

SALARIES AND ALLOWANCES ACT 1975

Government Trading Entities Boards Remuneration Determination No. 1 of 2023

PREAMBLE

1. Under section 7D of the *Salaries and Allowances Act 1975* (the Act) the Tribunal must “inquire into and determine the minimum and maximum amounts of remuneration to be paid or provided to directors of Government entities”.
2. 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”.
3. 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.
4. In accordance with section 10A, this Determination has considered the:
 - *Public Sector Wages Policy Statement 2022*; and
 - financial position and fiscal strategy of the State, as stated in the *Western Australian State Budget 2023-24*.

DECISION

5. The Tribunal reviewed the GTE Board environment, with consideration to the submissions received, and has determined a three-band model for remuneration for both GTE Boards and their Audit and Risk Committees. The bands are aligned with those in the Tribunal’s *Government Trading Entities Determination No 1 of 2023*, republished in Part 2 of this Determination.
6. The Tribunal has decided to maintain current relativities among the GTEs, taking into consideration submissions received and current banding under its *Government Trading Entities Determination No 1 of 2023*.

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 Boards 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 sections 7D and 7E of the *Salaries and Allowances Act 1975* (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) This Determination fulfils the Tribunal's obligations under 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.
- (3) In accordance with section 10A of the Act, decisions by the Tribunal in relation to sections 7D and 7E have considered the:
 - *Public Sector Wages Policy Statement 2022; and*
 - financial position and fiscal strategy of the State, as stated in the *Western Australian State Budget 2023-24*.
- (4) The Tribunal's rationale in making its Determination include 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, 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 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.

Government Trading Entity 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 References to Dates

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

1.6 Pro rata payment

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.

1.7 Government Trading Entity Band allocations

Unless the contrary intention appears, government entities in this Determination are allocated to the bands as set out in Part 2.

1.8 Superannuation Entitlements

The remuneration rates and ranges specified in this Determination are exclusive of superannuation.

Employer superannuation contributions 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 DIRECTORS OF GOVERNMENT ENTITIES

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

2.1 GENERAL

- (1) GTEs have been classified in Bands listed in 2.2.
- (2) Each Band classification (Band 1 to Band 3) has a corresponding Remuneration range, as specified in Part 3 for remuneration of directors and Part 4 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 Parts 3 and 4 of this Determination respectively.
- (4) The Tribunal, from time to time, will review the Band classification of a GTE.

2.2 BAND RANGES

- (1) Government entities are classified in Bands as follows:

Government Trading Entity	Band Classification
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 3: REMUNERATION FRAMEWORK FOR DIRECTORS OF GOVERNMENT ENTITIES

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

3.1 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.

3.2 BAND RANGES FOR GTE BOARDS

- (1) The Band ranges for annual total remuneration provided to eligible directors of Government Entities are as follows:

GTE Board Annual Remuneration Ranges						
GTE Band	Chair range		Deputy Chair range		Directors range	
	Min	Max	Min	Max	Min	Max
Band 1	\$90,000	\$135,000	\$54,000	\$81,000	\$45,000	\$67,500
Band 2	\$60,000	\$112,000	\$36,000	\$67,200	\$30,000	\$56,000
Band 3	\$28,000	\$70,000	\$16,800	\$42,000	\$14,000	\$35,000

- (2) Part 1.3(4) of this Determination outlines guidance for Portfolio Ministers when determining rates within these ranges.

PART 4: REMUNERATION FRAMEWORK FOR DIRECTORS OF GOVERNMENT 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.

4.1 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 4.2(1), according to the Band classification of the GTE specified in Part 2.

4.2 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
Band 1	\$10,000	\$5,000
Band 2	\$8,000	\$4,000
Band 3	\$6,000	\$3,000

- (2) The remuneration outlined in 4.2(1) is payable in addition to the remuneration payable under 3.2(1) for eligible directors of Audit and Risk Committees who are also directors of the GTE concerned.

PART 5: 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.

5.1 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.

5.2 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 July 2023.

M Seares AO
CHAIR

B A Sargeant PSM
MEMBER

Hon J Day
MEMBER

SALARIES AND ALLOWANCES TRIBUNAL