17. However, the Tribunal has noted the issues raised in submissions in relation to the Band framework and will review the Banding model with a view to potentially creating a four Band model that would more accurately reflect the scope of GTEs, particularly in respect to the range of Band 2 GTEs.

18. The 3.5% increase plus 0.5% superannuation guarantee increase will be applied to the total remuneration package payable to the Chief Executive Officer, Horizon, whose specific remuneration is determined by the Tribunal.
19. The Tribunal has also applied the 3.5% plus 0.5% superannuation guarantee to the range provided to the Chief Executive Officer, Kimberley Ports Authority that encompasses a higher allowance in recognition of the location and isolation factors that may affect the attraction and retention of the Chief Executive Officer.
20. The Tribunal considered requests to substantially increase the upper levels of Band 1 and to link the ranges to third party remuneration data. The Tribunal has considered this request in past inquiries and maintains that linking the remuneration to outside organisations would be an abnegation of the Tribunal's responsibilities, and creating such linkages would make it difficult for the Tribunal to respond to individual circumstances.
21. Additionally, while the Tribunal does not currently have access to the data noted in the submissions, it appears to be heavily weighted to interstate and private sector data. As noted above, while private sector and interstate remuneration data is an important factor in the Tribunal's deliberations, it does not override considerations of GTEs within the public sector sphere. Finally, the data provided was only relevant to a portion of the GTEs within the Tribunal's jurisdiction.
22. The Tribunal has decided to merge the previously separate CEO and Director Determinations into a single Determination.
23. No further changes have been made in this Determination.
24. The Determination will now issue.

## **PART 1: INTRODUCTORY MATTERS**

*This Part deals with some matters that are relevant to the determination generally.*

### **1.1 Short title**

This Determination may be cited as the *Government Trading Entities Determination No. 1 of 2025*.

### **1.2 Commencement**

This Determination comes into operation on 1 July 2025.

### **1.3 Content and intent**

- (1) This Determination is issued pursuant to sections:
  - (a) 7C of the *Salaries and Allowances Act 1975* (the Act) and applies to Executive Officers of Government entities specified in Schedule 2 of the Act; and
  - (b) 7D and 7E of the Act and applies to Directors of Government Trading Entities specified in section 3 of the *Government Trading Enterprises Act 2023* (the GTE Act) and their Audit and Risk Committees.
- (2) The total remuneration package specified in this Determination under Parts 2 and 3 includes all components of remuneration provided to an Executive Officer.
- (3) This Determination fulfils the Tribunal's obligations under section 7C of the Act and applies to offices identified in Schedule 2 of the Act that have been prescribed in regulations and sections 7D and 7E of the Act and applies to Government Trading Entities identified in section 3 of the GTE Act, their Audit and Risk Management Committees, and any Wholly Owned Subsidiaries.
- (4) In accordance with section 10A of the Act, decisions by the Tribunal in relation to section 7C, 7D and 7E have considered the:
  - (a) Public Sector Wages Policy Statement, issued on 18 December 2023; and
  - (b) financial position and fiscal strategy of the State, as stated in the Government Mid-year Financial Projections Statement 2024-25 from December 2024.

- (5) The Tribunal's rationale in making its Determination in relation to Directors under Parts 4-6 includes Deputy Chairs being paid at 60% of the Chair rate, and Members being paid at 50% of the Chair rate. The Portfolio Minister, who has responsibility for setting the remuneration for the respective GTE Board, is expected to follow these remuneration guidelines unless circumstances arise making it necessary to deviate from this.

#### 1.4 Terms used

In this determination, unless the contrary intention appears -

**Band** means the minimum and maximum amounts of remuneration set in Part 2 or Part 5-6 of this Determination.

**Director** in relation to a GTE, means a member of the GTE's board, as per section 3 of the GTE Act.

**Executive Officer** has the meaning provided in section 7C(1) and (4) of the Act.

**Government Trading Entity (GTE)** means a Government Entity specified in column 1 of Schedule 2 of the Act.

Or, has the same meaning as GTE in section 3 of the GTE Act, and means a body corporate established under one of the following:

- (a) The Electricity Corporations Act 2005 section 4;
- (b) The Port Authorities Act 1999 section 4;
- (c) The Water Corporations Act 1995 section 4;
- (d) The Western Australian Land Authority Act 1992 section 5.

**Portfolio Minister** for a GTE or a subsidiary of a GTE, means the Minister to whom the administration of the GTE's Establishing Act is committed, as per section 3 of the GTE Act.

**Remuneration** includes salary, allowances, fees, emoluments and benefits (whether in money or not), as per section 4 of the Act.

**Subsidiary** means an entity that is the subsidiary of another entity, as per section 4 of the GTE Act.

**Tribunal** means the Salaries and Allowances Tribunal.

**Wholly Owned Subsidiary** means a subsidiary of a GTE that is wholly owned by the GTE, as per section 117 of the GTE Act.

## **1.5 Pro rata payments**

- (1) The total remuneration package for Executive Officers specified in this Determination is based on a person serving in the office on a full-time basis. The relevant amount shall be payable on a pro rata basis when the position is undertaken on a part time basis.
- (2) The total remuneration package specified in this Determination shall be apportioned on a pro rata basis according to the portion of a year that the person holds office.
- (3) The amount of a director's entitlement to GTE Board remuneration, Audit and Risk Committee remuneration or Wholly Owned Subsidiary remuneration specified in this Determination shall be apportioned on a pro rata basis according to the portion of a year for which the director is appointed.

## **1.6 References to Dates**

In this Determination, a reference to "a year" or "per annum" relates to a financial year.

## **1.7 Government Trading Entity Band allocations**

Unless the contrary intention appears, GTEs in this Determination are allocated to the bands as set out in Part 3 and Part 4 of this Determination.

## **1.8 Superannuation Entitlements**

- (1) The total remuneration package for Executive Officers specified in Part 3 of this Determination is inclusive of employer superannuation contributions.
- (2) The remuneration rates and ranges for Directors specified in Part 5-6 of this Determination are exclusive of superannuation.
- (3) Employer superannuation contributions for Directors are payable in accordance with the obligations applicable under the *State Superannuation Act 2000* and the *State Superannuation Regulations 2001*, as the case may be, unless determined otherwise by the Tribunal.

## **PART 2: CLASSIFICATION FRAMEWORK FOR EXECUTIVE OFFICERS OF GOVERNMENT TRADING ENTITIES**

*This Part deals with the classification framework applicable to Executive Officers under section 7C of the Act.*

### **2.1 GENERAL**

- (1) This Part sets the minimum and maximum amounts of remuneration for each Band in which an Executive Officer is classified.
- (2) A GTE must ensure the total remuneration package provided to its Executive Officer complies with Band ranges specified in 2.2(1), according to the Band classification of the office specified in Part 3.
- (3) The Tribunal, from time to time, may review the Band classification of an Executive Officer.

### **2.2 BAND RANGES**

- (1) The Band ranges for annual total remuneration packages provided to Executive Officers in GTEs are as follows:

Band	Total Remuneration Range	
1	\$547,694	\$807,127
2	\$345,912	\$634,172
3	\$253,668	\$461,216

- (2) The total remuneration package provided to an Executive Officer must be within the amounts specified in 2.2(1), according to the Band classification of the office specified in Part 3.

## **PART 3: TOTAL REMUNERATION PACKAGE**

*This Part deals with the remuneration payable to Executive Officers.*

### **3.1 GENERAL**

- (1) Executive offices have been classified in Bands listed in 3.2.
- (2) Each Band classification (Band 1 to Band 3) has a corresponding Total Remuneration Package range, as specified in Part 2.
- (3) A total remuneration package must comprise all components of remuneration provided as a reward for service, which typically includes, but is not limited to, base salary, superannuation and a private motor vehicle allowance.
- (4) The only exclusions from the total remuneration package are:
  - (a) employer obligations, such as professional development relevant to the executive officer's role, reimbursement for work expenses or the cost of recruitment and relocation; and
  - (b) items considered to be a "tool of trade" necessary to undertake the duties of an executive officer and which are not provided as a reward for service.

### **3.2 EXECUTIVE OFFICER REMUNERATION**

- (1) Executive Officers in GTEs are classified in Bands as follows:

<b>Government Trading Entity</b>	<b>Band Classification</b>
Bunbury Water Corporation (Aqwest)	3
Busselton Water Corporation	3
Fremantle Port Authority	1
Gold Corporation (Perth Mint)	1
Horizon Power	2
Kimberley Ports Authority	3
Mid West Ports Authority	2
Pilbara Ports Authority	1
Racing and Wagering WA	2
Southern Ports Authority	2
Synergy	1
WA Land Authority	2
WA Treasury Corporation	2
Water Corporation	1
Western Power	1



- (2) Notwithstanding 3.2(1), the total remuneration package for the Chief Executive Officer, Horizon is \$649,362 until the current office holder vacates the office.
- (3) Notwithstanding 3.2(1), the total remuneration package for the Chief Executive Officer, Kimberley Ports Authority, who is based within the Kimberley region, is \$305,668 - \$513,185. This is in recognition of regional and isolation factors which may affect the attraction and retention of a CEO to the Kimberley Region.

## **PART 4: CLASSIFICATION FRAMEWORK FOR DIRECTORS OF GOVERNMENT TRADING ENTITIES**

*This Part deals with the classification framework applicable to Directors under sections 7D and 7E of the Act.*

### **4.1 GENERAL**

- (1) Directors of GTEs have been classified in Bands listed in 4.2.
- (2) Each Band classification (Band 1 to Band 3) has a corresponding Remuneration range, as specified in Part 5 for remuneration of Directors and Part 6 for Audit and Risk Committees.
- (3) The responsible Portfolio Minister must ensure the remuneration provided to Directors of GTEs and their Audit and Risk Committees complies with Band ranges and rates specified in Part 5 and 6 of this Determination respectively.
- (4) The Tribunal, from time to time, will review the Band classification of a GTE.

### **4.2 BAND RANGES**

- (1) GTEs are classified in Bands as follows:

<b>Government Trading Entity</b>	<b>Band Classification</b>
Bunbury Water Corporation (Aqwest)	3
Busselton Water Corporation	3
Fremantle Port Authority	1
Horizon Power	2
Kimberley Port Authority	3
Mid West Ports Authority	2
Pilbara Ports Authority	1
Southern Ports Authority	2
Synergy	1
WA Land Authority	2
Water Corporation	1
Western Power	1

## **PART 5: REMUNERATION FRAMEWORK FOR DIRECTORS OF GOVERNMENT TRADING ENTITIES**

*This Part deals with the remuneration payable to eligible Directors of GTEs, under section 7D of the Act.*

### **5.1 GENERAL**

- (1) This Part sets the minimum and maximum amounts of remuneration payable to eligible Directors for each Band in which a GTE is classified.
- (2) Eligibility for remuneration of Directors of GTEs is dealt with in accordance with section 18(6) of the GTE Act.
- (3) The responsible Portfolio Minister must ensure the remuneration provided to eligible GTE Directors complies with Band ranges specified in 3.2(1), according to the Band classification of the GTE specified in Part 2.

### **5.2 BAND RANGES FOR GTE BOARDS**

- (1) The Band ranges for annual total remuneration provided to eligible Directors of GTEs are as follows:

GTE Board Annual Remuneration Ranges						
	Chair range		Deputy Chair range		Directors range	
Band	Min	Max	Min	Max	Min	Max
1	\$96,876	\$145,314	\$58,126	\$87,188	\$48,438	\$72,657
2	\$64,584	\$120,557	\$38,750	\$72,334	\$32,292	\$60,278
3	\$30,139	\$75,348	\$18,084	\$45,209	\$15,070	\$37,674

- (2) Part 1.3(5) of this Determination outlines guidance for Portfolio Ministers when determining rates within these ranges.

## **PART 6: REMUNERATION FRAMEWORK FOR DIRECTORS OF GOVERNMENT TRADING ENTITIES' AUDIT AND RISK COMMITTEES**

*This Part deals with the remuneration payable to eligible Directors of Audit and Risk Management Committees of GTEs who are also Directors of the GTE concerned, under section 7E of the Act.*

### **6.1 GENERAL**

- (1) This Part sets the allowance payable to eligible Directors of Audit and Risk Committees for each Band in which a GTE is classified.
- (2) Eligibility for remuneration of Directors of Audit and Risk Committees is dealt with in accordance with section 27 of the GTE Act.
- (3) The remuneration paid to eligible Directors of Audit and Risk Committees must comply with rates specified in 6.2(1), according to the Band classification of the GTE specified in Part 4.

### **6.2 REMUNERATION PAYABLE TO DIRECTORS OF AUDIT AND RISK COMMITTEES**

- (1) The annual total remuneration provided to eligible Directors of Audit and Risk Committees are as follows:

GTE Audit & Risk Subcommittee Annual Remuneration Rates		
Audit & Risk Band	Chair rate	Member rate
1	\$10,764	\$5,382
2	\$8,611	\$4,306
3	\$6,458	\$3,229

- (2) The remuneration outlined in 6.2(1) is payable in addition to the remuneration payable under 5.2(1) for eligible Directors of Audit and Risk Committees who are also Directors of the GTE concerned.

## **PART 7: REMUNERATION FOR DIRECTORS OF WHOLLY OWNED SUBSIDIARIES**

*This Part deals with the remuneration payable to eligible Directors of Wholly Owned Subsidiaries of GTEs, under section 7D of the Act and section 118 of the GTE Act.*

### **7.1 GENERAL**

- (1) This Part sets the remuneration range payable to eligible Directors of Wholly Owned Subsidiaries for each Band in which a GTE is classified.
- (2) Eligibility for remuneration of Directors of Wholly Owned Subsidiaries is dealt with in accordance with section 118(6) of the GTE Act.
- (3) The Tribunal understands there are currently no eligible Directors of Wholly Owned Subsidiaries. GTEs are required to seek a new Determination from the Tribunal if they wish to seek payment for eligible Directors.

### **7.2 REMUNERATION PAYABLE TO DIRECTORS OF WHOLLY OWNED SUBSIDIARIES**

- (1) The Tribunal has determined an annual total remuneration of \$0 for eligible Directors of Wholly Owned Subsidiaries.

Signed on 3 April 2025.



E Prof M Seares AO  
CHAIR



Hon. J Day AM  
MEMBER



Dr M Schaper  
MEMBER

**SALARIES AND ALLOWANCES TRIBUNAL**