

SALARIES AND ALLOWANCES ACT 1975

Government Trading Entities Determination No. 2 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 section 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 of the Act, 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 *WA State Budget 2025-26*.

CONSIDERATIONS

7. During the 2025 inquiry conducted in the first half of the year, the Tribunal received submissions highlighting concerns with the current three-band framework for GTEs. In the *Government Trading Entities Determination No. 1 of 2025*, the Tribunal acknowledged:

“The Tribunal’s classification system provides significant overlap between bands. For example, a Band 2 GTE can remunerate their CEO up to the 33rd 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.”

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.”

8. In exploring the feasibility of a four-band model, the Tribunal has assessed the varying levels of scope, complexity and public impact from the diverse group of GTEs within the Tribunal’s jurisdiction and those GTEs that may potentially be brought within the framework.
9. A key feature of the current framework is the approximately 33% overlap between bands. This overlap acknowledges that GTEs operate in diverse environments, and that remuneration at the lower end of a higher band may be appropriate for entities with smaller scale or limited impact. This principle remains central to the Tribunal’s approach.

DECISIONS

10. The Tribunal has resolved to transition from a three-band to a four-band remuneration classification model. The Tribunal believes this new model will provide enhanced flexibility and ensure remuneration more accurately reflects the complexity, scale, and strategic responsibilities of each GTE.
11. Adopting a four-band model also brings GTE classifications in line with frameworks used by the Tribunal in other sectors such as Local Government CEOs, elected members and public service senior executives.
12. The revised structure introduces a new Band 2 resulting in the current Band 2 and Band 3 being reclassified as Band 3 and Band 4 respectively.
13. All existing classifications have been retained in the new framework, except for Horizon Power, which is now placed in the new Band 2. This reflects both the previous CEO’s remuneration level and past Tribunal deliberations supporting Horizon Power’s classification at this level.
14. It is important to note that no GTE has received any reduction in their remuneration ranges available to them under the new remuneration arrangements.
15. The new bands incorporate an even greater degree of overlap. The Tribunal views this as beneficial, allowing for more nuanced recognition of those factors influencing remuneration which may not have as large an effect on the classification of the GTE, such as the market in which the GTE operates.
16. To ensure clarity and transparency, the Tribunal has a range of criteria it assesses when classifying GTEs. These include, but are not limited to:

- **Economic performance**
 - i. Dividend returned to government.
 - ii. Financial metrics such as return on equity, leverage ratios and liquidity ratios.
 - iii. Operating and capital expenditure.
 - iv. FTEs.
 - **Unique or specialized requirements**
 - i. Statutory responsibilities or delegated powers.
 - ii. Specialised knowledge requirements.
 - **Critical role the GTE plays in the state (infrastructure)**
 - i. The provision a critical service/product for the functioning of society.
 - ii. The consequences if the GTE fails or has a major accident/infrastructure collapse.
 - iii. The maintenance and investment in critical infrastructure.
 - iv. Significant social/economic/environmental issues associated with the operations of the GTE.
 - **Crucial role the GTE plays in the state**
 - i. Exposure to competitive markets.
 - ii. Diversity of clients and/or stakeholders.
 - iii. Reach of the GTE, state-wide or national/international components.
 - iv. Importance of services required for social/economic/environmental benefit of the state.
 - v. The consequences if the GTE fails, and its social/economic/environmental ramifications upon the state.
 - vi. Is the GTE focused on a specific area of expertise/operation or does its work affect the wider community/government.
 - vii. Major growth and expansion of scope or responsibilities.
17. These criteria require a degree of subjective decision making by the Tribunal and are not solely based on comparing financial indicators. The Tribunal also considers GTEs in the broader context of public offices within the Tribunal's jurisdiction including Chief Executive Officers of government departments, local government, judicial officers and Members of Parliament.
 18. The Tribunal will continue to conduct its annual inquiries from November to April each year. Each GTE will be invited to make a submission based upon the new four-band model and the Tribunal will issue its annual determination in April 2026.
 19. There has been no economic adjustment, and no further changes have been made in this Determination.
 20. 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. 2 of 2025*.

1.2 Commencement

This Determination comes into operation on 1 January 2026.

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 *WA State Budget 2025-26*.

- (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) *Electricity Corporations Act 2005* section 4;
- (b) *Port Authorities Act 1999* section 4;
- (c) *Water Corporations Act 1995* section 4;
- (d) *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. The Tribunal, from time to time, may review the Band classification of a GTE.

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 the Band ranges specified in 2.2(1), according to the Band classification of the office specified in Part 3.

2.2 BAND RANGES

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

Band	Annual Total Remuneration Range	
1	\$547,694	\$807,127
2	\$475,000	\$720,000
3	\$345,912	\$634,172
4	\$253,668	\$461,216

- (2) The annual 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 4) 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, private motor vehicle allowance and additional leave benefits.
- (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:

Government Trading Entity	Band Classification
Bunbury Water Corporation (Aqwest)	4
Busselton Water Corporation	4
Fremantle Port Authority	1
Gold Corporation (Perth Mint)	1
Horizon Power	2
Keystart	3
Kimberley Ports Authority	4
Mid West Ports Authority	3
Pilbara Ports Authority	1
Racing and Wagering WA	3
Southern Ports Authority	3
Synergy	1
WA Land Authority	3
WA Treasury Corporation	3
Water Corporation	1
Western Power	1

- (2) 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 4) 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 the Band ranges and rates specified in Part 5 and 6 of this Determination respectively.

4.2 BAND RANGES

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

Government Trading Entity	Band Classification
Bunbury Water Corporation (Aqwest)	4
Busselton Water Corporation	4
Fremantle Port Authority	1
Horizon Power	2
Keystart	3
Kimberley Port Authority	4
Mid West Ports Authority	3
Pilbara Ports Authority	1
Southern Ports Authority	3
Synergy	1
WA Land Authority	3
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 the Band ranges specified in 3.2(1), according to the Band classification of the GTE specified in Part 2.
- (4) In accordance with the GTE Act, the remuneration provided below is inclusive of all Committee work, except for Audit and Risk Committee work which is specified under Part 6 of this determination.
- (5) As stated in Part 1.8 of this determination, the remuneration ranges below are exclusive of superannuation.

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	\$75,000	\$133,000	\$43,000	\$80,000	\$39,000	\$66,500
3	\$64,584	\$120,557	\$38,750	\$72,334	\$32,292	\$60,278
4	\$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. Eligible Directors must be paid the remuneration set in this section.

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.
- (4) As stated in Part 1.8 of this determination, the remuneration ranges below are exclusive of superannuation.

6.2 REMUNERATION PAYABLE TO DIRECTORS OF AUDIT AND RISK COMMITTEES

- (1) In accordance with the GTE Act, the annual total allowance that must be paid, to eligible Directors of Audit and Risk Committees is as follows:

GTE Audit & Risk Committee Annual Remuneration Rates		
Band	Chair rate	Member rate
1	\$10,764	\$5,382
2	\$9,500	\$4,800
3	\$8,611	\$4,306
4	\$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 25 September 2025.

E Prof M Seares AO
CHAIR

Dr M Schaper
MEMBER

Mr O Whittle
MEMBER

SALARIES AND ALLOWANCES TRIBUNAL