

SALARIES AND ALLOWANCES ACT 1975

Government Trading Entities Determination No. 1 of 2023

PREAMBLE

1. Under section 7C of the *Salaries and Allowances Act 1975* (the Act) the Tribunal must “determine the minimum and maximum amounts of remuneration to be paid or provided to executive officers of Government entities”.
2. A Chief Executive Officer (CEO) position is only subject to the Tribunal’s determinations following the expiry of a contract that was in place when section 7C commenced.
3. From 1 July 2021, respective Government Trading Entity (GTE) boards have been able to set or adjust remuneration of their CEOs within the range of the allocated bands.
4. In accordance with section 10A, this determination has considered the:
 - *Public Sector Wages Policy Statement 2022* issued on 25 October 2022; and
 - financial position and fiscal strategy of the State, as stated in the *Government Mid-year Financial Projections Statement 2022-23* from December 2022.

DECISION

5. The Tribunal reviewed the GTE environment, with consideration to the submissions received, and has retained the three-band model for remuneration.
6. The Tribunal has determined that CEO remuneration Bands be increased by 3.5%. The Tribunal considered this appropriate given the economic conditions, the wider public service framework and the mandatory 0.5% superannuation increase from July 2023.
7. The Tribunal has reviewed the classification of the Mid West and Southern Port Authorities. Based on the substantial growth and risk associated with their operations, the Tribunal has decided to increase their classification to Band 2.
8. The Tribunal has decided to maintain all other classifications. The Tribunal has determined that changes to an entity’s scope or responsibilities presented in the submissions received are covered within existing band classifications.
9. The 3.5% increase will be applied to the total remuneration package payable to the Chief Executive Officer, Horizon, whose specific remuneration is determined by the Tribunal.

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 2023*.

1.2 Commencement

This Determination comes into operation on 1 July 2023.

1.3 Content and intent

- (1) This Determination is issued pursuant to section 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.
- (2) The total remuneration package specified in this Determination 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.
- (4) In accordance with section 10A of the Act, decisions by the Tribunal in relation to section 7C have considered the:
 - (a) *Public Sector Wages Policy Statement 2022*, issued on 25 October 2022; and
 - (b) financial position and fiscal strategy of the State, as stated in the *Government Mid-year Financial Projections Statement 2022-23* from December 2022.

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 of this Determination.

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

Government Entity means an entity specified in column 1 of Schedule 2 of the Act.

Remuneration has the meaning provided in section 4 of the Act.

Tribunal means the Salaries and Allowances Tribunal.

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.

1.6 References to Dates

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

1.7 Government Entity Band allocations

Unless the contrary intention appears, government entities in this determination are allocated to the bands as set out in Part 3 of this determination.

PART 2: CLASSIFICATION FRAMEWORK FOR EXECUTIVE OFFICERS OF GOVERNMENT 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 Government Entity 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 Government Entities are as follows:

Band	Total Remuneration Range	
Band 1	\$506,374	\$746,235
Band 2	\$319,815	\$586,328
Band 3	\$234,531	\$426,420

- (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 (TRP) range, as specified in Part 2.
- (3) A TRP 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 TRP 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 Government entities are classified in Bands as follows:

Government Entity	Band Classification
Bunbury Water Corporation (Aqwest)	3
Busselton Water Corporation	3
Fremantle Port Authority	1
Gold Corporation (Perth Mint)	1
Horizon Power	2
Kimberley Port 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 \$600,372 until the current office holder vacates the office.

Signed on 3 April 2023.

M Seares AO

CHAIR

B A Sargeant PSM

MEMBER

Hon J Day

MEMBER

SALARIES AND ALLOWANCES TRIBUNAL