



PARLIAMENT OF TASMANIA

TRANSCRIPT

HOUSE OF ASSEMBLY

GOVERNMENT BUSINESSES SCRUTINY COMMITTEE

Public Trustee

Thursday 5 December 2024

MEMBERS

Mr Street MP (Chair);
Mr Behrakis MP (Deputy Chair);
Mr O'Byrne MP;
Mr Willie MP;
Mr Winter MP; and
Dr Woodruff MP

OTHER PARTICIPATING MEMBERS

Ms White MP;
Mr Wood MP; and
Ms Johnston MP

WITNESSES IN ATTENDANCE

Hon. Guy Barnett MP, Deputy Premier, Treasurer, Attorney-General, Minister for Justice

Todd Kennedy, CEO

Therese Taylor, Chair

Nicky Roberts, Chief Financial Officer and Company Secretary

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The committee met at 3.01 p.m.

CHAIR - The time being a little after 3.00 p.m., scrutiny of the Public Trustee will now begin. I welcome the minister and staff of the Public Trustee along with others at the table. The time for scrutiny is two hours. Members will by now be familiar with the process for questions on notice. They need to be taken by the minister or the chair and then provided to the secretary down at the end of the table here with me. I'll give the Treasurer and Deputy Premier an opportunity to make a brief opening statement and introduce those at the table.

Mr BARNETT - Thank you very much, Chair. As Attorney-General and Minister for Justice, I am very pleased to be sitting here today. The chair of the Public Trustee, Therese Taylor, is on my left; Todd Kennedy, CEO of the Public Trustee is on my right; Nicky Roberts is the Chief Financial Officer.

Chair, with your indulgence, I wanted to make some opening remarks and recognise the important work of the Public Trustee and the vital services they provide to vulnerable Tasmanians. It's been the subject of much scrutiny in recent times and I want to acknowledge the challenges that has posed to the leadership and staff. I am grateful for the professionalism of the chair, Therese Taylor, and the board and CEO, Todd Kennedy, for the commitment to the effective delivery of these critical services to our community.

Following concerns about the operations of the Public Trustee and its compliance with its obligations under the act, the Damian Bugg Review was implemented, and 27 of those 28 recommendations are now complete. The positive impact of these changes was further demonstrated by surveys and responses to those surveys, and I'm happy to respond to that. Then in October 2023 the Public Trustee launched its Supported Decision-Making Framework, placing individuals with impaired decision-making capacity at the centre of decisions that impact their lives, respecting their rights, will and preferences, and more can be said about that.

While significant improvement had been achieved, the recent report of the economic regulator identified residual questions about the GBE government structure of the Public Trustee and whether it was the most appropriate structure for the delivery of these critical services to vulnerable Tasmanians. Unfortunately, the Public Trustee's operating costs were determined to be too high and the average cost of providing services to represented persons in Tasmania was among the highest in the country, more than three times higher than Victoria, where the supported decision-making model had already been implemented.

The Public Trustee's high operating costs were considered to be substantial enough to warrant further examination, and that occurred. Alicia Leis, highly regarded partner of WLF Accounting & Advisory, was appointed, and that report's being delivered and released today. The review confirmed that a GBE structure is not the appropriate model for the delivery of the Public Trustee's core services and recommends a statutory body corporate, because the commercial return to government is incongruent with the provision of services to vulnerable Tasmanians.

Under advice from the independent review, further work will be undertaken now to determine whether a statutory body corporate with a board or a statutory officer role within the government agency is more appropriate, consistent with the observations in the report. I've requested advice on that by 31 March next year to finalise the appropriate governance model

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and options for the transfer of commercial services to the private sector while protecting vulnerable Tasmanians.

We intend to take the time to get this right so the Public Trustee is positioned to best serve the needs of the Tasmanian community. In closing, I'd like to again extend my gratitude to the Public Trustee and their clients, and the stakeholders who continue to actively contribute through reference groups, helping to shape the direction of the organisational change.

Ms WHITE - Thank you, Chair. Thank you, minister. In Estimates, you announced that you were going to privatise parts of the Public Trustee and now, just a few hours before this scrutiny hearing, you've released the report and announced that you're going to now bring it, as you claim, closer to government. Is it still your intention to privatise the Public Trustee's commercial, will, estate and trustee services, as you said in September, or has that changed?

Mr BARNETT - Well, just to confirm, I received Alicia Leis' WLF report last week. I read it on Friday night for the first time and then over the weekend. The government's responded to that at a high level today. It's made a number of recommendations - two main options, which are to establish a statutory authority within a government agency or a standalone. It makes a range of other recommendations. It's quite significant and broad, and we'll certainly want to get it right. That's what I said at the end, to get the balance right. We want to focus on delivering the best services possible for our most vulnerable Tasmanians. In terms of going forward, we'll work that through. We'll consult, of course, with the Public Trustee, relevant stakeholders between now and 31 March and deliver that new model at that time, as in terms of that recommendation for the new model. That will, of course, require legislative change which would absolutely require further consultation across the parliament and in the public arena in due course.

Ms WHITE - With respect, you didn't answer my question. Is it still your intention to privatise the commercial will and the estate and trustee services, which was the announcement you made in September?

Mr BARNETT - Well, many of the services, we would expect, that I've referred to -

Ms WHITE - Can you define what you mean by 'many'?

Mr BARNETT - Well, let me just outline the services. In terms of wills, estate and some of those services, we'll be guided by Alicia Leis' report and its recommendations.

Ms WHITE - Which you've had since Friday, so what are you actually going to do?

CHAIR - Ms White.

Mr BARNETT - Well, it's a very extensive and comprehensive report, so we'll need time to work that through with my department. but some of those will be -

Ms WHITE - Can I ask which department, Treasury or Justice?

CHAIR - Ms White, please don't interject again while the minister is answering the question.

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Mr BARNETT - Thanks very much. We'll certainly be consulting and I will seek advice from both the Department of Justice and Department of Treasury.

In terms of those commercial services that are also undertaken, there will be a transfer. We would expect some of those services will be transferred. You've made mention to wills to the private sector such as writing wills, estates, some trust administration matters. But, again, we'll need to work through the report we've just received that the government's now responded to at a high level. That's why we need the time over the coming months to respond by 31 March.

Ms WHITE - You just confirmed your plan to privatise the operations. Why weren't you honest today in this release?

CHAIR - Stop. I'm giving the call to Dr Woodruff.

Dr WOODRUFF - I thank the chair and the CEO in particular for the incredible work you've done over the last two years since the Bugg review and everything you have achieved in changing the culture and dramatically turning around the experiences of clients and the most vulnerable Tasmanians. Thank you very much on our behalf, or at least on behalf of myself.

Minister, on 23 September you announced, seemingly out of nowhere, that the Public Trustee would be restructured. A review only occurred after this decision and was constrained in scope to deliver the outcome you wanted and did not speak to a wide range of important stakeholders. The Public Trustee had not been told in advance of your media release, and this report, despite being due on 18 November, was only made public to us about an hour before the meeting. How could this process have been any more bad faith if you had tried? This is such a disgraceful stitch-up -

CHAIR - Dr Woodruff, if that's the question then -

Dr WOODRUFF - Do you accept that's how it seems? I just finished asking the question.

CHAIR - You asked the question and then you continued to speak.

Dr WOODRUFF - The question was: could this process have been any more bad faith if you had tried -

CHAIR - Yes, so now give the Attorney-General a chance to answer the question.

Dr WOODRUFF - Comma, this is such a such a disgraceful stitch-up. Do you accept that this is how it's seen by the majority of Tasmanians who are coming to understand what's going on?

Mr BARNETT - No, I don't accept the characterisation of your question, which was quite lengthy. I don't agree with how you've expressed that and not in any way. The government has always been motivated on doing what's best for the most vulnerable Tasmanians. We think this report is very useful and constructive. It's very substantial, it's comprehensive. It has made two recommendations in terms of options. We'll consider those very carefully. That's why I have gained support to respond by 31 March. We're not going to do a quick fix, as it were. We're just going to work through this very methodically, thoughtfully, ensuring that vulnerable and the most vulnerable Tasmanians' interests are put first.

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Dr WOODRUFF - I understand, and please correct me if I'm wrong, that in this review process, the key stakeholders who represent the most vulnerable Tasmanians that the Public Trustee provides services for were not asked to provide input into the review. They include the North West Support Services, Speak Out Advocacy, Multicap, Bapcare, TasCOSS, COTA, Tasmanian Legal Aid, Palliative Care, Health Consumers Tasmania and the THS. That is utterly disgraceful, don't you agree?

Mr BARNETT - I think we've had - this is the third review. We've had the Bugg review, which you would be aware of, and then we've had the earlier review in terms of the economic assessment. The Public Trustee responded to both of those. I've made indication in terms of the Public Trustee responding very positively to both of those.

There was a decision back in September that you made reference to, which we thought was the right thing to do, and that was to look at the structure and the government's objectives at the time. WLF is certainly well credentialled and Alicia Leis is incredibly well credentialled to undertake that review, and was looking at the structure. So, obviously, there's consultation with the Public Trustee.

With respect to the entities that you referred to, I'm very grateful for their support and advocacy, but in terms of this particular structure, I think the review is very comprehensive. That's why we'll need to take more time to deliver on this report and respond by 31 March.

Ms JOHNSTON - I, too, want to acknowledge the immense work that the Public Trustee has done. I've gone from a critic of the Public Trustee a few years ago to an absolute champion of the Public Trustee. So, well done to the board and CEO.

In your media release today in response to the government's release of the WLF report, you say:

The board provided a submission to the review, which considered the entire range of the Public Trustee's services to Tasmanians and outlined the benefits of the current Government Business Enterprise (GBE) model as fit-for-purpose to deliver social and economic obligations to the Tasmanian community.

And then you go on to say that the model that's proposed:

... comes at a significant cost in terms of expense, government disruption to the organisation, and to the clients it supports.

I note that there's been no consultation by WLF with the stakeholder reference group the Public Trustee operates, and that you have a survey on your website, which closed, I think, on Monday this week. Do you have any information at this stage about the survey results from that and client engagement? It seems to me the government hasn't engaged with clients, but the Public Trustee has been doing an immense amount of work to try and engage with your client base. Do you have any further information about how your clients are receiving this disturbing news about a restructure?

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Ms TAYLOR - At this stage, as you pointed out, we have started to extensively survey - an independent survey of our clients in terms of the introduction about, you know, supported decision-making framework, the cultural changes, the relationship that client support managers are having with clients. You've probably seen the results around that, which are quite extraordinary in such a short time.

Ms JOHNSTON - Very extraordinary. Wonderful.

Ms TAYLOR - However, in terms of the review, because we only had an idea of what the outcome of the review was in draft form over the last few days, and now it's officially released, from the board's point of view, we haven't been able to survey staff. Although, you know, we have had feedback that our own staff within the Public Trustee and clients are feeling unsettled, obviously, because change is an unsettling thing for anyone. Todd might have some greater insight into that, but from the lens I see things from. We will be talking to clients, obviously.

Ms JOHNSTON - Are you able to table that submission you made to WLF, the submission the board made?

Ms TAYLOR - I think it came out today with the government's response to the review.

Ms JOHNSTON - The media release did. But the submission you made to the WLF to inform their decision for their report.

Mr BARNETT - Feel free to table. You were going to put it on your website.

Ms TAYLOR - Right. Yes, it's on our - I'm sorry, I thought it was coming out with the government's -

Ms JOHNSTON - Your response to the report is, but the submission that you made to the WLF.

Ms TAYLOR - I thought the submission was coming out today. We were led to believe that the government were releasing the review and our submission to the review.

Mr BARNETT - The CEO has indicated it's on the Public Trustee's website.

Mr O'BYRNE - Minister, I will add my voice to the acknowledgement of the work of yourself, Todd and Therese in terms of your work and your leadership in turning the ship around and restoring faith in the Public Trustee. I think it's really important that it's a consistent view of the community and members of parliament of the work you've done and I just want, at the outset, to acknowledge that.

I also acknowledge, minister, that the announcement around these decisions have been quite shambolic, both during Estimates and now today. Clearly people are taken by surprise by some of the announcements and the nature of the announcements and the timing has not been great.

We've had the Bugg review and the government put great store in the fact that they were implementing all the recommendations of the review. The one that was outstanding for quite

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some time was the funding to enable the review to be fully implemented. I want to ask you, minister, about the origins of this review. Is it fair or accurate to characterise the triggering of this review by Treasury as pushback by the then Treasurer about the cost? Is this purely about costs or is it about structure? My read of how this is laid out is that you as Attorney-General were committed to the implementation of the Bugg review but the pushback came from within Treasury because they just didn't want to pay for it.

Dr WOODRUFF - That sounded like a question with a statement following. Maybe it had a comma in there.

Mr BARNETT - Thank you for the question; I think there are a few parts to that. I don't concur with parts of that question but thank you, particularly on the funding side, in terms of your understanding of that.

With the Bugg review, you're right. Nearly all of those recommendations were agreed to and implemented. The economic regulator has done that report and made certain critical observations of the Public Trustee, particularly, in terms of cost to vulnerable Tasmanians compared to vulnerable mainlanders, including Victoria. That has been taken into account in terms of the relevance of putting vulnerable Tasmanians first. As a government, we want to put the most vulnerable Tasmanians first. That's why we asked for and have implemented the WLF review by Alicia Leis, for which I am very grateful.

To be very clear, I only received that on Friday night last week. It was undertaken in a limited timeframe and is very comprehensive. I have reviewed that and responded to it as quickly as possible and indicated that that has been released earlier today. We want to take the time to get it right and that is why by 31 March we will land hopefully in terms of one of those two options with the relevant support and rationale around it.

Quickly, on the funding, the government will continue to provide significant levels of financial support to the Public Trustee and the 2024-25 Budget provides \$27.64 million over four years to support the delivery, the Public Trustee's community service obligation and the implementation of the recommendations of the Bugg review. It represents an increase of 75 per cent to the Public Trustee's community service obligation funding for 2024-25, compared to the allocation in the previous budget. It includes funding to support the delivery of the public service CSO activities, \$25.6 million over four years, and \$2 million over two years for its response to recommendations from the 2021 independent review. There is significant funding, for which I am grateful to the Treasurer, in the 2024 Budget that was delivered on 12 September. We are going through the process for next year's budget date out on 29 May.

CHAIR - Last one and then Ms White.

Dr WOODRUFF - There is only one. There has already been one for Ms Johnston and one for Mr O'Byrne and that's the rotation, since the Chair has been very strict with the questions.

CHAIR - Okay, we'll go to Ms White and start that rotation again.

Ms WHITE - Thank you, Chair. Attorney, I want to draw you back to the question I asked earlier, which was why you weren't honest in your press release today about the fact

you still plan to privatise certain elements of the Public Trustee. Why didn't you name that up? It certainly was the first line in your statement on 23 September.

Mr BARNETT - We have indicated in that statement and I have said in my opening remarks that we want to work through this matter through to 31 March. We want to put the most vulnerable Tasmanians first in terms of ensuring that their interests are best protected, supported and promoted. The two options are on the table. Those options say clearly that the GBE structure is not recommended but a statutory authority is recommended, whether that's within government or standalone. We'll work through that. As to the terms of reference in that report, it makes it clear that it's focused on vulnerable or the most vulnerable Tasmanians.

Ms WHITE - How do you expect the outcome for vulnerable Tasmanians to be improved, given the reforms that the Public Trustee has undertaken over the last two years that have shown market changes and improvements? What outcome are you seeking here that is different from what the Public Trustee can deliver on, arguably with far less disruption to both services and clients?

Mr BARNETT - There have been three reviews. The second review was the economic regulator's review. As I said in my opening remarks, it made some very clear observations with respect to the operating costs of the Public Trustee as it related to a number of their clients that those operating costs were too high and the average cost for providing services to represented persons in Tasmania was amongst the highest in the country, more than three times higher than Victoria where a supportive decision-making model was already implemented. Those high operating costs need to be acknowledged and the government has acknowledged that. This report works through the structure that best meets the needs of the most vulnerable Tasmanians. That's what we're on about and that's what we're focused on.

Ms WHITE - Is it possible to ask, through you, a question to the CEO about the costs to understand in more detail how they are structured? I understand there is an explanation for that.

Mr BARNETT - Yes, more than happy to, either the chair or the CEO, but that's a matter for the chair. Maybe you could ask the question again.

Ms WHITE - My understanding is that the crutch you're relying on, the OTTER (Office of the Tasmanian Economic Regulator) report which identifies those comparisons across jurisdictions about costs, is not a fair comparison. I would like to understand that and I hope the CEO might be able to speak to that, please.

Mr KENNEDY - It is challenging to make comparisons with different jurisdictions and in particular Tasmania, which has an ageing population, some of the most dispersed people and also a lower asset base compared to mainland counterparts. The high-level assessment that was done really didn't take into consideration, from my perspective, the person and the experience of the person. In designing the new client-centric framework and supported decision-making framework, it was purpose built for Tasmanians, our own legislation, and it is leading the way as far as supporting vulnerable Tasmanians is concerned.

It was always the intention that once you make those initial changes, you then look to make reforms and make the process more efficient, but the legislation only came into play on 1 September. The first phase was really to test the service and then make refinements from there.

Ms WHITE - Would it be fair, then, to conclude that the finding of the OTTER report was not a fair reflection of the Tasmanian circumstance and perhaps a bit misleading?

Mr KENNEDY - Certainly our response, which we tabled to the OTTER review, is that it was a very high-level assessment based purely on the numbers and didn't account properly for the differences in the jurisdictions.

Ms WHITE - I appreciate that. Minister, the main argument you've presented to the committee today for the justification of your reforms is the cost structure. What advice did you take from the CEO, who's just provided some evidence to the committee now that it's not necessarily a fair representation of the cost structure? What advice do you take from them before agreeing to Treasury's demands that you pursue this next range of reforms that you have announced today?

Mr BARNETT - Thank you for the question. The Public Trustee responded to the Bugg review and we're very grateful for that response. Most of those recommendations, as you know, have been implemented. I've just referred to the response of the member for Franklin's questions about financial support through the CSO, which has gone up significantly. Likewise, the Public Trustee responded to the economic regulator's report which was, I believe, in February this year and then responded in and around May, from recollection. The government that into account both reports - Economic Regulator and the Public Trustee's response. Based on that and, obviously, feedback and advice more generally commissioned the WLF report through Alicia Leis. In terms of the structure, it was very clear, her report was very clear that it did not recommend the GBE model. It did recommend one of two options which was a statutory authority, stand alone, or statutory authority which would be part of government.

Dr WOODRUFF - Minister, before the Alicia Leis review, in your media release on the 23 September where you announced the restructure of the Public Trustee, you claimed that the Economic Regulator report and the Bugg Review both raised questions 'about the appropriateness of the government business model for the Public Trustee'. You went on to say, 'the government will restructure the Public Trustee following recommendations in the report and the independent review'.

Mr BARNETT - Sorry, say that last bit again.

Dr WOODRUFF - You referred to the OTTER report and the Bugg Review. You said they raised questions about the appropriateness of the government business model for the Public Trustee and then you go on to say the government will restructure the Public Trustee following recommendations in the OTTER report and the independent Bugg Review. Do you stand by that as an accurate representation of the findings of the Bugg Review and the OTTER report?

Mr BARNETT - Well, they made a number of recommendations that reflected on the role and responsibilities of the Public Trustee. Obviously, the Economic Regulator's focused, in particular, on, you know, operational matters, but also different aspects of the Public Trustee. We've taken on board both those reports, but also the Public Trustee's response. I've made it very clear that I'm very grateful for the work of the Public Trustee, but that's why we've commissioned the WLF report and the terms of reference is clear.

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Dr WOODRUFF - Your comment was about the GBE model that they were talking about.

CHAIR - Dr Woodruff.

Mr BARNETT - Well, that's what we are concerned about, the GBE model, and we want to put the interests of vulnerable Tasmanians first. And that's why we do recommend going away from the GBE model and supporting a statutory authority, either stand alone or within government, and that's the response. But we need time to review that and to prepare ourselves to implement that and that's why we take until 31 March to respond. So, we're not going to do a quick, knee-jerk response, we're going to take a measured, sensible approach and obviously we'll consult with the Public Trustee as we progress through to 31 March.

Dr WOODRUFF - Recommendation 6.1 of the Bugg Review said:

The Attorney-General and the Treasurer retain the existing GBE model for the Public Trustee and use the performance framework in the *Government Business Enterprises Act 1995* to improve service delivery to its CSO clients and represented persons.

Can you explain for us how, in the context of that recommendation, the comments you made in your media release on the 23 September were misleading? You've used the recommendations from the Bugg Review as a justification for why this Public Trustee should be privatised.

Mr BARNETT - Yes, I think you're referring to the media list in September rather than my media release of today.

Dr WOODRUFF - I said 23 September.

Mr BARNETT - That's fine. And my response that I've just provided just a few moments ago is that the Bugg Report had many recommendations and the government's acted on those and it was with respect to a whole range of activities, roles and responsibilities of the Public Trustee. On the back of that, the Economic Regulator then undertook its report and delivered that in February this year.

Dr WOODRUFF - To the question, which was about your statement on 23 September where you used the Bugg Review as a justification as for why it was appropriate to restructure the Public Trustee and that is not what the Bugg Review recommended. They recommended to retain the existing GBE model, not what you're saying. Can you see that you are misleading in what you said?

Mr BARNETT - No, I don't accept that. At the time, I took both reports on board and their full range of recommendations and then designed the terms of reference with it based on advice, obviously from the Department of Justice and indeed Treasury. Those terms of reference were drafted to respond to both those reports and the Public Trustee's response to those reports, so we're all doing this on the basis of getting the best response for the most vulnerable Tasmanians. That's been the objective all along.

Ms JOHNSTON - Attorney-General, in reading the Ms Leis' report, it seems quite clear that the governance structure that's been recommended is obviously not a GBE, primarily

because it's viewed that a GBE needs to make a sound commercial rate of return to the government. Do you accept that there are other GBEs that don't provide a sound commercial rate of return to government?

Mr O'BYRNE - We've had a whole week of them.

Ms JOHNSTON - A whole bunch of them, exactly. In your next breath - or in other breaths - you said government has suggested that GBEs need to put Tasmanians first. In providing a good public outcome and a good community service outcome, of course it's not going to provide a commercial rate of return to government, but it is still suitable for a GBE. I note that in the WLF report, it highlights that the Public Trustee is meeting all the other aspects and principal objectives of a GBE, with the exception of a commercial return. Is this what it's all about, a commercial return to the government?

Mr BARNETT - Well, I think you've raised a number of questions there about the GBE reform process and made reflections on the government business enterprise legislation, which is some 30 years old. Yes, the government is undertaking reform of all those GBEs, and we're going through a process now, which you know has a public response by 13 December, and we're looking forward to that. Certainly - the Premier's made it clear; I've made it clear - we're wanting a Team Tasmania approach.

The WLF report is comprehensive, and thank you for making reference to it. It does recommend a statutory authority, both within government and standalone. The GBE model, I think you will see in the WLF report, is not recommended, and for a range of reasons, one of which of course is it's based on a return and a profit. That's another reason why we're undertaking the GBE reform process, because we want a Team Tasmania outcome, and we want to grow the economy and create more jobs, but in this case, we want to put vulnerable Tasmanians first.

Ms JOHNSTON - So, is it not possible, then, that with the GBE reform process the government's undertaking, which I understand is going to be completed by mid-December, that the GBE principal objectives could incorporate the kind of activities that the Public Trustee are doing? You're pre-empting, or you're acting before your own GBEs are being reviewed, and you're suddenly suggesting that the GBE model is not appropriate for the Public Trustee when the GBE model might not be the same come 13 December?

Mr BARNETT - Thank you for your question. I can see where you're coming from, and I'm grateful for the question. There are two processes happening in parallel - the process that we're sitting here today, in terms of the WLF report; the government will review the report and respond by 31 March. That's the timeframe. We're not rushing this; there's no knee-jerk reaction. We're putting vulnerable Tasmanians first.

In terms of the GBE reform process, the feedback is by 13 December. We'll then need time to review that feedback and take that on board. I've got another roundtable tomorrow with the business reference group that will provide feedback, and then no doubt their submissions will be made. They're really operating in parallel.

DEPUTY CHAIR - Mr O'Byrne.

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Dr WOODRUFF - Chair, can I get - sorry to interrupt - clarification about the rotation, because I thought it was three to Labor, two -

Mr O'BYRNE - You ask about half a dozen questions every time.

Dr WOODRUFF - Well, it's just that the previous Chair, and I'm not sure where you're up to, has been quite strict about the questions that we ask, and I just want to - I'm very happy if there's going to be looseness provided to all members, but previously, Ms White and I were only allowed to ask three precise questions, two precise questions, and this would be two questions to Ms Johnston, one, and that is the rotation for independents. So, just a bit of clarity about whether we can be loose or not, in which case, I'm very happy about that.

CHAIR - My practice in chairing - I can't speak for other chairs - has been pretty consistent. The Standing Orders for this talk about a ratio of questions, and I've been letting members, including you, ask - you asked three questions last time, not two. I've been letting members ask and follow a line of questioning, so long as that ratio has been kept. We've got a tally, and throughout the course of the day and all of the sessions, that ratio has been very much kept. I can start reeling off the numbers of questions people have asked, but I don't think that's necessary. We are keeping to that ratio.

Dr WOODRUFF - Thanks, I just wanted to know what your practice is.

Mr O'BYRNE - Minister, I just want to get to the crux of this, because we can really focus on what the motivation of government is. You're the minister. This is your area. This is your responsibility.

There's been a number of reports; you've adopted The Bugg Report. You've waxed lyrical about the importance of that. That in of itself recommends a GBE review, so essentially what seems to have triggered this is the comparison of costs. The only reason you would trigger more reform would be to cut costs.

Minister, regardless of the work that you need to do in the next couple of months, which is important, where do you feel you can save money or cut costs for the role and the important roles of the Public Trustee?

Mr BARNETT - Thank you very much for the question. I know there's been a reference or reflection on the past reports, including the Bugg report. Clearly, there's an incompatibility in terms of the GBE and the focus on profits and outcomes in that regard - commercial objectives - and doing what's best for vulnerable Tasmanians. That's what's driving the government's response today. Maybe provide a supplementary question and I'll see if I can assist the honourable member.

Mr O'BYRNE - But evidence is to the contrary. The reason why Treasury triggered that review is when we asked questions about why you hadn't funded the full recommendations of the Bugg report. That's when the comparison was made, and you said yourself, you'd done a point-to-point comparison. The CEO's outlined the reason why that's not a fair comparison, but that has essentially triggered this next rolling set of announcements that you've been making. It's about how you save money.

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I'm asking you as a minister, where do you think you'll be saving money because, from my perspective and up and down the table, it's not about services. We all agree to the increased services that the Public Trustee's is now providing, so it must be about costs. As a minister making decisions, you must be clear about where you're going to save money.

Mr BARNETT - Well, we'll review the WLF report. It's very comprehensive. At least it provides some analysis of the various structures. It doesn't recommend a GBE; it goes to a statutory authority. It makes reference to the full gamut of services provided by the Public Trustee and wills, estate advice, et cetera. I will take advice on that from my Department of Justice, indeed the Department of Treasury.

I appreciate the advice from the WLF Report. I made reference earlier to the increased community service obligation support for the Public Trustee, which was in the budget on 12 September, for which I'm grateful to the Treasurer, including that in there over the four-year period - \$27.6 million. That's a 75 per cent increase for 2024-25 compared to the allocation in the previous budget, so we take it seriously. We're providing that support and we expect to continue to provide that support. Obviously more will be made clear on 29 May next year in the budget.

Ms WHITE - Attorney-General, the Public Trustees Ministerial Charter makes clear that the services you're proposing to privatise are considered core business and core services of the Trustee, and these are also very similar to the main undertaking listed in the Bugg Review, Section 10(8) of the GBE Act says that a GBE can't dispose of a main undertaking without the consent of parliament.

Given the government is in minority, why do this - disrupting the Public Trustee and all of their clients - when it's very unlikely you will have the support of the parliament, because you will need to bring something to parliament? Do you agree that you will?

Mr O'BYRNE - I did ask you in question time. This is a good question.

Mr BARNETT - You did, and in response to the honourable member, the answer is 'yes'. I absolutely understand that legislative reform will be required. I believe I said that in my opening remarks, and that will need to be made available not just to members of parliament but the public, so by 31 March we will have a view on that. We'll be able to share that publicly with you, with the public, with key stakeholders, and get that feedback, and indeed with the Public Trustee.

That'll be a full public consultation process. I have every expectation of that. Let me say, I'm looking forward to your feedback and response to that report and recommendation and on those initiatives going forward, so I fully expect full consultation going forward on that.

Ms WHITE - I fully expect you're going to have a very difficult time getting support across the parliament for this if you're planning to propose, as you have outlined, the privatisation of what are core services. Given that, why do this?

Dr WOODRUFF - Yes, why do that to the staff?

Mr BARNETT - Thank you again for the question. You've made reference to core services and it can be core services or non-core services. The WLF report certainly makes

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reference to the various services across the Public Trustee and the relevance and importance and particularly focuses on services for vulnerable Tasmanians. That is always, for me, and as a government, been the top priority. I'd be more than happy to have ongoing engagement with yourselves across the table. I try to do that as Attorney-General and a minister and deputy premier. I hope that I can continue to do that in a collaborative way with goodwill. From time to time we'll have different views on different matters. This may or may not be one of them, but I hope that once we deliver this report before 31 March, I'm hopeful and positive that we can work through these issues together.

Ms WHITE - The Public Trustee is already implementing reforms that have been handed down in previous reports, so they've been effecting that important change. I think all of us have agreed that it has been very good change. What's your expectation for how they're supposed to operate between now and when you make a decision at the end of March? I think it's very unlikely the parliament's going to support any proposal to privatise core services, as you seem to be intent on wanting to do. How much of their time and resources are you expecting them to give to working with you on something that may never happen, when they are already tasked with implementing very important reforms and looking after vulnerable people which, as you point out quite rightly, should be their priority?

Mr BARNETT - I want to acknowledge the leadership and support of the chair and board of the Public Trustee, the CEO and the team, the staff, for which I am very grateful. They have made significant reforms in recent years and the supported decision-making framework that has more recently been introduced. I think it's a very significant reform. They have undertaken surveys and got feedback from clients and others, so I am broadly positive.

We want to take it to the next level to ensure that we deliver the best possible services for the most vulnerable Tasmanians. That's what's driving me and this government. I have every expectation we will have full and frank discussions. I am positive on a collaborative approach by the end of March and then we will have ongoing discussions then.

In terms of what's happening between now and then, my expectation is that those services will continue to be provided and given support for those vulnerable Tasmanians. I have communicated directly with the chair in the last 24 hours accordingly in writing. The expectation is that we'll continue to work with the Public Trustee to provide those services.

Ms WHITE - Is there any chance before the 31 March deadline you set yourself that you just acknowledge that this is a complete waste of time and money and instead just work collaboratively with the Public Trustee to continue to make the improvements they have already started and direct any funding you might have spent on reviews into the Public Trustee to look after vulnerable Tasmanians? I think we can all see exactly what's happening here. You've been forced to do something by Treasury when you are Attorney-General, which I do not believe you necessarily agreed with. You are now the Treasurer and the Attorney-General. Why not decide to just do away with this complete waste of time and instead invest in the Public Trustee so they can support people they have actually been doing quite a good job of supporting over the last couple of years?

Mr BARNETT - Let me be clear that I give a lot of credit to Alicia Leis and WLF Accounting. I draw your attention to her report which has been delivered publicly today and which I saw -

Ms WHITE - Constrained by terms of reference.

Mr BARNETT - and considered carefully since Friday night and last weekend. They have made very clear recommendations which is not to support a GBE model but to have a statutory authority within government, or standalone, in terms of providing best practice and best outcomes for our most vulnerable Tasmanians. I am driven by that motivation to deliver those services for our most vulnerable Tasmanians. I would request all members around this table and elsewhere to consider that report carefully and allow us to work through that and respond with the most appropriate model that will deliver the best services possible for the most vulnerable Tasmanians.

Dr WOODRUFF - Minister, nothing you said just then is credible or stacks up. All the evidence is that Damien Bugg did a massive, extensive review, widely consulted with people, and on the back of that, the Public Trustee has turned around an incredible *Titanic* and made Herculean changes, for which we are all so grateful, in one of the hardest areas. Neither the Bugg review or the Office of the Economic Regulator recommended going down the path of saying that the GBE structure was inappropriate. All it needed was a tweak and your government is in the process of doing a GBE review tweak. Why are you taking such a political fight? Take political fights on planning and forestry, but don't take a political fight on the Public Trustee. Don't not consult. Why have you not consulted all the key stakeholders and done a narrow scope review that has been designed from the beginning to get the outcome you want, which is a Treasury money, bean-counter argument to vulnerable Tasmanians? Why have you taken a political approach to this?

Mr BARNETT - Thank you for the question but I don't agree with the foundation of the question and a number of the characterisations within it. First of all, we've increased the community service obligations for the Public Trustee. In terms of arguments and in terms of the finances, we're providing the support that's necessary to support the most vulnerable Tasmanians. Secondly, it's been driven by the best interests of the most vulnerable Tasmanians and I think we're delivering on that. This report is very comprehensive, it's very thoughtful and it delivers those two options in terms of a statutory office within government or standalone. It does not recommend a government business enterprise.

You made a reference to a tweak to the government business enterprise reform. To be clear, the government is updating that. The legislation is 30 years old so it's way more than a tweak and we're taking that very seriously. We're delivering major reform to our government business enterprises. We're backing business and growing our economy and we're going to create more jobs, but that will take time. We're going through a process there. This is a separate process for the Public Trustee and we'll deliver more into the public arena obviously by 31 March next year but are more than happy to have feedback along the way.

Dr WOODRUFF - To be clear, there are already three reforms underway because there's also the work of the client reforms that have been done around the disability royal commission. That makes three reforms that the Public Trustee is undertaking and they have said today that any restructure at this point would disrupt the positive momentum of the Public Trustee, destabilise the organisation, jeopardise its performance in the immediate to medium term and directly impact on the recently improved client experience. Can you understand why we are so concerned that you're taking this step? It seems so reckless and actually heartless, I have to say.

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Mr BARNETT - Thank you again for your question but I don't agree with its premise. The disability royal commission reforms are very important. I know the Minister for Disability Services, Jo Palmer, has that as a top-level priority for her. As a government it is very important. You've referred to the Public Trustee's response today and to some degree, I respectfully disagree with some of those remarks, however my expectation is to work with the Public Trustee and get those thoughts and feedback. I've worked constructively with the chair and the board, likewise with the CEO, over a long period of time since I've been Attorney-General. We agree to disagree on some things but we have a very constructive working relationship and I think we are motivated to look after the interests of vulnerable Tasmanians. I know we are.

Dr WOODRUFF - I utterly support what Ms White said. There is going to be such a big fight about this in parliament. I cannot see it passing. Why would you continue at this point? Why not read the room?

Mr BARNETT - Because I think that once you see our response, which is based on independent advice and the -

Dr WOODRUFF - It's not independent.

CHAIR - Dr Woodruff.

Mr BARNETT - Well, the WLF report is independent.

Dr WOODRUFF - Not with the scope of review. It's constrained work.

Mr BARNETT - Sorry, Alicia Leis has done an incredible job.

Dr WOODRUFF - She's done an excellent job within very constrained goalposts.

CHAIR - Dr Woodruff.

Mr BARNETT - I've got a very high regard for WLF Accounting. They are a credible, organisational. Alicia Leis is a very credible authority, and I respect that. I hope others around this table and elsewhere would likewise. I hope they read the report, review it. That's what we'll be doing. There are two main options. We'll be looking at that. It does not recommend a government business enterprise.

Mr O'BYRNE - Minister, it seems there's a contradictory message. You're talking about increased community service obligation (CSO), which is a part of the recent budget which we all welcomed and we've been calling for quite some time. But then you said the justification is it's too expensive. Whilst I don't think it's going to fly, I'll go through the process. Could you explain the benefits for the people of Tasmania to go from a GBE to a statutory authority in this case?

Mr BARNETT - I think a key fundamental principle to understand is that as a GBE, it's driven by commercial objectives. The government business enterprise legislation is based on commercial objectives and responsibilities under the corporations law. As a statutory authority, it'll have different objectives and different responsibilities under the law.

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Mr O'BYRNE - Drive for profit - I tend to disagree with you on that.

Dr WOODRUFF - Forestry Tasmania, Tasracing, Metro, they'll all be gone.

CHAIR - Order.

Mr O'BYRNE - I tend to disagree that they need to act in a corporate way, but it's not about profit necessarily. The demonstrated behaviour of the Trustee since the reforms are the antithesis to a financially -

Mr BARNETT - Say that again?

Mr O'BYRNE - The actions of the Public Trustee in reforming their activities is the antithesis of screwing every dollar out of it, to actually lifting the service to the Tasmanian community. I understand you're quoting the principles of the GBE Act as a reason, but can you explain, can you give us the credit to consider what you're doing in a manner where we understand what your motivations are and where you see the improvements will be?

Mr BARNETT - Yes, I think so. But I think that'll be formed and informed by the WLF report, which is very comprehensive. It's based on the fact that the most vulnerable Tasmanians are number one. It's the top priority. The Public Trustee at the moment obviously has a very broad range of roles and responsibilities, functions, which cover not just the most vulnerable Tasmanians, but other Tasmanians in terms of wills and estates and so on.

Mr O'BYRNE - So there it is. You will be splitting up the activities of the Public Trustee, then.

Mr BARNETT - We'll be guided by the report and assessing the report - and provide an update by 31 March.

Ms JOHNSTON - You seem determined to plough ahead with the recommendations from WLF around the governance structure, despite what seems to be clear parliamentary opposition to it. But in making those governance recommendations, WLF raise a significant number of questions. I think the report probably asks more questions than it answers.

In particular, it raises significant concerns and asks for further work to be done around whether there is a market for these wills, and capacity within the private legal sector to take on these wills. It has made no analysis around the types of wills that might be transferred to the private market and whether there is capacity to do that. It has made no analysis around the impact of cost to clients, noting that the Public Trustee provides many free services or very cheap services to vulnerable Tasmanians. There's no analysis of the sensitivity around cost to clients. There's significant questions about the legal consequences of transferring wills and estates to the private market where those individuals have nominated the Public Trustee as their executor, and whether you can actually transfer those across. So, there seems to be some significant issues with what you're proposing here, just in terms of making it practical, let alone viable or sustainable.

Why did you not seek answers to those questions before you've suddenly created massive disruption and uncertainty to not only the Public Trustee staff, but to the broader community

and Public Trustee clients? Why would you not want to know the answers to those questions before you propose a model of significant reform to the Tasmanian community?

Mr BARNETT - The objective is clearly to deliver the best possible outcomes. You've asked a lot of questions, some of which in my view are valid and understandable from where you're coming from. The answers to those questions will be worked through between now and 31 March. We take it seriously.

The report, as you say, doesn't cover everything. It looked primarily at the structure and what's in the best interests of vulnerable Tasmanians. Hence, the recommendation for a statutory authority and, I think, going away from a GBE structure. I think it's got a lot of good value in there in terms of information, advice, evidence to support that. I think there are other questions you raise which are relevant, which we will need to work through as a government, both the Department of Justice and indeed the Department of Treasury to get advice on that. Obviously, liaison and consultation with the Public Trustee. Between now and 31 March, that's exactly what we expect to do, to answer at least some of the questions that you put and to work that through to deliver a model that is in the best interest of those vulnerable Tasmanians.

Ms JOHNSTON - The report provides a theoretical analysis of governance structures, outlines a range of possible governance structures and has arrived at two potential ones. But it doesn't look at whether it's technically possible to do that or whether the client outcomes will be enhanced through doing that. In the work you intend to do between now and 31 March, if it should be proven that it's not technically possible, there's not a market or, most importantly, that client outcomes are worse under these structures, will you abandon the restructure?

Mr BARNETT - Well, we're wanting to do what's in the best interests of the most vulnerable Tasmanians. That's been the top priority all the way through. We want to make it better. We don't want to make it worse.

Ms JOHNSTON - So, you'll abandon the restructure if, for instance, client outcomes and increased costs are determined to be huge under the restructure?

Mr BARNETT - Look, the independent report that's just been delivered made a whole range of observations and reflections, one of which was that it found that it's not appropriate for a public provider to actively participate in a market where the private sector is able to deliver services efficiently and at market prices. The review also found that as a public entity, Public Trustee should not be an aggressive competitor within a market which has private participants. I just draw that to your attention. That's just one of many factors that will be reviewed and assessed between now and 31 March.

Mr WOOD - Deputy Premier, you've said that the government wants to ensure that the Public Trustee is positioned to best serve vulnerable Tasmanians. Can you please explain some of the major reforms since the Bugg review and how this supports our vulnerable Tasmanians?

Mr BARNETT - Yes, thank you. Well, we have responded to the Bugg review. We've made reference to the community service obligations earlier and I won't go through those again because they are substantial.

In terms of legislation for the second tranche of amendments to the *Guardianship and Administration Act 1995*, that came in September 2023. Those amendments, along with

amendment regulations, commenced in September 2024. That new legislation provides the basis for a definitive shift to a rights, will and preference decision-making approach across the guardianship and administration system.

The changes will also drive change in the way the Public Trustee and representative decision-making understand and uphold their duties and functions under the act, and doing what's in the best interest model. That's the main point.

I've had some contact and involvement as Attorney-General in the rollout of those reforms, which I'm very proud of. I'm sure most people around this table would agree with the benefit of those reforms.

Some of the improvements progressed as part of the bill include the adoption of human rights principles as a framework for the way in which decisions under the act are to be made; a revised test of decision-making ability, which recognises that all persons have decision-making ability as a common-law right, and that the reasonableness test of the decision is irrelevant to the assessment of the person's ability to make a decision; and the move away from a best-interest approach towards a will and preference model, which requires substitute decision-makers to recognise the wishes of the person when making any decision under the act; adoption of least restrictive approaches and a requirement to provide supports to persons to assist and prolong their ability to make their own decisions; the removal of disability as a standalone test of decision-making capacity; and the amendment to the confidentiality provisions of the act to enable represented persons to speak publicly about their circumstances.

I believe all those reforms are very valuable reforms. They ensure that the guardianship and administration system is contemporary and reflects best practice. I am certainly pleased with that. There are a range of other reforms, but they're the main ones.

Ms WHITE - Attorney-General, did you initiate the reforms that were announced in September?

Mr BARNETT - I was there in October when we launched it with the Public Trustee. I think the former attorney-general initiated the reforms. I started in October of last year as Attorney-General, so they would have been passed. They were introduced, I believe, in September 2023.

Ms WHITE - Just for clarification, not the ones you just spoke to then. I'm talking about your announcement in budget Estimates this year, where you announced that you planned to privatise sections of the Public Trustee. My question is did you initiate that?

Mr BARNETT - Well, it was a decision of government, and I absolutely announced it and supported it.

Ms WHITE - I know you announced it. My question was what was the genesis for it? Where did it come from? Was it your idea?

Mr BARNETT - It came from the review of one, the Bugg Review, and then secondly the economic regulator's review. The Public Trustee's response - we've responded to that and made it clear that we needed to have a further review, an independent review, which was WLF. I believe that was the right decision and I'm very pleased and proud of it.

Ms WHITE - That doesn't really answer my question, because you haven't explained why you decided to put out a press release that said in the first paragraph that you plan to privatise some of the core elements of the Public Trustee. There were no specific recommendations from either the Bugg review or the OTTER review that told the government to do that, so my question to you is, where did that idea come from?

Mr BARNETT - It came from advice, obviously from government - both the Department of Justice, Department of Treasury; feedback from both those reviews. It's made very clear that the most vulnerable Tasmanians are a priority. I think I've made reference to the wills and estates. I think the estimate that I last saw was some 23,000 wills. I've made reference to the report that WLF has provided, making sure that it's not appropriate for -

Ms WHITE - That's after the fact, so you can set that aside.

Mr BARNETT - the public provider to actively participate in a market where the private sector is able to deliver those services efficiently and effectively.

Ms WHITE - I have so many questions about that. Are you confident that the private sector could deal with intestacy issues? Fifty per cent of Tasmanians don't have a will. Do you think that they're going to want to support the challenges that might arise from managing those estates, if the Public Trustee is not doing it?

Mr BARNETT - Well, firstly, I'd like to acknowledge your reference to the one-in-two Tasmanians who don't have a will, and encourage all Tasmanians to take steps to protect their interests and the interests of their families and to get a will. I think the education awareness around that is important. Can you repeat the second part of your question?

Ms WHITE - You've just told the committee that you're confident that the private sector is going to step in here and look after those 23,000 Tasmanians who currently have a will with the Public Trustee. I doubt that, but my question was, do you feel confident that the private sector will also be able to manage, with that example of 50 per cent of Tasmanians not having a will, dealing with intestacy issues relating to their estates? If the Public Trustee is not doing that, can you be confident that the private sector will?

Mr BARNETT - First of all, what I said is that there are 23,000 wills. In terms of working through those wills and what's appropriate for the Public Trustee and what's not appropriate, that'll be worked through between now and 31 March. I've made that clear in terms of wills, estates and trust advisory services and the like. So, there will be more work that will be required to design the new structure.

Ms WHITE - It wasn't your idea. You're not sure how it'll work. You're not confident the private sector is going to step in and fix it.

Dr WOODRUFF - Good summary.

Minister, as part of the restructure that you proposed, the commercial will, estate and trustee services currently provided by the Public Trustee are to be transferred to the private sector -

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Mr BARNETT - I didn't say that.

Dr WOODRUFF - I want to understand what that means. Well, there was - you said the Public Trustee will be restructured, with the commercial real estate and trustee services currently provided to be transferred to the private sector.

Mr BARNETT - What I've indicated -

Dr WOODRUFF - Can I ask my question? They're your words in your media release.

Mr BARNETT - You ask your question and I'll answer.

Dr WOODRUFF - These services are already commercially offered in Tasmania, so is it your intention to have a provider that selected for a subsidised service?

Mr BARNETT - Thank you for the question. Appreciate the question. So, I won't be verbalised in terms of my response. I have made it clear as to the status quo in terms of the 23 odd 1000 wills that are held by the Public Trustee in terms of the government working through the relevant arrangements for those clients. That will be part of the detailed planning between now and 31 March in terms of the restructure. So, let's be very clear about that. No decision has been made. There's no knee-jerk response. Those clients will be kept fully informed in terms of any changes that may or may not occur and any of those changes - I'd expect those changes to be absolutely consistent broadly with this report - that we will only do what's in their best interests of the vulnerable Tasmanians.

We want to ensure that quality services and the appropriate cost to the Tasmanian community is available. You've said yourself in your question the private sector already provides some of those, which it does. So, I have every expectation that the private sector would have an ability to step in where appropriate, depending on the plans and processes between now and 31 March

Dr WOODRUFF - To the question, are you considering - are you talking about a provider being selected to provide a government subsidised service?

Mr BARNETT - We have received the report in recent days. The government has provided a response -

Dr WOODRUFF - I thought it was due on 18 November? When did you actually receive it?

Mr BARNETT - I read it on Friday night.

Dr WOODRUFF - When did the government actually receive the report?

Mr BARNETT - Very shortly, I think it was Friday, from memory.

Dr WOODRUFF - So why did you only release it to the committee an hour ago, like that is so bad faith.

Mr BARNETT - Because the government - with the greatest respect, I have worked

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very hard to get this report released into the public arena so this committee could have it. You asked, through - the honourable member asked me last week. I said I'd use my best endeavours. I have done that.

I've got the report out in advance of this committee hearing some hours ago and with the government's initial response and as considered accordingly by the government. So, I'm pleased. I've tried very hard to get it to this committee before this hearing today. You would not be in a very happy position if it wasn't available. And I have delivered in accordance with my commitment to Ms Johnston last week and the parliament.

Dr WOODRUFF - My question is to the Chair, Ms Taylor. After 23 September, I believe as a response to the minister's announcement that the Public Trustee will be - services will be provided to the private sector. I understand that you undertook a Public Trustee restructure survey. Do you want to speak to that? Is that the case? Was there a survey undertaken of clients?

Ms TAYLOR - We've had a whole range of surveys undertaken with clients, yes.

Dr WOODRUFF - In relation to the restructure proposed?

Mr KENNEDY - Yes, we have regular surveys that we're doing all the time with our clients. This one's obviously a sensitive one because we don't want to - whilst there's a lot of review and decisions still to be made, we didn't want to cause concern with our client base. It's really important that we understand level of awareness, if there are any concerns to help inform future communications with our clients. We are talking about a very small number - 50 in each segment. We don't have the results yet, but it'll help us get an understanding of how our clients are feeling and whether they're even aware of the decision.

Dr WOODRUFF - Will you be providing that to the minister and making that publicly available?

Mr KENNEDY - Yes, full transparency.

Mr O'BYRNE - Minister, the WLF report states:

If the Public Trustee were not to service all types of clients, including commercial, there is concern that this will create a further burden on the guardianship and administration system, TASCAT and the courts, as the social educative role of the Public Trustee will also disappear, and additional Tasmanians may find themselves interacting with the system due to not having arrangements in place in advance.

Now, we know the services can be provided and are being provided by the private sector, but there is no cost management of that. Therefore, as a result of you potentially hiving off these commercial activities to the private sector, won't you just then incur further costs in the guardianship system by people having to traverse that on their own, without these things in place?

Mr BARNETT - The guardianship system is important. It's a separate role, function and service that is different to the role of the Public Trustee.

Mr O'BYRNE - But having wills in place and those commercial activities, it makes it easy, doesn't it? It makes it easy to work through those processes when those things are in place.

Mr BARNETT - What's in place already is the private sector already operating in terms of wills, estates and advice accordingly. Obviously, the Public Trustee does have an important role. As I have made mention of, there are some 23,000 wills on board. In terms of working through those arrangements, there will be detailed assessment planning that will be undertaken. It will absolutely be necessary between now and 31 March to take into account the questions or concerns that you have raised.

I think the report is actually quite comprehensive. There needs to be a thorough analysis of the report, its recommendations, reflections and findings, and we will respond to that.

Mr O'BYRNE - We know the administration of these matters by the Public Trustee is at a lower cost than what the private market will provide. The existence of the Public Trustee in this area acts as a moderator to the market. The absence of that, if you have it off - then there is a whole range of people who will lose access, by virtue of their economic circumstances, to guardianship and administration.

Mr BARNETT - I don't concur with part of your question and the fundamentals of it. I can understand where you're coming from. I made reference to the economic regulator's report back in February and the Public Trustee's response. There was clear advice that some of the costs that the Public Trustee incurred were higher, in fact, significantly higher than other jurisdictions - up to three times higher than Victoria. That depended on which services were provided.

There were reflections in that report. It was quite comprehensive. The Public Trustee indeed has responded to that, but I have made reference to it earlier in some of my remarks. I think you have to weigh all of that up to make sure that there is a clear focus on vulnerable Tasmanians or the most vulnerable Tasmanians, and that's our focus.

Ms JOHNSTON - Attorney-General, in the WLF report, it says:

The current breadth of service provision and activity of the Public Trustee cannot be reduced with restrictions on the types of clients or customers of the Public Trustee's service. The range of services and activities remain the same. Any restrictions of the clients of the Public Trustee will impact the scale only.

It goes on to talk about the problems with that in terms of capability within the Public Trustee and the need to rely on external or government agencies, and the issues with providing consistency in service standards, culture and approach. It then concludes:

The more access to the Public Trustee is restricted, the greater the reliance of the Public Trustee on government funding and the greater risk of capacity challenges due to reduction in scale, which may impact client-facing service delivery and quality across Tasmania.

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Can you guarantee that the clients of Public Trustee will not receive a lesser quality service than they currently do and will not pay more than they currently do for services?

Mr BARNETT - Thank you for the question. I think we have had a similar question in the parliament, and the short answer is that we'll do what's in the best interests of the most vulnerable Tasmanians. That's our priority. I think I made reference earlier to the community service obligation, which has increased under the recent budget, some 75 per cent for the 2024-25 year in terms of the CSO. That's an indicator of the government's commitment to vulnerable Tasmanians.

You are aware - and feel free to ask the Public Trustee themselves in terms of at least some past experience of cross-subsidisation from one side to the other. The focus, as I say, should be on the most vulnerable Tasmanians. We have an expectation that those services for the most vulnerable Tasmanians will continue or be improved.

Ms JOHNSTON - Just to be clear, you're saying that it's in the best interest of vulnerable Tasmanians to receive the same quality of service that they receive from the Public Trustee now in the future and that they will pay no more than what they are currently paying? That's in the best interest?

Mr BARNETT - I'm not going to pre-empt what we'll deliver by 31 March, but we are motivated by doing what's in the best interest of the most vulnerable Tasmanians. That's another reason we've got the increased CSO this last 12 months, at the 12 September budget, so that remains our motivation.

Ms JOHNSTON - How did you define 'most vulnerable Tasmanians'?

CHAIR - Ms White.

Ms WHITE - Are you pleased with the reforms the Public Trustee has progressed in recent years?

Mr BARNETT - Yes.

Ms WHITE - Do you have confidence in the current board and CEO?

Mr BARNETT - Yes.

Ms WHITE - Do you have confidence in their ability to continue to implement the reforms, recommendations that they have before them?

Mr BARNETT - The report which has been delivered today makes it clear that there's a statutory authority, standalone or within government, that's a different role than a government business enterprise.

Ms WHITE - Perhaps I could be clearer in my question. The Bugg review and the OTTER review, do you have confidence in their ability to implement those recommendations?

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Mr BARNETT - I think they and the government already have implemented the Bugg review recommendations. As the member for Franklin said earlier, the Economic Regulator's report, I think it's a work in progress.

They've already implemented a range of reforms which I made reference to earlier today, for which I'm very grateful.

Ms WHITE - Have you received complaints from community sector organisations or members of the community about the performance of the Public Trustee in recent years?

Mr BARNETT - I get feedback from time to time on the Public Trustee and, obviously, other government services. The feedback in terms of criticisms has decreased massively over recent years. It is as a result, in my view, of reforms that the government's supported and the Public Trustee has implemented, for which I'm very grateful.

Ms WHITE - Given those answers, why don't you trust them to continue operating as they have been in recent years, providing services to vulnerable Tasmanians? It appears you are satisfied and you have confidence in them to do that. I am struggling to understand why you are planning to cause such enormous disruption.

Mr BARNETT - It's made very clear that our motivation is for the most vulnerable Tasmanians. We want to ensure that their services and services for that group of Tasmanians is improved wherever possible.

The report that's been delivered today is very important. It is credible, comprehensive, thorough. It makes recommendations in terms of either a statutory authority within government or standalone. I've always been a minister and a member of parliament that supports continuous improvement, and that remains the case today.

Ms WHITE - Do you always take advice without thinking for yourself?

Mr BARNETT - From time to time. Obviously, I always want to try and do the best that I can. I realise I'm not perfect and make mistakes from time to time. Hopefully, all of those around this table might be in the same boat, but I'll speak for myself.

Mr O'BYRNE - You can go and work for TasPorts, mate.

Dr WOODRUFF - Following on from Ms White's questions, none of what we've heard makes sense to us. I want to dig into what I think the real issue is, which is the money. I suppose it's a fair assessment to say those of us on this side of the table think this is a Treasury-inspired restructure. The Bugg review recommendation 4.3 says:

The Attorney-General and Treasurer fully fund the Public Trustee's net avoidable costs of service provision in the next CSO agreement, with funding escalation to reflect demand growth.

You only supported that in principle. You fully funded the Public Trustee for the 2022-23 budget, and then you said:

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An ongoing funding will be reviewed in the context of implementation of review recommendations.

With the hindsight of where we are today, I can see that what you were doing was already setting the scene for a move to privatising then.

I would like some clarity on the CSO obligations. I've heard the Premier say that there's been a 75 per cent increase in the CSO. I can also see, on page 46 of the annual report, that the CSO received this year was \$3.389 million. Chair, I understood - and I'm not sure if you can confirm that the actual quantum of community service obligation provided by the Public Trustee in that year was close to \$6.8 million. Can you please talk about that? Can you also talk about why the government has, I think, not funded at least 50 per cent of the community service obligation, if that is true?

Ms TAYLOR - There has been a shortfall in the community service obligations for many years now. That resulted in ongoing deficits at the Public Trustee. So, we have made representation to the government over several years, and you could see that the Bugg review also picked up that view. Also, if we grew the commercial services of the Public Trustee, that lessens our reliance on the CSO obligations, and we can subsidise it, defrays the cost of the CSO obligations if we can then subsidise that with commercial activity. But that's a bit of an aside.

So, for this budget -

Mr O'BYRNE - Pretty fundamental aside.

Dr WOODRUFF - Yeah. We need this on the record.

Ms TAYLOR - I know, but I wanted to just make that clear around that the services of the Public Trustee are interdependent, you know. We don't have CSO clients sitting here and, you know, wills and trusts, et cetera, and estates that are separate. It's all, obviously, around the balance sheet and the investment portfolio that we have around that balance sheet.

Our view is that for this year and next year, we will be fully funded around the CSO agreement. The CSO funding in the forward Estimates is \$6.5 million. Because at this stage of the year, we're just putting in our forward estimates for the financial year, I'm happy to report that they went to Treasury last week. We're expecting a modest - but about a \$500,000 surplus for the Public Trustee at the end of this financial year.

Dr WOODRUFF - Thank you. Just to clarify, the \$2.577 million loss recorded for this year -

Ms TAYLOR - Correct.

Dr WOODRUFF - is because you weren't fully funded for the community service obligations you needed to meet in this year, the actual CSOs you provided?

Ms TAYLOR - Well, that was some of it. Also, we fulfilled our obligations under the Bugg review in terms of reducing caseloads from 150 to 50 - that's been one of our critical success factors, because the government did accept the report in full and said they would

support us around that. We concentrated on clients for the first two years because of the feedback that the community were giving the government and the Public Trustee around the treatment of clients through the Public Trustee. Then, of course, we've got a whole range of legacy issues, and finances, and our systems are part of that. So yes, some of that is a shortfall in CSO; some of it is the extra expenditure around our cohort of staff, staffing.

However, as I said, we've gone from a \$2.5 million deficit in one year, and because of our management and favourable markets and the efficiencies we've actually put in place in the Public Trustee over the last couple of years, and this is the board's area of focus now, not that we're forgetting clients, but we think it's best practice that we've implemented over the last few years and now we have our next whole set of challenges. From a \$2.5 million deficit in one year we will be posting a surplus this financial year. The CSO funding contributes to that and we're grateful, however a lot of our strategy and the board's future endeavours around growing the commercial services of the Public Trustee adds to that surplus.

Dr WOODRUFF - Is it then your view that any restructure that's being proposed would have a pretty devastating impact on the business management side of things that the board is proposing, which is leading it into a more efficient way of operating and better able to bring in some money so that it's more of an even balance in terms of operating services that can be charged for and services that are provided free for people who need them, or subsidised?

Ms TAYLOR - Yes. I would refer you to our media release we put out today.

Dr WOODRUFF - Yes, it did say that.

Ms TAYLOR - I'm sorry that you don't have the board's submission to the review, which I thought you would have, but it's on our website and goes into some detail. Even the WLF review raises the issue of scale, so that needs to be unpacked because there will be a tipping point where you can't defray costs because we obviously have some fixed costs, so where scale comes into the equation will be something that needs to be examined. At some point, of course, costs will go up if the scale isn't there.

Mr O'BYRNE - This is a follow-on question from Dr Woodruff's to the chair, or maybe the CEO can answer. A statutory authority or GBE, whatever, although we will debate it, no doubt, in parliament if it gets that far. It's pretty clear the motivations are to hive off some of the work of the Public Trustee to the private sector. As a board going through the last few months, you would have considered all the options and started to talk about what kind of things would happen. Could you give the committee an example of some of the decisions that you will need to make if that does occur, if that revenue element of the work that you do is either removed or diminished? What kind of things will you need to do, so that we know as a committee the impact of this decision?

Ms TAYLOR - From our point of view, when we looked at our submission to the review, we were aware of the scope of the terms of reference, obviously, however the board took a decision to put the clients first and that's what we'll do right through this process. I will say that upfront. The benefit of Tasmanians is at the forefront of our mind as well, but what we looked at was a comprehensive view of how we could deliver Public Trustee services in Tasmania.

We came down with our views about what the benefits are of the current model we work under, and we didn't start with the situation of saying, 'Well, that's the status quo and we'll keep

it'. An organisation like ours is a bit of a different sort of situation to maybe other GBEs where we have a public obligation and a public service to those in the community who don't have the ability to manage their own affairs or don't have the resources to go to the private sector for wills and estate planning. We are there for all Tasmanians. On the other hand, we also have an investment portfolio which needs to be managed and is commercial as is any investment portfolio of client funds, obviously, and then client assets; real estate, superannuation, workers compensation, a whole range of balance sheets.

I am probably answering your question in reverse about not what we have to give up, but what the benefits are, I suppose, and then the skill sets that sit around the table that we have on a board like ours, which are quite varied in terms of the obligations of the Public Trustee at the moment.

What would we have to give up? At some point, you would get to a scale point, especially if costs start to increase. If we lose, as we did a couple of years ago, a number of people moving away from the Public Trustee because they weren't confident in the services, we would reduce staff and then of course caseloads would go back up again. We are very conscious of the fact that we have set expectations now and trust in the community and if caseloads start to move up again -

Mr O'BYRNE - You could be back to square one and there'll be another Bugg review in five years.

Ms TAYLOR - There may be, but those are the sorts of things we have considered, yes.

Ms JOHNSTON - Following on from that line of questioning, was the board's submission to the WLF review process that you were concerned that the significant gains you have made over the last few years would be lost under a restructure process and that those improvements in client outcomes - we are talking about the most vulnerable Tasmanians, as the Attorney-General keeps referring to - and service delivery would be lost or at risk?

Ms TAYLOR - No. To qualify that, I should be clear that under a whole range of structures you can still deliver very good quality client services. The client will always be at the centre of our work around any restructure, so it was not that so much, more the scale issue, not the structure issue.

Ms JOHNSTON - That goes directly to the case management load and things like that in terms of scale. Is that right?

Ms TAYLOR - Yes, like what is a core service and how is that going to be defined? At some stage, there would be a scale issue. We're not saying other structures wouldn't work for clients.

Ms WHITE - I have a question about what's a core service. The GBE act does define core business. Minister, is it your expectation that the Public Trustee will continue to deliver those core business elements, or as you have suggested today, some of those things will be privatised? For instance - I presume you have a copy of this -

Provide the general community access to trusted advice and services in relation to Trustee services, including wills, estate administration, trust

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management and powers of attorney; administer estates and trusts, irrespective of their value. [TBC]

That is the core business currently of the Public Trustee. You are potentially privatising those functions. What would you expect the Public Trustee to continue to do?

Mr BARNETT - Thank you for the question. The first thing is to review, analyse and assess carefully the WLF report, act on that and deliver by 31 March an option we think is in the best interests of the most vulnerable under a statutory authority within government or standalone, as per those two options that have been recommended. I'm just picking up on a point that you have made there and perhaps made reference to in terms of commercial services. I think the chair has touched on it in terms of an objective to grow those commercial services. That is an area of concern to the government. We want to focus on the most vulnerable rather than providing services by the Public Trustee into the commercial, private space to grow those commercial services. That's why we think this revised structure, this different structure other than the GBE, is a better way to go.

Ms WHITE - Why should the Public Trustee stop providing those commercial services, particularly as the Tasmanian population ages? We do have a poor demographic, generally speaking, who more likely would be the types of clients the Public Trustee could support. Why shouldn't they offer those types of commercial services?

Mr BARNETT - I think that's the sort of analysis that will be undertaken reviewing the WLF report. We need to not make a knee-jerk response. We do need to consider it carefully between now and 31 March. Again, the objective of growing those commercial services just to provide the cross subsidy - I'm not sure that that's in the best interests of the most vulnerable.

We have provided funding in the Budget for the community service obligation, which has increased significantly this financial year, as I mentioned earlier. There's more work to do. We're going to get to 31 March. I hope to be in a position to then outline the full roles, functions and responsibilities of that preferred model, and obviously communicate that directly with members of parliament and others.

Ms WHITE - Won't giving away the profitable parts of the Public Trustee or privatising them create another burden for the state government's budget, because you're going to have to continue to subsidise, arguably at an increased rate, at a time when the budget is in a complete mess?

Dr WOODRUFF - Just reduce the criteria for who they give it to.

Mr BARNETT - Well, look, a one-dimensional approach is not what I'm suggesting; I've just used that as an example. There's a whole range of examples that have been touched on in the WLF report, which needs to be carefully considered.

The chair mentioned just a few moments ago the merit of growing the commercial services, and that's really, I think, a point that I'm just trying to make as respectfully as possible - that we need to focus on the most vulnerable Tasmanians and the services for them, and leave the private sector to be able to provide commercial services going forward, but that needs to be carefully worked through.

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You raised some good questions about making sure that their interests are protected and their legal rights are protected, and I think the honourable member for Clark asked a number of questions in that space earlier. They'll all have to be carefully considered as we deliver that report by the end of March.

Ms WHITE - Have you received any advice from Treasury about what value they estimate those commercial elements of the Public Trustee are worth?

Mr BARNETT - No. Treasury has provided advice, I'm aware, post the Bugg review and then the economic regulator report, and I also received advice from Treasury and indeed from the Department of Justice since I've been Attorney-General. That advice has been taken on in the consideration of this report and today's response to it.

Dr WOODRUFF - I'm struggling to understand - minister, correct me if I'm wrong - but Alicia Leis, who did the WLF review, was directed not to talk to the reference group, not to speak with TasCOSS, not to speak with Anglicare, not to speak with Baptcare, not to speak with the community, the health consumers advocate and all the other organisations who would provide such important views on any restructuring of the Public Trustee.

Is that true, and if so, why was that not allowed? Why was she directed not to speak with those people, and indeed not to speak with anyone in the Public Trustee's staff or clients to seek -

Mr BARNETT - Thank you for the question. Just to be clear, my understanding all along was that WLF was able to meet with or consult with the Public Trustee -

Dr WOODRUFF - The board and the CEO, but that's all. Not the staff or the -

CHAIR - Please, Dr Woodruff.

Mr BARNETT - I'm just making the point that my understanding and clear expectations was that the WLF was entitled to meet with the Public Trustee and I think we really appreciated the involvement, consultation, the feedback from the Public Trustee. But please, I'm more than happy for the chair or the CEO to respond accordingly.

The second point, which is your main point - yeah, well, the earlier part of your question related to other entities for which I'm very grateful for their role and advocacy in the community sector. It is very important, but the terms of reference were quite clear in terms of providing what's best for the most vulnerable and specifically in terms of the structure as to whether obviously the relevance of the GBE structure was a key focus. So, that terms of reference, I think, was reasonably clear and it was a reasonably short, you know, it wasn't a many, many months. I think it was a reasonably short approach in terms of making that assessment because you'd already had two reviews, you know. The Bugg review, it was very comprehensive, lots of input from all key stakeholders, and then of course the Economic Regulator's more focused on the financials.

Dr WOODRUFF - Were they told or not? Was she told to not speak to those people?

Mr BARNETT - I don't know what she was told specifically.

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Dr WOODRUFF - Well, would you be concerned if she had been told that?

Mr BARNETT - Well, WLF had a job to do in a short amount of time and that was to respond to the terms of reference. And so that's -

Dr WOODRUFF - This is a job which is about restructuring -

CHAIR - Dr Woodruff, again, please don't inter - Dr Woodruff. Allow the minister to finish answering the question and then I'll move to Ms Johnston.

Mr BARNETT - Look, I'm not advised of any direction from my department. So, that's all I can advise. There's a terms of reference that the WLF responded to.

Ms JOHNSTON - Thank you, Chair. Attorney-General, now the head and you said that there was a very short amount of time for the WLF review. The announcement to have the review was a bit of a blind side to the Board of Public Trustee. The review time didn't allow time to speak with the stakeholder reference group and likely, from Dr Woodruff's question, other important stakeholders weren't contacted for their feedback either and there was no time to answer significant questions that have been raised in the WLF report and there are a number of those - I spoke about those earlier - moving forward then before 31 March, how will you ensure that the Public Trustee, the board, the staff, the CEO, the clients, the stakeholder reference group and that important list of stakeholders external to the Public Trustee that Dr Woodruff referred to earlier will be engaged with and their views and opinions around any restructure will be heard and sought?

Mr BARNETT - Thank you for the question. I really appreciate that. I can absolutely give you an assurance that there will be a full consultation ongoing with the Public Trustee by my government and secondly with the stakeholder reference group that's been referred to. Absolutely there will be consultation with them on the proposal or proposals and options related thereto and their feedback will be sought and gained.

Ms JOHNSTON - External ones as well that I referred to before?

Mr BARNETT - I have an expectation there'd be an opportunity to provide feedback. The nature of that I will take advice on. But certainly in terms of the reference group, I can provide you an assurance of consultation with them and they provide good input and likewise with the Public Trustee. But in terms of the focus going forward, obviously we want to get to a position that we can land - that it's going to be obviously best practice and focuses on the most vulnerable.

Ms JOHNSTON - Does that mean there'll be a discussion paper coming out? Or how are people being engaged in that process?

Mr BARNETT - I'll have to take that on notice.

Mr O'BYRNE - Thank you, Chair. Minister, this is probably my last swing at bat on this one.

It wasn't that long ago the entire community was outraged by some of the stories that we were hearing about how the Public Trustee treated some of our most vulnerable people. I

know you were moved by those stories. And the Bugg review was overwhelmingly endorsed by all. The government time and time again thanked Mr Bugg for his work. He's recommended a GBE, by the way. The Public Trustee has restored significant faith in a very short period of time with good, solid leadership. I know you and I know members at this table have received feedback from people about their experiences with Public Trustee at their most vulnerable times. It's very clear, minister, along this table, that the numbers are not there for this. This is not supported. The Public Trustee has released a statement, unusually in these times, saying they do not support this change. Minister, on the probability that this doesn't get through parliament, what's plan B?

Mr BARNETT - Let me give you a very clear view of the government, and that is that we accept this report. We've received it and have responded to it in accordance with my release today. I take it very seriously. We are putting the most vulnerable Tasmanians as our top priority. It's given advice with respect to two options: a statutory authority within government or a standalone. I take it very seriously.

We'll review and analyse that report, and I hope, following consultation with the reference group and with the Public Trustee in the weeks and months ahead, to come back by the end of March, and I want to be in a position to convince you and your colleagues in the parliament of the merit of what I will deliver by 31 March. I will use my best endeavours to ensure that that's not only in the best interests of the most vulnerable Tasmanians, but will deliver best practice for Tasmania.

You are right. We have come a long way from what - five to 10 years ago. We've come a long way, and that's a good thing. We can all agree on that, and I appreciate your observations accordingly, which I have said before. We have come a long way. I've passed on my thanks and acknowledgement to the board, to the CEO, but there's always more to do, and in this case, I'm going to deliver a report and recommendations by the end of March, and I'm going to be in a position to use my best endeavours to convince you and others around this table and in the public arena of the initiative that we will deliver, which will be even better than what we have currently and will be in the best interests of the most vulnerable Tasmanians.

Mr O'BYRNE - I take that at face value, minister, but there is an option open to you, because this is just advice. This is advice to you. You have a decision not on the two options put forward, but on a number of options, including maintaining the support for the current structure.

Mr BARNETT - I've responded already quite comprehensively, and I stand by what I've said today and what I've just said now. We're going to deliver a report and advice by the 31 March, and I'm convinced of that and the merit of it, and I'm going to use my best endeavours to convince you and others of the merit of that and proceed accordingly.

Ms WHITE - Attorney-General, I want to go back to the question asked around whether you have an assessment of the valuation of the commercial elements of the Public Trustee. This is me trying to understand what the motivation is for this. Setting aside the WLF report, because that was commissioned after you made a decision - so please don't use that as justification - I want to understand, prior to the budget Estimates hearing where you made this announcement, what advice did you receive about what the potential value might be to the government if they privatised these elements of the Public Trustee? There must be some financial benefit to Treasury for them to be so interested.

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Mr BARNETT - Thank you for the question. I know there's a focus on Treasury, but I refer you to not just the Bugg review, but the economic regulator's review in February. It was quite compelling in terms of its reflections on the Public Trustee and how it was operating, and comparisons to interstate jurisdictions and so on. There needed to be a response. The Public Trustee did respond. They provided a report.

Ms WHITE - You said you were very happy with that response.

Mr BARNETT - Well, yes and no. It responded at least in part to many of the recommendations of the economic regulator, but not in full, so there were other areas of that report which highlighted, as I say, the discrepancy between Tasmania and other jurisdictions and highlighted the commercial part of the Public Trustee. That's really the point that I've been making, that that's specifically relevant, and that has and can be provided by the private sector.

The question is: to what degree can or should that occur? The chair referred earlier to increasing or growing the commercial activities of the Public Trustee to provide that support across on the other side. I can see, at least from the board's point of view, some merit in that, but there is a bigger picture here, and that is putting the interests of the most vulnerable first. That is why we have the CSO in place. That is why we are trying to get a structure that is designed to deliver what's best for our most vulnerable Tasmanians. We are very committed to delivering on that. That's what we are going to do.

Ms WHITE - You haven't answered my question. What advice have you received about what the value is to the Tasmanian government if you sell those commercial elements of the Public Trustee? What's it worth to you?

Mr BARNETT - I haven't got those particular pieces of advice in front of me -

Ms WHITE - Have you received any advice?

Mr BARNETT - I've received a lot of advice.

Ms WHITE - Can I please put a question on notice to seek that advice?

Mr BARNETT - Be specific if you can.

Ms WHITE - Yes, I am happy to be. What advice have you received about what the sale of the commercial elements of the Public Trustee is worth?

Mr BARNETT - I will attempt to take that on notice, if that is what you would like.

Ms WHITE - Yes, thank you.

Dr WOODRUFF - Minister, section 7(3) of the GBE Act allows the shareholder minister to request of the Treasurer to exempt a GBE of the requirement to provide a sustainable commercial rate of return. If this is such a problem, that the GBE structure is, as you say, an inappropriate structure - that is not what Damian Bugg found; that is not what the Office of the Economic Regulator found - why haven't you made such a request? Given it's a solution to one

of the purported justifications you have put up for this restructure, why didn't you consider doing that?

Mr BARNETT - There's a range of reasons for the WLF report. I think that was outlined in September, publicly and in other forums. A terms of reference was designed and then settled and agreed to. That report is being delivered today. It's very comprehensive; it's thorough. I haven't got the number of pages in front of me, but it is very lengthy. We'll just have to read and review and analyse that very carefully.

It does make a recommendation to not support a GBE structure. It does recommend the statutory authority - those two options that I have referred to. It makes a whole range of other reflections and findings as well. All those findings and reflections will need to be considered before we respond by 31 March. If I said we would respond by 31 December, you would say, 'Oh, that is knee-jerk; too quick'. We are going to do a measured response. We'll be very carefully considered. I'll come back to you and others in the parliament and publicly and outline all the reasons why we have delivered that new structure, with the focus on delivering what's in the best interests of the most vulnerable Tasmanians.

Dr WOODRUFF - In your 23 September media release, you misused the Bugg review recommendation and the finding of the economic regulator as a justification for restructuring the Public Trustee. You said that there were competing tensions between maximising revenue and protecting the interests of the vulnerable clients of the Public Trustee. This was before the review was done. You made that announcement. You already asserted that there were problems with the GBE structure. You said it then.

Back to my question, the GBE Act provides you, as the shareholder minister, the opportunity to exempt the Public Trustee from what you say is a competing tension. We beg to disagree, but it provides you that option. Why didn't you take it up?

Mr BARNETT - My point in the September release that you are referring to was that there has been and there is competing tension between the different parts of the Public Trustee.

Dr WOODRUFF - But there's not a tension; they're just two different things that are operating, as we've heard from the chair.

Mr BARNETT - They're competing objectives. There's an overarching objective, which I think we all agree with. In terms of the private sector providing many of those services already, and we've already talked about one in two Tasmanians have a will. We need more Tasmanians to step forward and look after themselves and their families. So, there are - and in terms of those cross subsidies, that's what I was referring to in the September statement that you've referred to.

Ms JOHNSTON - Attorney-General, this whole entire process in this report seems to be a solution looking for a problem. You seem to have wholeheartedly rejected the notion that you think there's a problem around the commercial aspects of the Public Trustee, but keep referring to 'the most vulnerable Tasmanians' and wanting to 'look out for the most vulnerable Tasmanians'. Is it your view, then, that the most vulnerable Tasmanians are poorly serviced by the Public Trustee now? Is that what you're trying to fix? Is that what you're insinuating? That the most vulnerable Tasmanians aren't being well-served by the Public Trustee? Is that the motivation?

Mr BARNETT - Thank you for that question. I didn't say that, but I can understand the question - but no, absolutely I did not say that.

What I did say is that we need to focus on putting the most vulnerable Tasmanians first, and there has been and still is a focus on at least the commercial side, which the private sector can step into and provide some services in that space, and then providing potential cross-subsidies. That's just part of the concerns that have been raised in previous reports, particularly the second report by the Economic Regulator.

Ms JOHNSTON - So what's the problem we're trying to fix?

Mr BARNETT - Well, you can see that in terms of the commercial side where the private sector can operate -

Ms JOHNSTON - But you can exempt them under the act.

Mr BARNETT - That's a different question. I beg to differ; that's a different question.

Ms JOHNSTON - I'm trying to understand what the problem is that you're trying to fix here. Is it the most vulnerable Tasmanians aren't being serviced well, or is it a commercial issue?

Mr BARNETT - No, I think you're probably misrepresenting me there, if you don't mind me saying. I've made it clear that the most vulnerable Tasmanians are our priority. That remains the case and that is this new structure and this new approach. We will review the report and we will deliver by 31 March accordingly.

Look, there's a whole range of reasons for that. The report obviously outlines much of the concerns, findings, reflections, and will respond -

CHAIR - The time being 5 p.m., the time for scrutiny of this particular GBE has expired. I thank everybody for their attendance.

The witnesses withdrew.

The Committee suspended at 5.00 p.m.